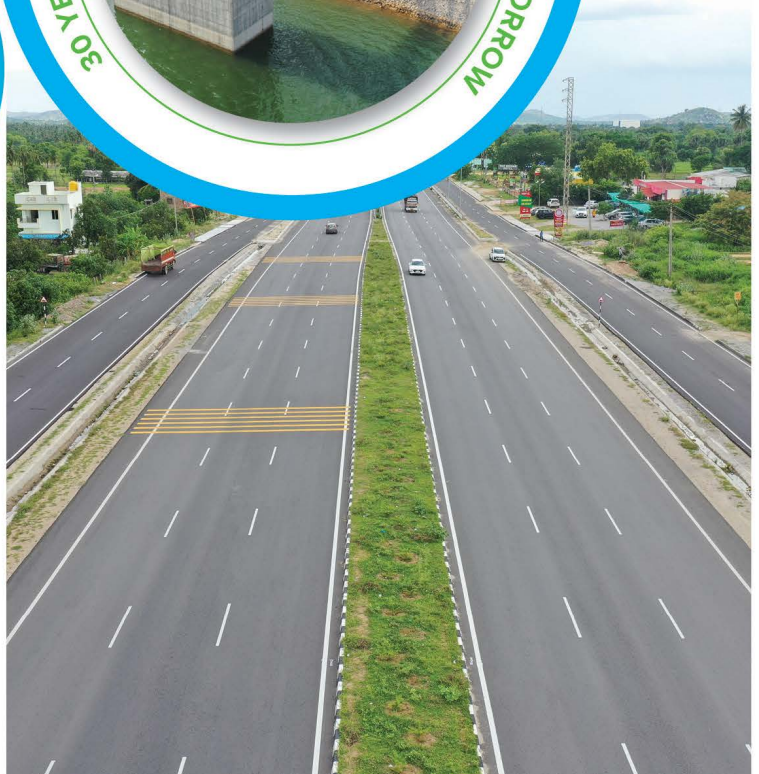




KNR Constructions Limited  
Annual Report **2024-25**



# 3



# Across the Pages

## CORPORATE OVERVIEW

|                                                         |    |
|---------------------------------------------------------|----|
| About KNRCL                                             | 02 |
| Infrastructure Solutions                                | 04 |
| Message from the Founder Promoter and Managing Director | 06 |
| Message from the Promoter and Executive Director        | 08 |
| Journey and Milestones                                  | 10 |
| Key Highlights                                          | 12 |
| Geographical Presence                                   | 13 |
| Project Execution Capabilities                          | 14 |
| Financial Highlights                                    | 16 |
| Order Book Highlights                                   | 18 |
| In-House Construction Equipment and Execution Team      | 20 |
| Host of Marquee Clients                                 | 22 |
| CSR                                                     | 23 |
| Governance                                              | 24 |

## STATUTORY REPORTS

|                                                 |     |
|-------------------------------------------------|-----|
| Management Discussion and Analysis              | 25  |
| Corporate Information                           | 32  |
| Notice                                          | 33  |
| Director's Report                               | 49  |
| Business Responsibility & Sustainability Report | 82  |
| Report on Corporate Governance                  | 119 |

## FINANCIAL STATEMENTS

|                                   |     |
|-----------------------------------|-----|
| Standalone Financial Statements   | 146 |
| Consolidated Financial Statements | 224 |



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For more investor-related information, please visit:  
<http://www.knrcl.com/investors.html>

### Disclaimer

This document contains statements about expected future events and financials of KNR Constructions Limited ('KNRCL' or 'The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



Infrastructure is the foundation upon which every modern economy is built. It connects regions, drives commerce, enables access to essential resources, and shapes the quality of life for millions. Over the past three decades, India's growth has been intertwined with the relentless development of roads, irrigation networks, and urban systems that transform ambition into reality.

For three decades, KNR Constructions Limited has shaped the very contours of progress in India. From the first stretch of road it built to the expansive networks of highways, irrigation systems, and urban infrastructure that now bear its name, every milestone reflects a rare blend of precision, foresight, and enduring value creation.

This journey has not been defined by speed alone but by the quiet discipline of doing things right. Each project, whether it delivers lifelines that bring water to arid farmlands or creates seamless corridors that redefine urban mobility, has been delivered with a standard of excellence that has earned KNRCL the trust of its partners and the respect of an entire sector.

Today, as KNRCL marks 30 years of purposeful growth, it does so not by looking back, but by looking ahead. The Company is poised to play a pivotal role in writing the next chapter of India's development story.

## About KNRCL

# 30 YEARS OF BUILDING WITH PURPOSE

**KNR Constructions Limited ('KNRCL' or 'the Company'), headquartered in Hyderabad, proudly marks 30 years since its inception in 1995. This milestone reflects a journey defined by disciplined execution, technical excellence, and value-driven infrastructure development. Over the past three decades, KNRCL has evolved into one of the leading providers of Engineering, Procurement, and Construction (EPC) services in India, with a strong track record of timely delivery and high-quality outcomes across diverse and challenging projects.**

The Company's journey gained early momentum in 1997 with the strategic acquisition of the assets of M/s K. Narasimha Reddy & Co., a move that significantly strengthened its execution capabilities and expanded its operational scale. Today, KNRCL is recognised as a trusted partner in India's infrastructure sector, delivering transformative projects in highways, flyovers, bridges, irrigation, urban water management, and urban development.

KNRCL's core strength lies in its ability to provide end-to-end EPC services across the project lifecycle. The Company has successfully executed more than 9,100 lane kilometres of road projects across 12 Indian states, establishing a strong track record of reliability and technical excellence.

The Company also distinguishes itself through its ability to secure, deliver, and oversee medium- to large-scale infrastructure projects across diverse geographies and challenging terrains. This capability is driven by an experienced management team, a skilled workforce, and a decentralised governance framework that fosters agility and timely decision-making. Supported by prudent financial management, enduring client partnerships, and adaptive project management practices, KNRCL has strengthened its position as a partner of choice in India's infrastructure development journey.

## Strong Order Book

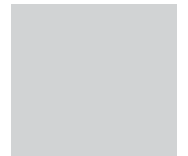
**₹ 50,518** Mn  
As on March 31, 2025



**₹ 25,611** Mn  
Roads Sector



**₹ 24,907** Mn  
Irrigation and Pipeline Sector



## 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 resource.



## Mission

We would aim to add more business verticals to the organisation in the fields of construction of Elevated Metro Rail and Railway Projects.



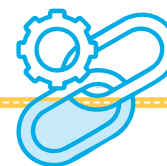
## Strengths

Proven track record of timely and successful project execution

Repeat business from established clientele

Strong client base and supply chain expertise

Skilled workforce led by an experienced management team



## Business Strategy

Sustain performance in core segments and capitalise on infrastructure investments

Focus on EPC projects with high engineering complexity

Strengthen execution capabilities through experienced teams

Explore strategic joint ventures to enhance growth and resource sharing

## Infrastructure Solutions

# BUILDING PATHWAYS TO PROGRESS

The Company's infrastructure solutions span sectors that are critical to India's progress, from enhancing connectivity and agricultural efficiency to advancing urban infrastructure and quality of life. KNRCL remains focused on delivering projects with significant technical sophistication, uncompromising quality, and tangible sustainability outcomes.

### BOT/HAM Project Snapshot

**9,100 +**  
Lane Kilometres Executed

**12**  
States Covered across India

**10**  
Projects

**2** Annuity-based

**8** HAM-based

**₹ 96,188** Mn  
Total Bid Project Cost for 8 HAM projects





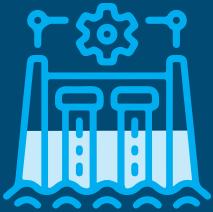
## Our Portfolio

### Roads and Highways



KNRCL continues to hold a leadership position in the roads and highways segment, having successfully executed over 9,100 lane kilometres of road projects across 12 Indian states. The Company's portfolio comprises a well-balanced mix of BOT (Build-Operate-Transfer), HAM (Hybrid Annuity Model), and EPC (Engineering, Procurement, and Construction) projects. These include national and state highways, flyovers, and expressways, playing a vital role in strengthening India's surface transport network and improving regional connectivity.

### Irrigation and Urban Water Infrastructure Management



KNRCL's irrigation and water infrastructure projects play a vital role in improving water availability and agricultural productivity. The Company has delivered large-scale pump houses, canal systems, lift irrigation schemes, and reservoirs. In addition, KNRCL has developed and managed urban water supply and sanitation systems, which are critical to enabling sustainable urban living and strengthening public health outcomes.

### Urban Development



In the urban development segment, KNRCL is engaged in building essential civic amenities, city road maintenance and flyovers and bridges in urban areas. These projects are characterised by quality, efficiency, and adaptability, often executed within challenging geographies and timelines. Through this, the Company continues to play a key role in shaping India's urban landscape.

## Message from the Founder Promoter and Managing Director

# 30 YEARS OF ENGINEERING A BETTER TOMORROW FOR INDIA

Dear Shareholders,

It is with great pride and a deep sense of purpose that I write to you at this landmark moment as KNR Constructions completes 30 years since its inception. For me, this is not just an anniversary but a personal milestone. I connect with you today not only as the Founder Promoter and Managing Director, but as someone who has witnessed and shaped every stage of our evolution. What began as a modest venture has grown into a dynamic, future-focussed enterprise renowned for its precise execution and unwavering commitment to principled operations.

This letter serves as both a reflection on our journey and a forward-looking note on how we are creating long-term value with discipline and intent.

### Navigating a Changing Landscape

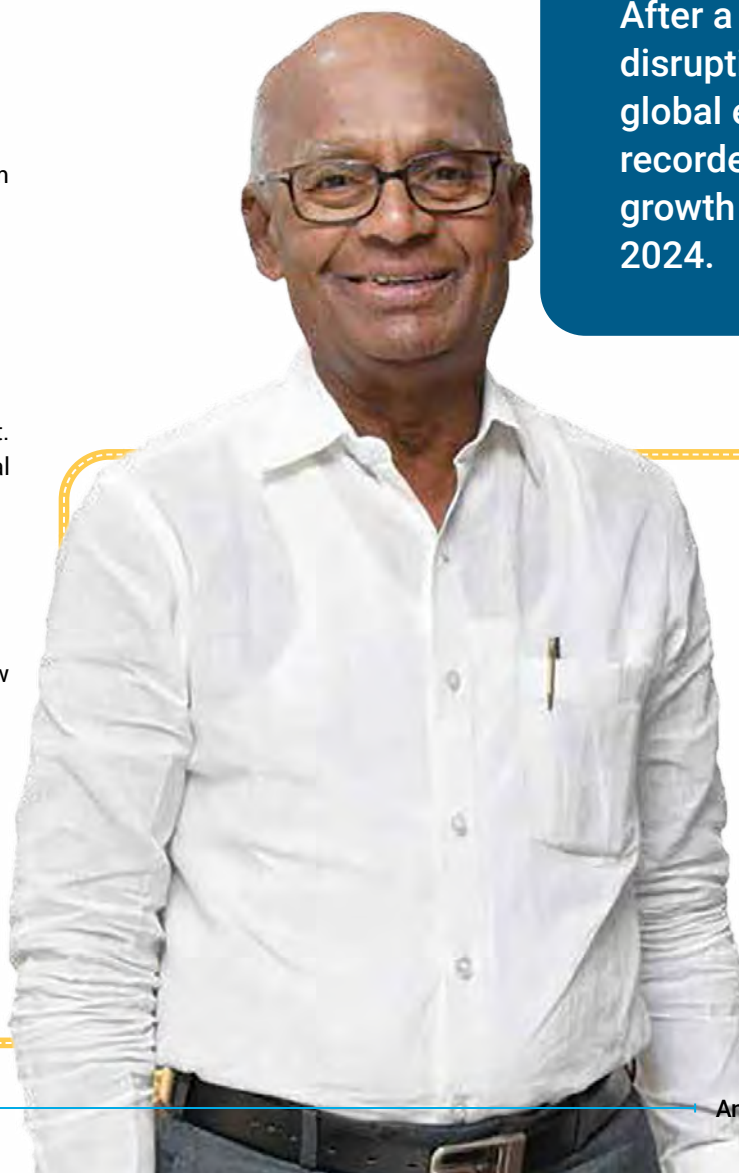
As we enter this new chapter, we do so with a clear understanding of the evolving macroeconomic environment. After a period of disruptions, the global economy recorded modest growth of 3.3% in 2024. However, the outlook remains cautious. According to the IMF's April 2025 World Economic Outlook, global growth is expected to decline to 2.8% in 2025, which is below the pre-pandemic average of 3.7% seen between 2000 and 2019.

Several persistent headwinds such as geopolitical tensions, protectionist

trade policies, and inflation continue to shape a more complex global business environment. While these challenges are formidable, infrastructure continues to serve as a key lever of stability and long-term recovery. Around the world and specifically in India, the demand for resilient, inclusive, and sustainable infrastructure is intensifying. KNRCL is well positioned to meet this demand, not merely as a participant, but as a



As we enter this new chapter, we do so with a clear understanding of the evolving macroeconomic environment. After a period of disruptions, the global economy recorded modest growth of 3.3% in 2024.



trusted partner with proven capability in delivering infrastructure solutions.

### India's Infrastructure Moment

While global growth is moderating, India continues to chart a robust path through its infrastructure-led development strategy. The government's sustained focus on infrastructure through programmes like the National Infrastructure Pipeline, PM Gati Shakti, Bharatmala, Sagarmala, Jal Jeevan Mission, Smart Cities Mission, and UDAN has laid a strong foundation for long-term economic transformation. The Union Budget 2025-26 further reinforced this with a capital expenditure outlay of 11.2 Lakh Crores, reflecting a 10.1% increase over the revised estimate for the previous year.

This policy momentum is complemented by structural growth drivers such as rapid urbanisation, increased financial liquidity, and the rising aspirations of a growing middle class. These factors create a solid platform for KNRCL to deepen its role and scale its contribution to India's infrastructure growth story.

Our expertise in EPC and HAM segments positions us to capitalise on these opportunities. We are also exploring new avenues such as Build-Operate-Transfer (BOT) projects through strategic partnerships

with leading industry players and prospective investors. These models enable us to expand our capabilities and reinforce our role in driving India's infrastructure growth.

### The Road Ahead

Looking ahead, KNRCL is targeting order inflows in the range of ₹ 10,000 Crores to ₹ 12,000 Crores in 2025-26 across all infrastructure segments. While roads and highways will remain a core focus, we are actively exploring opportunities in emerging areas such as railways, metros, river interlinking, mining, solar and tunnelling. For highly specialised sectors, we are open to entering into joint ventures with experienced domain players to ensure operational excellence.

Our strategy is to balance scale with impact. We aim to deliver infrastructure that drives economic growth while improving community well-being and strengthening environmental resilience.

### Gratitude and Outlook

As we commemorate 30 years of operations, I extend my heartfelt gratitude to all our stakeholders: clients, shareholders, employees, partners, and communities for their continued trust and support. Your belief in our capabilities has been the driving force behind this journey.



**Our strategy is to balance scale with impact. We aim to deliver infrastructure that drives economic growth while improving community well-being and strengthening environmental resilience.**

Our focus remains clear: to deepen our strengths, pursue meaningful opportunities, and stay aligned with the nation's development goals. We will continue to invest in people, processes, and partnerships that will power sustainable growth and create lasting value.

Thank you for being an integral part of our journey so far. We look forward to building the future, together.

Warm Regards,

**K. Narasimha Reddy**

Founder Promoter and Managing Director

**₹ 11.2** Lakh Crores  
Capital Expenditure Outlay



## Message from the Promoter and Executive Director

# FROM 30 YEARS OF LEGACY TO A FUTURE OF POSSIBILITIES

Dear Shareholders,

It gives me immense pleasure to welcome you as KNR Constructions Limited (KNRCL) marks a defining milestone in its journey: 30 years of building infrastructure that connects people, drives economies, and strengthens the foundation of our nation. Infrastructure is not just the backbone of economic growth; it serves as the pathway to inclusive and sustainable progress. Roads, highways, irrigation networks, and other vital assets that we develop open doors to opportunity, enhance mobility, and empower.

For three decades, KNRCL has been an integral part of this transformation. Our ability to deliver high-quality projects with speed, precision, and financial prudence has earned us the trust of our stakeholders. As we celebrate this landmark year, we remain focussed on deepening our expertise, exploring new frontiers, and shaping the future of infrastructure with discipline and innovation.

### Driving Inclusive Development

Infrastructure is one of the strongest enablers of equitable growth. Highways cut travel time, improve trade efficiency, and unlock new markets. Irrigation networks raise agricultural productivity, mitigate water-related risks, and strengthen rural economies. KNRCL's positioning as a trusted partner for nation-building stems from our deep understanding of these linkages.

Our strategy is built on targeting high-quality EPC contracts from reputed clients and concessionaires while

prioritising technically demanding projects that require precision engineering. We are actively expanding our footprint into new infrastructure segments such as railways, mining, solar, river interlinking, powerhouse projects and tunnelling. For highly specialised sectors, we stand ready to forge joint ventures with experienced domain partners, combining capabilities to ensure operational excellence and uphold our reputation for timely, quality delivery.

This approach reflects our broader philosophy: balancing scale with

“

Our strategy is built on targeting high-quality EPC contracts from reputed clients and concessionaires while prioritising technically demanding projects that require precision engineering.



impact. We aim to deliver infrastructure that drives economic development while improving community well-being and strengthening environmental resilience.

## Embracing Digital and Technological Integration

Our ability to stay ahead in a competitive industry depends on how effectively we leverage technology. KNRCL has steadily adopted tech-enabled tools for project planning, safety monitoring, and operational efficiency. By embedding technology into every stage of execution, we are not only enhancing delivery speed and precision but also fostering a culture of innovation, accountability, and continuous improvement across our teams.

## Financial Performance and Order Book Overview

Despite a challenging operating environment, KNRCL delivered a resilient performance in 2024-25. On a standalone basis, total income from operations stood at ₹ 33,587 Mn compared to ₹ 40,910 Mn in 2023-24, reflecting an 18% decline.

EBITDA for the year stood at ₹ 6,259 Mn as against ₹ 7,010 Mn in the previous fiscal, marking a moderation of 11%. However, profit after tax (PAT) increased significantly by 47% to ₹ 7,257 Mn, compared to ₹ 4,938 Mn in 2023-24. This outperformance in the bottom line was mainly driven by receipt of arbitration claims amount. These results highlight KNRCL's financial resilience and ability to convert operational discipline into sustainable shareholder value, even in a year of revenue moderation.

As of March 31, 2025, KNRCL's order book remains healthy and diversified, ensuring sustained visibility of revenues in the coming years. Captive

HAM projects account for 40% of the order book, while state government projects represent the largest share at 52%. Central government contracts contribute 7%, and other projects account for 1%.

From a segmental perspective, roads under HAM represent 40% of our portfolio, followed by other road segments such as EPC at 11%, irrigation projects at 28%, and pipeline works at 21%. Regionally, our projects remain concentrated in South India. However, we are actively building capacity to expand our execution footprint into new geographies, leveraging our reputation for operational excellence and financial discipline.

As we are moving into new diversified areas, the Company in joint venture with Harsha Constructions Pvt Ltd (26%), has received the Letter of Acceptance from NTPC for a contract value of 48,006 Mn excluding GST for the development and operation of Banhardih coal mining block in Jharkhand with Company's portion of 74%. The contract is five-year operational period plus initial development period of 360 days.

## Key Projects and Milestones

The year 2024-25 was one of steady progress across multiple fronts. During the year, we received appointed dates for two new HAM projects:

- 📍 Mysore to Kushalnagara Section of NH-275 (Package IV): Appointed date April 30, 2025.
- 📍 Mysore to Kushalnagara Section of NH-275 (Package V): Appointed date April 07, 2025.

In addition, our wholly owned subsidiary, KNR Ramagiri Infra Private Limited, received the provisional certificate of completion for the

Chittoor–Thatchur Highway (Package III) on December 16, 2024. The project was completed 40 days ahead of schedule, earning KNRCL a bonus of ₹ 32.6 Mn plus applicable GST, which is a testament to our execution capabilities.

We also made strategic progress in portfolio optimisation. KNRCL completed the transfer of its entire shareholding in KNR Muzaffarpur Holdings Private Limited for ₹ 0.1 Mn and divested its 0.65% stake in KNR Muzaffarpur–Barauni Tollway Private Limited for ₹ 4.59 Mn. These steps reflect our disciplined approach to asset monetisation and long-term value creation.

## The Road Ahead

As we move forward, our priorities are clear. We will deepen our presence in core sectors while strategically diversifying into new infrastructure segments. We will continue to integrate technology into every facet of our business to strengthen safety standards, improve operational efficiency, and enhance transparency.

Above all, our focus will remain on delivering with uncompromising execution quality and creating sustainable value.

Thank you for your trust and support as we work towards shaping a stronger, more connected, and future-ready India.

Warm Regards,

**K. Jalandhar Reddy**

Promoter and Executive Director

## Journey and Milestones

# THREE DECADES OF MILESTONES AND PROGRESS

### 1995-2008

## 1995

Incorporated and commenced EPC business

## 2006

Bagged 1<sup>st</sup> BOT Project in Karnataka worth ₹ 4,420 Mn  
Entered into urban water infrastructure with contract in Bengaluru

## 2007

Secured 2<sup>nd</sup> BOT project worth ₹ 5,920 Mn in Telangana

## 2008

Launched IPO and got enlisted on BSE and NSE

### 2010-2013

## 2010

Generated revenue over ₹ 10,000 Mn on standalone basis

## 2012

Obtained the biggest work order of ₹ 8,250 Mn from Sadbhav Engineering Limited for construction of the Bijapur Hungund Road project

## 2013

- 📍 Bagged an EPC project worth ₹ 9,371 Mn for the Madurai–Ramanathapuram Section of NH-49 in Tamil Nadu under NHDP Phase-III
- 📍 Received 3<sup>rd</sup> BOT toll project worth ₹ 9,005 Mn in Kerala
- 📍 Completed the construction of Bijapur Hungund Section 11 months ahead of schedule



### 2016-2020

## 2016

Crossed net worth of ₹ 10,000 Mn on standalone basis

## 2018

Secured 5 HAM projects worth of ₹ 56,112 Mn (BPC)

## 2019

- 📍 Signed SPA with Cube Highways for 3 SPVs (HAM project)
- 📍 Yielded revenue of more than ₹ 20,000 Mn on standalone basis

## 2020

Transferred 100% stake of KNR Walayar Tollways Private Limited (SPV) to Cube Highways and Infrastructure III Pte. Limited for an enterprise value of ₹ 5,117.8 Mn

## 2021-2022

## 2021

- Surpassed net worth of ₹ 20,000 Mn on standalone basis
- Divested 49% stake in 2 SPVs (KNR Tirumala Infra Private Limited and KNR Shankarampet Projects Private Limited) to Cube Highways and Infrastructure III Pte. Limited for a value of ₹ 2,453.2 Mn

## 2022

Transferred balance 51% (a total of 100%) stake in 3 SPVs (KNR Tirumala, KNR Shankarampet and KNR Srirangam) to Cube Highways and Infrastructure III Pte. Limited for a value of ₹ 2,794.3 Mn

## 2024-2025

## 2024

Crossed net worth of ₹ 30,000 Mn on standalone basis

## 2025

Bagged 1<sup>st</sup> ever Mining Project in JV from Patratu Vidyut Utpadan Nigam Ltd (Subsidiary of NTPC Limited) with contract value of ₹ 48,006 Mn in the State of Jharkhand



## Track Record of Timely Project Completion

| Project Name                 | Scheduled Completion (Days) | Actual Completion (Days) |
|------------------------------|-----------------------------|--------------------------|
| Bijapur–Hungund              | 910                         | 582                      |
| Hyderabad–Ramagundam         | 1,440                       | 1,219                    |
| Karimnagar–Kamareddy         | 450                         | 343                      |
| Hyderabad–Chanda             | 365                         | 364                      |
| Siricilla–Siddipet           | 365                         | 364                      |
| Narsapur–Aswaraopet          | 365                         | 364                      |
| Walayar–Vadakkancherry       | 910                         | 880                      |
| Penchalakona–Yerpedu         | 730                         | 609                      |
| Chittoor–Mallavaram          | 1,000                       | 858                      |
| Trichy–Kallagam              | 1,000                       | 911                      |
| Ramsanpalle–Mangloor         | 887                         | 887                      |
| Oddanchatram–Madathukulam    | 883                         | 698                      |
| Cheyyur–Vandavasi–Polur Road | 1,324                       | 1,120                    |
| Chittoor–Thatchur Highway    | 730                         | 690                      |

## Key Highlights

# DRIVING PROGRESS AND DELIVERING PURPOSE

In a year marked by efficient execution, accelerated completions, and focussed strategic realignments, KNRCL advanced with precision and purpose. The Company secured key appointed dates, delivered technically complex infrastructure projects ahead of schedule, earned early bonus entitlements, and streamlined its portfolio through targeted realignment.

1

### Received Appointed Date for 2 HAM Projects

- Project 1 – Construction of Access Controlled four-laning with paved shoulder from Mysore to Kushalnagara Section of NH-275 near SH-117 Yelawala – KR Nagara Road junction Hybrid Annuity Mode under NH(O) in the State of Karnataka (Package IV).  
Appointed Date: April 30, 2025
- Project 2 – Construction of Access Controlled four-laning with paved shoulder from Mysore to Kushalnagara Section of NH-275 near Paschima Vahini on Hybrid Annuity Mode under NH(O) in the State of Karnataka (Package V).  
Appointed Date: April 07, 2025

2

### Issuance of Provisional Certificate of Completion

- KNR Ramagiri Infra Private Limited, wholly owned subsidiary of the Company, received Provisional Certificate of Completion for Chittoor–Thatchur Highway Hybrid Annuity Mode under Bharatmala Pariyojana, in the state of Andhra Pradesh and Tamil Nadu (Package – III), effective from December 16, 2024.
- Project was completed 40 days ahead of schedule with entitlement to a bonus of ₹ 32.6 Mn plus applicable GST.

3

### Transfer of KNR Muzaffarpur Holdings Private Limited and KNR Muzaffarpur – Barauni Tollway Private Limited

- Pursuant to the share purchase agreement entered on October 29, 2024, KNRC Holdings and Investments Private Limited, wholly owned subsidiary of the Company, transferred its entire shareholding in KNR Muzaffarpur Holdings Private Limited.
- KNRC Holdings and Investments Private Limited received ₹ 0.10 Mn through this transaction.
- Pursuant to the share purchase agreement entered on October 29, 2024, KNR Constructions Limited transferred its entire shareholding (0.65%) in KNR Muzaffarpur – Barauni Tollway Private Limited.
- KNR Constructions Limited received ₹ 4.59 Mn through this transaction.

4

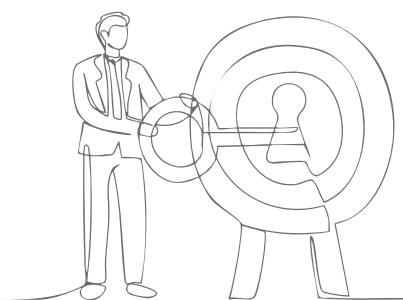
### Received Letter of Acceptance for Two Irrigation Projects

- Project 1 – SRLIP – Distributary Package No. 6 of NTR Flood Flow Canal under Sitarama Lift Irrigation Project in the state of Telangana.  
Bid Cost: ₹ 3,278.9 Mn  
Contract Period: 24 months plus defect liability period of 2 years.
- Project 2 – Irrigation & CAD Department – SRLIP to Paleru Link Canal – Package No. 13 in the state of Telangana.  
Total Bid Cost: ₹ 1,982.8 Mn (KNRCL share: 51%, i.e. ₹ 1,011.2 Mn)  
Contract Period: 24 months plus defect liability period of 2 years

5

### Received Letter of Acceptance for Mining Project from NTPC

- Development and operation of Banhardih coal mining block in the State of Jharkhand  
Bid Cost: ₹ 48,006 Mn excluding GST (KNRCL share: 74%, i.e. ₹ 35,524 Mn)  
Contract Period: 5 years of operational period plus initial development period of 360 days.



## Geographical Presence

EXECUTING WITH SCALE,  
IMPACT, AND REACH

## State-Wise Order Book Executed in the last 25 Years (₹ in Mn)

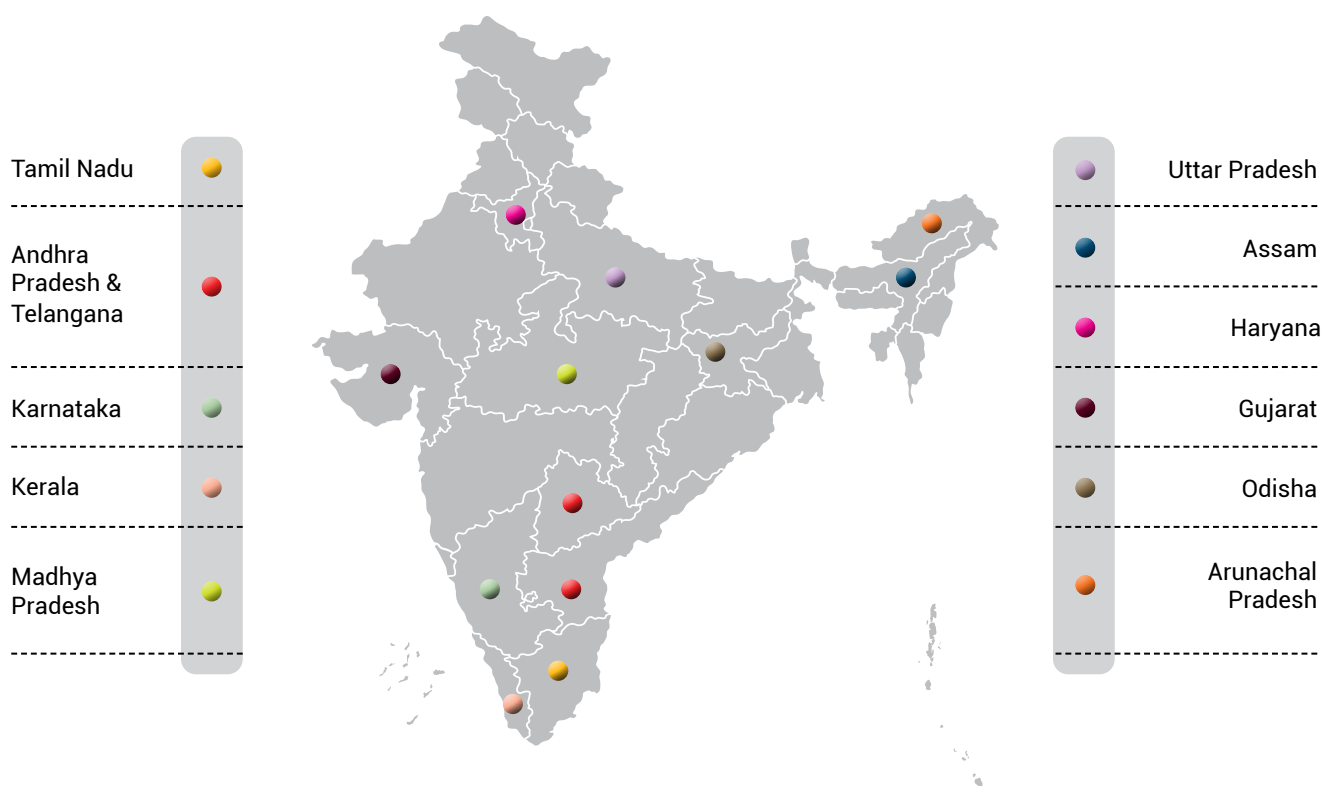
| Sr. No. | State                      | Number of Projects | Project Value (₹ Mn) |
|---------|----------------------------|--------------------|----------------------|
| 1       | Tamil Nadu                 | 13                 | 52,027               |
| 2       | Andhra Pradesh & Telangana | 31                 | 50,473               |
| 3       | Karnataka                  | 15                 | 33,176               |
| 4       | Kerala                     | 2                  | 17,068               |
| 5       | Madhya Pradesh             | 4                  | 6,619                |
| 6       | Uttar Pradesh              | 10                 | 4,549                |
| 7       | Assam                      | 2                  | 4,038                |
| 8       | Arunachal Pradesh          | 1                  | 3,468                |
| 9       | Gujarat                    | 1                  | 2,550                |
| 10      | Odisha                     | 1                  | 1,866                |
| 11      | Haryana                    | 1                  | 118                  |
|         | <b>Total</b>               | <b>81</b>          | <b>1,75,952</b>      |

81

Number of Projects

₹ 1,75,952<sup>Mn</sup>

Projects' Value



**Disclaimer:** This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for the reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

## Project Execution Capabilities

# ENGINEERING DISCIPLINE DRIVING LANDMARK PROJECTS

From expressways and flyovers to irrigation reservoirs and grade separators, KNRCL's execution legacy is defined not only by the scale of infrastructure delivered but also by the discipline and precision that underpin every project. Over the past three decades, the Company has repeatedly transformed challenging timelines into ahead-of-schedule completions and reimagined complex urban corridors with integrated mobility solutions.

Every project, whether in a dense cityscape or a remote rural corridor, reflects KNRCL's engineering expertise, rigorous planning, and steadfast commitment to delivery excellence.

## Project Execution Highlights

### Grade Separator Constructed in Coimbatore

A two-level grade separator was constructed in Coimbatore to ease congestion across key city corridors. Designed for enhanced urban mobility, the project involved 92 spans, 264

piles across 32 foundation locations (2,617 running meters), and 62 open foundations reflecting precision in execution.

Reinforcing its footprint in Tamil Nadu's urban infrastructure space, KNRCL is also preparing to bid for another major flyover project in the city.



**1.752** km

First-Level Flyover

**1.101** km

Second-Level Flyover

**2.853** km

Total Cumulative Flyover Length

**39,802** Cum

Concrete

**6,524** MT

Steel

**368** units

POT/PTFE Bearings

**1,311**

Expansion Joints (Running Meters)

**2,691** Sqm

Reinforced Earth Wall

## Two-Tier Flyover Delivered in Salem City

A dual-level flyover was constructed in Salem city to enhance traffic mobility across major urban corridors. Built using prestressed precast segmental technology, the project involved 206

spans, 133 piles across 18 foundation points, and 155 open foundations demonstrating precision in complex urban infrastructure delivery.



**3.891** km

First-Level Flyover

**3.980** km

Second-Level Flyover

**7.871** km

Total Cumulative Flyover Length

**89,324** Cum  
Concrete



**12,341** MT  
HYSD Steel



**821** units  
POT/PTFE Bearings



**2,100**  
Expansion Joints (Running  
Meters)



**8,493** Sqm  
Reinforced Earth Wall



## Konda Pochamma Sagar Reservoir, Telangana

The 50 TMC Konda Pochamma Sagar Reservoir in Telangana was completed with 12 Mn cubic meters of earthwork executed in just 500 days. Two additional reservoirs are nearing completion in the state, while construction is underway for a 4 × 90 MW pump house further advancing irrigation infrastructure in the region.



## Financial Highlights

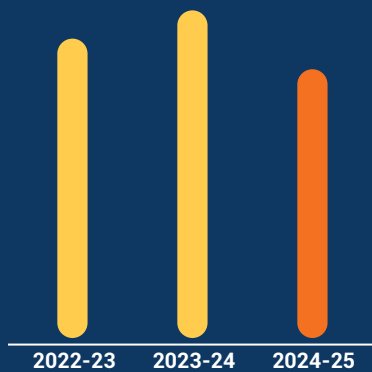
# BUILDING VALUE

The year 2024-25 unfolded against a backdrop of moderating revenues driven by project execution cycles, and a challenging macroeconomic environment. Yet, KNRC's ability to sustain operational efficiency, optimise cash flows, and uphold disciplined financial management turned these headwinds into an opportunity to reinforce its financial foundation.

Profitability improved significantly, supported by arbitration-related gains and a prudent capital expenditure cycle, while net worth grew steadily and debt levels remained negligible. With a streamlined working capital position and a well-diversified order book, the Company is well placed to leverage this momentum and deliver sustained long-term value creation.

Turnover (₹ Mn)

37,438 40,910 33,587



## EBITDA (₹ Mn)

| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 7,217   | 7,010   | 6,259   |



| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 7,217   | 7,010   | 6,259   |

## PBT (₹ Mn)

| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 7,051   | 6,893   | 9,594   |



| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 7,051   | 6,893   | 9,594   |

## PAT (₹ Mn)

| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 4,988   | 4,938   | 7,257   |



| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 4,988   | 4,938   | 7,257   |

## EPS (₹)

| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 17.70   | 17.50   | 25.80   |



| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 17.70   | 17.50   | 25.80   |

## Net Worth (₹ Mn)

| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 27,343  | 32,257  | 39,450  |



| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 27,343  | 32,257  | 39,450  |

## Debt (₹ Mn)

| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 3       | 0       | 0       |



| 2022-23 | 2023-24 | 2024-25 |
|---------|---------|---------|
| 3       | 0       | 0       |



## Order Book Highlights

# ORDER STRENGTH DRIVING SUSTAINABLE GROWTH

KNRCL's current order book reflects the strength of its enduring client partnerships, a balanced and diversified project mix, and a strategically concentrated regional presence. With a pipeline of ₹ 50,518 Mn spanning roads, irrigation, and pipeline segments, the Company remains firmly positioned across southern India to capture emerging opportunities.

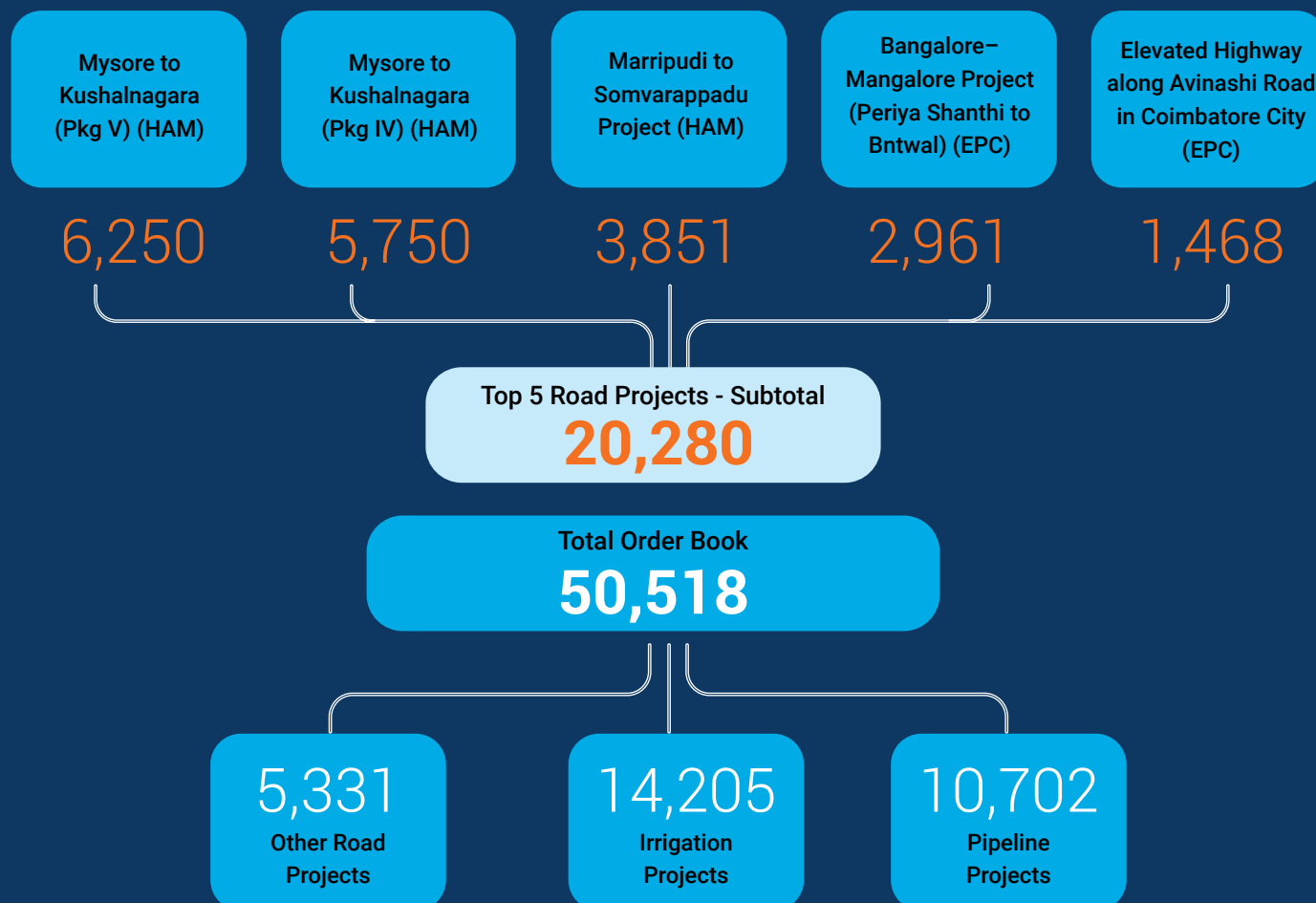
From high-speed expressways and multi-level urban corridors to major irrigation networks and water management systems, each project reinforces KNRCL's proven execution expertise. The balanced mix of HAM,

EPC, and state-backed contracts provides revenue stability and long-term visibility, while the dominant 52% contribution from state government projects underscores the confidence placed in the Company's track record

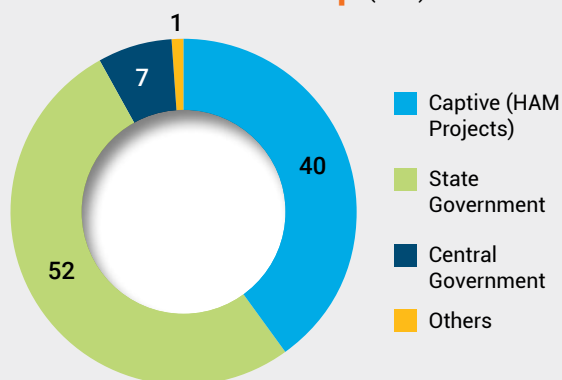
of timely and high-quality delivery. Every project within this pipeline represents a strategic step forward in KNRCL's disciplined and sustainable growth journey.

### Order Book Highlights

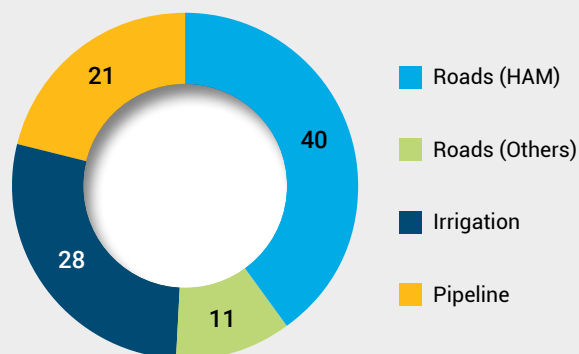
#### Key Projects (₹ Mn)



## Order Book Break up (in %)



## Segment Wise Split (in %)



## Order-book: State-wise

Andhra Pradesh &amp; Telangana

Karnataka

Kerala

Tamil Nadu

Balance Value  
₹ 16,345 Mn

6 Projects

Balance Value  
₹ 30,282 Mn

13 Projects

Balance Value  
₹ 1,819 Mn

2 Projects

Balance Value  
₹ 2,072 Mn

2 Projects

**Disclaimer:** This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness

## In-house Construction Equipment and Execution Team

# EXCELLENCE DRIVING EVERY PROJECT

Infrastructure is not built on ideas alone; it is shaped by rigorous execution, engineering foresight, and the ability to deliver with speed and accuracy. KNRCL's strength lies in its integrated in-house execution model, comprising a highly skilled and experienced workforce, guided by a seasoned leadership team and supported by a modern fleet of advanced construction equipment.

This fully self-sufficient model enables rapid mobilisation, stringent cost control, and seamless execution of technically demanding, large-scale infrastructure projects. By deploying the most suitable resources for each project need, the

Company reduces inefficiencies and elevates delivery standards. KNRCL's teams are well-prepared to manage diverse on-ground challenges with agility, ensuring flexibility without compromising on deadlines or quality benchmarks.

### In-house Construction Equipment

| Sr. No. | Machinery                 | Quantity |
|---------|---------------------------|----------|
| 1       | Tipplers and Tankers      | 1,265    |
| 2       | Excavators                | 387      |
| 3       | Generators                | 303      |
| 4       | Concrete Mixers and Pumps | 198      |
| 5       | Compactors                | 136      |
| 6       | Drillers & Breakers       | 105      |
| 7       | Cranes                    | 101      |
| 8       | Loaders                   | 99       |
| 9       | Graders                   | 71       |
| 10      | Compressors               | 65       |
| 11      | Batching Plants           | 52       |
| 12      | Pavers                    | 54       |
| 13      | Rollers                   | 45       |
| 14      | Weigh Bridges             | 53       |
| 15      | Tractors                  | 46       |

| Sr. No. | Machinery               | Quantity |
|---------|-------------------------|----------|
| 16      | Transformers            | 36       |
| 17      | Crushers                | 32       |
| 18      | Trailers                | 37       |
| 19      | Dozers                  | 24       |
| 20      | Light Sources           | 25       |
| 21      | Wet Mix Plants          | 17       |
| 22      | Hot Mix Plants          | 14       |
| 23      | Diesel Bunks            | 12       |
| 24      | Kerb Laying Machine     | 10       |
| 25      | Sprayers                | 10       |
| 26      | Sweeping Machines       | 9        |
| 27      | Drum Mix Plants         | 7        |
| 28      | Piling Machines         | 6        |
| 29      | Sub Stations            | 3        |
| 30      | Micro Surfacing Machine | 1        |

**₹14,380 Mn**

Gross Block of Plant and Machinery (as on March 31, 2025)



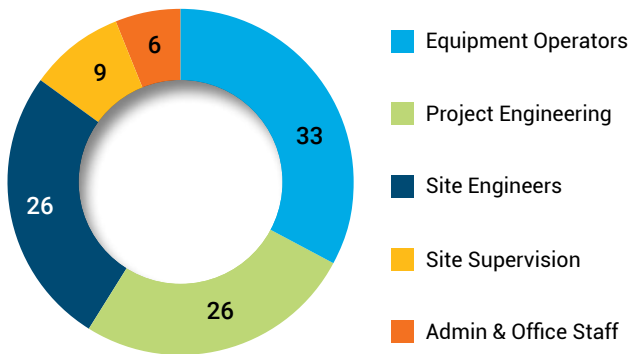


240 TPH D & G Hot Mix Plant



250 TPH Nawa Crushing Plant

### In-house Execution Team (%)



**2,752**  
Total Employees



## Host of Marquee Clients

# 30 YEARS OF TRUSTED PARTNERSHIPS AND A LEGACY BUILT ON PERFORMANCE

For over three decades, KNR Constructions has been a preferred partner to some of the most respected names in the infrastructure ecosystem. The Company's journey is defined by long-standing relationships, founded on trust, reinforced by consistent delivery, and sustained by shared objectives.



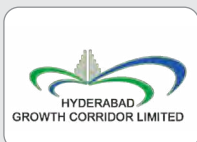
National Highways Authority of India (NHAI)



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 Bengaluru Mahanagara Palike (BBMP)



Uttar Pradesh State Highways Authority (UPSHA)



Telangana Irrigation (Government of Telangana)



A.P. Irrigation (Government of Andhra Pradesh)



GMR Projects Private Limited



Engineers India Limited (Government of India Undertaking)



NMDC Limited



Sadbhav Engineering Limited



Public Works Department (Government of Arunachal Pradesh)



Highways Department (Government of Tamil Nadu)



Oriental Structural Engineers Pvt. Ltd.

## CSR

# TOUCHING LIVES AND SHAPING FUTURES

KNRCL believes that true progress extends beyond the infrastructure it builds. Its real measure lies in the lives it improves and the communities it empowers. The Company's CSR efforts reflect this philosophy, focusing on inclusive growth and sustainable social development. In 2024-25, KNRCL extended its support to initiatives across promoting education through construction of school building and paying fee for over 350 students, improving rural infrastructure through road development projects and promoting network of hospitals for eye care including conducting surgeries, installation of equipment and lab, delivering tangible and lasting impact in the regions where it operates.



Children Education



Improving Rural Infrastructure through Road Development



Surgeries performed with Appasamy Phaco Machine



Surgeries performed with Alcon Phaco Machine

## Governance

# STEERED BY EXPERIENCE AND DRIVEN BY DISCIPLINE

The foundation of enduring performance and sustainable growth lies in a seasoned leadership team and a robust governance framework. Over the decades, a measured blend of entrepreneurial vision and disciplined execution has allowed the Company to navigate shifting market dynamics while upholding project excellence and financial discipline. KNRCL's leadership team combines decades of expertise in project delivery, finance, engineering, and compliance. Their shared commitment to integrity and results-driven leadership continues to steer the Company in delivering complex infrastructure mandates with long-term value creation.

## Top Management

### Shri K. Narasimha Reddy

(Founder Promoter & Managing Director)

With over 50 years in the highway sector, Shri Narasimha Reddy began his career in 1968 undertaking civil and mechanical contracts. Over the years, he has developed deep expertise in multi-project planning, scheduling, and cost control, along with overseeing construction and large-scale project management.

### Shri K. Jalandhar Reddy

(Promoter & Executive Director)

Bringing more than 25 years of experience in the highway and infrastructure space, Shri Jalandhar Reddy began his journey with the organisation as a project manager and was elevated to Executive Director on April 01, 1997. He currently leads the tendering and bidding process, while actively supervising the execution of projects.



## Professional Team

### Shri T.L. Verma

(Sr. Vice President - Projects)

Shri Verma is a Bachelor of Engineering graduate from MITS Gwalior with 40+ years of experience, including over 20 years in highways sector. Since 2006, he has led critical projects in bridges and Highways, including concrete road construction.

### Shri K. Venkata Ram Rao

(General Manager – Finance & Accounts)

Shri Rao is Member of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India with 20+ years of experience in finance, taxation, and accountancy. He has the overall responsibility for the finalisation of corporate accounts, taxation, finance, and related jobs.

### Smt V. Haritha

(Company Secretary)

A qualified professional and member of the Institute of Company Secretaries of India, Smt Harita ensures seamless compliance with regulatory frameworks and oversees adherence to statutory norms across the Company.

# Management Discussion and Analysis

## GLOBAL ECONOMY

Global growth continues to encounter considerable challenges, with persistent trade frictions, heightened policy uncertainty and weak consumer sentiment weighing on the overall outlook. Although the recent pause in tariff escalations has offered temporary respite, the broader global scenario remains fragile.

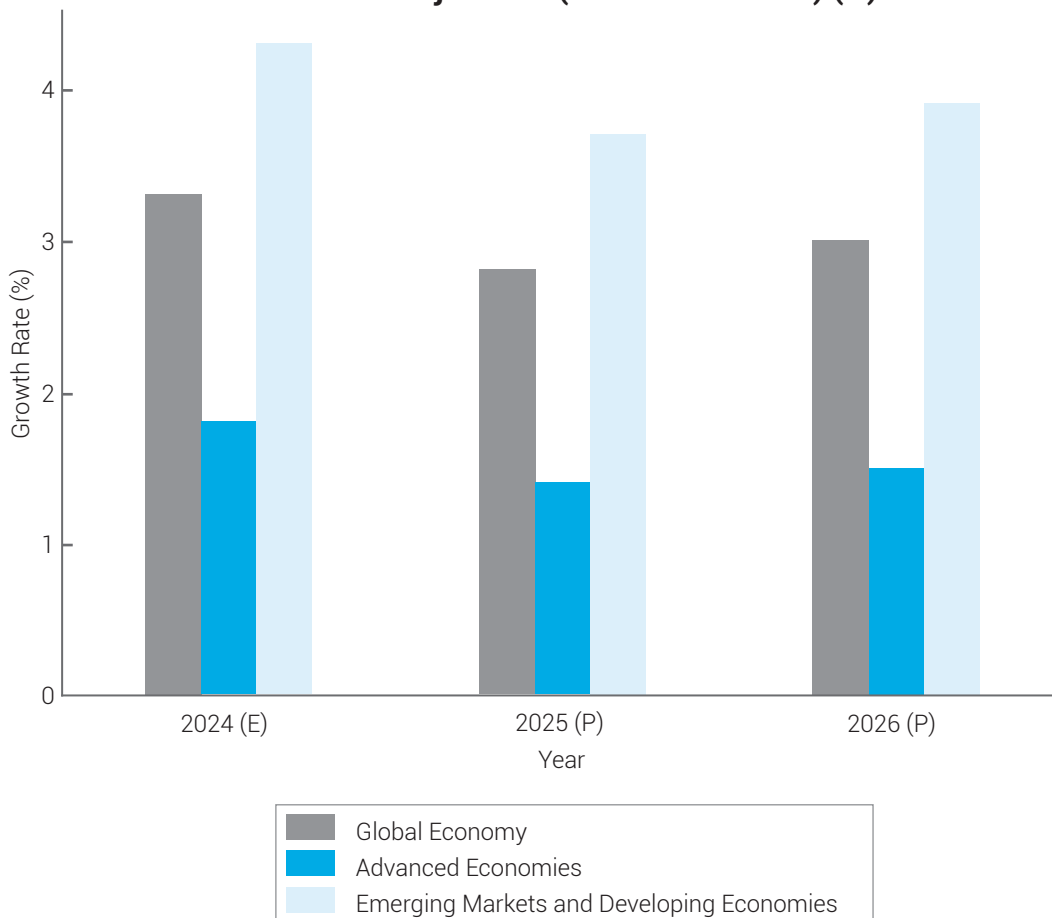
According to the April 2025 World Economic Outlook, global GDP expanded by an estimated 3.3% in 2024. However, the IMF has revised its global growth forecast for 2025 downwards by 50 basis points to 2.8%, and for 2026 upwards by 30 basis points to 3.0%, compared to its January 2025 projections. This downward revision largely reflects the intensification of trade disputes, heightened geopolitical instability, ongoing military conflicts in West Asia and between Ukraine and Russia, and the implementation of widespread tariffs, particularly by the US.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>)

Growth in advanced economies is now expected at 1.4% in 2025, a 50 basis point reduction from earlier projections. The US is projected to grow at 1.8%, down sharply by 90 basis points. Meanwhile, emerging market and developing economies are anticipated to expand by 3.7%, compared to the earlier estimate of 4.3%.

Amid these challenges, global supply chains are undergoing significant structural shifts. In response to geopolitical uncertainties, companies are actively adopting "de-risking" strategies. These include diversifying sourcing, near-shoring, friend-shoring, and establishing alternative supply networks. While these measures aim to enhance long-term resilience, they are also resulting in higher short-term costs and increased operational complexity.

**Global Growth Projections (Real GDP Growth) (%)**



## Management Discussion and Analysis (Contd.)

### OUTLOOK

The global economy is entering a period of slower, more uncertain growth, shaped by trade tensions, policy shifts, and structural changes. While some regions, notably India and parts of Asia, are expected to outperform, most economies face subdued prospects and heightened risks. Policymakers will need to balance support for growth with efforts to rebuild fiscal and monetary buffers, address structural challenges, and navigate an increasingly complex global environment.

### INDIAN ECONOMY

India continues to stand out as a rare 'bright spot' in an increasingly uncertain global landscape. The current growth rate of around 6.5% in 2024-25 is a significant achievement, particularly against the backdrop of persistent global headwinds.

As of 2025, India is the world's fourth-largest economy and the fastest-growing among major nations. It is projected to become the third-largest by 2030, with a GDP of USD 7.3 Tn. With estimated growth in the range of 6.3% to 6.8% in 2025-26, India is poised to remain at the forefront of global economic expansion.

This economic transformation is the result of a decade of strong political leadership, institutional reforms, and deeper global integration under the stewardship of Prime Minister Shri Narendra Modi. Buoyant domestic consumption, a favourable demographic dividend, and continuous structural reforms have enabled India to expand its influence across global trade, investment, and innovation ecosystems.

At the heart of this progress is the vision of Aatmanirbhar Bharat, a national movement focused on fostering innovation, entrepreneurship, and technological self-reliance. Strategic measures such as the Production Linked Incentive (PLI) schemes, the revitalisation of MSMEs, and the expansion of digital infrastructure have strengthened the foundations for sustainable and inclusive growth.

India's GDP has witnessed a significant transformation over the past decade. At current prices, it has grown from ₹ 106.57 Lakh Crores in 2014-15 to an estimated ₹ 331.03 Lakh Crores in 2024-25, a near threefold increase. In 2024-25 alone, nominal GDP grew by 9.9% year-on-year, while real GDP (at constant prices) rose by 6.5%. This growth underscores not only the economy's momentum but also its deepening capacity and rising standard of living.

(Source: <https://www.pib.gov.in/PressNoteDetails.aspx?NotelId=154660&ModuleId=3>)

### OUTLOOK

India continues to demonstrate remarkable resilience and sustained momentum in a challenging global environment. The economy is supported by stability across key pillars - monetary, financial, and political - along with consistent and transparent policymaking, a conducive business environment, and strong macroeconomic fundamentals. At a time when several advanced economies are grappling with economic headwinds and a deteriorating outlook, India remains a stable anchor and a key driver of global growth. Its robust domestic demand and comparatively lower reliance on exports offer a buffer against external shocks and global volatility.

The country offers a policy ecosystem that is transparent, rule-based, and forward-looking, one that actively incentivises long-term, productive investments. As the world's fastest-growing major economy, India is increasingly being recognised not just as an investment destination, but as a reliable and strategic partner in global growth. With its expanding economic base, young and aspirational population, and continued focus on structural reforms, India is well placed to play a pivotal role in shaping the trajectory of the global economy in the years to come.

### INFRASTRUCTURE SECTOR

Infrastructure is a critical enabler of economic development. Over the past several years, India, led by the central government, has significantly stepped up investments in physical infrastructure. The government is also actively incentivising capital expenditure by state governments, particularly in sectors such as urban development, power, and tourism. From highways and renewable energy grids to seaports, airports, and railways, India is methodically building the foundational architecture required to support long-term, sustainable and inclusive growth.

This focused infrastructure development is not only enhancing connectivity across regions but also creating strong multiplier effects by stimulating demand in allied sectors. At the same time, it is helping bring down logistics costs, thereby improving business productivity and boosting national competitiveness.

Over the past decade, the country has witnessed infrastructure development at an unparalleled scale, underpinned by a cohesive, integrated approach. Key policy reforms and mission-mode programmes such as PRAGATI, PM GatiShakti, the National Logistics Policy, Bharatmala, Sagarmala, and UDAN have played a vital role in shaping a connected and competitive India. Initiatives such as the expansion of highways

## Management Discussion and Analysis (Contd.)

and expressways, electrification of railways, development of greenfield airports, ropeway connectivity in hilly terrains, and the implementation of smart digital platforms demonstrate the government's long-term commitment to infrastructure transformation, aligned with the vision of a Viksit Bharat by 2047.

The Union Budget for 2025-26 places strong emphasis on infrastructure as a strategic lever for driving growth, improving competitiveness, and fostering inclusive development. A series of measures and allocations have been announced to boost capital expenditure, support states, and catalyse public-private partnerships across transport, urban infrastructure, energy, and housing sectors.

### Capital Expenditure Highlights

- **Total capital expenditure** has been set at ₹ 11.21 Lakh Crores, or 3.1% of GDP, for 2025-26. This reflects a 10.1% increase over the revised estimate for 2024-25.
- **Interest-free loans to states** have been provisioned at ₹ 1.50 Lakh Crores in the form of 50-year loans, aimed at encouraging capital investment and reforms at the state level.

### Major Infrastructure Schemes

- **Urban Challenge Fund:** A ₹ 1 Lakh Crores fund has been launched to support projects aimed at transforming cities into growth hubs, fostering creative redevelopment, and improving water and sanitation infrastructure. An allocation of ₹ 10,000 Crores is proposed for 2025-26.
- **Jal Jeevan Mission:** The Mission has been extended until 2028 with an increased budgetary outlay to achieve 100% rural tap water coverage. The renewed focus will be on ensuring high-quality infrastructure and strengthening operations and maintenance of rural piped water supply schemes through community participation ('Jan Bhagidari'). Dedicated Memoranda of Understanding will be signed with states and Union Territories to reinforce sustainability and ensure citizen-focused delivery of water services.

(Source: [https://www.indiabudget.gov.in/doc/budget\\_speech.pdf](https://www.indiabudget.gov.in/doc/budget_speech.pdf))

### ROADS AND HIGHWAYS

India possesses the second-largest road network in the world, spanning over 63 Lakh km as of March 31, 2025. This includes 1,46,204 km of National Highways (NHs), 1,79,535 km of State

Highways, and approximately 60,19,723 km of other roads. The scale, density, and reach of this network play a pivotal role in enabling connectivity, trade, and regional development across the country.

Over the past decade, India has witnessed robust growth and modernisation of its highway infrastructure. The length of National Highways has grown from 91,287 km in 2013-14 to 1,46,204 km in 2024-25 - a substantial increase of nearly 60%. During this 11-year period, 54,917 km were added to the NH network, underscoring the government's sustained emphasis on strengthening road connectivity.

The pace of NH construction has also accelerated meaningfully. From an average of 11.6 km per day in 2013-14, construction speed has increased to around 34 km per day in 2024-25. This nearly threefold improvement reflects notable gains in operational efficiency and execution capability.

Investment in the sector has kept pace with this expansion. Between 2013-14 and 2024-25, the Ministry's expenditure on road infrastructure has increased by 6.4 times. Additionally, there has been a 570% increase in the road transport and highways budget from 2014 to 2023-24. Work awards and actual construction activity for National Highways have risen by 108% and 150%, respectively, during the same period.

(Source: <https://www.pib.gov.in/PressNoteDetails.aspx?NotelD=154624&ModuleId=3>)

### NATIONAL HIGHWAYS IN INDIA BY STATES (AS OF 2024)

#### Top States with Most National Highway Networks

1. Maharashtra
2. Uttar Pradesh
3. Rajasthan
4. Madhya Pradesh
5. Andhra Pradesh
6. Karnataka
7. Gujarat

(Source: <https://factodata.com/national-highway-in-indian-states/>)

This strong momentum in the road and highway sector reflects a strategic commitment to building a modern, efficient, and inclusive transportation backbone for India, one that is poised to remain a critical enabler of economic growth and regional integration.

## Management Discussion and Analysis (Contd.)

### IRRIGATION AND URBAN WATER INFRASTRUCTURE

#### Water

Water is essential for life. Access to clean and safe drinking water is crucial to advancing public health and improving quality of life.

To address this need, the Government of India launched the Jal Jeevan Mission (JJM) on August 15, 2019. The mission aims to provide every rural household with a functional tap connection.

On February 01, 2025, while presenting the Union Budget, Finance Minister Nirmala Sitharaman announced the extension of the mission until 2028. For FY 2025-26, a budgetary allocation of ₹ 67,000 Crores has been set aside to support the mission's objectives.

(Source: [https://www.indiabudget.gov.in/doc/budget\\_speech.pdf](https://www.indiabudget.gov.in/doc/budget_speech.pdf))

#### Irrigation

Irrigation is central to India's agricultural system. It supports food security, improves climate resilience and helps stabilise

farm incomes. To boost farm productivity, there is a strong need to build reliable infrastructure, upgrade irrigation systems and promote sustainable water use.

The Government of India has launched several initiatives to encourage efficient and modern irrigation methods. One of the key programmes is the Pradhan Mantri Kisan Sinchayi Yojana (PMKSY). It aims to improve irrigation coverage and promote better water management through a range of targeted components and schemes.

The Per Drop More Crop (PDMC) scheme was initially part of PMKSY. Since 2022-23, it has been implemented under the Rashtra Krishi Vikas Yojana (RKVY). PDMC promotes micro-irrigation and supports the adoption of water-saving technologies.

These efforts focus on broadening access to irrigation, increasing the share of irrigated land, improving on-farm water-use efficiency, and integrating modern technology into irrigation systems. Financial assistance is also extended to farmers to support the transition towards more sustainable and resource-efficient agricultural practices.

#### Top 5 Performing States in Terms of Area Covered under PDMC in 2024-25

| State          | Drip Irrigation (hectares) | Sprinkler Irrigation (hectares) | Total Area under Irrigation (hectares) |
|----------------|----------------------------|---------------------------------|----------------------------------------|
| Karnataka      | 32,591.97                  | 2,09,704.34                     | 2,42,296.31                            |
| Gujarat        | 59,366.79                  | 61,021.77                       | 1,20,388.56                            |
| Andhra Pradesh | 91,132.45                  | 26,764.54                       | 1,17,896.99                            |
| Uttar Pradesh  | 21,274.43                  | 80,984.37                       | 1,02,258.80                            |
| Tamil Nadu     | 63,502.61                  | 27,337.68                       | 90,840.29                              |

(Source: [Ministry of Agriculture and Farmers Welfare](#))

With the increasing focus on modernising irrigation systems, measurable improvements in water-use efficiency, paving way for sustainable irrigation in the country. Further, the adoption of cutting-edge technologies such as precision irrigation and IoT to optimise water use, promote water harvesting through rainwater collection and watershed management, and create awareness about the usage of treated water is expected to make the sector climate-resilient in the long-run.

Initiatives such as the irrigation census, regular monitoring and evaluation are also crucial to assess the impact of schemes and programmes and take data-driven decisions. As a stepping stone for maintaining accurate and reliable data of irrigation activities and tracking them, the Water Resource Census Application and Portal was launched in April 2025. This initiative is expected to aid in undertaking the Seventh

Minor Irrigation Census and the First Census of Major and Medium Irrigation Projects. This portal will facilitate data-backed planning and policy formulation, reinforcing impactful government interventions and a positive outlook for the sector.

(Source: <https://indianinfrastructure.com/2025/05/07/strategic-interventions-government-schemes-promoting-water-efficient-irrigation-practices/>)

#### COMPANY OVERVIEW

Established in 1995, KNR Constructions Limited (hereon referred to as 'KNRCL' or 'The Company' or 'We') is a leading infrastructure development company with a strong track record in Engineering, Procurement and Construction (EPC) services. Over the past three decades, the Company has built a reputation for high-quality execution, operational reliability,

## Management Discussion and Analysis (Contd.)

and adherence to timelines across a broad spectrum of infrastructure segments.

KNRCL specialises in delivering roads, highways, flyovers, bridges, irrigation systems, and urban water infrastructure projects. With 30 years of execution excellence, the Company has completed over 9,100 lane kilometres of road projects across 12 Indian states, consolidating its pan-India footprint and sectoral leadership.

Backed by engineering capabilities, efficient project management and a disciplined financial approach, KNRCL continues to contribute meaningfully to India's infrastructure development story while creating long-term value for all stakeholders.

### ORDER BOOK

As on March 31, 2025, KNR Constructions Limited's order book stood at ₹ 50,518 Mn. It includes a balanced mix of project types and funding sources. Around 52% of the order book comes from State Government projects, reflecting the Company's strong institutional relationships. Captive Hybrid Annuity Model (HAM) projects account for 40%, Central Government projects constitute 7%, while others contribute the remaining 1%.

| Project                                                       | Order Value<br>(₹ Mn) |
|---------------------------------------------------------------|-----------------------|
| Mysore to Kushalnagara (Pkg V) (HAM)                          | 6,250                 |
| Mysore to Kushalnagara (Pkg IV) (HAM)                         | 5,750                 |
| Marripudi to Somvarappadu Project (HAM)                       | 3,851                 |
| Bangalore-Mangalore Project (Periya Shanthi to Bntwal) (EPC)  | 2,961                 |
| Elevated Highway along Avinashi Road in Coimbatore City (EPC) | 1,468                 |
| <b>Top 5 Road Projects</b>                                    | <b>20,280</b>         |
| Other Road Projects                                           | 5,331                 |
| Irrigation Projects                                           | 14,205                |
| Pipeline Projects                                             | 10,702                |
| <b>Total Order Book (as on March 31, 2025)</b>                | <b>50,518</b>         |

In terms of segments, Road (HAM) projects comprise 40% of the order book, while other road projects account for 11%. Irrigation projects contribute 28%, and pipeline projects make up 21%. This diversified mix reflects KNRCL's growing presence across multiple infrastructure domains.

All ongoing projects are located in the southern region of India. The Company's deep-rooted presence and established operational base in the region enable efficient project execution and streamlined on-site coordination.

### NEW DEVELOPMENTS DURING 2024-25

- During the FY 2024-25, KNRCL received the Appointed Dates for two Hybrid Annuity Mode (HAM) projects for the construction of access-controlled four-laning with paved shoulders from Mysore to Kushalnagara section of NH-275 under NH(O) in the State of Karnataka. Package IV, located near SH-117 Yelawala – KR Nagara Road Junction, received its Appointed Date on April 30, 2025, while Package V, near Paschima Vahini, received its Appointed Date on April 7, 2025.
- The Company also received the Provisional Certificate of Completion for the Chittoor–Thatchur Highway HAM project (Package III), implemented by KNR Ramagiri Infra Private Limited, a wholly owned subsidiary of the Company, under Bharatmala Pariyojana in the States of Andhra Pradesh and Tamil Nadu. The certificate is effective from December 16, 2024. The project was completed 40 days ahead of the scheduled completion date, entitling the Company to a bonus of ₹ 3.26 Crores plus applicable GST.
- Further, pursuant to a share purchase agreement dated October 29, 2024, KNRCL Holdings and Investments Private Limited, a wholly owned subsidiary of the Company, transferred its entire shareholding in KNR Muzaffarpur Holdings Private Limited, receiving ₹ 1,00,000 from the transaction. On the same date, KNR Constructions Limited transferred its entire 0.65% shareholding in KNR Muzaffarpur – Barauni Tollway Private Limited, for which it received ₹ 45.9 Lakhs.

### OPPORTUNITIES

#### Government Policy Support and Increased Capital Outlay

The Indian government continues to position infrastructure as a key driver of economic growth. In the Union Budget 2025-26, capital expenditure was increased to ₹ 11.2 Lakh Crores, underpinned by robust policy support and strategic frameworks. Major programmes such as the National Infrastructure Pipeline (NIP), Bharatmala Pariyojana, and the Gati Shakti National Master Plan are facilitating large-scale investment in roads, highways, expressways, flyovers, and bridges. The inclusion of private sector participants through

## Management Discussion and Analysis (Contd.)

extended access to tools and data on the PM Gati Shakti portal is expected to further streamline project identification, planning, and execution: enhancing coordination and operational efficiency across the EPC value chain.

(Source: [https://www.indiabudget.gov.in/doc/budget\\_speech.pdf](https://www.indiabudget.gov.in/doc/budget_speech.pdf))

### Urban Infrastructure and Smart Cities

The Smart Cities Mission and allied urban redevelopment initiatives are creating strong demand for integrated infrastructure, including urban water supply, sustainable transport, drainage systems, and smart mobility solutions. Rapid urbanisation is accelerating the need for affordable housing, improved municipal services, and urban renewal. Government-backed funds under schemes such as 'Cities as Growth Hubs' and 'Creative Redevelopment of Cities' are unlocking new avenues for project development through Public-Private Partnerships (PPPs) and innovative financing models, including bond-based mechanisms.

### Rural and Regional Connectivity

The Pradhan Mantri Gram Sadak Yojana (PMGSY) has achieved substantial progress in connecting rural habitations. However, the ongoing need for road upgrades, maintenance, and last-mile access continues to create a steady pipeline of project opportunities. With rural development remaining a national priority, investment in regional transport infrastructure and feeder networks is expected to increase, particularly in underserved and remote areas.

### Irrigation and Water Infrastructure

Government spending on irrigation is rising due to the focus on agriculture and rural development. Projects include canals, reservoirs, and water management systems. In cities, water supply, sewage, and treatment facilities are gaining priority. These projects are creating opportunities for companies with established expertise in EPC and water infrastructure.

## THREATS

### Regulatory and Policy Uncertainty

Frequent changes in environmental clearance norms, land acquisition rules, and tariff structures create uncertainty in project planning, particularly in sectors such as renewable energy. Differences between central and state-level regulations often result in legal disputes and delays.

### Execution and Land Acquisition Delays

Securing the right of way, resolving legal issues, and gaining land possession remain ongoing challenges. These issues are common in road, rail, and transmission projects. Local resistance and complex land acquisition processes further slow down timelines.

### Cost Inflation

Rising prices of steel, cement, and fuel continue to drive up construction costs. Project delays can reduce margins further. Fixed-price contracts are particularly susceptible to inflation-related risks, which can adversely affect project profitability.

### Climate and Environmental Risks

Extreme weather events, including floods and heatwaves, are becoming increasingly frequent, posing significant risks to infrastructure development. These disruptions impact construction timelines and necessitate the adoption of stronger, more resilient design standards, often resulting in increased project costs. Additionally, the broader shift towards sustainable construction practices introduces greater design complexity and elevates regulatory compliance requirements.

## RISK MANAGEMENT

At KNRCL, risk management is an integral part of strategic planning and operational execution. The Company identifies potential risks early and implements targeted mitigation measures to ensure project continuity, financial stability, and long-term growth.

| Risk                           | Description                                                                                            | Mitigation Strategy                                                                                                                                                                                                     |
|--------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Labour Shortage</b>         | Challenges in hiring and retaining skilled workers can impact productivity and delay project delivery. | KNRCL fosters a people-first culture by offering competitive compensation, prioritising employee well-being, and investing in continuous learning, mentoring, and robust safety practices to attract and retain talent. |
| <b>Environmental Risk</b>      | Natural disasters such as floods and earthquakes pose threats to project continuity and timelines.     | KNRCL proactively conducts comprehensive risk assessments, enforces stringent safety protocols, and maintains advanced emergency response systems to ensure resilience against environmental disruptions.               |
| <b>Surge in Material Costs</b> | Escalating input costs and supply chain disruptions can erode margins and threaten project viability.  | KNRCL mitigates cost volatility by strategically procuring critical materials in advance, enhancing material efficiency, and implementing rigorous waste reduction measures.                                            |

## Management Discussion and Analysis (Contd.)

| Risk                         | Description                                                                                                      | Mitigation Strategy                                                                                                                                                                                                |
|------------------------------|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Regulatory Clearances</b> | Delays in obtaining necessary approvals from authorities can hinder or stall project execution.                  | KNRCL ensures timely project progress by maintaining proactive engagement with regulatory bodies and adopting a structured, systematic approach to expedite clearances and minimise hold-ups.                      |
| <b>Competition Risk</b>      | Intensifying competition from domestic and international players may compress margins and reduce project awards. | KNRCL strengthens its market position by leveraging extensive execution experience, forming strategic alliances, and scaling operational capabilities to remain agile and competitive in a dynamic environment.    |
| <b>Technology Risk</b>       | Reluctance or delays in adopting new technologies can impede efficiency and future readiness.                    | KNRCL accelerates digital transformation by implementing SAP S/4HANA Public Cloud and empowers teams through training in advanced innovations such as GPS tracking and automation to drive operational excellence. |

### FINANCIAL OVERVIEW

#### Revenues

On a standalone basis, KNRCL reported a total income from operations of ₹ 33,587 Mn in 2024-25, compared to ₹ 40,910 Mn in the previous year.

#### Profits

EBITDA for the year stood at ₹ 6,259 Mn, as against ₹ 7,010 Mn in 2023-24. Despite the moderation in operating profit, the Company recorded a significantly higher profit after tax of ₹ 7,257 Mn, compared to ₹ 4,938 Mn in the previous fiscal, driven by arbitration claims and prudent cost management.

#### Net Worth

The Company's Net Worth rose to ₹ 39,450 Mn in 2024-25 from ₹ 32,257 Mn in 2023-24, reflecting an increase of around 22%. Earnings per Share stood at ₹ 25.80, compared to ₹ 17.56 in the previous year.

#### Financial Ratios

Details regarding the financial ratios are given separately on page number 219.

#### Internal Financial Controls and Their Adequacy

KNRCL has established a robust internal control system aimed at ensuring efficient use of resources, strict compliance with policies, and adherence to statutory requirements. The controls are backed by clearly defined guidelines for approvals and authorisations, complemented by regular internal and external audits.

A comprehensive internal audit framework is in place, covering key financial and operational processes across all business units. This not only ensures accurate financial reporting but also drives continuous improvements in operational performance.

The Audit Committee periodically reviews the adequacy and effectiveness of the internal financial control systems

to ensure they remain aligned with the Company's strategic goals and regulatory obligations.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

KNRCL is committed to the continuous development and enhancement of its workforce, ensuring that the employees are well-equipped to adapt to evolving technologies, processes, and industry practices. By the close of 2024-25, the Company employed a total of 2,750 permanent staff, excluding contract workers and trainees.

### CAUTIONARY STATEMENT

This Management Discussion and Analysis contains forward-looking statements, which may include terms such as 'plans,' 'expects,' 'anticipates,' 'believes,' 'intends,' 'projects,' 'estimates,' and similar expressions, in accordance with applicable securities laws and regulations. These statements relate to the Company's future business outlook, strategic initiatives, product development, market positioning, financial performance, and expenditure plans.

Such statements are inherently subject to a range of risks and uncertainties that may cause actual results to differ materially from those expressed or implied. These include, but are not limited to, fluctuations in earnings, the ability to manage growth effectively, domestic and international competition, macroeconomic conditions in India and other key markets, challenges in attracting and retaining skilled professionals, delays or cost overruns in project execution, changes in government policies, regulatory developments, fiscal deficits, and prevailing interest rates and other financial costs.

Past performance is not necessarily indicative of future results. The Company undertakes no obligation to publicly revise or update any forward-looking statements in the event of any change in circumstances or expectations, unless required by applicable law.

## Corporate Information

### Board of Directors

|                                            |   |                                                                    |
|--------------------------------------------|---|--------------------------------------------------------------------|
| Shri B V Rama Rao (DIN: 00972552)          | : | Chairman & Independent Director (Till September 30, 2024)          |
| Shri W R Reddy (DIN:03081486)              | : | Chairman & Independent Director (Chairman W.e.f. October 01, 2024) |
| Shri L B Reddy (DIN: 00956445)             | : | Independent Director (Till September 30, 2024)                     |
| Smt. G Chandra Rekha (DIN: 08464587)       | : | Independent Director                                               |
| Shri K Udaya Bhaskara Reddy (DIN:06926054) | : | Independent Director                                               |
| Smt. K Yashoda (DIN: 05157487)             | : | Non-Executive Director                                             |
| Shri K Narsimha Reddy (DIN: 00382412)      | : | Managing Director                                                  |
| Shri K Jalandhar Reddy (DIN: 00434911)     | : | Executive Director & CFO                                           |

### Company Secretary & Compliance Officer

Smt. Haritha Varanasi (ACS 34293)

### Statutory Auditors

M/s K P Rao & Co.,  
Chartered Accountants  
Bangalore  
(Firm Registration No. 003135S)

### Cost Auditors

M/s Suneel & Associates  
Cost Accountants  
Nellore  
(Firm Registration No.002296)

### Secretarial Auditors

M/s VCSR & Associates  
Company Secretaries  
Hyderabad

### Internal Auditors

M/s K P Rao Associates  
Chartered Accountants  
Hyderabad

### Registered Office:

KNR House, 3rd & 4th Floors,  
Plot No. 114, Phase I,  
Kavuri Hills, Hyderabad,  
Telangana-500033.  
Ph: 040 - 40268761  
Email: [investors@knrcl.com](mailto:investors@knrcl.com)  
Website: [www.knrcl.com](http://www.knrcl.com)  
CIN: L74210TG1995PLC130199

### Registrars and Share Transfer Agent

MUFG Intime India Private Limited  
(Formerly Link Intime India Private Limited)  
C-101, 247 Park, L B S Marg,  
Vikhroli (W), Mumbai - 400083  
Ph: 022 4918 6000  
Fax: 022 4918 6060

### Bankers:

State Bank of India  
IDBI Bank  
Axis Bank Limited  
ICICI Bank Limited  
Kotak Mahindra Bank Limited  
HDFC Bank Limited  
Federal Bank  
RBL Bank Limited  
Punjab National Bank  
IndusInd Bank Limited

# NOTICE

**Notice** is hereby given that the 30th Annual General Meeting of the members of KNR Constructions Limited will be held on Thursday, September 25, 2025 at 11.00AM through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

## ORDINARY BUSINESS

1. To receive, consider and adopt
  - (a) the audited Financial Statement of the Company for the financial year ended March 31, 2025 and the Report of the Board of Directors and Auditors thereon; and
  - (b) the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2025 and the Report of Auditors thereon.
2. To declare final Dividend of ₹ 0.25 Per Equity share of ₹ 2.00 each for the financial year 2024-25.
3. To appoint a Director in place of Shri K Jalandhar Reddy (DIN:00434911), who retires by rotation and being eligible, offers himself for re-appointment.
4. To fix remuneration of the Statutory Auditors for their remaining tenure i.e, till the financial year ending March 31, 2027 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to provisions of Section 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, and based on the recommendations of the Audit Committee and the Board of Directors, remuneration of M/s K P Rao & Co., Chartered Accountants, (Firm registration no. 003135S) Statutory Auditors of the Company, be and is hereby fixed at Rs 20 Lakhs per annum plus applicable taxes, excluding out of pocket expenses, if any, for the remaining tenure till the financial year ending March 31, 2027."

## SPECIAL BUSINESS

### 5. Ratification of remuneration of the Cost Auditors for the financial year ending March 31, 2026.

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Suneel and Associates., Cost Accountants, Nellore (Firm Registration No. 002296), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2026, amounting to ₹ 3,00,000/- (Rupees Three Lakhs only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified."

### 6. Appointment of M/s VCSR & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for a term of Consecutive five (5) years.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereto), and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") including circulars issued thereunder, M/s. VCSR and Associates, Company Secretaries, Hyderabad (Unique Code No. P2014AP034200) having peer review No. 6686/2025 be and is hereby appointed as Secretarial Auditors of the Company for a period of 5 (Five) consecutive financial years i.e., from the 2025-26 to 2029-30 to undertake Secretarial Audit for each of the said years at such remuneration as may be decided by the Board of Directors from time to time and on such terms and conditions as detailed in the Explanatory Statement hereto."

**"RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorised to decide and finalise the terms and conditions of appointment, including remuneration, and to do all other acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

## NOTICE (Contd.)

### 7. Re-appointment of Shri K Narsimha Reddy (DIN:00382412) to the office of Managing Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Act thereto, the re-appointment of Shri K Narsimha Reddy, by the Board, based on the recommendation of the Nomination and Remuneration Committee, to the office of Managing Director of the Company, a Key Managerial Personnel as defined u/s 2(51) of the Companies Act, 2013 for a further period of five(5) years, w.e.f. April 01, 2026 to March 31, 2031 on such remuneration and other terms and conditions as laid down in the Explanatory statement annexed hereto be and is hereby approved."

**"FURTHER RESOLVED** THAT the Company Secretary or any other director of the Company be and are hereby authorised to take necessary steps as may be required for giving effect to this resolution."

### 8. Re-appointment of Shri K Jalandhar Reddy (DIN:00434911) to the office of Executive Director.

To consider and if thought fit, to pass, with or without modification(s) the following resolution as Special Resolution.

**"RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Act, the re-appointment of Shri K Jalandhar Reddy, by the Board, based on the recommendation of the Nomination and Remuneration Committee, to the office of Executive Director of the Company, a Key Managerial Personnel as defined u/s 2(51) of the Companies Act, 2013 for a further period of five(5) years, w.e.f. April 01, 2026 to March 31, 2031 on such remuneration and other terms and conditions as laid down in the Explanatory statement annexed hereto be and is hereby approved."

**"FURTHER RESOLVED THAT** the Company Secretary or any other director of the Company be and are hereby authorised to take necessary steps as may be required for giving effect to this resolution."

By Order of the Board of Directors  
For **KNR Constructions Limited**

Place: Hyderabad  
Date: August 11, 2025

**Haritha Varanasi**  
Company Secretary  
(ACS 34293)

**Registered Office:**  
**KNR Constructions Limited**  
KNR House, 3rd and 4th Floors,  
Plot No.114, Phase I, Kavuri Hills,  
Hyderabad, Telangana- 500033.  
Ph: 040 - 40268760  
Email: [investors@knrcl.com](mailto:investors@knrcl.com)  
Website: [www.knrcl.com](http://www.knrcl.com)  
CIN: L74210TG1995PLC130199

**NOTICE (Contd.)****NOTES FOR MEMBERS:**

1. The Ministry of Corporate Affairs (MCA) vide its General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars issued in this regard, the latest being General circular 09/2024 dated September 19, 2024 (collectively referred to as "MCA Circulars"). and the Securities Exchange Board of India ('SEBI'), vide its Circular dated May 12, 2020, January 15, 2021, May 13, 2022, January 05, 2023, October 06, 2023 and October 03, 2024, and other applicable circulars in this regard have permitted the holding of the Annual General Meeting (AGM) through video conferencing (VC) / other audio-visual means (OAVM), without the physical presence of the Members at a common venue. In view of the same, the 30th Annual General Meeting is being held through VC/OAVM on Thursday, September 25, 2025 at 11:00 A.M. The deemed venue for the 30th AGM shall be the Registered Office of the Company.
2. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
3. As per the provisions of Clause 3.A. II of the General Circular No.20/2020 dated May 05, 2020, issued by the MCA, the matters of Special Business as appearing at item Nos. 5 to 8 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
4. The Explanatory Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. In case you are holding the Company's shares in dematerialised form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc.
6. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. MUFG Intime India Private Limited (RTA), C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083 and update your bank account details by enclosing a photocopy of blank cancelled cheque of your bank account.
7. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form with effect from January 24, 2022. In view of the same and to eliminate any risk associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. M/s. MUFG Intime India Private Limited (RTA), C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialisation and change in the address of the members may be communicated to the Company or RTA.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
9. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company's email id [investors@knrcl.com](mailto:investors@knrcl.com), a certified copy of the Board resolution, authorisation, etc., authorising their representative to attend the AGM through VC/OAVM and vote through e-voting on their behalf at the meeting.
10. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialised form may contact their respective depository participant(s) for recording nomination in respect of their shares.
11. The register of members and the Register of share transfers of the Company shall be closed from September 18, 2025 to September 25, 2025 (both days inclusive) and Record date has been fixed as September 15, 2025 for the purpose of payment of dividend for the financial year ended March 31, 2025. The final dividend, once approved by the members in the ensuing AGM, will be paid on or before October 22, 2025.

## NOTICE (Contd.)

Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to [investors@knrcil.com](mailto:investors@knrcil.com) on or before September 14, 2025.

Shareholders are requested to note that in case their PAN is not registered, tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [investors@knrcil.com](mailto:investors@knrcil.com). The aforesaid declarations and documents need to be submitted by the shareholders on or before September 14, 2025.

With effect from April 01, 2024, Dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made upon Folio being KYC compliant i.e. the PAN, choice of nomination, contact details and specimen signature are registered with the RTA/ Company. [SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024].

Note: To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC and Nomination details.

### **12. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven)

years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. In view of this members are requested to claim their dividend from the Company, within the stipulated timeline.

The Members/Claimants whose shares and/or unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 which is available on [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company [www.knrcil.com](http://www.knrcil.com) along with requisite fee as decided by it from time to time.

Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2018 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on 31st March 2017, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at [www.knrcil.com](http://www.knrcil.com) and on the website of Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in). Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

13. Members seeking any information or clarification on the Financial statements are requested to send their queries to the Company, in writing, at least ten days before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.

## NOTICE (Contd.)

14. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

15. The register of Directors and Key Managerial Personnel maintained under Section 170 of the Companies Act, 2013 and Register of Contracts and arrangements in which Directors are interested, maintained under Section 189 of the Act, will be electronically available for inspection by the members during the AGM.

Members may also note that the Notice of the 30th Annual General Meeting is available on the Company's website, [www.knrcl.com](http://www.knrcl.com). All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at [investors@knrcl.com](mailto:investors@knrcl.com).

In compliance with the aforementioned MCA Circulars and SEBI Circulars Notice of the AGM along with Annual Report 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2024-25 will also be available on the Company's website at [www.knrcl.com](http://www.knrcl.com) on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).

To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
18. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/ HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/ HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to abovementioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.
19. Members seeking any information or clarification on the financial statements are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. The same will be replied by the Company suitably.
20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holding should be verified from time to time.
21. Additionally, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to members whose e-mail address is not registered with Company/ Depository Participant providing the exact web-link of Company's website from where the Annual Report for financial year 2024-25 can be accessed.
22. Additional information in respect of Directors seeking appointment/ re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure

## NOTICE (Contd.)

Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by the ICSI forms part of this Notice. Requisite consent / declaration has been received in this regard.

23. The Company has appointed Shri Vikas Sirohiya, Practicing Company Secretary (Membership No. A15116, C.P. No. 5246), a Partner of M/s P S Rao and Associates, Company Secretaries, Hyderabad as the Scrutiniser to conduct and scrutinise the voting process in a fair and transparent manner. The cut-off date for the purpose of e voting has been fixed as Thursday, September 18, 2025.

### E-VOTING

#### **CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

1. Pursuant to MCA and SEBI Circulars the forthcoming AGM will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without

restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020 the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.knrcil.com](http://www.knrcil.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

#### **INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period (remote e-voting) begins on Monday, September 22, 2025 at 09.00 AM and ends on Wednesday September 24, 2025 at 05.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, September 18, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. However, the e-voting module shall be enabled for voting by the members during the AGM which shall continue till 15 minutes upon conclusion of the Meeting.
- (ii) The Board of Directors has appointed Shri Vikas Sirohiya, Practicing Company Secretary (Membership No. A15116, C.P. No. 5246), a Partner of M/s P S Rao and Associates, Company Secretaries, Hyderabad to act as Scrutiniser to conduct and scrutinise the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

## NOTICE (Contd.)

- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) Pursuant to SEBI Circular SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders' /retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (v) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders                                                                 | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, , so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsI website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System My easi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |

## NOTICE (Contd.)

|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                   | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type                                                                | Helpdesk details                                                                                                                                                                                                           |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022- 4886 7000 and 022 - 2499 7000      |

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

### (vi) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID

**NOTICE (Contd.)**

- a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

|                                                     | <b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                                 | <p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>             |
| Dividend Bank Details <b>OR</b> Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</li> </ul> |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Company, i.e., KNR Construction Limited on which you choose to vote
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutiniser for verification
- (xviii) Additional Facility for Non – Individual Shareholders and Custodians – Remote Voting only.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.

## NOTICE (Contd.)

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory, that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address [investors@knrcl.com](mailto:investors@knrcl.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investors@knrcl.com](mailto:investors@knrcl.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investors@knrcl.com](mailto:investors@knrcl.com). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by a shareholder through the e-voting available during the AGM and if the same shareholder has not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NOS. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

## NOTICE (Contd.)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, AVP, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free No. 1800 21 09911.

### General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on **September 18, 2025**, the Cut- off date.
- ii. The Scrutiniser, after scrutinising the votes cast during the meeting and through remote e-voting will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the Chairman. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company, [www.knrcl.com](http://www.knrcl.com) and on the website of [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e., September 25, 2025.
- iii. The voting result will be announced by the Chairman or any other person authorised by him within two days of conclusion of the AGM. A copy the same shall be submitted to BSE & NSE and also placed on the web site of the Company.

## NOTICE (Contd.)

### EXPLANATORY STATEMENT

#### [PURSUANT TO THE PROVISIONS OF SECTION 102 (2) OF THE COMPANIES ACT, 2013]

##### ITEM NO. 4

M/s K P Rao & Co., Chartered Accountants, were re-appointed as Statutory Auditors of the Company at the 27th Annual General Meeting held on September 29, 2022 for a further period of 5 years i.e., upto conclusion of 32nd AGM to be held in the year 2027, at the existing remuneration of ₹ 14 Lakhs per annum.

Now, it is proposed to revise the remuneration of the statutory auditors from ₹ 14 Lakhs per annum to ₹ 20 Lakhs per annum for their remaining tenure.

The Board of Directors, upon recommendation of Audit Committee, at its meeting held on August 11, 2025, has approved, subject to the approval of the members of the Company at the ensuing AGM, revision of the remuneration of M/s K P Rao and Co., Chartered Accountants, Statutory Auditors of the Company from existing remuneration of ₹ 14 Lakhs per annum to ₹ 20 Lakhs per annum plus applicable taxes and out of pocket expenses, if any, for their remaining tenure as Statutory Auditors of the Company i.e till the financial year ending March 31, 2027.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, whether financially or otherwise in the resolution as set out at item no. 4.

The Board of Directors recommends the resolution set forth in item no.4 as Ordinary Resolution for the approval of the members.

##### ITEM NO. 5

The Board of Directors at its meeting held on May 29, 2025, upon the recommendation of the Audit Committee, has appointed M/s Suneel & Associates., Cost Accountants, Hyderabad (Firm Registration No.002296), issued by the Institute of Cost Accountants of India, as the Cost Auditors of the Company for the financial year 2025-26 at a remuneration of ₹ 3 Lakhs excluding applicable taxes. Certificate issued by M/s Suneel & Associates., confirming their eligibility to be appointed as Cost Auditors of the Company will be available for inspection electronically by the members.

In accordance with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors requires ratification by the members. Hence this resolution is proposed for consideration of the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, whether financial or otherwise in the Resolution as set out at Item no. 5.

##### Item No. 6:

Pursuant to the amended provisions of Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 (Act) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on May 29, 2025 have approved and recommended the appointment of M/s. VCSR and Associates., Practicing Company Secretaries, Hyderabad as the Secretarial Auditors of the Company for an audit period of five consecutive years commencing from 2025-26 till 2029-30 on the following terms and conditions.

- a) Term of appointment – Five (5) consecutive years of audit period commencing from financial year 2025-26 to 2029-2030.
- b) Proposed fees – ₹ 2,36,000/- plus applicable taxes and out of pocket expenses in connection with the secretarial audit for the financial year ending March 31, 2026 and for subsequent year(s) of their term, such fee as may be mutually agreed between the Board and the Audit firm. The fees for services in the nature of certifications and other event based professional services will be in addition to the secretarial audit fee as above and will be determined by the Board in continuation with the Secretarial Auditors and as per the recommendation of the Audit Committee.
- c) Basis of recommendation- The Board recommends appointment of M/s VCSR & Associates as secretarial auditors based on the eligibility, experience, competency and quality in conducting the audit which is in line with the industry standards.
- d) Credentials : M/s VCSR and Associates is a firm of practicing Company Secretaries having experience of 21 years in the field of providing corporate law services. The firm is a peer reviewed by Institute of Company Secretaries of India ensuring highest standards in professional practices.

**NOTICE (Contd.)**

e) **Consent and Eligibility:** The Secretarial Audit Firm has consented to their appointment and have confirmed that their appointment, if made, would be pursuant to Regulation 24A of SEBI Listing Regulations and that they are not disqualified to be appointed as the Secretarial Auditors in terms of the provisions of SEBI Listing Regulations. The Secretarial Audit Firm holds a valid Peer Review Certificate issued by ICSI.

None of the Director(s), Key Managerial Personnel(s) of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding, if any, in the Company.

The Board of Directors of the Company recommends the resolution set forth in Item No. 6 of the Notice for approval of the Members as an Ordinary Resolution.

**Item no. 7 & 8**

Your Board of Directors at their meeting held on August 11, 2025, upon recommendation of Nomination and Remuneration Committee and subject to the approval of the members of the Company, has re-appointed Shri K Narsimha Reddy to the Office of Managing Director and Shri K Jalandhar Reddy to the office of Executive Director for a further period of 5 years on such remuneration and other terms and conditions as laid hereunder:

| S. No. | Name & Designation                           | Tenure of office                    | proposed                              |                                                                                                                                      |
|--------|----------------------------------------------|-------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
|        |                                              |                                     | Remuneration in ₹ Per month Fixed pay | Variable pay                                                                                                                         |
| 1      | Shri K Narsimha Reddy<br>Managing Director   | April 01, 2026 to<br>March 31, 2031 | ₹ 1 Crore                             | Not exceeding 100% of the respective consolidated salary payable annually for each financial year as may be determined by the Board. |
| 2      | Shri K Jalandhar Reddy<br>Executive Director | April 01, 2026 to<br>March 31, 2031 | ₹ 75 Lakhs                            |                                                                                                                                      |

**Perquisites and allowances:** Upto a limit of 15% of the monthly salary.

The aforesaid perquisites and allowances payable to Shri K Narsimha Reddy and Shri K Jalandhar Reddy shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance; medical reimbursement; leave travel concession for self and family including dependents; club fees, accident and medical insurance, encashment of leave and such other perquisites and allowances, upto the amounts specified above and reimbursement of actual expenses incurred towards utilisation of gas, electricity, water, furnishing and repairs, however subject to condition that the overall remuneration paid is within the overall ceiling of remuneration stipulated in Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Provision of car for the purpose of Company's business and telephone as per the rules of the Company would not be considered as perquisites.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 read with applicable rules made thereunder. However, any provident fund, superannuation or annuity fund are not taxable under the Income Tax Act 1961 and gratuity payable and

encashment of leave as per the rules of the Company shall not be included in the computation of limits for the remuneration which includes salary (Fixed and variable), perquisites and allowances.

The proposed variable pay will be determined by the Board based on the performance of the Company and other factors as deemed fit, but shall not exceed:

|             |                      |
|-------------|----------------------|
| For 2026-27 | 50% of fixed pay PA  |
| For 2027-28 | 60% of fixed pay PA  |
| For 2028-29 | 75% of Fixed pay PA  |
| For 2029-30 | 85% of Fixed Pay PA  |
| For 2030-31 | 100% of Fixed pay PA |

The above variable pay shall be paid based on the fixed pay paid during that specified financial year.

In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration

Shri K Narsimha Reddy and Shri K Jalandhar Reddy shall not be entitled to sitting fee for attending the meetings of the Board or of the committees thereof.

## NOTICE (Contd.)

Keeping in view the contributions made by the said Directors to the sustained growth and development of the Company, your Board of Directors are of the opinion that their experience and expertise continues to be of immense benefit to the Company and hence be re-appointed for another term of five (5) years.

Taking into account good work that the management has been doing more particularly by Shri K Narsimha Reddy, Managing Director and ably assisted by Shri K Jalandhar Reddy, Executive Director who is also CFO of the Company, it is felt that the proposed re-appointment of another term of five (5) years at the revised remuneration is just and reasonable and commensurate with the size and scale of the Company and with the industry standards.

Pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013 read with Schedule V of the Act, any such appointment needs to be approved by the members in their general meeting.

In view of the above, the resolutions set out in items no. 7&8 in the notice of AGM are recommended for your consideration.

A copy of draft appointment letter of Shri K Narsimha Reddy, Managing Director and that of Shri K Jalandhar Reddy, Executive Director setting out the terms and conditions is available for inspection of the members at the registered office of the Company during the working hours on any working day till the conclusion of AGM.

Shri K Narsimha Reddy is the husband of Smt. K Yashoda and Father of Shri K Jalandhar Reddy.

In other words, Shri K Jalandhar Reddy is the son of Shri K Narsimha Reddy and Smt. K Yashoda. Apart from the said, they are not related to any Director of the Company. Further, Shri K Narsimha Reddy, Smt. K Yashoda and Shri K Jalandhar Reddy belong to the promoter and promoter group of the Company and holds shares in the Company.

Thus, Shri K Narsimha Reddy, Smt. K Yashoda and Shri K Jalandhar Reddy may be deemed to be concerned in the resolutions as set out in items 7 & 8 of the notice of AGM.

Save and except the aforesaid, none of the other directors and key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolutions set out at items No. 7 & 8 in the notice, except to the extent of shares held by them in the paid up share capital of the Company.

### **Brief profile of Shri K Narsimha Reddy**

Shri K Narsimha Reddy aged 76 years, is the Founder Promoter and the Managing Director of the Company. He holds a Bachelor's degree in Arts from Kakatiya University. He has over 55 years of experience in the roads and infrastructure sector, and has been the driving force behind the Company's establishment and growth, and Company has grown to the current size and scale under his able leadership. He started his career in 1968 as sub-contractor for other construction companies. In 1979, he formed a partnership in the name and style of M/s K Narsimha Reddy & Company, which was engaged in the business of undertaking civil and mechanical contracts. Shri Reddy has extensive knowledge and experience in project planning, scheduling, cost controls, and quality surveying in addition to overall construction project management. Shri Reddy oversees the implementation of all the projects and has formulated the corporate vision of the Company. Shri K Narsimha Reddy is presently the Managing Director of KNR Constructions Limited and director of Patel KNR Heavy Infrastructures Limited, Patel KNR Infrastructures Limited, KNR Guruvayur Infra Private Limited, KNR Ramanattukara Infra Private Limited, KNR Ramagiri Infra Private Limited, KNR Ramatheertham Infra Private Limited, KNR Kaveri Infra Private Limited and KNR Sriranganatha Infra Private Limited as on March 31, 2025.

It is proposed to seek member's approval for his reappointment and remuneration payable to him as the Managing Director of the Company, in terms of the applicable provisions of the Act.

### **Brief Profile of Shri K Jalandhar Reddy**

Shri K Jalandhar Reddy aged 54 years, is the Promoter and Executive Director of KNR Constructions Limited. He is the son of the Company's founder Promoter and Managing Director, Shri K Narsimha Reddy. He holds a Bachelor's Degree in Computer Engineering from Bangalore University. He has over 29 years of experience in the roads and infrastructure sector. He started his career with KNR Constructions as a project manager and was elevated as Executive Director from the year 1997. He heads the tendering and bidding activities of the Company, as also is in charge of the projects execution. Shri Jalandhar Reddy is presently the Executive Director & CFO of KNR Constructions Limited and Director of Vishnu Publicity Solutions Private Limited, KNR Somwarpet Infraproject Private Limited, Sriadhvaitha Agrotech Private Limited, KNR Palani Infra Private Limited, KNR Guruvayur Infra Private Limited,

**NOTICE (Contd.)**

KNR Ramanattukara Infra Private Limited, KNR Ramagiri Infra Private Limited, KNR Ramatheertham Infra Private Limited, KNR Kaveri Infra Private Limited and KNR Sriranganatha Infra Private Limited as on March 31, 2025.

It is proposed to seek member's approval for his reappointment and remuneration payable to him as the Executive Director of the Company, in terms of the applicable provisions of the Act.

**Information in respect of Directors seeking appointment/ re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by the ICSI.**

|                                                                                        |                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name                                                                                   | Kamidi Narsimha Reddy                                                                                                                                                                                                                                                                                                          | Kamidi Jalandhar Reddy                                                                                                                                                                                                                                                                                                                                                   |
| Date of Birth                                                                          | 27.11.1948                                                                                                                                                                                                                                                                                                                     | 08.06.1971                                                                                                                                                                                                                                                                                                                                                               |
| Qualification & Expertise                                                              | Bachelor's degree<br>He has over 55 years of experience in the roads and infrastructure sector, and has been the driving force behind the Company's establishment and growth, and Company has grown to the current size and scale under his able leadership.                                                                   | Bachelor's Degree in Computer Engineering. He has over 29 years of experience in the roads and infrastructure sector. He started his career with KNR Constructions Limited as a project manager and was elevated as Executive Director from the year 1997. He heads the tendering and bidding activities of the Company, as also is in charge of the projects execution. |
| Terms and Conditions of Appointment / Reappointment                                    | For the current term he was re-appointed as Managing Director of the Company for a period of 5 years w.e.f. April 01, 2021.<br><br>It is proposed to reappoint for another term of 5 years w.e.f April 01, 2026 at such remuneration and on such terms and conditions as laid in the Explanatory Statement, attached herewith. | For the current term he was re-appointed as Executive Director of the Company for a period of 5 years w.e.f. April 01, 2021.<br><br>It is proposed to reappoint for another term of 5 years w.e.f April 01, 2026 at such remuneration and on such terms and conditions as laid in the Explanatory Statement, attached herewith.                                          |
| Details of Remuneration sought to be paid and last drawn remuneration                  | As laid down in the explanatory statement attached herewith.<br><br>Last drawn remuneration – ₹ 13,65,00,000/- (Fixed pay and variable pay put together for the 2024-25).                                                                                                                                                      | As laid down in the explanatory statement attached herewith.<br><br>Last drawn remuneration – 9,69,36,300/- (Fixed pay and variable pay put together for the 2024-25).                                                                                                                                                                                                   |
| Date of first appointment on the Board                                                 | July 11, 1995                                                                                                                                                                                                                                                                                                                  | July 11, 1995                                                                                                                                                                                                                                                                                                                                                            |
| Shareholding in the Company as on the date of report i.e. August 2025                  | 8,54,84,926 Equity shares                                                                                                                                                                                                                                                                                                      | 3,72,59,210 equity shares                                                                                                                                                                                                                                                                                                                                                |
| Relationship with other Directors/Key Managerial Personnel                             | Kamidi Yashoda – Spouse<br>Kamidi Jalandhar Reddy - Son                                                                                                                                                                                                                                                                        | Kamidi Narsimha Reddy – Father<br>Kamidi Yashoda - Mother                                                                                                                                                                                                                                                                                                                |
| Number of meetings of the Board attended during the year (2024-25)                     | 5                                                                                                                                                                                                                                                                                                                              | 5                                                                                                                                                                                                                                                                                                                                                                        |
| Listed entities from which the appointee director has resigned in the past three years | Nil                                                                                                                                                                                                                                                                                                                            | Nil                                                                                                                                                                                                                                                                                                                                                                      |

## NOTICE (Contd.)

|                                                                              |                                                                              |     |
|------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----|
| Directorships of other Public Limited Companies as on March 31, 2025         | Patel KNR Heavy Infrastructures Limited<br>Patel KNR Infrastructures Limited | Nil |
| Membership / Chairmanship of Committees of other Boards as on March 31, 2025 | Nil                                                                          | Nil |

By Order of the Board of Directors  
For **KNR Constructions Limited**

**Haritha Varanasi**  
Company Secretary  
ACS 34293

**Registered Office:**  
**KNR Constructions Limited**  
KNR House, 3rd and 4th Floors,  
Plot No.114, Phase I, Kavuri Hills,  
Hyderabad, Telangana- 500033.  
Ph: 040 - 40268759  
Email: [investors@knrcl.com](mailto:investors@knrcl.com)  
Website: [www.knrcl.com](http://www.knrcl.com)  
CIN: L74210TG1995PLC130199

Place: Hyderabad  
Date: August 11, 2025

# Director's Report

## Dear Members,

Your Director's are pleased to present the Thirtieth Annual Report and the Company's audited financial statement (Standalone and Consolidated) for the financial year ended March 31, 2025.

## FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2025 is summarised below:

(₹ in Lakhs)

| Particulars                                                     | Year ended<br>March, 31 2025 |                   | Year Ended<br>March 31, 2024 |                    |
|-----------------------------------------------------------------|------------------------------|-------------------|------------------------------|--------------------|
|                                                                 | Standalone                   | Consolidated      | Standalone                   | Consolidated       |
| Total revenue (including other income)                          | <b>381,030.50</b>            | <b>506,885.49</b> | <b>4,23,314.74</b>           | <b>4,57,417.73</b> |
| Profit before interest, depreciation, exceptional items and tax | 107,760.07                   | 192,232.53        | 84,312.66                    | 1,21,096.58        |
| <b>Less:</b> Interest and financial charges                     | 1,295.35                     | 20,789.58         | 2,928.98                     | 10,567.40          |
| Profit Before depreciation, Exceptional items and tax           | 106,464.72                   | 171,442.95        | 81,383.68                    | 1,10,529.18        |
| <b>Less:</b> Depreciation and amortisation                      | 9,028.51                     | 31,421.95         | 12,450.25                    | 15,683.13          |
| <b>Profit before exceptional items and tax</b>                  | <b>97,436.21</b>             | <b>140,021.00</b> | <b>68,933.43</b>             | <b>94,846.05</b>   |
| <b>Less: Exceptional Items – Expenses/(Income)</b>              | 1,501.21                     | 14,062.80         | -                            | -                  |
| <b>Profit before tax</b>                                        | <b>95,935.00</b>             | <b>125,958.20</b> | <b>68,933.43</b>             | <b>94,846.05</b>   |
| Provision for tax (including Deferred Tax )                     | 23,366.92                    | 25,770.79         | 19,550.31                    | 19,616.36          |
| <b>Profit after tax</b>                                         | <b>72,568.08</b>             | <b>100,187.41</b> | <b>49,383.12</b>             | <b>75,229.69</b>   |
| Add: Other Comprehensive Income                                 | 68.77                        | 68.77             | 458.36                       | 457.98             |
| Total Comprehensive Income for the period                       | 72,636.85                    | 100,256.18        | 49,841.48                    | 75,687.67          |
| <b>Attribution to:</b>                                          |                              |                   |                              |                    |
| Shareholders of the Company                                     | 72,568.08                    | 100,187.41        | 49,841.48                    | 77,739.88          |
| Non-Controlling Interest                                        |                              |                   | NA                           | (2,510.19)         |
| Balance of Profit/(Loss) for earlier years                      | 304,012.26                   | 336,011.59        | 2,55,332.23                  | 2,58,974.80        |
| Less: Dividend                                                  | 703.09                       | 703.09            | 703.09                       | 703.09             |
| Balance carried forward                                         | <b>375,877.25</b>            | <b>435,495.91</b> | <b>3,04,012.26</b>           | <b>3,36,011.59</b> |

## COMPANY'S AFFAIRS AND FUTURE OUTLOOK

As on March 31, 2025 KNRCL holds an outstanding order book valued at 5,05,183.15 Lakhs, with 2,56,106.60 Lakhs attributed to the road sector, while the remaining 2,49,075.55 Lakhs dedicated to the irrigation and pipeline projects. The current order book position remains stable and provides visibility of execution over around 1.5 years to 2 years.

## RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

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

### On Standalone basis

- Revenue from operations for the 2024-25 is reported at ₹ 3,35,864.93 Lakhs.

- PBDIT (Excluding other income& Exceptional Item) decreased by 10.70 % to ₹ 62,594.50 Lakhs
- Profit before tax Increased by 39.17 % to ₹ 95,935.00 Lakhs
- Net profit Increased by 46.95% to ₹ 72,568.08 Lakhs
- Net worth increased by 22.30% to ₹ 3,94,499.67 Lakhs
- The order book position as on March 31, 2025 stands at ₹ 505,183.15 Lakhs.

### On consolidated basis

- Revenue from operations for the 2024-25 is reported at ₹ 4,75,316.64 Lakhs.

## Director's Report (Contd.)

- Profit before tax (After exceptional items) increased by 32.80% to ₹ 1,25,958.20 Lakhs
- Net worth increased by 29.83 % to ₹ 4,54,117.85 Lakhs

### Reserves

The Company is not proposing to transfer any amount to the General Reserves of the Company out of the profits made during the year. The total Other Equity (including securities premium Reserves, General Reserves, Surplus in statement of profit and loss and other comprehensive income) as on March 31, 2025 is ₹ 388,874.97 Lakhs as against the Paid-up capital of ₹ 5,624.70 Lakhs.

### Performance of Subsidiaries

Pursuant to the provisions of Section 128 (3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a Report on the Financial performance of the Subsidiaries Companies during the Financial Year ended March 31, 2025 in form AOC-1 is annexed herewith as **Annexure I**.

The detailed financial statements of the subsidiaries, associate companies and LLPs are uploaded in the website of the company and can be accessed through <https://www.knrcl.com/subsidiary24-25.html>

### Dividend

The Board of Directors have recommended a final dividend of ₹ 0.25/- per Equity Share for the financial year ended March 31, 2025 amounting to ₹ 703.09 Lakhs. The dividend shall be paid to the members whose names appear in the Register of Members as on 15th September 2025. In respect of shares held in the dematerialised form, it shall be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The dividend payout for the year under review has been formulated in accordance with the Company's policy linked with long term performance, keeping in view the Company's need for capital for its growth plans and the intent to finance such plans through internal accruals to the maximum. The Dividend Distribution Policy of the Company is annexed herewith marked as **Annexure II** to this Report. The Dividend

Distribution Policy is posted on the website of the Company and the web link is <http://knrcl.com/images/policies/KNRCL-DIVIDEND-DISTRIBUTION-POLICY.pdf>

There has been no change in the policy during the year.

### CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in the nature of business in which the Company operates.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

During the year under review, till the date of this report, there were no material changes and commitments that may affect the financial position of the Company, except the following

The Company was in receipt of letter from National Highways Authority of India (NHAI) issuing show cause notice to the Concessionaire i.e KNR Ramanattukara Infra Private Limited (wholly-owned subsidiary of the Company) and Promoter of the Concessionaire i.e, KNR Constructions Limited to respond within 15 days with respect to failure of Main Carriageway & Service Road and associated structures (Retaining wall & RE Wall) in the project stretch at Ch 276.8 to Ch to 277.05 on May 19, 2025 and suspending the Concessionaire i.e KNR Ramanattukara Infra Private Limited, from participating in ongoing/future bidding for 1 month period or completion of investigation by the expert committee whichever is later.

Consequently, the Concessionaire has submitted its comprehensive replies to NHAI and subsequently the Concessionaire approached the Hon'ble High Court of Delhi, seeking relief from NHAI's order of suspension from participating in on-going/future bidding process.

The Company was in receipt of the copy of order passed by the Hon'ble High Court of Delhi on 21st July 2025 and brief details of the order are as under:

- a) The Hon'ble High Court of Delhi is of the considered opinion that the impugned order by NHAI has lived its life and further observed that under the guise of suspension, the bar on petitioner's right to bid in future bidding seems to be a drastic measure.
- b) The investigation is completed and also the one-month period as mentioned in the NHAI's letter is completed/ expired, therefore, the suspension order should not be treated as disqualification anymore.
- c) The department, however, shall be at liberty to take further action in accordance with the extant policy.

## Director's Report (Contd.)

- d) At this stage, no further observations are necessary, however, the respondent's counsel shall be at liberty to place on record the Department's comprehensive reply before the next date of hearing i.e. 25th July 2025.

Further, the Hon'ble High Court of Delhi vide its order dated 07th August 2025, has disposed off the matter, reserving the liberty to the respondent to take any action against the petitioner.

### CAPITAL STRUCTURE

#### Authorised Capital:

The authorised share capital of the Company is ₹ 60,00,00,000/- (Sixty Crores Only) divided into 30,00,00,000 (Thirty Crores only) Equity shares of ₹ 2/- (Rupees Two only) each as on March 31, 2025.

During the year under review, there was no change in the authorised capital of the Company.

#### Paid-up capital:

As on March 31, 2025, the paid-up capital of the Company is ₹ 56,24,69,200/- (Rupees Fifty-Six Crores Twenty-Four Lakhs Sixty-Nine Thousand Two Hundred Only) divided into 28,12,34,600 (Twenty-Eight Crores Twelve Lakhs Thirty-Four Thousand Six Hundred only) Equity Shares of ₹ 2/- (Rupees Two) Each.

### ISSUE OF SHARES:

During the year under review, the Company has not issued any securities (including convertible warrants) by way of Sweat Equity or Employee Stock Options or equity shares with differential voting rights or by any other way of allotment during the year under review.

### CREDIT RATING:

As on the date of the report, CRISIL has made an outlook on Long term bank facilities as AA/Watch Developing and the Short term bank facilities as A1+/Watch Developing.

### INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, during the year under review the below amounts were transferred to Investor Education and Protection Fund

- a) An amount of ₹ 64,401/- being unclaimed dividend for the financial year 2016-17

The Company had transferred 16,429 equity shares pertaining to financial year 2016-17.

as required under the provisions of Section 124(6) of the Companies Act, 2013 to IEPF Authority.

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares, unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 which is available on [www.iepf.gov.in](http://www.iepf.gov.in) along with requisite fee as decided by it from time to time.

Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2018 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto the year ended on 31st March 2017, have already been transferred to IEPF. The details of the unclaimed dividends are available on the Company's website at [www.knrcl.com](http://www.knrcl.com) and on the website of Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in). Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

## Director's Report (Contd.)

### Nodal Officer:

Pursuant to the provisions of Rule 7(2B) of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019, the Company has appointed Smt. Haritha Varanasi, Company Secretary of the Company as Nodal Officer of the Company.

### DIRECTORS:

#### Non-Independent Directors

During the year under review, there are three non-independent Directors in the Board namely Shri K Narsimha Reddy, Managing Director, Shri K Jalandhar Reddy, Executive Director and Smt. K Yashoda, Non-Executive Director.

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

During the year under review, Shri Lodugu Balaram Reddy and Shri B V Rama Rao ceased to hold their respective office of Non-executive Independent Directors of the Company w.e.f. closing hours of September 30, 2024 upon completion of the tenure as Independent Directors.

Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and relationships between directors inter-se, as stipulated under Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is annexed to the notice of the Annual General Meeting.

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

### Independent Directors

The Company has received declarations from the independent directors of the Company to the effect that they meet the criteria of independence as laid under the provisions of Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) read with Regulation 25 of SEBI (LODR) Regulations, 2015 in respect of the financial year ended March 31, 2025.

The Independent Directors have also confirmed that they are in compliance with the Code of Conduct as stipulated under Schedule IV of the Companies Act, 2013 and also of the Company.

In terms of Regulation 25 (8) of SEBI (LODR) Regulations, 2015 the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or which may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year under report, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, except to the extent of sitting fees and reimbursement of expenses incurred by them for the purpose of attending the meetings of the Board and its committees.

#### Re-appointment of Managing Director and Executive Director.

Shri K Narsimha Reddy, Managing Director and Shri K Jalandhar Reddy, Executive Director of the Company were re-appointed to their respective offices as Managing Director and Executive Director for a term of 5 years commencing from April 01, 2021 to March 31, 2026 vide postal ballot concluded on January 22, 2021.

Accordingly, their current tenure expires on March 31, 2026 and approval of the members is being sought by way of special resolution for re-appointment of Shri K Narsimha Reddy and Shri K Jalandhar Reddy as Managing Director and Executive Director of the Company at such terms and conditions and remuneration as specified in the explanatory statement annexed to the notice of AGM.

#### Proficiency of Directors:

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have registered themselves with the Independent Directors Data Bank maintained by IICA. Smt. G Chandra Rekha and Shri K Udaya Bhaskara Reddy have appeared and qualified the proficiency test conducted by IICA and Shri W R Reddy is exempted from appearing the proficiency test.

**Director's Report (Contd.)****Policy on Director's appointment and remuneration and Other Details:**

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- The candidate should possess the attributes such as leadership, professional stature, domain expertise or such other attributes which in the opinion of the Committee are in the interest of the Company;
- the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

**Key Managerial Personnel:**

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the following are the Key Managerial Personnel of the Company:

- |                          |                                                 |
|--------------------------|-------------------------------------------------|
| - Shri K Narsimha Reddy  | - Managing Director                             |
| - Shri K Jalandhar Reddy | - Whole-time Director & Chief Financial Officer |
| - Smt Haritha Varanasi   | - Company Secretary                             |

**Remuneration policy**

The Company has in place remuneration policy to ensure that the Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) shall be competitive in order to ensure that the Company can attract and retain competent talent.

The remuneration policy of the Company shall ensure that:

- The level and composition of remuneration is reasonable

and sufficient to attract, retain and motivate directors/ KMPs and SMPs of the quality required to run the Company successfully.

- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to directors, KMP and SMP involves a balance between fixed and variable pay reflecting short and long-term performance objectives and goals set by the Company.
- Remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The detailed remuneration policy of the Company can be accessed at the website of the Company through the below link:

<http://knrcl.com/images/policies/Remuneration-Policy.pdf>

**COMMITTEES OF THE BOARD**

The Company has duly constituted the following committees as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee

Details of the Committees such as Composition, meetings held during the year under report are provided in Corporate Governance Report which forms integral part of the Annual Report.

**MEETINGS OF THE BOARD AND COMMITTEES**

Five meetings of the Board of Directors were held during the year. The Board of Directors and Committees have duly met 5 times during the year under report and the minutes of the meetings are duly recorded. The details of the meetings of the Board and its Committees are provided in the Corporate Governance Report which forms integral part of this report.

**RECOMMENDATIONS OF AUDIT COMMITTEE**

The Board has taken into consideration, accepted and acted upon all the recommendations of the Audit Committee.

## Director's Report (Contd.)

### BOARD DIVERSITY

The Company recognises that having a diverse Board enhances the quality of its performance. The Company continues to increase the diversity in the Board as and when required, as the Company believes that it is an essential element in supporting and attainment of its strategic objectives and its sustainable development. The Company has in place policy on Board Diversity and can be accessed at <http://knrcl.com/images/policies/Board-Diversity-Policy.pdf>.

### BOARD EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of Independent Directors, Board of Directors and Committees of the Board.

The parameters like attendance and participation of Directors in the meetings of the Board and its Committees thereof, contribution to strategic decision making, financial statements and business performance have been the basis criteria for performance evaluation.

The evaluation of Board as a whole and each individual director is performed after seeking all the inputs from the Directors.

The performance evaluation of executive Directors, Chairperson of the Board is done by the Independent Directors at their separate meeting.

For the year 2024-25, evaluation of Board as a whole, Non-executive and Independent Directors and Executive Directors of the Company has been duly carried out as per the policy laid by the Nomination and Remuneration Committee.

### FAMILIARISATION PROGRAM FOR INDEPENEDNT DIRECTORS

All Independent Directors are familiarised with the operations and functioning of the Company. The details of familiarisation program are provided in Corporate Governance Report which forms part of the Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Management's Discussion and Analysis report for the year under review as stipulated under Regulation 34(2) (e) SEBI (LODR) Regulation, 2015 of the LODR Regulations 2015 is presented in a separate section forming part of the Annual report.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### IMPLEMENTATION OF CORPORATE ACTIONS, FAILURES IF ANY

During the year under review, no instances of failure to implement corporate actions were reported.

### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the SEBI(LODR) Regulations, 2015, forms an integral part of this Report. The requisite certificate from M/s VCSR and Associates, practicing company secretaries confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

## Director's Report (Contd.)

### DISPATCH OF ANNUAL REPORTS

In compliance with the applicable provisions, we shall dispatch the Annual Report for the 2024-25 in electronic format to all the members whose e-mail addresses are registered and updated with our Registrar & Transfer Agents.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company is committed to enhance value creation in the society and community in which it operates. Through its conduct, services, and CSR initiatives it will strive to promote sustained growth in the surrounding environs.

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy of the Company is available on the website of the Company ([http://knrcl.com/images/policies/knrcl\\_CSR.pdf](http://knrcl.com/images/policies/knrcl_CSR.pdf)).

The Annual Report on CSR activities carried out by the Company for the 2024-25 is annexed herewith as **"Annexure III"** to this report as required under the provisions of the Companies Act, 2013 and applicable rules thereunder.

### STATUTORY AUDITORS

M/s K P Rao & Co., Chartered Accountants, were re-appointed as Statutory Auditors of the Company at the 27th Annual General Meeting held on September 28, 2022 for a period of 5 years i.e., upto conclusion of 32nd AGM to be held in the year 2027. The Board, upon recommendation of the Audit Committee, proposes to increase the remuneration of the Statutory Auditors for the remaining period till the financial year ending 2027. Consent of the members is being sought for the proposed increase of remuneration of the Statutory Auditors.

Further, the Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers. The Statutory Auditors attended the AGM held on September 26, 2024.

Further the Notes on Financial Statements referred in the Auditors Report are self-explanatory and do not call for any further comments.

### INTERNAL AUDITOR & CONTROLS

The Board of Directors at their meeting held on May 29, 2025, based on the recommendation of the Audit Committee, has re-

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

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

### COST AUDITORS

In accordance with the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors, upon the recommendation of Audit Committee, at their meeting held on May 29, 2025 has appointed M/s. Suneel & Associates., Cost Accountants, Hyderabad, as the Cost Auditors of your Company to carry out the cost audit for the financial year 2025-26 at a remuneration of ₹ 3,00,000/-. The remuneration payable to the cost auditor is required to be placed before the members in the general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s Suneel & Associates., Cost Accountants, is included in the Notice convening the Annual General Meeting. Your Company is maintaining cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

A Certificate from M/s. Suneel & Associates., Cost Accountants has been received to the effect that their appointment as Cost Auditor of your Company is in accordance with the limits specified under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

### REPORTING OF FRAUDS

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

## Director's Report (Contd.)

### SECRETARIAL AUDITOR

In accordance with Section 204 of the Companies Act, 2013 the Board has re-appointed M/s. VCSR & Associates, Company Secretaries, to conduct Secretarial Audit for the Financial year 2024-25. The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed herewith and marked as **Annexure IV** to this Report.

There were no qualifications reported in the Secretarial Audit Report except the observations as under

| Auditors' Observations                                                                                                                                                                                                      | Directors' Explanation                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| BSE has raised query seeking explanation for delay in informing the details of Resignation of senior management personnel to the Exchange within 24 Hours from the effective date of resignation                            | The Company has re-submitted the intimations along with the clarification regarding delay in submission and no further reply received from BSE and NSE in that regard. |
| NSE sought the Company the reason for not disclosing the Stock Exchange(s) schedule of analysts or institutional investors meet at least 2 working days in advance (excluding the date of intimation and the date of meet). | The Board ensures that the Company shall be extra cautious in compliance with all applicable regulations.<br>Due care shall be taken to be more agile and vigilant.    |

### SECRETARIAL STANDARDS

During the year under report, the Company has duly complied with all the applicable secretarial standards as issued by the Institute of Company Secretaries of India from time to time.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

A separate statement containing the salient features of the Financial statements of the subsidiaries and joint ventures of the Company is prepared in Form AOC-1 which forms part of the Consolidated financial statements.

During the year under review, there were no new subsidiaries of the Company.

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

[http://knrcl.com/images/policies/Policy\\_on\\_MATERIAL\\_SUBSIDIARIES.pdf](http://knrcl.com/images/policies/Policy_on_MATERIAL_SUBSIDIARIES.pdf)

### MATERIAL SUBSIDIARIES

During the year 2024-25, as per the audited financial statements for the financial year ended March 31, 2024, the Company has identified two material unlisted subsidiaries for the financial year 2024-25:

1. **KNR Guruvayur Infra Private Limited**
2. **KNR Ramanattukara Infra Private Limited**

These subsidiaries are considered material due to their significant impact on the Company's financial position and performance.

The Secretarial Audit Reports for the 2024-25 of the aforementioned material subsidiaries are annexed herewith as **Annexure V**

### NAMES OF COMPANIES WHICH HAVE CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the year under review, no companies were ceased to be the subsidiaries of the Company. Further, during the year under review, KNR Muzaffarpur Holdings Private Limited and KNR Muzaffarpur Barauni Tollway Private Limited ceased to be step down subsidiaries of the Company pursuant to the share purchase agreement entered into with JKM Infra Projects Limited /promoters of JKM Infra Projects Limited.

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements for the financial year ended March 31, 2025 forms part of the Annual Report.

Further, we undertake that the Annual Accounts of the subsidiary Companies and the related detailed information will be made available to the Company's shareholders and to the shareholders of the subsidiary companies seeking such information at any point of time. Further, the Annual Accounts of the subsidiary Companies shall also be kept for inspection by any shareholder at the Registered office of the Company and that of the subsidiary Companies.

## Director's Report (Contd.)

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at [www.knrcl.com](http://www.knrcl.com)

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

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

The Company has not entered into any contracts/ arrangements with related parties referred to under Section 188(1) of the Companies Act, 2013, not at arms-length basis during the year. The details of the related party transactions are provided herewith as **Annexure VI** in **Form AOC-2**.

### Disclosure under Regulation 34(3) read with Schedule V of the Listing Regulations

Related Party disclosure as per Schedule V of the Listing Regulations

(₹ In Lakhs)

| S No | In the accounts of                             | Particulars                                                                      | Amount at the year ended 2024-25 | Maximum outstanding amount during the year 2024-25 |
|------|------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------|
| 1.   | KNR Constructions Limited<br>(Holding Company) | <b>(i) Loans/Advances to subsidiaries</b>                                        |                                  |                                                    |
|      |                                                | KNR Agrotech & Beverages Pvt. Ltd.,                                              | 163.30                           | 163.30                                             |
|      |                                                | KNR Energy Ltd.,                                                                 | 670.53                           | 670.53                                             |
|      |                                                | KNRC Holdings and Investments Pvt. Ltd.,                                         | 884.84                           | 884.84                                             |
|      |                                                | KNR Muzaffarpur Barauni Tollway Pvt. Ltd., *                                     | -                                | -                                                  |
|      |                                                | KNR Infrastructure Projects Pvt. Ltd.,                                           | 11.60                            | 11.60                                              |
|      |                                                | KNR Muzaffarpur Holdings Pvt. Ltd., *                                            | -                                | -                                                  |
|      |                                                | KNR Somwarpet Infra Project Pvt. Ltd.,                                           | 1.70                             | 36.67                                              |
|      |                                                | KNR Palani Infra Pvt. Ltd.,                                                      | 118.11                           | 118.11                                             |
|      |                                                | Patel KNR Infrastructure Ltd.,                                                   | 1.11                             | 1.42                                               |
|      |                                                | KNR Guruvayur Infra Pvt. Ltd.,                                                   | 7.68                             | 94.29                                              |
|      |                                                | KNR Ramanattukara Infra Pvt. Ltd.,                                               | 387.77                           | 387.77                                             |
|      |                                                | KNR Ramagiri Infra Pvt. Ltd.,                                                    | 2629.43                          | 3141.53                                            |
|      |                                                | KNR Kaveri Infra Pvt. Ltd.,                                                      | 290.53                           | 290.53                                             |
|      |                                                | KNR Ramateertham Infra Pvt. Ltd.,                                                | 0.18                             | 464.16                                             |
|      |                                                | KNR Sriranganatha Infra Pvt. Ltd.,                                               | 266.41                           | 266.41                                             |
|      |                                                | Benedire Infrastructures and Developers LLP                                      | 2.75                             | 2.75                                               |
|      |                                                | Manjeri City Infrastructures And Developers LLP                                  | 1075.62                          | 1075.62                                            |
|      |                                                | <b>(ii) Loans/advances to associates</b>                                         |                                  |                                                    |
|      |                                                | a) Patel KNR Infrastructures Limited                                             | 1.11                             | 1.42                                               |
|      |                                                | b) Patel KNR Heavy Infrastructures Ltd.,                                         | 35.63                            | 35.63                                              |
|      |                                                | <b>(iii) Loans/advances to firms/Companies in which Directors are interested</b> | Nil                              | Nil                                                |

## Director's Report (Contd.)

(₹ In Lakhs)

| S No | In the accounts of                          | Particulars                                                                                                              | Amount at the year ended 2024-25 | Maximum outstanding amount during the year 2024-25 |
|------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------|
| 2.   | KNR Constructions Limited (Holding Company) | Investment by the Loanee in the shares of parent company/ subsidiary company when the Company has made a loan or advance | NA                               | NA                                                 |

\*Ceased to be Step down Subsidiaries with effect from March 27, 2025

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo as required under f Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are as follows:

#### a) Conservation of Energy

The Company has taken suitable measures for conservation of energy to the extent possible. However, the core activity of the Company is civil construction which is not an energy intensive sector where energy consumption is at intensive level.

#### b) Technology absorption, Adoption and Innovation

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

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

- a) The Company has not imported any technology during the last 5 years.

#### Foreign Exchange Earnings and Outgo

(₹ In Lakhs)

| Particulars                 | 2024-25 | 2023-24 |
|-----------------------------|---------|---------|
| 1) Foreign Exchange Inwards | Nil     | Nil     |
| 2) Foreign Exchange Outgo   | 7.61    | 762.50  |

### DEPOSITS

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

### VIGIL MECHANISM

The Company has a Vigil mechanism and Whistle blower policy in terms of the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Protected disclosures can be made by a whistle blower through a dedicated e-mail, or a letter to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: [http://www.knrc.com/images/knrc\\_whistleblower.pdf](http://www.knrc.com/images/knrc_whistleblower.pdf)

### CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and amended Regulations 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website ([http://knrc.com/images/policies/knrc\\_8insider.pdf](http://knrc.com/images/policies/knrc_8insider.pdf))

### CODE OF CONDUCT

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

## Director's Report (Contd.)

### PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of Loans, Guarantees and Investments made during the Financial Year ended March 31, 2025, covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, form part of the Standalone Financial Statements.

### ANNUAL RETURN

As required under the provisions of Section 92 of the Companies Act, 2013, copy of Annual Return of the Company for the year ended March 31, 2025 is made available on the website of the Company and the same can be accessed through the following link.

<http://knrcl.com/annualreports.html>

### Risk Management

Your Company has constituted a Risk Management Committee and formulated a policy on Risk Management in accordance with the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to frame, implement and monitor the risk management plan for your Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Risk Management Policy of your Company is posted on the website of your Company which may be accessed at <http://knrcl.com/images/policies/Risk-Management-Policy.pdf>.

### MATERIAL ORDERS PASSED BY COURTS/REGULATORS/ TRIBUNALS

There were no material or significant orders passed by the regulators/courts/tribunals that would impact the going concern status of the Company and its future operations.

### CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016.

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

### DETAILS OF DIFFERENCE BETWEEN THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH REASONS THEREOF

Not applicable as there were no instances of one-time settlement with the Banks or financial institutions.

### INSURANCE

All the movable properties and assets of the Company are adequately insured for the year under report.

### PARTICULARS OF EMPLOYEES

Information pertaining to remuneration as required u/s 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i. The percentage of increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

## Director's Report (Contd.)

| S. No. | Name of Director/KMP and Designation                | Remuneration of Director/ KMP for financial year 2024-25 (₹ in Lakhs) | Remuneration of Director/ KMP for financial year 2023-24 (₹ in Lakhs) | % Increase /Decrease in Remuneration in the Financial Year 2024-25 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company                                                          |
|--------|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Shri K Narsimha Reddy (Managing Director)           | 1365.00                                                               | 1248.00                                                               | 9.38                                                               | 495                                                                         | Profit before Tax and exceptional items increased by 41.35% and Profit after Tax and Comprehensive Income Increased by 45.74 % in 2024-25 |
| 2      | Shri K Jalandhar Reddy (Executive Director and CFO) | 969.90                                                                | 896.40                                                                | 8.20                                                               | 351                                                                         |                                                                                                                                           |
| 3.     | Smt Haritha Varanasi (Company Secretary)            | 14.77                                                                 | 11.40                                                                 | 29.54                                                              | 5                                                                           |                                                                                                                                           |

Further details of top ten employees in terms of remuneration drawn during the financial year ended March 31, 2025 as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended are:

| Sl. no. | Name of the Employee & Designation                        | Age (years) | Qualification | *Gross Remuneration in ₹ | Experience (years) | Date of Commencement of Employment | Previous Employment              | % of holding in the Company |
|---------|-----------------------------------------------------------|-------------|---------------|--------------------------|--------------------|------------------------------------|----------------------------------|-----------------------------|
| 1       | Shri K. Narsimha Reddy Managing Director                  | 76          | B.A           | 13,65,00,000             | 57 Yrs             | 11.07.1995                         | -                                | 30.40%                      |
| 2       | Shri K.Jalandhar Reddy Executive Director & CFO           | 53          | B.E Computers | 9,69,90,000              | 28 Yrs             | 11.07.1995                         | -                                | 13.25%                      |
| 3       | Shri Maj. T.L. Verma Sr.Vice President – Technical        | 68          | B.E. Civil    | 1,60,90,000              | 45 Yrs             | 12.07.2011                         | LANCO Infratech Ltd              | --                          |
| 4       | Shri K.Shankar Reddy Vice President                       | 53          | B.Tech Civil  | 99,72,800                | 28 Yrs             | 01.10.1999                         | Rani Constructions               | --                          |
| 5       | Shri V. Venugopal Reddy Director-Projects                 | 47          | B.E           | 78,00,000                | 24 Yrs             | 21.08.2000                         | -                                | 0.09%                       |
| 6       | Shri. T. Bhaskar Rao Sr.Vice President – Technical        | 57          | M.Tech Civil  | 66,98,580                | 38 Yrs             | 06.08.2018                         | GVR Infra Projects               | --                          |
| 7       | Shri.E.Srinivasa Rao Vice President – Technical           | 60          | B.E Civil     | 51,75,000                | 30 Yrs             | 02.12.2012                         | Navayuga Engineering Company Ltd | --                          |
| 8       | Shri. D.Thirupathi Reddy Chief General Manager - Projects | 62          | B.Tech Civil  | 40,02,000                | 29 Yrs             | 01.02.1999                         | KMC Constructions Ltd            | --                          |
| 9       | Shri.Deepak Kumar Chief Project Manager                   | 58          | B.Tech Civil  | 35,40,000                | 23 Yrs             | 01.11.2004                         | PBIL-Apex Consortium Ltd         | --                          |

## Director's Report (Contd.)

| Sl. no. | Name of the Employee & Designation                      | Age (years) | Qualification | *Gross Remuneration in ₹ | Experience (years) | Date of Commencement of Employment | Previous Employment                     | % of holding in the Company |
|---------|---------------------------------------------------------|-------------|---------------|--------------------------|--------------------|------------------------------------|-----------------------------------------|-----------------------------|
| 10      | Shri. AB. Purna Chandra Rao<br>Associate Vice president | 69          | B. Tech, MBA  | 34,50,000                | 50 Yrs             | 01.09.2020                         | Bharat Heavy Electronics Limited (BHEL) | --                          |

- None of the above employees were relative of any Directors except in the case of Sri K Jalandhar Reddy and Sri K Narsimha Reddy, Sri K Jalandhar Reddy is the son of Sri K Narsimha Reddy.
- All appointments are / were contractual in accordance with terms and conditions as per Company rules.

\*Gross Remuneration includes perquisites and contribution to Provident fund by the employer.

- ii) The median remuneration of employees of the Company during the financial year was ₹ 2.76 Lakhs;
- iii) In the financial year, there was 64.29% Increase in the median remuneration of employees;
- iv) There were 2,752 employees on the rolls of Company as on March 31, 2025
- v) Relationship between average increase in remuneration and company performance: The Profit before tax and exceptional items for the financial year ended March 31, 2025 increased by 41.35% as well as increase in median remuneration by 17.86%.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:  
The total remuneration of Key Managerial Personnel was ₹ 2,349.67 Lakhs whereas the Profit before tax and after exceptional item was ₹ 95,935.00 Lakhs in 2024-25.
- vii) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2025 at NSE was ₹ 6,43,886.61 Lakhs (₹ 6,92,680.82 Lakhs as on 31st March, 2024)  
b) Price Earnings ratio of the Company at NSE was 8.87 as at March 31, 2025 and 16.33 as at March 31, 2024;
- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2024-25 was 0.94% as well as there is an increase in the managerial remuneration for the same financial year was 8.99%
- ix) The key parameters for any variable component of remuneration availed by the executive directors: Financial performance of the Company
- x) The Details of the employee who was in receipt of remuneration in the 2024-25 which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: Not Applicable
- xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

#### POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

We strongly support the rights of all our employees to work in harassment – free environment. We have adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure.

Further, we have in place a committee under the name and style "Internal Complaints Committee" in compliance of POSH Act, which looks into various matters concerning harassment, if any, against women at workplace, addresses concerns and complaints of sexual harassment and recommends appropriate action. Details of composition etc., of the said committee are provided in the section on Corporate Governance. We further confirm that during the year under review, there were no cases

## Director's Report (Contd.)

filed pursuant to the said Act.

|                                                             |     |
|-------------------------------------------------------------|-----|
| No. of complaints of sexual harassment received in the year | Nil |
| No. of complaints resolved in the year                      | Nil |
| No. of cases pending for more than 90 days                  | Nil |

### COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

Your company complies with the provisions of the Maternity Benefits Act, 1961, extending all statutory benefits to eligible women employees, including paid maternity leave, continuity of salary and service during the leave period and post maternity support such as flexible return-to work option etc, as applicable. Your company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

### BUSINESS RESPONSIBILITY AND SUSTAINABLE REPORT (BRSR)

Your Company being among the top 1000 listed entities based on market capitalisation, is required to present the Business Responsibility and Sustainability Report as required under the Regulation 34(2) (f) of SEBI (LODR) Regulations, 2015. The BRSR of the Company for the year ended March 31, 2025 forms part of this report and annexed herewith as **Annexure VII**.

#### General

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

### HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered, and the work environment propels them to achieve higher levels of performance.

### INDUSTRIAL RELATIONS

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

### Appreciation and Acknowledgements

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

For and on behalf of the Board of Directors  
of **KNR Constructions Limited**

**K Narsimha Reddy**  
Managing Director  
DIN: 00382412

Place: Hyderabad  
Date: August 11, 2025

**K Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

## Part "A" : Subsidiaries

| Name of the subsidiary                       | Reporting period | Exchange rate as on the last date of the financial year | Share Capital | Other Equity | Total Assets | Total Liabilities | Investments | Total Income | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding |
|----------------------------------------------|------------------|---------------------------------------------------------|---------------|--------------|--------------|-------------------|-------------|--------------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|
|                                              |                  |                                                         |               |              |              |                   |             |              |                                |                        |                               |                   |                   |
|                                              | (1)              | (2)                                                     | (3)           | (4)          | (5)          | (6)               | (7)         | (8)          | (9)                            | (10)                   | (11)                          | (12)              | (13)              |
| KNR Agrotech & Beverages Pvt. Ltd.,          | March 31, 2025   | ₹                                                       | 1.000         | 659.720      | 824.360      | 163.640           | -           | 10.000       | (2.430)                        | -                      | (2.430)                       | -                 | 100%              |
| KNR Infrastructure Projects Pvt. Ltd.,       | March 31, 2025   | ₹                                                       | 1.000         | (8.330)      | 4.450        | 11.780            | -           | -            | (0.280)                        | -                      | (0.280)                       | -                 | 100%              |
| KNR Energy Ltd.,                             | March 31, 2025   | ₹                                                       | 5.000         | 426.900      | 1,102.760    | 670.860           | -           | -            | (2.680)                        | -                      | (2.680)                       | -                 | 100%              |
| KNRC Holdings and Investments Pvt. Ltd.,     | March 31, 2025   | ₹                                                       | 1.000         | 6,379.200    | 8,258.810    | 1,878.610         | 6,008.160   | 7,101.310    | 2,367.050                      | 37.590                 | 2,329.460                     | -                 | 100%              |
| KNR Muzaffarpur-Barauni Tollway Pvt. Ltd., * | March 31, 2025   | ₹                                                       | -             | -            | -            | -                 | -           | -            | -                              | -                      | -                             | -                 | 0.65%             |
| KNR Somwarapet Infra Projects Pvt. Ltd.,     | March 31, 2025   | ₹                                                       | 3,052.500     | 25,966.330   | 55,523.380   | 26,504.550        | 1,156.250   | 29,109.410   | 4,879.730                      | -                      | 4,879.730                     | -                 | 100%              |
| KNR Palani Infra Pvt. Ltd.,                  | March 31, 2025   | ₹                                                       | 4,023.000     | 15,748.370   | 46,776.700   | 27,005.330        | 3,540.160   | 10,690.860   | 6,201.570                      | 2,366.280              | 3,835.290                     | -                 | 100%              |
| KNR Guruvayur Infra Pvt. Ltd.,               | March 31, 2025   | ₹                                                       | 10,457.500    | 17,301.930   | 91,001.710   | 63,242.280        | -           | 43,032.340   | 6,092.250                      | -                      | 6,092.250                     | -                 | 100%              |
| KNR Ramanattukura Infra Pvt. Ltd.,           | March 31, 2025   | ₹                                                       | 11,250.000    | 17,209.110   | 1,04,575.490 | 76,116.380        | -           | 51,175.590   | 6,634.750                      | -                      | 6,634.750                     | -                 | 100%              |
| KNR Ramagiri Infra Pvt. Ltd.,                | March 31, 2025   | ₹                                                       | 4,807.500     | 7,114.760    | 43,232.060   | 31,309.800        | -           | 34,575.220   | 2,802.230                      | -                      | 2,802.230                     | -                 | 100%              |
| KNR Kaveri Infra Pvt. Ltd.,                  | March 31, 2025   | ₹                                                       | 10.000        | -            | 300.740      | 290.740           | -           | -            | -                              | -                      | -                             | -                 | 100%              |
| KNR Sriranganatha Infra Pvt. Ltd.,           | March 31, 2025   | ₹                                                       | 10.000        | -            | 277.200      | 267.200           | -           | -            | -                              | -                      | -                             | -                 | 100%              |
| KNR Ramatheertham Infra Pvt. Ltd.,           | March 31, 2025   | ₹                                                       | 4,375.000     | 214.870      | 13,339.510   | 8,749.640         | -           | 21,818.050   | 214.870                        | -                      | 214.870                       | -                 | 100%              |
| KNR Muzaffarpur Holdings Pvt. Ltd., *        | March 31, 2025   | ₹                                                       | -             | -            | -            | -                 | -           | -            | -                              | -                      | -                             | -                 | Nil               |
| Mesmeric Software Solutions Pvt. Ltd.,       | March 31, 2025   | ₹                                                       | 1.000         | 82.090       | 107.730      | 24.640            | -           | -            | (0.260)                        | -                      | (0.260)                       | -                 | 100%              |

(₹ In Lakhs)

## Annexure I (Contd.)

| Name of the subsidiary                          | Reporting period | Exchange rate as on the last date of the financial year | Share Capital | Other Equity | Total Assets | Total Liabilities | Investments | Total Income | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % of shareholding |
|-------------------------------------------------|------------------|---------------------------------------------------------|---------------|--------------|--------------|-------------------|-------------|--------------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------|
|                                                 |                  |                                                         |               |              |              |                   |             |              |                                |                        |                               |                   |                   |
|                                                 | (1)              | (2)                                                     | (3)           | (4)          | (5)          | (6)               | (7)         | (8)          | (9)                            | (10)                   | (11)                          | (12)              | (13)              |
| Nag Talent Ventures & Infotech Pvt. Ltd.,       | March 31, 2025   | ₹                                                       | 1,000         | 237.350      | 292.820      | 54.470            | -           | -            | (0.270)                        | -                      | (0.270)                       | -                 | 100%              |
| Gradient Estates Pvt. Ltd.,                     | March 31, 2025   | ₹                                                       | 1,000         | 631.030      | 774.130      | 142.100           | -           | -            | (9.720)                        | -                      | (9.720)                       | -                 | 100%              |
| Asara Construction & Projects Pvt. Ltd.,        | March 31, 2025   | ₹                                                       | 1,000         | 942.830      | 1,499.850    | 556.020           | -           | -            | (9.610)                        | -                      | (9.610)                       | -                 | 100%              |
| Manjeri City Infrastructures and Developers LLP | March 31, 2025   | ₹                                                       | -             | 3,099.850    | 4,189.860    | 1,090.010         | -           | 226.760      | 25.790                         | 0.190                  | 25.600                        | -                 | 100%              |
| Benedire Infrastructures and Developers LLP     | March 31, 2025   | ₹                                                       | -             | 393.550      | 396.500      | 2.950             | -           | -            | (3.720)                        | -                      | (3.720)                       | -                 | 100%              |

\*Ceased to be Subsidiaries with effect from March 27, 2025

## Part "B" : Joint Ventures

| Name of Associates / Joint Ventures   | Latest audited Balance Sheet date | Shares of Associates / Joint Ventures held by the Company on the year end |                                           | Description of how there is significant influence | Reason why the Joint venture is not consolidated | Net worth attributable to shareholding as per latest audited Balance Sheet | Profit/(Loss) for the year     |                                     |
|---------------------------------------|-----------------------------------|---------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------|--------------------------------|-------------------------------------|
|                                       |                                   | i) Number                                                                 | ii) Amount of Investment in Joint Venture |                                                   |                                                  |                                                                            | i) Considered in consolidation | ii) Not considered in Consolidation |
|                                       | (1)                               | (2)                                                                       |                                           | (3)                                               | (4)                                              | (5)                                                                        | (6)                            |                                     |
| I - Associates                        |                                   |                                                                           |                                           |                                                   |                                                  |                                                                            |                                |                                     |
| Patel KNR Infrastructures Ltd.,       | March 31, 2025                    | 1,15,28,800                                                               | 1,152.88                                  | SPV Agreement                                     | Consolidated                                     | 2,591.77                                                                   | 861.12                         | -                                   |
| Patel KNR Heavy Infrastructures Ltd., | March 31, 2025                    | 95,29,500                                                                 | 952.95                                    | SPV Agreement                                     | Consolidated                                     | 3,858.38                                                                   | (720.97)                       | -                                   |
| II - Joint Ventures                   |                                   |                                                                           |                                           |                                                   |                                                  |                                                                            |                                |                                     |
| SEL-KNR-JV *                          | March 31, 2025                    | N.A                                                                       | 1,532.39                                  | Joint Venture Agreement                           | Consolidated                                     | 1,532.39                                                                   | -                              | -                                   |

\*As per the Unaudited financial statements.

## Annexure II

### DIVIDEND DISTRIBUTION POLICY

This Policy will regulate the process of dividend declaration and its pay-out by KNR Constructions Limited ("the Company") in accordance with the provisions of Act, 2013 read with the applicable Rules framed there under, as may be in force for the time being ("Companies Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments made there to ["SEBI (LODR)"] and / or other applicable Legislations, Rules and Regulations as may be in force at the relevant time.

### OBJECTIVE

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the policy while declaring/recommending dividends on behalf of the Company. Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans.

The Company shall put in necessary efforts to ensure that apart from Dividend the other benefits such as Scrip Dividend (Bonus Issue) Buy Back of Shares, Stock Split etc., are extended to the shareholders' subject to compliance of the applicable regulations both stipulated under the Companies Act, 2013, SEBI Regulations and other applicable enactments / regulations.

The Company believes that it operates in an Industry/Environment where Working Capital requirements are high.

### CATEGORY OF DIVIDENDS

The Companies Act provides for two forms of Dividend- Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

The Board may, at its sole discretion, declare / recommend a Special Dividend under certain circumstances such as extraordinary profits from sale of any major asset(s) or any special occasion or significant event.

### FACTORS TO BE CONSIDERED WHILE RECOMMENDING / DECLARING DIVIDEND

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among the shareholders and amount of profit to be retained in business. The Board of Directors will endeavour to take a decision with

an objective to enhance shareholders' wealth and market value of the shares.

The Dividend pay-out decision of any company depends upon certain internal and external factors -

#### Internal Factors: -

The Board will take into account various internal factors while recommending / declaring Dividend, which inter alia will include-

- i) Profits earned during the year;
- ii) Present & future Capital requirements of the existing businesses;
- iii) Expansion/ Modernisation of existing businesses;
- iv) Additional investments in subsidiaries/associates of the Company;
- v) Fresh investments into external businesses;
- vi) Business Acquisitions (if any);
- vii) Any other factor as deemed fit by the Board.

#### External Factors: -

Apart from the various internal factors aforementioned the Board will take into account the various external factors while recommending / declaring dividend which inter alia include the following-

- State of Economy - in case of uncertain or recessionary economic and business conditions, Board will endeavour to retain larger part of profits to build up reserves to absorb future shocks.
- Capital Markets- when the markets are favourable, dividend pay-out can be liberal.

However, in case of unfavourable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

- Statutory Restrictions - The Board will keep in mind the restrictions imposed under the applicable legislations and the covenants stipulated by Lenders, if any with regard to recommendation and /or declaration of dividend.

### DIVIDEND RANGE

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it.

## Annexure III

### FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR THE FINANCIAL YEAR 2024-25

#### 1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The main objective of the CSR policy of the Company is to operate business in a sustainable manner respecting the environment and society at large. It also aims to take up directly or indirectly, programs that would benefit the communities in and around the work places which will enhance the quality of life and economic well-being of the local residents.

#### 2. COMPOSITION OF CSR COMMITTEE

| S. No. | Name of Director                                            | Designation / Nature of Directorship             | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1.     | Shri L B Reddy (Till September 30, 2024)                    | Chairman<br>(Non-Executive Independent Director) | 5                                                        | 2                                                            |
| 2.     | Shri Wdaru Rampulla Reddy (W.e.f. October 01, 2024)         | Chairman<br>(Non-Executive Independent Director) | 5                                                        | 3                                                            |
| 3.     | Shri B V Rama Rao(Till September 30, 2024)                  | Member<br>(Non-Executive Independent Director)   | 5                                                        | 2                                                            |
| 4.     | Shri Kalakota Udaya Bhaskar Reddy (W.e.f. October 01, 2024) | Member (Non-Executive Independent Director)      | 5                                                        | 3                                                            |
| 5.     | Shri K Jalandhar Reddy                                      | Member<br>(Executive Director)                   | 5                                                        | 5                                                            |

#### 3. WEB LINK OF COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

<http://knrcl.com/committees.html>

[http://knrcl.com/images/policies/knrcl\\_CSR.pdf](http://knrcl.com/images/policies/knrcl_CSR.pdf)

#### 4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE.:

The Company has been conducting internal assessments for the CSR Projects undertaken. As per the statutory requirement, Impact assessment for the CSR project undertaken by the Company for skill development program undertaken by the Company for providing free tailoring coaching to Self help group women was carried out by Deeksha – Centre for Learning and Action-, a registered non-profit society. A detailed report is available on the website and can be accessed by the following link ([https://www.knrcl.com/images/csr/KNRCL\\_Tailoring\\_course\\_Impact\\_Assessment\\_Report\\_2025.pdf](https://www.knrcl.com/images/csr/KNRCL_Tailoring_course_Impact_Assessment_Report_2025.pdf))

#### 5. DETAILS OF THE AMOUNT AVAILABLE FOR SET-OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY) RULES, 2014 AND AMOUNT REQUIRED FOR SET-OFF FOR THE FINANCIAL YEAR, IF ANY: Not Applicable

#### 6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135 (5) OF THE COMPANIES ACT, 2013: ₹ 6,61,10,95,631.42/-

- Two percent of average net profit of the company as per section 135(5) ₹ 13,22,21,913.00/-
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- Amount required to be set off for the financial year, if any: Nil
- Total CSR Obligation for the financial year (7a+7b-7c): ₹ 13,22,21,913.00/-

## Annexure III (Contd.)

8. (a) CSR Amount Spent or unspent for the financial year.

| Total Amount Spent for the Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) |                  |                  |        | Amount Unspent (in ₹) |     |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------|------------------|--------|-----------------------|-----|
|                                                  | Total Amount transferred to Unspent CSR Account as per section 135(6)                               | Date of transfer | Name of the Fund | Amount | Date of transfer      |     |
| ₹ 4,90,92,367 /-                                 | ₹ 8,38,56,408/-                                                                                     | April 30, 2025   | Nil              | Nil    | Nil                   | Nil |

- (b) Details of CSR Amount spent against Ongoing projects for the financial year:

| (1)<br>Sl. No. | (2)<br>Name of the Project                                 | (3)<br>Item from the list of activities in Schedule VII to the Act | (4)<br>Local area (Yes/No) | (5)<br>Location of the project |          | (6)<br>Project duration | (7)<br>Amount allocated for the project (in ₹) | (8)<br>Amount spent in the current financial Year (in ₹) | (9)<br>Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹) | (10)<br>Mode of Implementation - Direct (Yes/No) | (11)<br>Mode of Implementation – Through Implementing Agency |                         |
|----------------|------------------------------------------------------------|--------------------------------------------------------------------|----------------------------|--------------------------------|----------|-------------------------|------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------------------|-------------------------|
|                |                                                            |                                                                    |                            | State                          | District |                         |                                                |                                                          |                                                                                               |                                                  | Name                                                         | CSR Registration number |
| 1              | Construction of CC Road                                    | X                                                                  | No                         | Telangana                      | Warangal | 2 years                 | ₹ 50,50,000/-                                  | ₹ 20,29,603                                              | ₹ 30,20,397/-                                                                                 | Yes                                              | NA                                                           | NA                      |
| 2              | Providing free Eye surgeries                               | II                                                                 | No                         | Uttarpradesh & Haryana         | —        | 2 years                 | ₹ 5,00,00,000/-                                | ₹ 1,70,00,000/-                                          | ₹ 3,30,00,000/-                                                                               | No                                               | Rajiv Gandhi Charitable Trust                                | CSR00041982             |
| 3              | Development and laying of internal cc roads in Dammannapet | X                                                                  | No                         | Telangana                      | Warangal | 3 years                 | ₹ 4,22,00,000/-                                | ₹ 1,11,08,292/-<br>*                                     | ₹ 2,33,36,011                                                                                 | Yes                                              | NA                                                           | NA                      |
| 4              | Construction of BT road from Dammannapet to Bandaauthpur   | X                                                                  | No                         | Telangana                      | Warangal | 2 years                 | ₹ 2,45,00,000/-                                | Nil                                                      | ₹ 2,45,00,000/-                                                                               | Yes                                              | NA                                                           | NA                      |
|                | <b>Total</b>                                               |                                                                    |                            |                                |          |                         | ₹ 12,17,50,000/-                               | ₹ 1,90,29,603/-                                          | ₹ 8,38,56,408/-                                                                               |                                                  |                                                              |                         |

(c) Details of CSR amount spent against other than ongoing projects for the financial year

| (1)<br>Sl. No. | (2)<br>Name of the Project.                              | (3)<br>Item from the list of activities in Schedule VII to the Act | (4)<br>Local area (Yes/No) | (5)<br>Location of the project |           | (6)<br>Project duration | (7)<br>Amount allocated for the project (in ₹) | (8)<br>Amount spent in the current financial year (in ₹) | (9)<br>Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹) | (10)<br>Mode of Implementation - Direct (Yes/No) | (11)<br>Mode of Implementation - Through Implementing Agency |                          |
|----------------|----------------------------------------------------------|--------------------------------------------------------------------|----------------------------|--------------------------------|-----------|-------------------------|------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------------------|--------------------------|
|                |                                                          |                                                                    |                            | State                          | District  |                         |                                                |                                                          |                                                                                               |                                                  | Name                                                         | CSR Registration number. |
| 1.             | Contribution towards providing free education            | II                                                                 | No                         | Telangana                      | Warangal  | N.A                     | ₹ 2,14,40,882                                  | ₹ 2,14,40,882/-                                          | Nil                                                                                           | Yes                                              | N.A                                                          | NA                       |
| 2.             | Contribution towards providing infrastructure to library | II                                                                 | Yes                        | Telangana                      | Hyderabad | N.A                     | ₹ 36,00,000                                    | ₹ 36,00,000/-                                            | Nil                                                                                           | Yes                                              | N.A                                                          | N.A                      |
| 3.             | Contribution towards Free medical treatment              | I                                                                  | Yes                        | Telangana                      | Hyderabad | NA                      | ₹ 4,97,000                                     | ₹ 4,97,000/-                                             | Nil                                                                                           | Yes                                              | NA                                                           | NA                       |
| 4.             | Contribution towards providing free food                 | I                                                                  | No                         | Uttar Pradesh                  | Prayagraj | NA                      | ₹ 15,00,000                                    | ₹ 15,00,000/-                                            | Nil                                                                                           | Yes                                              | NA                                                           | NA                       |
| 5.             | Contribution towards building infrastructure in school   | II                                                                 | Yes                        | Karnataka                      | Kalladka  | NA                      | ₹ 25,00,000                                    | ₹ 25,00,000/-                                            | Nil                                                                                           | Yes                                              | NA                                                           | NA                       |
| 6.             | Contribution towards Construction of road                | I                                                                  | Yes                        | Telangana                      | Warangal  | N.A                     | ₹ 4,25,982                                     | ₹ 4,25,982/-                                             | Nil                                                                                           | Yes                                              | N.A                                                          | N.A                      |
|                |                                                          |                                                                    |                            |                                |           |                         | <b>Total</b>                                   | <b>₹ 2,99,63,864/-</b>                                   |                                                                                               |                                                  |                                                              |                          |

(d) Amount spent in administrative overheads – Nil

(e) Amount spent on impact assessment, if applicable – ₹ 98,900/-

(f) Total amount spent in the financial year (8b+8c+8d+8e) – ₹ 4,90,92,367/-

(g) Excess amount for set off, if any

| Sl. No. | Particulars                                                                                                 | Amount (in ₹)       |
|---------|-------------------------------------------------------------------------------------------------------------|---------------------|
| (i)     | Two percent of average net profit of the Company as per section 135(5)                                      | ₹ 13,22,21,913.00/- |
| (ii)    | Total amount spent for the Financial Year                                                                   | ₹ 4,90,92,367/-     |
| (iii)   | Excess amount spent for the financial year [(ii) - (i)]                                                     | Nil                 |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil                 |
| (v)     | Amount available for set off in succeeding financial years [(iii) - (iv)]                                   | Nil                 |

9) (a) Details of unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any |                  | Amount remaining to be spent in succeeding financial years (in ₹) |
|---------|--------------------------|------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------|
|         |                          |                                                                        |                                                     | Name of the Fund                                                                          | Date of transfer |                                                                   |
| 1       | 2023-24                  | ₹ 3,64,38,279/-                                                        | ₹ 1,46,30,056.15/-                                  | Nil                                                                                       | Nil              | ₹ 2,18,08,222.85/-                                                |
| 1       | 2022-23                  | ₹ 89,37,994/-                                                          | ₹ 75,08,028.85/-                                    | Nil                                                                                       | Nil              | ₹ 14,29,965.15/-                                                  |
| 2.      | 2021-22                  | Nil                                                                    | Nil                                                 | Nil                                                                                       | Nil              | Nil                                                               |
|         | <b>TOTAL</b>             | <b>₹ 4,53,76,273/-</b>                                                 | <b>₹ 2,21,38,085/-</b>                              | <b>Nil</b>                                                                                | <b>Nil</b>       | <b>₹ 2,32,38,188/-</b>                                            |

(b) Details of CSR Amount spent in the financial year for ongoing projects of the preceding financial years:

| (1)     | (2)             | (3)                                                                                                            | (4)                                               | (5)              | (6)                                           | (7)                                                                | (8)                                                                   | (9)                                       |
|---------|-----------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------|-----------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------|
| Sl. No. | Project ID      | Name of the Project                                                                                            | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project- Completed /Ongoing |
| 1.      | FY31.03.2021_1  | Improvements to Damanapeta to Ramavaram (Via Doddiguda village) from km 0/0 to 8/0 in Warangal Rural District. | 2019-20                                           | 2 years          | ₹ 10,00,00,000/-                              | Nil                                                                | ₹ 9,45,97,680/-                                                       | Completed                                 |
| 2.      | FY 31.03.2022_1 | Installation of Himast Street Lights                                                                           | 2021-22                                           | 2 years          | ₹ 84,89,490/-                                 | Nil                                                                | ₹ 87,30,920/-                                                         | Completed                                 |
| 3.      | FY 31.03.2022_2 | Mobile Fabrication cancer screening bus                                                                        | 2021-22                                           | 2 years          | ₹ 90,00,000/-                                 | Nil                                                                | ₹ 95,62,003/-                                                         | Completed                                 |
| 4.      | FY 31.03.2023_1 | Construction of Anganwadi School                                                                               | 2022-23                                           | 2 years          | ₹ 3,09,75,000/-                               | ₹ 1,10,29,793/-                                                    | ₹ 2,65,17,293/-                                                       | Completed                                 |
| 5       | FY 31.03.2023_2 | Development of road from Varikole to Vemulapally                                                               | 2022-23                                           | 2 years          | ₹ 3,30,00,000/-                               | Nil                                                                | ₹ 2,19,75,216/-                                                       | On-going                                  |
| 6       | FY31.03.2024_3  | Development and laying of internal cc roads in Dammannapet                                                     | 2023-24                                           | 3 years          | ₹ 4,22,00,000/-                               | ₹ 1,11,08,292/-                                                    | ₹ 1,11,08,292/-                                                       | On-going                                  |
|         | <b>TOTAL</b>    |                                                                                                                |                                                   |                  | <b>₹ 22,36,64,490/-</b>                       | <b>₹ 2,21,38,085/-</b>                                             | <b>₹ 17,24,91,404/-</b>                                               |                                           |

1. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR Spent in the financial year

(a) Date of creation or acquisition of the capital asset(s): Nil

### Annexure III (Contd.)

- (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
  - (c) Details of the entity or public authority or beneficiary under whose name: Nil  
such capital asset is registered, their address etc.
  - (d) Provide details of the capital asset(s) created or acquired (including complete: Nil  
address and location of the capital asset).
2. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).  
– N.A.

**Sd/-**  
**K Narsimha Reddy**  
Managing Director  
(DIN:00382412)

**Sd/-**  
**Dr. W R Reddy**  
Chairman – CSR Committee  
(DIN: 03081486)

Place: Hyderabad  
Date: August 11, 2025

## Annexure IV

### FORM.NO. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members,  
M/s. **KNR CONSTRUCTIONS LIMITED**,  
Hyderabad.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. KNR CONSTRUCTIONS LIMITED ('the Company') for the financial year ended on March 31, 2025 according to the provisions of:

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018; Not applicable to the Company During the audit period
- e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable to the Company During the audit period
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the Company during the audit period
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable to the Company during the audit period
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009; Not applicable to the Company during the audit period

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) applicable w.e.f. July 01, 2015.

## Annexure IV (Contd.)

- (ii) The Listing Agreements entered by the Company with National Stock Exchange of India and BSE Limited.

During the period under review, the company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc.

The Company has identified the following Industry specific laws are applicable to them:

1. The Building and other Construction Workers(Regulation of Employment and Conditions of Service) Act, 1996
2. Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979

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

BSE has raised query seeking explanation for delay in informing the details of Resignation of senior management personnel to the Exchange within 24 Hours from the effective date of resignation. As the Company has responded and replied to the query raised by BSE, no further reply received from BSE.

NSE sought the Company the reason for not disclosing the Stock Exchange(s) schedule of analysts or institutional investors meet at least 2 working days in advance (excluding the date of intimation and the date of meet). As the Company has responded and replied to the query raised by NSE, no further reply received from NSE.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review Shri Balarami Lodugu Reddy and Shri Bandhakavi Venkata Ramarao have been ceased from directorship in the Company w.e.f October 01, 2024 on completion of their tenure as Independent directors.

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

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

We further report that we rely on the statutory auditors and other professionals for the compliance by the Company of the applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts.

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

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

For **VCSR & Associates**  
Company Secretaries

**(Ch. Veeranjanyulu)**

Partner

M No.F6121, CP No. 6392

Place: Hyderabad

Peer Review Cer. No. 6686/2025

Date: August 11, 2025

UDIN: F006121G000984661

Note: This report is to be read with our letter of even date which is annexed as and forms an integral part of this report.

(Annexure)

To  
The Members,  
M/s. **KNR CONSTRUCTIONS LIMITED**,  
Hyderabad.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practises, were followed to provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
8. We further report that the Compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **VCSR & Associates**  
Company Secretaries

**(Ch.Veeranjaneyulu)**

Partner

M No.F6121, CP No. 6392

Peer Review Cer. No. 6686/2025

UDIN: F006121G000984661

Place: Hyderabad  
Date: August 11, 2025

## Annexure V

Form No. MR-3

### SECRETARIAL AUDIT REPORT

(FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**KNR GURUVAYUR INFRA PRIVATE LIMITED**  
KNR House, 4th Floor, Plot No.114,  
Phase-I, Kavuri Hills, Hyderabad,  
Telangana – 500033.

**CIN: U45400TG2021PTC150805**

Authorised Capital: ₹ 1,04,58,00,000

Paid-up Capital: ₹ 1,04,57,50,000

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KNR GURUVAYUR INFRA PRIVATE LIMITED** (hereinafter called '**the Company**'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- I. The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not applicable;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; Pursuant to Rule 9A(11) of Companies (Prospectus and Allotment of Securities)

Rules, 2014, Issue of securities in dematerialised form and facilitation of dematerialisation of all its existing securities by unlisted public companies is not applicable. However, the Company has held all the shares in dematerialised form except for 2 number of shares which are held in physical form;

- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing; Not Applicable
- V. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); Not Applicable to the Company, as it is unlisted.
- VI. Other laws applicable specifically to the Company, namely:
  - a) The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
  - b) Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979
  - c) Building and other Construction Workers' Welfare Cess Act, 1996;
  - d) Contract Labor (Regulation and Abolition) Act, 1970 and the Rules thereunder

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

## Annexure V (Contd.)

During the period under review, the Company has complied with the provisions of the Act to the extent applicable, Rules, Regulations, Guidelines, Standards, etc., mentioned above:

Though the Company is deemed to be a public company pursuant to proviso to section 2(71) of Companies Act, 2013, the Company continues to be a private limited by its Articles. Accordingly, the Company has not increased the number of Members.

As per the information and explanation given by the management, the Company does not have any operational revenue and has recognised notional revenue in accordance with Ind AS. Thus, the Company is not covered under the provisions of section 148(1) and 148(2) of the Companies Act, 2013.

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of account have not been reviewed in this audit since the same have been subject to the review by the statutory financial auditors, tax auditors and other designated professionals.

I further report that:

The Board of the Company is duly constituted, and Smt Chandra Rekhagottipulla have been appointed on board as an Independent Director on August 07, 2024.

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Though the Company is deemed to be a public company pursuant to proviso to section 2(71) of Companies Act, 2013, the Company continues to be a private limited in its Articles. Accordingly, the Company has not increased the number of Members.

For **Vijendra & Co.,**  
Company Secretaries

**Palavalasa Vijendra**

Proprietor

Practicing Company Secretary

M.No: A60004 CP No: 22570

Peer Review Certificate No: 4642/2023

UDIN: A060004G000910997

Date: August 01, 2025

Place: Hyderabad

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Annexure V (Contd.)****'Annexure A'**

To,  
The Members,  
**KNR GURUVAYUR INFRA PRIVATE LIMITED**  
KNR House, 4th Floor, Plot No.114,  
Phase-I, Kavuri Hills, Hyderabad,  
Telangana – 500033.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We have conducted online verification and examination of records, as facilitated by the Company for the purpose of issuing this report.

For **Vijendra & Co.,**  
Company Secretaries

**Palavalasa Vijendra**

Proprietor  
Practicing Company Secretary

M.No: A60004 CP No: 22570

Peer Review Certificate No: 4642/2023

UDIN: A060004G000910997

Date: August 01, 2025  
Place: Hyderabad

## Annexure V (Contd.)

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

## (FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**KNR RAMANATTUKARA INFRA PRIVATE LIMITED**  
KNR House, 4th Floor, Plot No.114,  
Phase-I, Kavuri Hills, Hyderabad,  
Telangana – 500033.

**CIN: U45203TG2021PTC150950**

Authorised Capital: ₹ 1,12,50,00,000

Paid-up Capital: ₹ 1,12,50,00,000

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practises by **KNR RAMANATTUKARA INFRA PRIVATE LIMITED** (hereinafter called '**the Company**'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- I. The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not applicable;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; Pursuant to Rule 9A(11) of Companies (Prospectus and Allotment of Securities)

Rules, 2014, Issue of securities in dematerialised form and facilitation of dematerialisation of all its existing securities by unlisted public companies is not applicable. However, the Company has held all the shares in dematerialised form except for 2 shares which are held in physical form;

- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing; Not Applicable
- V. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); Not Applicable to the Company, as it is unlisted.
- VI. Other laws applicable specifically to the Company, namely:
  - a) The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
  - b) Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979
  - c) Building and other Construction Workers' Welfare Cess Act, 1996;
  - d) Contract Labour (Regulation and Abolition) Act, 1970 and the Rules thereunder

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

## Annexure V (Contd.)

During the period under review, the Company has complied with the provisions of the Act to the extent applicable, Rules, Regulations, Guidelines, Standards, etc., mentioned above:

Though the Company is deemed to be a public company pursuant to proviso to section 2(71) of Companies Act, 2013, the Company continues to be a private limited by its Articles. Accordingly, the Company has not increased the number of Members.

As per the information and explanation given by the management, the Company does not have any operational revenue and has recognised notional revenue in accordance with Ind AS.

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of account have not been reviewed in this audit since the same have been subject to the review by the statutory financial auditors, tax auditors and other designated professionals.

I further report that:

The Board of the Company is duly constituted, and Shri Chandra Rekha gottipulla have been appointed on board dated August 07, 2025 as an Independent Director of the Company, further Shri Rama Laxmirachakonda appointed as a Company secretary (KMP) on board dated November 08, 2024.

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Though the Company is deemed to be a public company pursuant to proviso to section 2(71) of Companies Act, 2013, the Company continues to be a private limited in its Articles. Accordingly, the Company has not increased the number of Members.

For **Vijendra & Co.,**  
Company Secretaries

**Palavalasa Vijendra**  
Proprietor

Practicing Company Secretary

M.No: A60004 CP No: 22570

Peer Review Certificate No: 4642/2023

UDIN: A060004G000910931

Date: August 01, 2025

Place: Hyderabad

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure V (Contd.)

'Annexure A'

To,  
The Members,  
KNR RAMANATTUKARA INFRA PRIVATE LIMITED  
KNR House, 4th Floor, Plot No.114,  
Phase-I, Kavuri Hills, Hyderabad,  
Telangana – 500033.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practises and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practises I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We have conducted online verification and examination of records, as facilitated by the Company for the purpose of issuing this report.

For **Vijendra & Co.,**  
Company Secretaries

**Palavalasa Vijendra**

Proprietor

Practicing Company Secretary

M.No: A60004 CP No: 22570

Peer Review Certificate No: 4642/2023

UDIN: A060004G000910931

Date: August 01, 2025

Place: Hyderabad

## Annexure VI

### FORM AOC-2

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of Companies (Accounts) Rules, 2014]

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto.**

- Details of contracts or arrangements or transactions not at arms-length: NIL
- Details of material contracts or arrangements or transactions at arms-length basis:

(Amount in ₹)

| Name of related party          | Nature of relationship            | Nature of contracts/agreements/transactions              | Duration of contract | Salient features                                                                                                                                                                                                                              | Dates of approval by the Board | Amount paid | Amount paid in advance, if any |
|--------------------------------|-----------------------------------|----------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------|--------------------------------|
| K Jalandhar Reddy              | Promoter & Executive Director     | Lease rent                                               | Continuous           | Land taken on lease Situated at Arur Village, Chikballapur Taluk & District, Karnataka., Survey No. 181, 182, 185 and 203. The total land admeasuring 16 Acres 39 Guntas                                                                      | 30/09/2008                     | 17,28,816   | Nil                            |
| K Jalandhar Reddy              | Promoter & Executive Director     | Lease rent                                               | Continuous           | Guest house taken on lease belonging to Shri K Jalandhar Reddy, which is used as the branch office of the Company at a rental of ₹ 25,000/- per month. The said property is situated in House No. 2116, Flat No. J7, Sahakar Nagar, Bengaluru | 14/11/2023                     | 2,54,000    | Nil                            |
| K Yashoda                      | Promoter & Non-Executive Director | Lease rent                                               | Continuous           | The Company has taken on lease land to establish and operate a steel/structural fabrication yard for the purpose of fabricating the shuttering, scaffolding. The area of land taken on lease is 608.19 cents                                  | 14/02/2022                     | 21,89,484   | Nil                            |
| Kamidi Reality Private Limited | Company Related to promoters      | Sale of sand and other aggregates and lease of machinery | 1 year               | to supply sand and other aggregates and leasing of machinery held by the Company with Kamidi Reality Private Limited at an aggregate value of ₹ 3 Crores                                                                                      | 14/11/2023                     | 36,99,000   | Nil                            |

Note: Amount paid is for the FY 2024-25.

## Annexure VI (Contd.)

## 3. Details of contracts or arrangements or transactions not in the ordinary course of business

| S. No | Particulars                                                                                                       | Details |
|-------|-------------------------------------------------------------------------------------------------------------------|---------|
| 1.    | Name(s) of the related party & nature of relationship                                                             | NIL     |
| 2.    | Nature of contracts/arrangements/transactions                                                                     | NIL     |
| 3.    | Duration of the contract/arrangement/transaction                                                                  | NIL     |
| 4.    | Salient terms of the contract/arrangement/transaction including the value                                         | NIL     |
| 5.    | Justification of entering into such contract or arrangement of transaction                                        | NIL     |
| 6.    | Date of approval by the Board                                                                                     | NIL     |
| 7.    | Amount paid as advances, if any                                                                                   | NIL     |
| 8.    | Date on which the special resolution was passed in General meeting as required under first proviso to Section 188 | NIL     |

For and on behalf of the Board of  
**KNR Constructions Limited**

Place: Hyderabad  
Date: August 11, 2025

Sd/-  
**K Narsimha Reddy**  
Managing Director  
(DIN:00382412)

Sd/-  
**K Jalandhar Reddy**  
Executive Director  
(DIN: 00434911)

## Annexure VII

# Business Responsibility & Sustainability Report

(Business Responsibility and Sustainability Reporting (BRSR) is the practise of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practises, aiming to promote transparency and accountability.)

## SECTION A ► GENERAL DISCLOSURES

### I. DETAILS OF THE LISTED ENTITY

|    | Particulars                                                                                                                                                                                                                                                       | 2024-2025                                                                                             |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| 1  | Corporate Identity Number (CIN) of the Listed Entity                                                                                                                                                                                                              | L74210TG1995PLC130199                                                                                 |
| 2  | Name of the Listed Entity                                                                                                                                                                                                                                         | KNR Constructions Limited                                                                             |
| 3  | Year of incorporation                                                                                                                                                                                                                                             | 11-07-1995                                                                                            |
| 4  | Registered office address                                                                                                                                                                                                                                         | Plot No. 113 & 114, KNR House, 3rd and 4th Floor, Kavuri Hills, Phase I, Hyderabad, Telangana-500033  |
| 5  | Corporate address                                                                                                                                                                                                                                                 | Plot No. 113 & 114, KNR House, 3rd and 4th Floor, Kavuri Hills, Phase I, Hyderabad, Telangana-500033  |
| 6  | E-mail                                                                                                                                                                                                                                                            | <a href="mailto:investors@knrcl.com">investors@knrcl.com</a>                                          |
| 7  | Telephone                                                                                                                                                                                                                                                         | 040-40268761                                                                                          |
| 8  | Website                                                                                                                                                                                                                                                           | <a href="http://www.knrcl.com">www.knrcl.com</a>                                                      |
| 9  | Financial year for which reporting is being done                                                                                                                                                                                                                  | 2024-25                                                                                               |
| 10 | Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                             | BSE Limited and National Stock Exchange of India Limited                                              |
| 11 | Paid-up Capital                                                                                                                                                                                                                                                   | 562469200                                                                                             |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                  | Haritha Varanasi, Company Secretary<br>040-40268761<br><a href="mailto:cs@knrcl.com">cs@knrcl.com</a> |
| 13 | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) | Standalone Basis                                                                                      |
| 14 | Name of assurance provider                                                                                                                                                                                                                                        | NA                                                                                                    |
| 15 | Type of assurance obtained                                                                                                                                                                                                                                        | NA                                                                                                    |

## II. PRODUCTS/SERVICES

## 16. Details of business activities (accounting for 90% of the turnover):

|   | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---|------------------------------|----------------------------------|-----------------------------|
| 1 | Construction and Engineering | Construction and Engineering     | 100%                        |

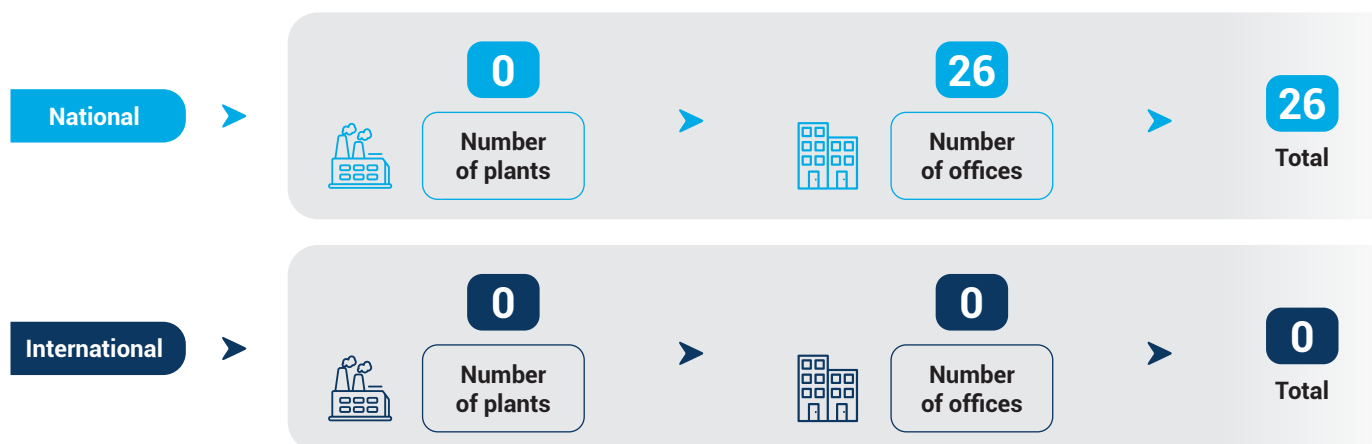
## 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

|   | Product/Service              | NIC Code | % of total Turnover Contributed |
|---|------------------------------|----------|---------------------------------|
| 1 | Construction and Engineering | 45203    | 100%                            |



## III. OPERATIONS

## 18. Number of locations where plants and/or operations/offices of the entity are situated:



## 19. Markets served by the entity:

## a. Number of locations

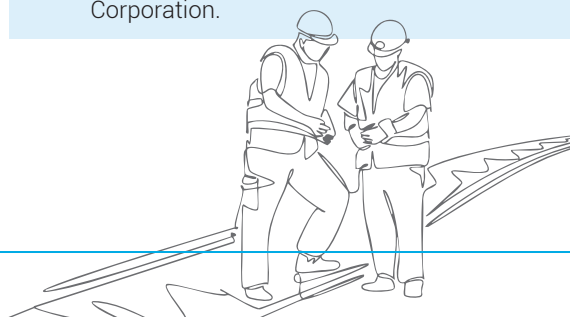
| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 6      |
| International (No. of Countries) | 0      |

## b. What is the contribution of exports as a percentage of the total turnover of the entity?

0%

## c. A brief on types of customers

We serve a distinguished clientele that includes the National Highways Authority of India, the Government of Telangana, the Irrigation Department, State-Level Transport Corporations, the Ministry of Surface Transport, and the Greater Hyderabad Municipal Corporation.



#### IV. EMPLOYEES

##### 20. Details as at the end of Financial Year:

###### a. Employees and workers (including differently abled):



Employees

| Sr. No. | Particulars                    | Total (A)   | Male        |               | Female    |              |
|---------|--------------------------------|-------------|-------------|---------------|-----------|--------------|
|         |                                |             | No. (B)     | % (B / A)     | No. (C)   | % (C / A)    |
| 1       | Permanent (D)                  | 2752        | 2738        | 99.49%        | 14        | 0.51%        |
| 2       | Other than Permanent (E)       | 0           | 0           | 0%            | 0         | 0%           |
| 3       | <b>Total employees (D + E)</b> | <b>2752</b> | <b>2738</b> | <b>99.49%</b> | <b>14</b> | <b>0.51%</b> |



Workers

| Sr. No. | Particulars                  | Total (A)   | Male        |             | Female   |           |
|---------|------------------------------|-------------|-------------|-------------|----------|-----------|
|         |                              |             | No. (B)     | % (B / A)   | No. (C)  | % (C / A) |
| 4       | Permanent (F)                | 1870        | 1870        | 100%        | 0        | 0%        |
| 5       | Other than Permanent (G)     | 0           | 0           | 0%          | 0        | 0%        |
| 6       | <b>Total workers (F + G)</b> | <b>1870</b> | <b>1870</b> | <b>100%</b> | <b>0</b> | <b>0%</b> |

###### b. Differently abled Employees and workers:



Differently Abled Employees

| Sr. No. | Particulars                                      | Total (A) | Male     |             | Female   |           |
|---------|--------------------------------------------------|-----------|----------|-------------|----------|-----------|
|         |                                                  |           | No. (B)  | % (B / A)   | No. (C)  | % (C / A) |
| 1       | Permanent (D)                                    | 2         | 2        | 100%        | 0        | 0%        |
| 2       | Other than Permanent (E)                         | 0         | 0        | 0%          | 0        | 0%        |
| 3       | <b>Total differently abled employees (D + E)</b> | <b>2</b>  | <b>2</b> | <b>100%</b> | <b>0</b> | <b>0%</b> |



Differently Abled Workers

| Sr. No. | Particulars                                    | Total (A) | Male     |           | Female   |           |
|---------|------------------------------------------------|-----------|----------|-----------|----------|-----------|
|         |                                                |           | No. (B)  | % (B / A) | No. (C)  | % (C / A) |
| 4       | Permanent (F)                                  | 0         | 0        | 0%        | 0        | 0%        |
| 5       | Other than Permanent (E)                       | 0         | 0        | 0%        | 0        | 0%        |
| 6       | <b>Total differently abled workers (F + G)</b> | <b>0</b>  | <b>0</b> | <b>0%</b> | <b>0</b> | <b>0%</b> |

##### 21. Participation/Inclusion/Representation of women

###### No. and percentage of Females

Particular

Total (A)

No. (B)

% (B / A)



Board of Directors

6

2

33.33%



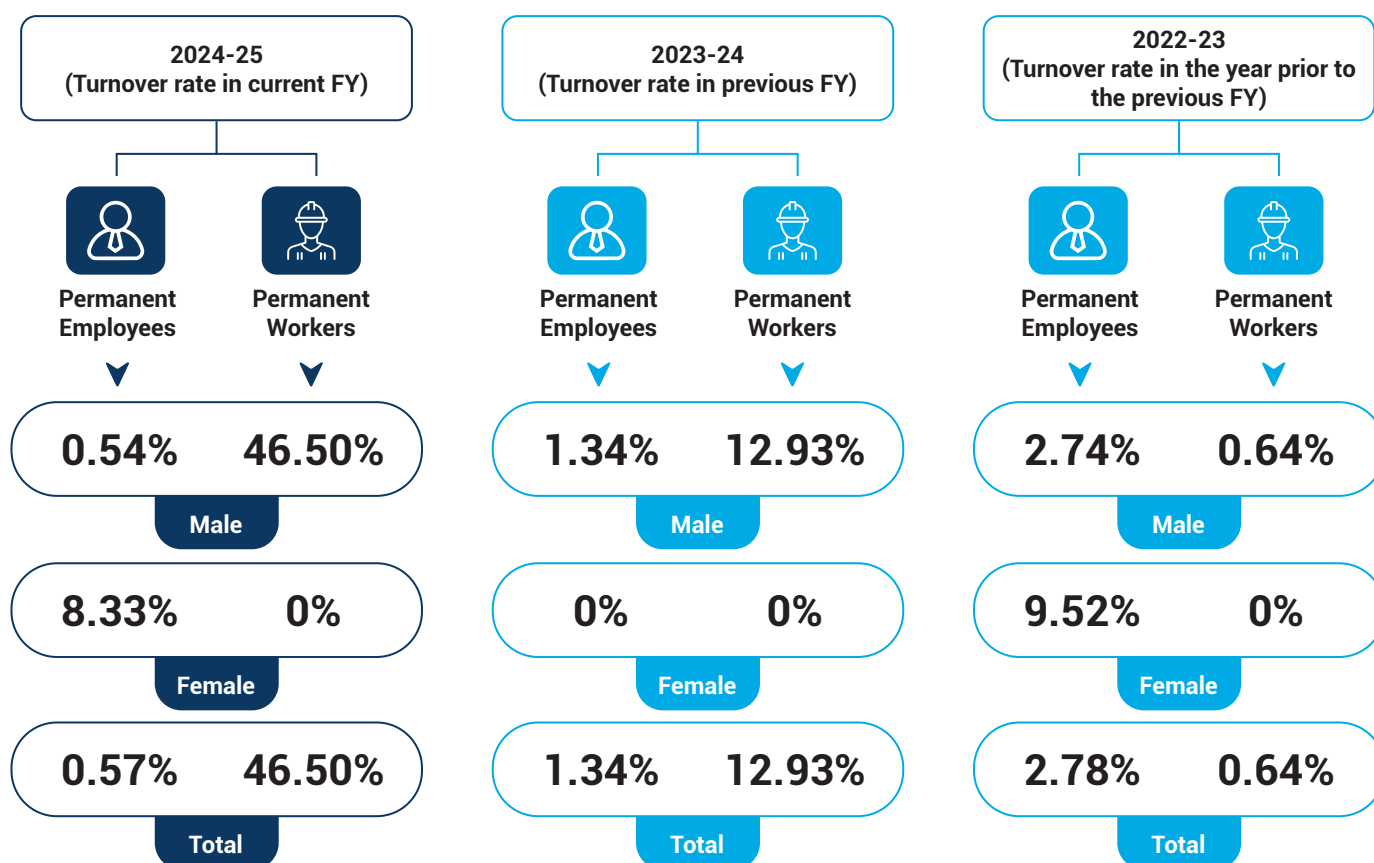
Key Management Personnel

3

1

33.33%

## 22. Turnover rate for permanent employees and workers



## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

## 23. (a) Names of holding / subsidiary / associate companies / joint ventures

| Sr. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No) |
|---------|-----------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 1       | KNR Agrotech and Beverages Private Limited                                  | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 2       | KNR Infrastructure Projects Private Limited                                 | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 3       | KNR Energy Limited                                                          | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 4       | KNRC Holdings and Investments Private Limited                               | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 5       | KNR Somwarpet Infraproject Private Limited                                  | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 6       | KNR Palani Infra Private Limited                                            | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 7       | KNR Ramanattukara Infra Private Limited                                     | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 8       | KNR Guruvayur Infra Private Limited                                         | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 9       | KNR Ramagiri Infra Private Limited                                          | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 10      | KNR Kaveri Infra Private Limited                                            | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 11      | KNR Sriranganatha Infra Private Limited                                     | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 12      | KNR Ramatheertham Infra Private Limited                                     | Subsidiary                                                    | 100%                              | No                                                                                                                           |
| 13      | Patel KNR Heavy Infrastructures Limited                                     | Associate                                                     | 40%                               | No                                                                                                                           |
| 14      | Patel KNR Infrastructures Limited                                           | Associate                                                     | 40%                               | No                                                                                                                           |
| 15      | SEL-KNR-JV                                                                  | Joint Venture                                                 | 49%                               | No                                                                                                                           |

## VI. CSR DETAILS

24.

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)



Yes

a. Turnover (in ₹)



31,76,28,78,295

b. Net worth (in ₹)



39,44,99,66,169

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received                                                                                                                                                      | Grievance Redressal Mechanism in Place (Yes/No) * | 2024-25 Current Financial Year             |                                                              |         | 2023-24 Previous Financial Year            |                                                              |         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                                                                                                                                                                        |                                                   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| <br>Communities                                                                                                     | Yes                                               | 0                                          | 0                                                            | NA      | 0                                          | 0                                                            | NA      |
| <br>Investors (other than shareholders)                                                                             | Yes                                               | 0                                          | 0                                                            | NA      | 0                                          | 0                                                            | NA      |
| <br>Shareholders                                                                                                    | Yes                                               | 0                                          | 0                                                            | NA      | 0                                          | 0                                                            | NA      |
| <br>Employees and<br><br>workers | Yes                                               | 0                                          | 0                                                            | NA      | 0                                          | 0                                                            | NA      |
| <br>Customers                                                                                                       | Yes                                               | 0                                          | 0                                                            | NA      | 0                                          | 0                                                            | NA      |
| <br>Value Chain Partners                                                                                            | Yes                                               | 0                                          | 0                                                            | NA      | 0                                          | 0                                                            | NA      |
| <br>Other (please specify)                                                                                          |                                                   | -                                          | -                                                            | -       | -                                          | -                                                            | -       |

## \* Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)

| Stakeholder group from whom complaint is received                                                                        | Web Link for Grievance Policy                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <br>Communities                         | <a href="http://knrcl.com/images/policies/Grievance-Redressal-Policy.pdf">http://knrcl.com/images/policies/Grievance-Redressal-Policy.pdf</a> |
| <br>Investors (other than shareholders) |                                                                                                                                               |
| <br>Shareholders                        |                                                                                                                                               |
| <br>Employees and                       |                                                                                                                                               |
| <br>workers                             |                                                                                                                                               |
| <br>Customers                          |                                                                                                                                               |
| <br>Value Chain Partners              |                                                                                                                                               |
| <br>Other (please specify)            |                                                                                                                                               |



## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| <div> <div>Opportunity </div> <div>Risk </div> <div>Negative </div> <div>Positive </div> </div> |                                          |                                                                                     |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Sr. No.                                                                                                                                                                                                                                                                                                                                                                                                                                 | Material issue identified                | Indicate whether risk or opportunity (R/O)                                          | Rationale for identifying the risk / opportunity                                                                                                                                                                                 | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                             | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                       | Emissions & Effluents                    |    | The construction sector is inherently energy-intensive, contributing significantly to both direct and indirect GHG emissions. Without adequate control, these emissions can lead to legal complications and environmental risks. | The Company has adopted measures to address environmental impacts, including the installation of efficient exhaust systems in machinery and vehicles, along with routine performance assessments. Sprinkler systems have been integrated along aggregate conveyors in crushers to control airborne pollutants. Emissions are regularly monitored to strengthen the overall emissions management framework. |             |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                       | Energy Management                        |  | Construction and real estate operations are highly dependent on electricity and other natural resources. Efficient management of this energy use is essential for reducing operational costs and environmental impact.           | NA                                                                                                                                                                                                                                                                                                                                                                                                         |           |
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                       | Sustainable construction and Procurement |  | The environmental efficiency of real estate assets is under increasing scrutiny. Companies are expected to comply with environmental regulations and improve their sustainability credentials to stay competitive.               | NA                                                                                                                                                                                                                                                                                                                                                                                                         |           |
| 4                                                                                                                                                                                                                                                                                                                                                                                                                                       | Climate Change                           |  | Climate change introduces both physical (floods, extreme weather) and transitional (regulatory, energy shifts) risks. These can disrupt construction timelines and affect infrastructure integrity.                              | Operational plans are designed to anticipate and adapt to climate variability, minimising disruptions. Flood-preventive drainage systems are incorporated at work sites, and climate-resilient materials like high-performance bitumen are selected to withstand extreme conditions. Tailored mix designs further enhance the resilience of infrastructure to climatic uncertainties.                      |           |

| Sr. No. | Material issue identified              | Indicate whether risk or opportunity (R/O)                                          | Rationale for identifying the risk / opportunity                                                                                                                                          | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                                                                                      | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|----------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 5       | Water and Wastewater Management        |    | Water is essential across various phases of construction. Overuse or improper discharge can deplete or pollute local water sources, triggering cost increases and legal repercussions.    | Water bodies near construction sites are periodically tested to ensure safety. Sprinkler systems are deployed to optimise water use in soil compaction and dust suppression at crushers and access roads. Recycled water is used in curing processes at casting yards and for landscaping activities. These practises reflect the Company's long-term commitment to sustainable water management.                                   |             |
| 6       | Waste Management                       |    | Adopting a circular economy approach—reuse, recycle, refurbish—can significantly lower material costs and reduce waste. It also prepares the business for evolving regulatory landscapes. | NA                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |
| 7       | Biodiversity Protection & Conservation |  | Infrastructure development can disrupt natural ecosystems. Pre- and post-project monitoring is essential to reduce negative environmental impacts and ensure compliance.                  | All projects are initiated post-clearance from competent government authorities. Environmental compliance is maintained through mandated mitigation protocols and continuous monitoring of air, water, and soil. Tall barricades and plantations within project sites reduce pollution dispersion. To offset deforestation, multiple trees are planted for every tree removed, and transplantation is considered wherever feasible. |           |
| 8       | Circular Economy                       |  | Transitioning to circular economy principles promotes sustainable consumption, resource efficiency, and long-term cost savings.                                                           | NA                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |
| 9       | Employee Wellbeing and Development     |  | Employee satisfaction leads to higher retention, while high attrition increases costs and risks. It may also negatively affect the Company's reputation among stakeholders.               | The Company identifies talent development needs and provides training aligned with project requirements. Clear career advancement paths, employee-friendly policies, and supportive welfare programmes foster a stable workforce. Mentorship initiatives and financial stability have contributed to strong retention across functions.                                                                                             |           |
| 10      | Diversity and Inclusion                |  | High diversity and inclusion levels enhance organisational culture, promote innovation, and strengthen brand reputation.                                                                  | NA                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |

| Sr. No. | Material issue identified          | Indicate whether risk or opportunity (R/O)                                          | Rationale for identifying the risk / opportunity                                                                                                                                | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                                                              | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 11      | Customer Satisfaction              |    | Customer satisfaction is a direct indicator of business performance and impacts future contracts and client relationships.                                                      | NA                                                                                                                                                                                                                                                                                                                                                                          |             |
| 12      | Product Quality                    |    | Poor construction quality can result in legal liability, rework costs, and reputational damage. It may also pose safety risks due to changing climatic conditions.              | KNRCL enforces stringent QA/QC procedures throughout all projects, including roads, canal systems, and reservoir bunds. The successful completion of Defect Liability Periods and asset monetisation under the HAM model serve as indicators of sustained quality assurance and execution excellence.                                                                       |             |
| 13      | Human Rights and Labour Management |  | A large, decentralised workforce requires robust systems to ensure fair labour practises, worker safety, and compliance with human rights regulations.                          | The Company manages its diverse workforce in line with government regulations—ensuring safe working environments, onsite accommodations, and fair wages. Dedicated coordinators are deployed at project locations to address workers' basic needs, and deviations are swiftly addressed to uphold human rights standards.                                                   |           |
| 14      | Community Engagement               |  | Construction can bring both development and disruption. Lack of community involvement may lead to resistance, delays, or even project cancellations.                            | A dedicated Manager is assigned to each project to maintain consistent communication with local communities. Through CSR initiatives like road construction, water access, and support for self-help groups, the Company fosters goodwill. When communities understand the benefits of infrastructure development, cooperation and long-term support significantly improve. |           |
| 15      | Compliance and Business Ethics     |  | Ethics-related violations like fraud or corruption can lead to investigations, penalties, and reputational loss. Strong governance systems are essential to prevent such risks. | The Company rigorously follows internal financial control guidelines and ensures compliance with all regulatory requirements. The Audit Committee oversees quarterly reporting, promoting transparency and accountability. Strong credit ratings and consistent dividend distribution underscore KNRCL's commitment to ethical business conduct.                            |           |

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                                                                          | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                               | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 16      | Corporate Governance      |                                            | Investors assess companies on their governance practises, which influence accountability, transparency, and long-term value creation.                                     | The Board holds regular meetings to oversee governance practises, while internal audits support continuous evaluation. Audit findings are reviewed by the Board, signaling the Company's commitment to integrity and responsible leadership.                                 | ⊖                                                                                              |
| 17      | Data Privacy and Security |                                            | Handling sensitive data involves risk of breaches, regulatory action, and reputational damage. Securing data is essential to protect stakeholders and business integrity. | The Company enforces strict data access controls, limiting information access based on roles. Third-party data sharing is prohibited unless specifically approved. These measures ensure robust data security and align with the Company's commitment to privacy protection. | ⊖                                                                                              |

## SECTION B ► MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Sr. No                                 | Disclosure Questions                                                                                                                                                                                                                                    | P1                                                                                                                                                            | P2  | P3             | P4  | P5  | P6             | P7  | P8  | P9            |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----------------|-----|-----|----------------|-----|-----|---------------|
| <b>Policy and management processes</b> |                                                                                                                                                                                                                                                         |                                                                                                                                                               |     |                |     |     |                |     |     |               |
| 1. a                                   | Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)                                                                                                                                             | Yes                                                                                                                                                           | Yes | Yes            | Yes | Yes | Yes            | Yes | Yes | Yes           |
| b                                      | Has the policy been approved by the Board? (Yes/No/NA)                                                                                                                                                                                                  | Yes                                                                                                                                                           | Yes | Yes            | Yes | Yes | Yes            | Yes | Yes | Yes           |
| c                                      | Web Link of the Policies, if available                                                                                                                                                                                                                  | <a href="http://knrcl.com/images/policies/BRSR-policy.pdf">http://knrcl.com/images/policies/BRSR-policy.pdf</a>                                               |     |                |     |     |                |     |     |               |
| 2                                      | Whether the entity has translated the policy into procedures. (Yes / No/ NA)                                                                                                                                                                            | Yes                                                                                                                                                           | Yes | Yes            | Yes | Yes | Yes            | Yes | Yes | Yes           |
| 3                                      | Do the enlisted policies extend to your value chain partners? (Yes/No/NA)                                                                                                                                                                               | No                                                                                                                                                            | No  | No             | No  | No  | No             | No  | No  | No            |
| 4                                      | Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | ,                                                                                                                                                             | ,   | ISO 45001:2018 | ,   | ,   | ISO 14001:2015 | ,   | ,   | ISO 9001:2015 |
| 5                                      | Specific commitments, goals and targets set by the entity with defined timelines, if any.                                                                                                                                                               | Since the ESG reporting is at the initial stage, commitments and targets will be set out and performance of the same will be evaluated in due course of time. |     |                |     |     |                |     |     |               |

| Sr. No | Disclosure Questions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | P1                                                                                                                                                | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9  |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|-----|
| 6      | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | The Company is in the process of establishing a mechanism to measure progress on performance against the specific commitments, goals and targets. |    |    |    |    |    |    |    |     |
|        | <b>Governance, leadership and oversight</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                   |    |    |    |    |    |    |    |     |
| 7      | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)<br>Dear Stakeholders,<br>As the director responsible for the Business Responsibility Report, I am pleased to present an overview of our ESG initiatives to our esteemed shareholders. Our commitment to Environmental, Social, and Governance (ESG) principles forms the foundation of our business philosophy.<br>Environment: We have implemented effective exhaust mechanisms for machinery and vehicles, with regular checks to ensure optimal performance. Sprinklers on conveyors help reduce air emissions from aggregate crushers, supported by consistent emissions monitoring. Our electricity consumption is managed through captive sources like generators. We optimise waste materials from structures and pavements, using them in diversion roads and construction layers. Our focus on waste reduction, reusing, and efficient water use underscores our commitment to environmental sustainability.<br>Social: Our social initiatives include identifying and training individuals for project deployment, fostering career progression opportunities, and maintaining high employee retention through supportive policies and welfare activities. Our mentoring programmes contribute to staff retention and consistent performance.<br>Governance: Governance is a cornerstone of our operations. Frequent Board meetings ensure accountability, transparency, ethical decision-making, and adherence to business ethics. Internal audits reinforce our commitment to sound governance practises, enhancing shareholder and investor confidence.<br>In conclusion, our ESG initiatives encompass environmental sustainability, social empowerment, and robust governance practises. We are dedicated to addressing challenges, meeting targets, and fostering responsible growth, guided by our commitment to creating lasting value for all stakeholders. We appreciate your ongoing support and confidence in our organisation. Together, we are poised to build a brighter and more sustainable future.<br>Sincerely,<br>K Jalandhar Reddy Executive Director |                                                                                                                                                   |    |    |    |    |    |    |    |     |
| 8      | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).<br>Shri K Jalandhar Reddy, Executive Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                   |    |    |    |    |    |    |    |     |
| 9      | Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).<br>If Yes please provide details<br>Shri K Jalandhar Reddy, Executive Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                   |    |    |    |    |    |    |    | Yes |

| 10 | Details of Review of NGRBCs by the Company                                                                     |                                                                                               |    |    |    |    |    |    |    |    |
|----|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
|    | Subject for Review                                                                                             | Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee |    |    |    |    |    |    |    |    |
|    |                                                                                                                | P1                                                                                            | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| a. | Performance against above policies and follow up action                                                        | Director                                                                                      |    |    |    |    |    |    |    |    |
| b. | Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances | Director                                                                                      |    |    |    |    |    |    |    |    |



| Subject for Review |                                                                                                                               | Frequency<br>(Annually / Half yearly / Quarterly/ Any other-please specify) |    |                  |    |    |                  |    |    |                  |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----|------------------|----|----|------------------|----|----|------------------|
|                    |                                                                                                                               | P1                                                                          | P2 | P3               | P4 | P5 | P6               | P7 | P8 | P9               |
| a.                 | Performance against above policies and follow up action                                                                       | Annually                                                                    |    |                  |    |    |                  |    |    |                  |
| b.                 | Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances                | Annually                                                                    |    |                  |    |    |                  |    |    |                  |
| 11                 | Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). | No                                                                          | No | Yes              | No | No | Yes              | No | No | Yes              |
|                    | If yes, provide name of the agency.                                                                                           | NA                                                                          | NA | Global Standards | NA | NA | Global Standards | NA | NA | Global Standards |

| 12 | If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:                  | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----|---------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|----|
|    | The entity does not consider the Principles material to its business (Yes/No)                                                   | NA | NA | NA | NA | NA | NA | NA | NA | NA |
|    | The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | NA | NA | NA | NA | NA | NA | NA | NA | NA |
|    | The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         | NA | NA | NA | NA | NA | NA | NA | NA | NA |
|    | It is planned to be done in the next financial year (Yes/ No)                                                                   | NA | NA | NA | NA | NA | NA | NA | NA | NA |
|    | Any other reason (please specify)                                                                                               | NA | NA | NA | NA | NA | NA | NA | NA | NA |



## SECTION C ► PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practises and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

#### ESSENTIAL INDICATORS

##### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment                                                                                                                         | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact                                    | % age of persons in respective category covered by the awareness programmes |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| <br><b>Board of Directors</b>                  | ► 1                                                    | Regulatory                                                                                     | 100%                                                                        |
| <br><b>Key Managerial Personnel</b>          | ► 1                                                    | Regulatory                                                                                     | 100%                                                                        |
| <br><b>Employees other than BOD and KMPs</b> | ► 20                                                   | SAP MM,<br>SAP Fico,<br>SAP Stores,<br>SAP P&M,<br>HR Payroll,<br>Health and Safety programme. | 100%                                                                        |
| <br><b>Workers</b>                           | ► 1                                                    | Health & Safety                                                                                | 100%                                                                        |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

| Monetary        |                 |                                                                                 |                                         |                                                                                                           |                                        |
|-----------------|-----------------|---------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------|
| Particular      | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions             | Amount (In ₹) (For Monetary Cases only) | Brief of the Case                                                                                         | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine   | Principle 1     | 1. Joint commissioner of Income Tax, Central Circle, Central Range-2, Hyderabad | 1. 18,22,08,922                         | 1. Penalty order passed of ₹ 18,22,08,922/- u/s 271(1)(c) of the Income Tax Act, 1961 for the AY 2007-08. | Yes                                    |
| Settlement      |                 |                                                                                 | NA*                                     |                                                                                                           |                                        |
| Compounding fee |                 |                                                                                 | NA*                                     |                                                                                                           |                                        |

| Non-Monetary |                 |                                                                     |                   |                                        |
|--------------|-----------------|---------------------------------------------------------------------|-------------------|----------------------------------------|
| Particular   | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment |                 |                                                                     | NA*               |                                        |
| Punishment   |                 |                                                                     | NA*               |                                        |

\* There were no such cases during the year

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details                                                                                                                                                                                                                                                                                                                                                               | Name of the regulatory/ enforcement agencies/ judicial institutions          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| The Company has claimed deduction under section 80IA for ₹ 76,87,44,959/-, which has been disallowed by Assessing Officer, in turn Company has filed appeal before CIT(A)- 12 Hyd and now Company in receipt of order allowing deduction under section 80IA to the extent of ₹ 76,79,06,045/- and deduction to the extent of ₹ 8,38,914/- was not allowed for AY 2016-17.* | Income Tax Department - CIT(A)-12, Hyd                                       |
| Penalty order passed of ₹ 18,22,08,922/- u/s 271(1)(c) of the Income Tax Act, 1961 for the AY 2007-08**                                                                                                                                                                                                                                                                    | Joint Commissioner of Income Tax, Central Circle, Central Range-2, Hyderabad |

\* In case of CIT(A) order - CIT-A given directions to AO for verification 14A workings. We have submitted details to AO and are awaiting a consequential order.

\*\*Appeal has been filed

#### 4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)

**YES**



##### If Yes, provide details in brief

KNRCL has implemented an Anti-Bribery Policy aimed at eliminating any form of bribery or corruption. All individuals connected with the Company, including those from its subsidiaries and affiliates, are expected to fully comply with the guidelines and coverage outlined in this policy.

If Yes, Provide a web link to the policy, if available -Web link anti-corruption or anti bribery policy is place

[http://knrc.com/images/policies/Anti\\_bribery\\_policy.pdf](http://knrc.com/images/policies/Anti_bribery_policy.pdf)

#### 5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| Particular | 2024-25 | 2023-24 |
|------------|---------|---------|
| Directors  | 0       | 0       |
| KMPs       | 0       | 0       |
| Employees  | 0       | 0       |
| Workers    | 0       | 0       |

#### 6. Details of complaints with regard to conflict of interest:

| Case Details                                                                                 | 2024-25 |        | 2023-24 |        |
|----------------------------------------------------------------------------------------------|---------|--------|---------|--------|
|                                                                                              | Number  | Remark | Number  | Remark |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0       | NA     | 0       | NA     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0       | NA     | 0       | NA     |

#### 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

#### 8. Number of days of accounts payables in the following format:

| Particular                          | 2024-25 | 2023-24 |
|-------------------------------------|---------|---------|
| Number of days of accounts payables | 44      | 30      |

#### 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics                                                                             | 2024-25 | 2023-24 |
|----------------------------|-------------------------------------------------------------------------------------|---------|---------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                            | 0%      | 0%      |
|                            | b. Number of trading houses where purchases are made from                           | 0       | 0       |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 0%      | 0%      |

| Parameter              | Metrics                                                                                  | 2024-25 | 2023-24 |
|------------------------|------------------------------------------------------------------------------------------|---------|---------|
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales                                   | 0%      | 0%      |
|                        | b. Number of dealers / distributors to whom sales are made                               | 0       | 0       |
|                        | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | 0%      | 0%      |
| Share of RPTs in       | a. Purchases (Purchases with related parties / Total Purchases)                          | 0%      | 0%      |
|                        | b. Sales (Sales to related parties / Total Sales)                                        | 44.66%  | 56.10%  |
|                        | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 69.82%  | 32.13%  |
|                        | d. Investments                                                                           | 100%    | 100%    |

### LEADERSHIP INDICATOR

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

**YES**

**If Yes, provide details of the same.**

The Company's Code of Conduct mandates that all directors refrain from engaging in activities that could conflict with the Company's best interests. Additionally, directors are required to annually confirm their compliance with the Code of Conduct to the Company.



## PRINCIPLE 2

**Businesses should provide goods and services in a manner that is sustainable and safe.**

(This principle highlights the importance of sustainable and safe production practises. Companies should strive to minimise the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

### ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

| Sr. No. | Particular | 2024-25 | 2023-24 | Details of improvements in environmental and social impacts |
|---------|------------|---------|---------|-------------------------------------------------------------|
| 1       | R&D        | 0%      | 0%      | NA                                                          |
| 2       | Capex      | 0%      | 0%      | NA                                                          |

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**



**YES**

- b. If yes, what percentage of inputs were sourced sustainably?**

**50.5%**

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

|     |                                |    |
|-----|--------------------------------|----|
| (a) | Plastics (including packaging) | NA |
| (b) | E-waste                        | NA |
| (c) | Hazardous waste                | NA |
| (d) | other waste                    | NA |

Note: Given the nature of the Company's operations, this is not applicable.

4. **a. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)**

No

- b. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

NA

- c. If not, provide steps taken to address the same**

NA



**PRINCIPLE 3**

**Businesses should respect and promote the well-being of all employees, including those in their value chains.**

(This principle emphasises the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

**ESSENTIAL INDICATORS****1. a. Details of measures for the well-being of employees:**

| Category | % of employees covered by |                  |           |                    |           |                    |           |                    |           |                     |           |
|----------|---------------------------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|          | Total<br>(A)              | Health insurance |           | Accident insurance |           | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |           |
|          |                           | Number<br>(B)    | % (B / A) | Number<br>(C)      | % (C / A) | Number<br>(D)      | % (D / A) | Number<br>(E)      | % (E / A) | Number<br>(F)       | % (F / A) |

**Permanent employees**

|              |              |           |              |              |             |           |             |              |             |          |           |
|--------------|--------------|-----------|--------------|--------------|-------------|-----------|-------------|--------------|-------------|----------|-----------|
| Male         | 2,738        | 84        | 3%           | 2,738        | 100%        | 0         | 0           | 2,738        | 100%        | 0        | 0%        |
| Female       | 14           | 14        | 100%         | 14           | 100%        | 14        | 100%        | 0            | 0           | 0        | 0%        |
| <b>Total</b> | <b>2,752</b> | <b>98</b> | <b>3.56%</b> | <b>2,752</b> | <b>100%</b> | <b>14</b> | <b>100%</b> | <b>2,738</b> | <b>100%</b> | <b>0</b> | <b>0%</b> |

**Other than permanent employees**

|              |          |          |          |          |          |          |          |          |          |          |          |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Male         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| Female       | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| <b>Total</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**1. b. Details of measures for the well-being of workers:**

| Category | % of employees covered by |                  |           |                    |           |                    |           |                    |           |                     |           |
|----------|---------------------------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|          | Total<br>(A)              | Health insurance |           | Accident insurance |           | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |           |
|          |                           | Number<br>(B)    | % (B / A) | Number<br>(C)      | % (C / A) | Number<br>(D)      | % (D / A) | Number<br>(E)      | % (E / A) | Number<br>(F)       | % (F / A) |

**Permanent workers**

|              |             |            |              |             |               |          |           |             |             |          |           |
|--------------|-------------|------------|--------------|-------------|---------------|----------|-----------|-------------|-------------|----------|-----------|
| Male         | 1870        | 108        | 5.78%        | 1729        | 92.46%        | 0        | 0%        | 1870        | 100%        | 0        | 0%        |
| Female       | 0           | 0          | 0%           | 0           | 0%            | 0        | 0%        | 0           | 0           | 0        | 0%        |
| <b>Total</b> | <b>1870</b> | <b>108</b> | <b>5.78%</b> | <b>1729</b> | <b>92.46%</b> | <b>0</b> | <b>0%</b> | <b>1870</b> | <b>100%</b> | <b>0</b> | <b>0%</b> |

**Other than permanent workers**

|              |          |          |          |          |          |          |          |          |          |          |          |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Male         | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| Female       | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| <b>Total</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

|                                                                              | 2024-25 | 2023-24 |
|------------------------------------------------------------------------------|---------|---------|
| Cost incurred on well- being measures as a % of total revenue of the Company | 0.02%   | 0.03%   |

## 2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

| Benefits                | 2024-25                                            |                                                |                                                      | 2023-24                                            |                                                |                                                      |
|-------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
|                         | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                      | 35.47%                                             | 21.60%                                         | Yes                                                  | 23.63%                                             | 13.45%                                         | Yes                                                  |
| Gratuity                | 100%                                               | 0%                                             | Yes                                                  | 100%                                               | 0%                                             | Yes                                                  |
| ESI                     | 100%                                               | 61.55%                                         | Yes                                                  | 100%                                               | 37.93%                                         | Yes                                                  |
| Others – please specify |                                                    |                                                |                                                      |                                                    |                                                |                                                      |

## 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

If not, whether any steps are being taken by the entity in this regard.

NA

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?



**YES**

If so, provide a web-link to the policy.

<http://knrcil.com/images/policies/Human-Rights>

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent Employees |                | Permanent Workers*  |                |
|--------|---------------------|----------------|---------------------|----------------|
|        | Return to work rate | Retention Rate | Return to work rate | Retention Rate |
| Male   | 100%                | 0%             | 0%                  | 0%             |
| Female | 0%                  | 0%             | 0%                  | 0%             |
| Total  | 100%                | 0%             | 0%                  | 0%             |

\*No parental leave obtained by workers during the year under review



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| Category                                                                                                        | Yes/No | If Yes, then give details of the mechanism in brief                                                                                                                                                                                                                                                                                                                                                             | Yes/No | Category                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|---------------------------------------------------------------------------------------------------------------------|
|  Permanent Workers             | Yes    | Employees or workers can raise concerns or lodge grievances with the respective project managers at their sites. The project managers will escalate these concerns or grievances to the Project Director, who will address them within 30 days following a thorough investigation. All grievances received and their status will be reported to the Managing Director or Executive Director in a timely manner. | Yes    |  Permanent Employees             |
|  Other than Permanent Workers* | No     |                                                                                                                                                                                                                                                                                                                                                                                                                 | No     |  Other than Permanent Employees* |

\*The Company does not have any staff in 'Other than permanent employees' and 'Other than permanent workers category'

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Category                  | 2024-25                                              |                                                                                                |         | 2023-24                                               |                                                                                                |         |
|---------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|-------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|
|                           | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees / workers in respective category (C.) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| Total Permanent employees | 2752                                                 | 0                                                                                              | 0%      | 2488                                                  | 0                                                                                              | 0%      |
| Male                      | 2738                                                 | 0                                                                                              | 0%      | 2,478                                                 | 0                                                                                              | 0%      |
| Female                    | 14                                                   | 0                                                                                              | 0%      | 10                                                    | 0                                                                                              | 0%      |
| Total Permanent Workers   | 1870                                                 | 0                                                                                              | 0%      | 3003                                                  | 0                                                                                              | 0%      |
| Male                      | 1870                                                 | 0                                                                                              | 0%      | 3003                                                  | 0                                                                                              | 0%      |
| Female                    | 0                                                    | 0                                                                                              | 0%      | 0                                                     | 0                                                                                              | 0%      |

8. Details of training given to employees and workers:

| Category | 2024-25   |                               |           |                      |           | 2023-24   |                               |           |                      |           |
|----------|-----------|-------------------------------|-----------|----------------------|-----------|-----------|-------------------------------|-----------|----------------------|-----------|
|          | Total (A) | On Health and Safety Measures |           | On Skill Upgradation |           | Total (D) | On Health and Safety Measures |           | On Skill Upgradation |           |
|          |           | Number (B)                    | % (B / A) | Number (C)           | % (C / A) |           | Number (E)                    | % (E / D) | Number (F)           | % (C / D) |



Employees

|              |             |             |               |            |               |             |             |             |             |               |
|--------------|-------------|-------------|---------------|------------|---------------|-------------|-------------|-------------|-------------|---------------|
| Male         | 2738        | 2738        | 100%          | 840        | 30.68%        | 2478        | 2478        | 100%        | 1317        | 53.15%        |
| Female       | 14          | 12          | 85.71%        | 5          | 35.71%        | 10          | 10          | 100%        | 0           | 0%            |
| <b>Total</b> | <b>2752</b> | <b>2750</b> | <b>99.93%</b> | <b>845</b> | <b>30.70%</b> | <b>2488</b> | <b>2488</b> | <b>100%</b> | <b>1317</b> | <b>52.93%</b> |

| Category | 2024-25   |                               |           |                      |           | 2023-24   |                               |           |                      |           |
|----------|-----------|-------------------------------|-----------|----------------------|-----------|-----------|-------------------------------|-----------|----------------------|-----------|
|          | Total (A) | On Health and Safety Measures |           | On Skill Upgradation |           | Total (D) | On Health and Safety Measures |           | On Skill Upgradation |           |
|          |           | Number (B)                    | % (B / A) | Number (C)           | % (C / A) |           | Number (E)                    | % (E / D) | Number (F)           | % (C / D) |



#### Workers

|              |             |             |             |             |               |             |             |             |             |               |
|--------------|-------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|-------------|---------------|
| Male         | 1870        | 1870        | 100%        | 1277        | 68.29%        | 3003        | 3003        | 100%        | 2098        | 69.86%        |
| Female       | 0           | 0           | 0%          | 0           | 0%            | 0           | 0           | 0%          | 0           | 0%            |
| <b>Total</b> | <b>1870</b> | <b>1870</b> | <b>100%</b> | <b>1277</b> | <b>68.29%</b> | <b>3003</b> | <b>3003</b> | <b>100%</b> | <b>2098</b> | <b>69.86%</b> |

### 9. Details of performance and career development reviews of employees and worker.

| Category | 2024-25   |         |           | 2023-24   |         |           |
|----------|-----------|---------|-----------|-----------|---------|-----------|
|          | Total (A) | No. (B) | % (B / A) | Total (D) | No. (E) | % (E / D) |



#### Employees

|              |             |             |               |             |             |               |
|--------------|-------------|-------------|---------------|-------------|-------------|---------------|
| Male         | 2738        | 2730        | 99.71%        | 2478        | 1018        | 41.08%        |
| Female       | 14          | 12          | 85.71%        | 10          | 10          | 100%          |
| <b>Total</b> | <b>2752</b> | <b>2742</b> | <b>99.64%</b> | <b>2488</b> | <b>1028</b> | <b>41.32%</b> |



#### Workers

|              |             |             |               |             |             |               |
|--------------|-------------|-------------|---------------|-------------|-------------|---------------|
| Male         | 1870        | 1375        | 73.53%        | 3003        | 2189        | 72.89%        |
| Female       | 0           | 0           | 0%            | 0           | 0           | 0%            |
| <b>Total</b> | <b>1870</b> | <b>1375</b> | <b>73.53%</b> | <b>3003</b> | <b>2189</b> | <b>72.89%</b> |

### 10. Health and safety management system

#### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)

Yes

##### If Yes, the Coverage such systems?

KNRCL places utmost importance on the safety and well-being of its employees and all stakeholders. Our Health, Safety, and Environment (HSE) Policy reflects our dedication to effectively managing critical HSE elements. We have implemented a Health, Safety, and Environment Management System that is certified under the ISO 45001:2018 standard.

#### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We assess occupational health and safety risks across all ongoing, new, or modified operations, processes, products, services, and any regulatory updates — covering both routine and non-routine tasks. Our risk assessments are conducted quarterly and include

incident reviews. Identified hazards are prioritised for elimination or control. Once control measures are applied as per the hierarchy of controls, we re-evaluate to determine any remaining residual risks.

#### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)

Yes

#### d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes



**11. Details of safety related incidents, in the following format:**

| Safety Incident/Number                                                        | Category* | 2024-25 | 2023-24 |
|-------------------------------------------------------------------------------|-----------|---------|---------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0       | 1       |
|                                                                               | Workers   | 0       | 0       |
| Total recordable work-related injuries                                        | Employees | 0       | 1       |
|                                                                               | Workers   | 0       | 0       |
| No. of fatalities                                                             | Employees | 0       | 1       |
|                                                                               | Workers   | 0       | 0       |
| High-consequence work-related injury or ill health (excluding fatalities)     | Employees | 0       | 1       |
|                                                                               | Workers   | 0       | 0       |

\*Including in the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

We are committed to fostering a safety-first culture that promotes individual accountability. Personnel at our project sites receive training to recognise, manage, and control risks specific to their operations. We conduct regular site inspections and health and safety awareness programmes. Our established safety systems include work permits, structured training, LOTO (lockout/tagout) protocols, operational controls, monitoring mechanisms, audits, and periodic assessments. Identified gaps, deviations, findings, and lessons learned are addressed through appropriate controls, which are tracked to ensure timely and effective closure. Furthermore, the Company has implemented a WCA policy for workers deployed at project sites.

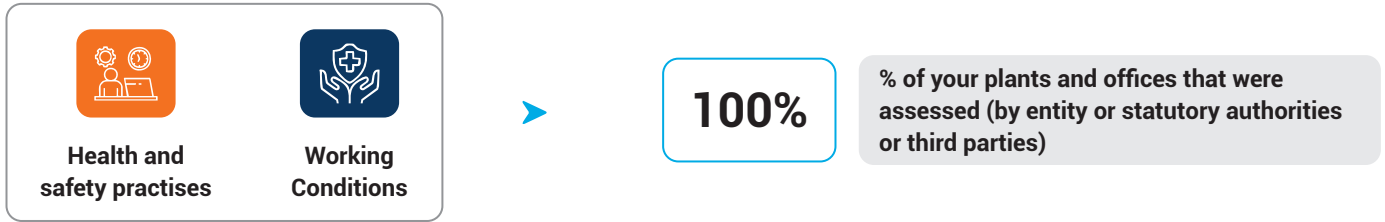
**13. Number of Complaints on the following made by employees and workers:****Working Conditions**

| 2024-25               |                                       |         | 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |

**Health & Safety**

| 2024-25               |                                       |         | 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |

#### 14. Assessment for the year:



#### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practises and working conditions.

During the year under review, there were no safety related incidents occurred. However, the Company has in place certain SOPs for supervising and monitoring the safety practises being followed and the equipment operation, overall safety and health of the employees and workers.

### PRINCIPLE 4

**Businesses should respect the interests of and be responsive to all its stakeholders.**

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

#### ESSENTIAL INDICATORS

##### 1. Describe the processes for identifying key stakeholder groups of the entity.

Identifying stakeholders is a cornerstone of our strategy for achieving business objectives. We follow a structured approach that includes a comprehensive analysis of our operations to pinpoint key stakeholders such as investors, vendors, customers, employees, lenders, and the broader community. Our assessment also considers the influence of our initiatives on the communities we interact with, recognising their vital role in our engagement efforts. By gaining insight into stakeholder expectations, we proactively address potential risks, anticipate needs, and foster long-term relationships that drive our success. This forward-looking engagement enhances both strategic coherence and overall performance.



## 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify) | Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Investors         | No                                                    | Email, Newspaper, Website, Investor calls                                                                                                     | Quarterly                                                                          | Financial performance, operations of the Company                                                |
| Vendors           | No                                                    | Meetings (Capital equipment – regular basis; Material – as and when required)                                                                 | Other                                                                              | Capital equipment and material                                                                  |
| Customers         | No                                                    | Meetings                                                                                                                                      | On regular basis                                                                   | Projects related                                                                                |
| Employees         | No                                                    | Meetings                                                                                                                                      | As and when required                                                               | HR related                                                                                      |
| Lenders           | No                                                    | Meetings                                                                                                                                      | Quarterly                                                                          | Concessionaire meetings for financial assistance                                                |
| Community         | No                                                    | Community Meetings                                                                                                                            | As and when required                                                               | Community issues near the project sites                                                         |

### PRINCIPLE 5

**Businesses should respect and promote human rights.**

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

#### ESSENTIAL INDICATORS

### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

| Benefits | 2024-25   |                                       |           | 2023-24   |                                       |           |
|----------|-----------|---------------------------------------|-----------|-----------|---------------------------------------|-----------|
|          | Total (A) | No. of employees/ workers covered (B) | % (B / A) | Total (C) | No. of employees/ workers covered (D) | % (D / C) |



#### Employees

|                        |             |             |             |              |             |               |
|------------------------|-------------|-------------|-------------|--------------|-------------|---------------|
| Permanent              | 2752        | 2752        | 100%        | 2,488        | 1278        | 51.37%        |
| Other than permanent   | 0           | 0           | 100%        | 0            | 0           | 0%            |
| <b>Total Employees</b> | <b>2752</b> | <b>2752</b> | <b>100%</b> | <b>2,488</b> | <b>1278</b> | <b>51.37%</b> |



#### Workers

|                      |             |             |             |             |             |               |
|----------------------|-------------|-------------|-------------|-------------|-------------|---------------|
| Permanent            | 1870        | 1870        | 100%        | 3003        | 2189        | 72.89%        |
| Other than permanent | 0           | 0           | 0%          | 0           | 0           | 0%            |
| <b>Total Workers</b> | <b>1870</b> | <b>1870</b> | <b>100%</b> | <b>3003</b> | <b>2189</b> | <b>72.89%</b> |

## 2. Details of minimum wages paid to employees and workers

| Category                    | 2024-25     |                       |               |                        |               | 2023-24     |                       |               |                        |               |
|-----------------------------|-------------|-----------------------|---------------|------------------------|---------------|-------------|-----------------------|---------------|------------------------|---------------|
|                             | Total (A)   | Equal to Minimum Wage |               | More than Minimum Wage |               | Total (D)   | Equal to Minimum Wage |               | More than Minimum Wage |               |
|                             |             | No. (B)               | % (B/A)       | No. (C)                | % (C /A)      |             | No. (E)               | % (E/D)       | No. (F)                | % (F/D)       |
| <b>Employees</b>            |             |                       |               |                        |               |             |                       |               |                        |               |
| <b>Permanent</b>            |             |                       |               |                        |               |             |                       |               |                        |               |
| Male                        | 2738        | 350                   | 12.78%        | 2388                   | 87.22%        | 2478        | 321                   | 12.95%        | 2,157                  | 87.05%        |
| Female                      | 14          | 2                     | 14.29%        | 12                     | 85.71%        | 10          | 0                     | 0%            | 10                     | 100%          |
| <b>Total</b>                | <b>2752</b> | <b>352</b>            | <b>12.79%</b> | <b>2400</b>            | <b>87.21%</b> | <b>2488</b> | <b>321</b>            | <b>12.95%</b> | <b>2,167</b>           | <b>87.10%</b> |
| <b>Other than Permanent</b> |             |                       |               |                        |               |             |                       |               |                        |               |
| Male                        | 0           | 0                     | 0%            | 0                      | 0%            | 0           | 0                     | 0%            | 0                      | 0%            |
| Female                      | 0           | 0                     | 0%            | 0                      | 0%            | 0           | 0                     | 0%            | 0                      | 0%            |
| <b>Total</b>                | <b>0</b>    | <b>0</b>              | <b>0%</b>     | <b>0</b>               | <b>0%</b>     | <b>0</b>    | <b>0</b>              | <b>0%</b>     | <b>0</b>               | <b>0%</b>     |
| <b>Workers</b>              |             |                       |               |                        |               |             |                       |               |                        |               |
| <b>Permanent</b>            |             |                       |               |                        |               |             |                       |               |                        |               |
| Male                        | 1870        | 312                   | 16.68%        | 1558                   | 83.32%        | 3003        | 358                   | 11.92%        | 2645                   | 88.08%        |
| Female                      | 0           | 0                     | 0%            | 0                      | 0%            | 0           | 0                     | 0%            | 0                      | 0%            |
| <b>Total</b>                | <b>1870</b> | <b>312</b>            | <b>16.68%</b> | <b>1558</b>            | <b>83.32%</b> | <b>3003</b> | <b>358</b>            | <b>11.92%</b> | <b>2645</b>            | <b>88.08%</b> |
| <b>Other than Permanent</b> |             |                       |               |                        |               |             |                       |               |                        |               |
| Male                        | 0           | 0                     | 0%            | 0                      | 0%            | 0           | 0                     | 0%            | 0                      | 0%            |
| Female                      | 0           | 0                     | 0%            | 0                      | 0%            | 0           | 0                     | 0%            | 0                      | 0%            |
| <b>Total</b>                | <b>0</b>    | <b>0</b>              | <b>0%</b>     | <b>0</b>               | <b>0%</b>     | <b>0</b>    | <b>0</b>              | <b>0%</b>     | <b>0</b>               | <b>0%</b>     |

## 3. Details of remuneration/salary/wages

### a. Median remuneration / wages:

| Particular                          | Male   |                                                           | Female |                                                           |
|-------------------------------------|--------|-----------------------------------------------------------|--------|-----------------------------------------------------------|
|                                     | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BOD)*           | 2      | 66000000                                                  | 0      | 0                                                         |
| Key Managerial Personnel**          | 2      | 66000000                                                  | 1      | 1465155                                                   |
| Employees other than BOD and KMP*** | 2736   | 226464                                                    | 13     | 168984                                                    |
| Workers                             | 1870   | 252000                                                    | 0      | 0                                                         |

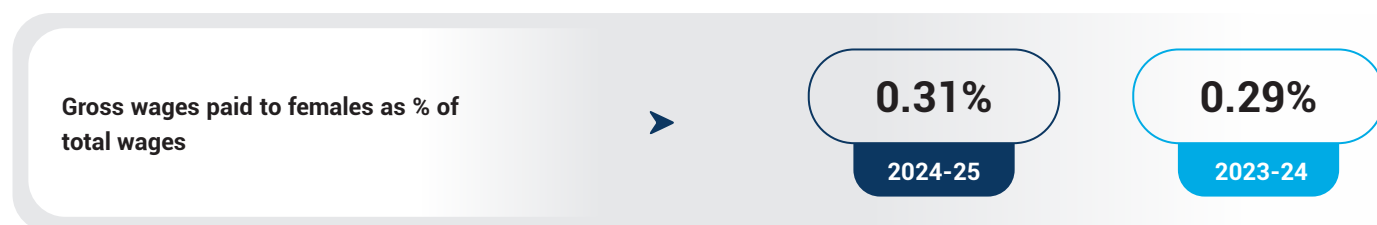
#### Note:

\*Only the Executive Directors remuneration is considered for calculating the median remuneration of the Board of Directors.

\*\*The executive directors are the existing KMP of the Company and hence it is the same.

\*\*\*In male category MD and ED are excluded and in female category CS is excluded.

### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:



## 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

No

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The policies and procedures for addressing employee grievances will be implemented with the utmost sensitivity, urgency, and priority in managing and resolving HR grievances.

6. Number of Complaints on the following made by employees and workers:



Sexual Harassment

| 2024-25               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

| 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |



Discrimination at workplace

| 2024-25               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

| 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |



Child Labour

| 2024-25               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

| 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |



### Forced Labour / Involuntary Labour

| 2024-25               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

| 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |



### Wages

| 2024-25               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

| 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |



### Other human rights related issues

| 2024-25               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

| 2023-24               |                                       |         |
|-----------------------|---------------------------------------|---------|
| Filed during the year | Pending resolution at the end of year | Remarks |
| 0                     | 0                                     | NA      |

### 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| Particulars                                                                                                                         | 2024-25 | 2023-24 |
|-------------------------------------------------------------------------------------------------------------------------------------|---------|---------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0       | 0       |
| Complaints on POSH as a % of female employees / workers                                                                             | 0%      | 0%      |
| Complaints on POSH upheld                                                                                                           | 0       | 0       |

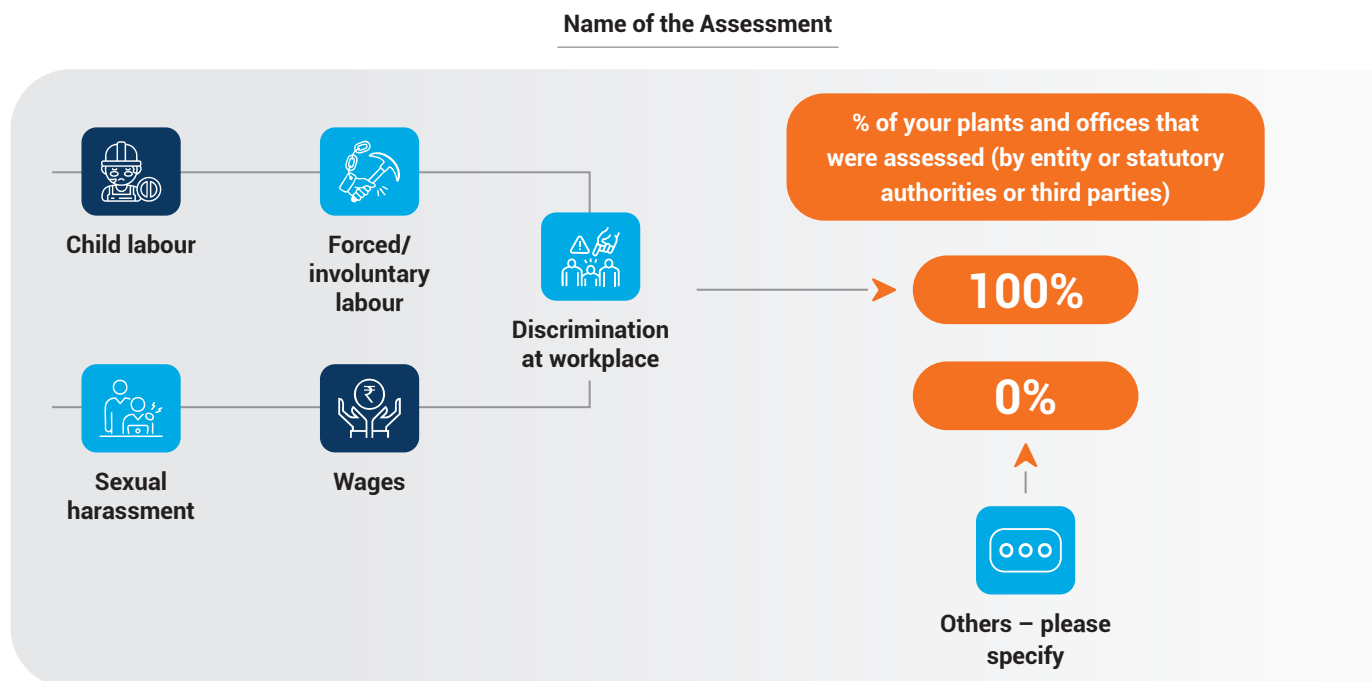
**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has put in place a structured process to handle complaints concerning discrimination and harassment. This process upholds strict confidentiality during investigations and ensures the complainant's identity remains protected. Moreover, measures are in place to shield the complainant from any retaliatory actions.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)**

Yes

**10. Assessments for the year:**



**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

The Company is constantly assessing the sites to ensure that there are no instances of child labour, forced labour, sexual harassment, discrimination at work place and inequality in payment of wages. The Company will be taking corrective actions as and when any such instances are reported from the sites



## PRINCIPLE 6

**Businesses should respect and make efforts to protect and restore the environment.**

(This principle emphasises the importance of environmental stewardship. Companies should minimise their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

### ESSENTIAL INDICATORS

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter                                                                                                                                                                         | 2024-25<br>(in Giga Joules) | 2023-24<br>(in Giga Joules) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>From renewable sources</b>                                                                                                                                                     |                             |                             |
| Total electricity consumption (A)                                                                                                                                                 | 3.11                        | 0                           |
| Total fuel consumption (B)                                                                                                                                                        | 0                           | 0                           |
| Energy consumption through other sources (C.)                                                                                                                                     | 0                           | 0                           |
| <b>Total energy consumed from renewable sources (A+B+C)</b>                                                                                                                       | <b>3.11</b>                 | <b>0</b>                    |
| <b>From non-renewable sources</b>                                                                                                                                                 |                             |                             |
| Total electricity consumption (D)                                                                                                                                                 | 37,538.35                   | 39,857.61                   |
| Total fuel consumption (E)                                                                                                                                                        | 23,84,709.53                | 17,83,692.77                |
| Energy consumption through other sources (F)                                                                                                                                      | 0                           | 0                           |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>                                                                                                                   | <b>24,22,247.88</b>         | <b>18,23,550.38</b>         |
| <b>Total energy consumed (A+B+C+D+E+F)</b>                                                                                                                                        | <b>24,22,251</b>            | <b>18,23,550.38</b>         |
| <b>Energy intensity per rupee of turnover</b><br>[Total energy consumed (in GJ) / Revenue from operations (in rupees)]                                                            | 0.0000762604                | 0.00004593                  |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) *</b><br>[Total energy consumed (in GJ)/ Revenue from operations in rupees adjusted for PPP] | 0.0015755406                | 0.00092863                  |
| <b>Energy intensity in terms of physical output **</b><br>[Total energy consumed (in GJ) / <mention the physical output details>]                                                 | NA                          | NA                          |
| Energy intensity (optional) – the relevant metric may be selected by the entity                                                                                                   |                             |                             |
| <b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?</b>                                                             |                             | No                          |
| <b>If yes, name of the external agency.</b>                                                                                                                                       |                             | NA                          |

\*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 24-25, which is 20.66.

\*\*Note: The Company undertakes different types of projects, which includes construction of highways and irrigation projects. Due to the varying nature of these projects, a standardised unit of measurement is not applicable. Consequently, calculating physical intensity, which typically requires a common unit of measurement, is not feasible in this context.

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No)

No

**If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

NA

## 3. Provide details of the following disclosures related to water, in the following format:

| Parameter                                                                                                                                                                         | 2024-25          | 2023-24          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                                                                                 |                  |                  |
| (i) Surface water                                                                                                                                                                 | 2,57,600         | 2,65,900         |
| (ii) Groundwater                                                                                                                                                                  | 38,30,299        | 5,96,868         |
| (iii) Third party water                                                                                                                                                           | 10,81,605        | 3,85,505         |
| (iv) Seawater / desalinated water                                                                                                                                                 | 0                | 0                |
| (v) Others –                                                                                                                                                                      | 0                | 0                |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>                                                                                                   | <b>51,69,504</b> | <b>12,48,273</b> |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                                          | <b>51,69,504</b> | <b>12,48,273</b> |
| <b>Water intensity per rupee of turnover</b><br>[Total water consumption (in KL) / Revenue from operations (in rupees)]                                                           | 0.0001627530     | 0.00003144       |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>[Total water consumption (in KL) / Revenue from operations in rupees adjusted for PPP] | 0.00336247752    | 0.00063567       |
| <b>Water intensity in terms of physical output *</b><br>[Total water consumption (in KL) / <mention the physical output details>]                                                 | NA               | NA               |
| Water intensity (optional) – the relevant metric may be selected by the entity                                                                                                    |                  |                  |
| <b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)</b>                                                    |                  | No               |
| <b>If yes, name of the external agency.</b>                                                                                                                                       | NA               |                  |

\*The Company undertakes different types of projects, which includes construction of highways and irrigation projects. Due to the varying nature of these projects, a standardized unit of measurement is not applicable. Consequently, calculating physical intensity, which typically requires a common unit of measurement, is not feasible in this context.

## 4. Provide the following details related to water discharged:

| Parameter                                                                                                                   | 2024-25  | 2023-24  |
|-----------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>                                                |          |          |
| <b>(i) To Surface water</b>                                                                                                 |          |          |
| No treatment                                                                                                                | 0        | 0        |
| With treatment – please specify level of treatment                                                                          | 0        | 0        |
| <b>(ii) To Groundwater</b>                                                                                                  |          |          |
| No treatment                                                                                                                | 0        | 0        |
| With treatment – please specify level of treatment                                                                          | 0        | 0        |
| <b>(iii) To Seawater</b>                                                                                                    |          |          |
| No treatment                                                                                                                | 0        | 0        |
| With treatment – please specify level of treatment                                                                          | 0        | 0        |
| <b>(iv) Sent to third-parties</b>                                                                                           |          |          |
| No treatment                                                                                                                | 0        | 0        |
| With treatment – please specify level of treatment                                                                          | 0        | 0        |
| <b>(v) Others</b>                                                                                                           |          |          |
| No treatment                                                                                                                | 0        | 0        |
| With treatment – please specify level of treatment                                                                          | 0        | 0        |
| <b>Total water discharged (in kilolitres)</b>                                                                               | <b>0</b> | <b>0</b> |
| <b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)</b> |          | NA       |
| <b>If yes, name of the external agency.</b>                                                                                 | NA       |          |

**5. Has the entity implemented a mechanism for Zero Liquid Discharge?**

No

**If yes, provide details of its coverage and implementation.**

NA

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter                                                                                                                   | Please specify unit | 2024-25                            | 2023-24*** |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------------|------------|
| NOx                                                                                                                         | µg/m <sup>3</sup>   | 13.025                             | NA         |
| SOx                                                                                                                         | µg/m <sup>3</sup>   | 11.225                             | NA         |
| Particulate matter (PM)                                                                                                     | µg/m <sup>3</sup>   | NA*                                | NA         |
| Persistent organic pollutants (POP)                                                                                         | µg/m <sup>3</sup>   | NA**                               | NA         |
| Volatile organic compounds (VOC)                                                                                            | µg/m <sup>3</sup>   | NA**                               | NA         |
| Hazardous air pollutants (HAP)                                                                                              | µg/m <sup>3</sup>   | NA**                               | NA         |
| Others – please specify                                                                                                     |                     |                                    |            |
| Particulate Matter – PM10 (<10 µm)                                                                                          | µg/m <sup>3</sup>   | 64.265                             | NA         |
| Particulate Matter – PM2.5 (<2.5 µm)                                                                                        | µg/m <sup>3</sup>   | 33.16                              | NA         |
| Carbon Monoxide (CO)                                                                                                        | mg/m <sup>3</sup>   | 1.09                               | NA         |
| <b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)</b> |                     |                                    | Yes        |
| <b>If yes, name of the external agency.</b>                                                                                 |                     | Sri Krishna Aqua Engineering works |            |

\* Particulate Matter has been reported separately as PM10 and PM2.5, in line with monitoring protocols and NAAQM standards. Therefore, the general PM row has been marked as Not Applicable (NA).

\*\*Not applicable as company's activities do not involve these emissions.

\*\*\*For the previous financial year, data is reported as Not Applicable (NA) since the Company had not built its capability to monitor and track air emissions. The monitoring mechanism has been established in the current reporting year.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

| Parameter                                                                                                                                                                                                                                    | Unit                                        | 2024-25*                           | 2023-24     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------|-------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                                                                 | Metric tonnes of CO <sub>2</sub> equivalent | 1,83,389.74                        | 1,14,585.08 |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                                                                 | Metric tonnes of CO <sub>2</sub> equivalent | 7,580.66                           | 7,927.24    |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> [Total Scope 1 and Scope 2 GHG emissions (in MTCO <sub>2</sub> e) / Revenue from operations (in rupees)]                                                                    |                                             | 0.0000060124                       | 0.00000309  |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> [Total Scope 1 and Scope 2 GHG emissions (in MTCO <sub>2</sub> e) / Revenue from operations in rupees adjusted for PPP] |                                             | 0.0001242157                       | 0.00006239  |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output**</b> [Total Scope 1 and Scope 2 GHG emissions (in MTCO <sub>2</sub> e) / <mention the physical output details>]                                                 |                                             | NA                                 | NA          |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity                                                                                                                                  |                                             | NA                                 |             |
| <b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)</b>                                                                                                                  |                                             |                                    | Yes         |
| <b>If yes, name of the external agency.</b>                                                                                                                                                                                                  |                                             | Sri Krishna Aqua Engineering Works |             |

Note:

Source of emission factors used - EPA's GHG Emission Factors Hub, CEA's CeDM - CO<sub>2</sub> Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.

\*\* The Company undertakes different types of projects, which includes construction of highways and irrigation projects. Due to the varying nature of these projects, a standardized unit of measurement is not applicable. Consequently, calculating physical intensity, which typically requires a common unit of measurement, is not feasible in this context

## 8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No)

YES



If Yes, then provide details.

All construction vehicles, equipment, and machinery are regularly maintained to meet the pollution emission standards set by the State Pollution Control Board. Additionally, a tree plantation scheme has been implemented along the project highway.

## 9. Provide details related to waste management by the entity, in the following format:

| Parameter                                                                                         | 2024-25          | 2023-24            |
|---------------------------------------------------------------------------------------------------|------------------|--------------------|
| <b>Total Waste generated (in metric tonnes)</b>                                                   |                  |                    |
| Plastic waste (A)                                                                                 | 11.00            | 23.10              |
| E-waste (B)                                                                                       | 0                | 0                  |
| Bio-medical waste (C)                                                                             | 0                | 0                  |
| Construction and demolition waste (D)                                                             | 11,100*          | 1,66,197.00        |
| Battery waste (E)                                                                                 | 0.13             | 0.96               |
| Radioactive waste (F)                                                                             | 0                | 0                  |
| Other Hazardous waste. Please specify, if any. (G)                                                | 0                | 0                  |
| Other Non-hazardous waste generated (H).                                                          | 0                | 0                  |
| <b>Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</b> |                  |                    |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                        | <b>11,111.13</b> | <b>1,66,221.06</b> |
| <b>Waste intensity per rupee of turnover</b>                                                      | 0.0000003498     | 0.00000419         |
| [Total waste generated (in MT) / Revenue from operations (in rupees)]                             |                  |                    |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>           | 0.0000072272     | 0.00008465         |
| Total waste generated (in MT) / Revenue from operations in rupees adjusted for PPP                |                  |                    |
| <b>Waste intensity in terms of physical output**</b>                                              | NA               | NA                 |
| Total waste generated (in MT) / <mention the physical output details>                             |                  |                    |
| <b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>             |                  |                    |

\*During the previous FY 2023-24, projects situated in Kerala, periyasanti and Magadi were with the alignment passing along the existing road and work were in peak progress. Hence the generation of demolition and construction waste was high. For the FY 2024-25, no such activities were required to be carried out and there is hardly any balance work left. The other projects are greenfield projects and construction and demolition waste doesn't arise.

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

| Category of waste               | 2024-25       | 2023-24            |
|---------------------------------|---------------|--------------------|
| (i) Recycled                    | 0             | 0                  |
| (ii) Re-used                    | 11,100***     | 1,66,197.00        |
| (iii) Other recovery operations | 0             | 0                  |
| <b>Total</b>                    | <b>11,100</b> | <b>1,66,197.00</b> |

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

| Category of waste               | 2024-25      | 2023-24      |
|---------------------------------|--------------|--------------|
| (i) Incineration                | 0            | 0            |
| (ii) Landfilling                | 0            | 0            |
| (iii) Other disposal operations | 11.13****    | 24.06        |
| <b>Total</b>                    | <b>11.13</b> | <b>24.06</b> |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No

**If yes, name of the external agency.**

NA

\*The Company undertakes different types of projects, which includes construction of highways and irrigation projects. Due to the varying nature of these projects, a standardized unit of measurement is not applicable. Consequently, calculating physical intensity, which typically requires a common unit of measurement, is not feasible in this context.

\*\*\*Further, the demolition waste such had been reused for laying of new road/service road/ alternate road nearby the project.

\*\*\*\*Battery waste & Plastic waste are given to third party vendor.

**10. Briefly describe the waste management practises adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practises adopted to manage such wastes.**

The Company has implemented waste management methods such as utilising landfills, outsourcing to third-party disposal services, and employing incineration techniques. Being a Construction company, we are not producing any such kind of toxic chemicals. Further, the Company is also exploring various methods/SOPs for waste management process and their disposal in such a way that doesn't impact the environment adversely.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| Sr. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) | If no, the reasons thereof and corrective action taken, if any. |
|---------|--------------------------------|--------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
|---------|--------------------------------|--------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------|

NA\*

\* There are no operation in/around ecologically sensitive areas.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
|-----------------------------------|----------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|

NA\*

\* No Environmental Impact Assessment (EIA) was undertaken during the financial year

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA).**

Yes

**If not, provide details of all such non-compliances, in the following format:**

| Specify the law/regulation/ guidelines which was not complied with | Provide details of the non- compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
|--------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|

NA



**PRINCIPLE 7**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

**ESSENTIAL INDICATORS****1. a. Number of affiliations with trade and industry chambers/ associations.**

1

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

**Name of the trade and industry chambers/ associations**

**Reach of trade and industry chambers/ associations (State/National/ International)**

**1.**

National Highway Builders Federation



National

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
|                   | NA*               |                         |

\* There were no issues raised related to anti-competitive conduct during this financial year.



## PRINCIPLE 8

### Businesses should promote inclusive growth and equitable development.

(This principle emphasises the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalised groups. They should also contribute to the development of local communities and support social and economic empowerment.)

#### ESSENTIAL INDICATORS

##### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
|-----------------------------------|----------------------|----------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------|

NA\*

\*No Social Impact Assessment (SIA) was undertaken during the financial year

##### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| Sr. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the Financial Year (In ₹) |
|---------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|---------------------------------------------------|
|---------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|---------------------------------------------------|

NA\*

\* The company has not undertaken any projects during the financial year that required Rehabilitation and Resettlement (R&R) activities.

##### 3. Describe the mechanisms to receive and redress grievances of the community.

Stakeholders may report concerns or grievances directly to the project managers at the respective sites. These concerns are then escalated to the Project Director, who is responsible for resolving them within 30 days after a detailed investigation. The status of all grievances is promptly communicated to the Managing Director or Executive Director.

##### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Particular                                   | 2024-25 | 2023-24 |
|----------------------------------------------|---------|---------|
| Directly sourced from MSMEs/ small producers | 1.46%   | 1.50%   |
| Directly from within India                   | 100%    | 98%     |

##### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Particular   | 2024-25 | 2023-24 |
|--------------|---------|---------|
| Rural        | 26.00%  | 31.99%  |
| Semi-urban   | 43.00%  | 38.47%  |
| Urban        | 22.00%  | 19.40%  |
| Metropolitan | 9.00%   | 10.14%  |

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban/metropolitan)

**LEADERSHIP INDICATOR****1. Details of beneficiaries of CSR Projects:**

| Sr. No. | CSR Project                         | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---------|-------------------------------------|---------------------------------------------|------------------------------------------------------------|
| 1       | Free Food                           | 10,000                                      | Not ascertainable                                          |
| 2       | Construction of Library             | Not ascertainable                           | Not ascertainable                                          |
| 3       | Construction of Toilets in school   | Not ascertainable                           | Not ascertainable                                          |
| 4       | Construction of Road in Dammannapet | Not ascertainable                           | Not ascertainable                                          |
| 5       | Contribution towards Eye surgeries  | Not ascertainable                           | Not ascertainable                                          |

**PRINCIPLE 9**

**Businesses should engage with and provide value to their consumers in a responsible manner.**

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

**ESSENTIAL INDICATORS****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company is engaged in the construction and engineering sector, with a focus on highways, and does not deal in consumer products. Common concerns or grievances usually pertain to construction quality and project timelines. Stakeholders may submit their concerns through mail or letters, which are then forwarded to the respective project heads for prompt resolution. Customers also have the option to email their concerns to [info@knrcl.com](mailto:info@knrcl.com).

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

| Particular                                                  | As a percentage to total turnover* |
|-------------------------------------------------------------|------------------------------------|
| Environmental and social parameters relevant to the product | NA                                 |
| Safe and responsible usage                                  | NA                                 |
| Recycling and/or safe disposal                              | NA                                 |

**Note:** \*This is not applicable, as our operations do not encompass manufacturing activities.

**3. Number of consumer complaints in respect of the following:**

| Particular                     | 2024-25                  |                                   |        | 2023-24                  |                                   |        |
|--------------------------------|--------------------------|-----------------------------------|--------|--------------------------|-----------------------------------|--------|
|                                | Received during the year | Pending resolution at end of year | Remark | Received during the year | Pending resolution at end of year | Remark |
| Data privacy                   | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Advertising                    | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Cyber-security                 | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Delivery of essential services | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Restrictive Trade Practices    | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Unfair Trade Practices         | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Other                          | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |

#### 4. Details of instances of product recalls on account of safety issues:

| Particular        | Number | Reason for recall |
|-------------------|--------|-------------------|
| Voluntary recalls | 0      | NA                |
| Forced recalls    | 0      | NA                |

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)



**YES**

If available, provide a web link of the policy

<http://knrcl.com/images/policies/Information-Security-Management-Policy.pdf>



#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NA\*

\* No such instances were reported during the financial year.

#### 7. Provide the following information relating to data breaches

##### a. Number of instances of data breaches along-with impact

0

##### b. Percentage of data breaches involving personally identifiable information of customers

0%

##### c. Impact, if any, of the data breaches

NA

# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015).

## 1. COMPANY'S PHILOSOPHY

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

To succeed, we believe, it requires high standards of corporate behavior towards everyone we work with, the community we touch and the environment on which we have an impact. This is our road to consistent, competitive and responsible growth and creating long term value for our members, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors plays a crucial role in overseeing how the management serves the short and long-term interest of members and other stakeholders. This belief is reflected in our governance practises, under which we strive to maintain an effective, informed and independent Board. We keep our governance practises under review and benchmark ourselves to best practises across the globe.

## 2. BOARD OF DIRECTORS:

### (a) Composition and category of directors:

The Board of your company has an optimum mix of executive and non-executive Directors with half of the board comprising of Independent Directors. As on date of this report, the Board consists of 6 directors - comprising 2 Executive directors, 3 Independent directors, and 1 non-executive director. Further, out of the said 6 Directors 3 of them are promoter Directors of the Company. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the board to discharge its responsibilities and provide effective leadership to the business.

The Company obtains from each director - on an annual basis - details of the board and board committee positions he/she occupies in other companies and changes, if any, regarding their directorship. In addition, the independent directors provide an annual confirmation that they meet criteria of independence as defined under section 149(6) of the Companies Act, 2013.

The Board composition is in conformity with the provisions of Companies Act, 2013 read with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Nomination and Remuneration Committee periodically evaluates the criteria with respect to qualifications, independence, remuneration, performance etc., of directors.

- (b) The details of the Board of directors including their attendance at the meetings of Board and committees, shareholders, directorships / chairmanships / memberships on the Boards /Committees of other Companies and names of the listed entities where the person is a director and the category of directorship as required under Regulation No.34 read with Schedule V of the Listing Regulations are as below:

| Name of the Director        | Category                          | No. of Board Meetings |          | Attendance at the last AGM (September 26, 2024) | No. of Directorships in other Companies |        | Chairmanships/ Memberships in Committees of other Public Companies |              | Name of other listed entities where he/she is a director and the category of directorship |
|-----------------------------|-----------------------------------|-----------------------|----------|-------------------------------------------------|-----------------------------------------|--------|--------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------|
|                             |                                   | Entitled              | Attended |                                                 | Private                                 | Public | Membership                                                         | Chairmanship |                                                                                           |
| Shri Kamidi Narsimha Reddy  | Promoter/ Executive Director      | 5                     | 5        | Yes                                             | 1                                       | 8      | 0                                                                  | 0            | 0                                                                                         |
| Shri Kamidi Jalandhar Reddy | Promoter/ Executive Director      | 5                     | 5        | Yes                                             | 3                                       | 8      | 0                                                                  | 1            | 0                                                                                         |
| Smt. Kamidi Yashoda         | Promoter / Non-Executive Director | 5                     | 4        | Yes                                             | 4                                       | 8      | 0                                                                  | 0            | 0                                                                                         |

## Report on Corporate Governance (Contd.)

| Name of the Director                          | Category                             | No. of Board Meetings |          | Attendance at the last AGM (September 26, 2024) | No. of Directorships in other Companies |        | Chairmanships/ Memberships in Committees of other Public Companies |              | Name of other listed entities where he/she is a director and the category of directorship |
|-----------------------------------------------|--------------------------------------|-----------------------|----------|-------------------------------------------------|-----------------------------------------|--------|--------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------------|
|                                               |                                      | Entitled              | Attended |                                                 | Private                                 | Public | Membership                                                         | Chairmanship |                                                                                           |
| Smt Gottipulla Chandra Rekha                  | Independent / Non-Executive Director | 5                     | 5        | Yes                                             | 0                                       | 3      | 1                                                                  | 2            | 0                                                                                         |
| Dr. Wdaru Rampulla Reddy                      | Independent / Non-Executive Director | 5                     | 5        | Yes                                             | 2                                       | 1      | 3                                                                  | 0            | 0                                                                                         |
| Shri Kalakota Udaya Bhaskara Reddy            | Independent / Non-Executive Director | 5                     | 5        | Yes                                             | 1                                       | 1      | 2                                                                  | 2            | 0                                                                                         |
| Shri Bandhakavi Venkata Rama Rao <sup>§</sup> | Independent / Non-Executive Director | 3                     | 3        | Yes                                             | 0                                       | 0      | 0                                                                  | 0            | 0                                                                                         |
| Shri Lodugu Balarami Reddy <sup>§</sup>       | Independent / Non-Executive Director | 3                     | 3        | Yes                                             | 2                                       | 1      | 0                                                                  | 0            | 0                                                                                         |

<sup>§</sup> Ceased to be directors w.e.f. October 01, 2024

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies., Companies Registered under Section 8 of the Companies Act, 2013.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the listed entities in which they are directors. None of the Directors holds office in more than 10 public companies and seven listed entities. None of the Directors serves as Independent Director in more than seven listed entities.

In accordance with Regulation 26 of the SEBI (LODR) Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees (the committees being, Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/she is a Director.

The public limited companies includes deemed public companies which are wholly owned subsidiaries of the company

### Conduct of Board Proceedings

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

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

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

## Report on Corporate Governance (Contd.)

Barring emergency instances, the notice of Board meetings is given well in advance to all the directors. The agenda of the Board meeting is set by the Company Secretary in consultation with the Managing Director of the Company. The agenda is circulated a week prior to the date of the meeting that includes an Action Taken Report detailing the implementation of the decisions taken at the previous Board Meeting, business to be discussed at the meeting, statutory compliance status etc.

In case of urgency, the Company obtains prior approval from the Directors to call, convene, and hold Board meetings at shorter notice.

### Governance Policies

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

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Whistle Blower Policy
- Code of Conduct for Board of Directors and Officers of Senior Management
- Corporate Social Responsibility Policy
- Policy on prevention of sexual harassment at workplace

### (c) Number of meetings of the Board of directors held and dates on which held:

The Board met 5 times during the financial year 2024-25 on the following dates, with a gap not exceeding one hundred and twenty days between any two meetings:

|                 |                    |                       |                      |                      |
|-----------------|--------------------|-----------------------|----------------------|----------------------|
| May 29,<br>2024 | August<br>14, 2024 | September<br>26, 2024 | November<br>12, 2024 | February<br>13, 2025 |
|-----------------|--------------------|-----------------------|----------------------|----------------------|

### Familiarisation programmes for Board Members

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

Periodic presentations are made at the Board and Board Committee Meetings, on regulatory updates business and

performance updates of the Company, global business environment, business strategy and risks involved. During the Board Meetings, discussions on operational and functional matters provide insights on the business carried out by the Company and the environment in which the Company operates. Further, information on material changes in the regulatory framework and other statutory requirements and the level of impact on the Company's operations are provided to the Directors. The details of familiarisation programme can be viewed from our company's website [www.knrcl.com](http://www.knrcl.com)

### Meetings of Independent Directors

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

One such meeting of Independent Directors was held during the year on March 31, 2025 without the presence of Executive Directors and management personnel, inter-alia, to discuss:

- i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- iii. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The details of the attendance of the Independent Directors in the meeting are as below.

| Name                               | No. of meetings held during the year 2024-25 |          |
|------------------------------------|----------------------------------------------|----------|
|                                    | Held                                         | Attended |
| Smt Gottipulla Chandra Rekha       | 1                                            | 1        |
| Dr Wdaru Rampulla Reddy            | 1                                            | 1        |
| Shri Kalakota Udaya Bhaskara Reddy | 1                                            | 1        |

## Report on Corporate Governance (Contd.)

### Details of Directors

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

**Dr. Wdaru Rampulla Reddy**, non-executive Independent Director and Chairman of the Company, had a career spanning around 33 years in the Indian Administrative Service, where he had held several senior positions in the central and state governments.

He served as Director General, National Institute of Rural Development and Panchayat Raj. He had also served in various positions such as Additional Chief Secretary, Principal Secretary, Special Secretary in Taxes Department, Government of Kerala,

He has also served for Government of India as Joint Secretary for Ministry of Agriculture, Director – Department of Personnel and Training.

In addition, he has also served as Deputy Secretary/Joint Secretary – Irrigation and Command Area Development Department, Project Director- District Rural Development Agency for Government of Andhra Pradesh (prior to separation).

Further, he has also served as Sub-Collector, District Collector, Government of Kerala, Managing Director for Kerala Water Authority, Managing Director for Kerala Milk Marketing Federation and Milk Development Commission for the Government of Kerala.

During his service, he has significantly contributed in the areas of rural development, planning and development of watershed areas for sustainable livelihood of the people in rain fed areas, planning, execution of irrigation projects, integrated tribal development, promoting water conservation, revitalising the co-operative movement in dairy sector of Kerala and turning around the business of Kerala Co-operative Milk Federation, Promoting productivity of Livestock through artificial insemination in Kerala state, Revival of NIRDPR and launched numerous programmes for sustainable rural development in India.

He headed the PSUs of Kerala viz., Kerala State Financial Enterprises, Kerala State Forest Development Corporation as Chairman. He also worked as Director on the Board of GSTIN, a PSU of Government of India.

He has also represented the Government of India at various international platforms like United Nations at UN Convention against Corruption during the year 2003-

04, Member of delegation to India Brazil South Africa multilateral co-operation, head of the delegation of bilateral discussions with Brazil, Argentine, USA, Canada etc.,

Currently, he is serving as

- Board of Directors in APMAS, an NGO working in women empowerment and enterprise development in agriculture and allied sectors;
- Board of Director in SEEDS, a social sector enterprise working for rural upliftment;
- Member of executive Committee of Indian Panchayat Foundation, a Society working with strengthening of the Local Governments in the country;
- Set up an institution of excellence for agribusiness sector, and works as Guest professor in Food and Agri Business School (FABS), Sagar Group of Institutions, Hyderabad.

He is currently serving as chairman of the Company and Chairman of Corporate Social Responsibility Committee.

He doesn't hold any equity shares in the Company as on March 31, 2025.

**Shri Kamidi Narsimha Reddy** aged 76 years, is the Founder Promoter and the Managing Director of the Company. He holds a Bachelor's degree in Arts from Kakatiya University. He has over 50 years of experience in the roads and infrastructure sector, and has been the driving force behind the Company's establishment and growth, and Company has grown to the current size and scale under his able leadership. He started his career in 1968 as sub-contractor for other construction companies. In 1979, he formed a partnership in the name and style of M/s Kamidi Narsimha Reddy & Company, which was engaged in the business of undertaking civil and mechanical contracts. Shri Reddy has extensive knowledge and experience in project planning, scheduling, cost controls, and quality surveying in addition to overall construction project management. Shri Reddy oversees the implementation of all the projects and has formulated the corporate vision of the Company.

Shri Kamidi Narsimha Reddy is holding 8,54,84,926 Equity Shares in the Company as on March 31, 2025.

**Shri Kamidi Jalandhar Reddy**, aged 54 years, is the Promoter and Executive Director of KNR Constructions

## Report on Corporate Governance (Contd.)

Limited. He is the son of the Company's founder Promoter and Managing Director, Shri Kamidi Narsimha Reddy. He holds a Bachelor's Degree in Computer Engineering from Bangalore University. He has over 25 years of experience in the roads and infrastructure sector. He started his career with KNR Constructions as a project manager and was elevated as Executive Director from the year 1997. He heads the tendering and bidding activities of the Company, as also is in charge of the projects execution.

Shri Jalandhar Reddy is holding 3,72,59,210 Equity Shares in the Company as on March 31, 2025.

**Smt. Kamidi Yashoda**, aged 73 years, is the Promoter and Non-Executive Director of KNR Constructions Limited. She is the wife of the Company's founder Promoter and Managing Director, Shri Kamidi Narsimha Reddy. She has been non-executive Director of the Company since 2014 and chairperson of Stakeholders Relationship Committee.

She is holding 80,15,010 Equity Shares in the Company as on March 31, 2025.

**Smt. Gottipulla Chandra Rekha**, aged 48 years, Non-Executive and Independent Director of the Company. She is a B. Com, Graduate and has worked as billing and coding specialist and administrator in health sector.

Smt Gottipulla Chandra Rekha joined the Board of Directors of the Company with effect from May 30, 2019 and she is currently member of Nomination and remuneration committee, Stakeholders Relationship Committee and Risk Management Committee.

Smt Gottipulla Chandra Rekha does not hold any Equity Shares in the Company as on March 31, 2025.

**Shri Kalakota Udaya Bhaskara Reddy** has a vast experience of around 40 years in banking sector. He had held various senior positions in Indian Bank viz., Deputy General Manager, Deputy Zonal Manager, General Manager, Zonal Manager and Chief Risk Officer at various locations in several departments like Treasury, Inspection and Control, MSMEs, International Division, Administration, Business Development and Profit Monitoring.

He was also associated with Syndicate Bank as Assistant Manager and Manager.

His area of expertise includes risk management, formulating risk management policies and their implementation, credit monitoring and underwriting, treasury management, International banking and business development.

He served as Nominee Director in IndBank Merchant Banking Services Limited and IndBank Housing Limited.

Currently he is serving as an Independent Director in NabFins Limited and Director in SYFX Treasury Foundation.

He is chairman of Audit Committee, Nomination and Remuneration Committee and member of Risk Management Committee and Corporate Social Responsibility Committee.

He doesn't hold any shares of the Company as on March 31, 2025.

### Disclosure of Relationship between the Directors inter-se:

| Name of the Director               | Name of Director to whom Related to | Relationship |
|------------------------------------|-------------------------------------|--------------|
| Shri Kamidi Narsimha Reddy         | Smt Kamidi Yashoda                  | Husband      |
|                                    | Shri Kamidi Jalandhar Reddy         | Father       |
| Smt Kamidi Yashoda                 | Shri Kamidi Narsimha Reddy          | Wife         |
|                                    | Shri Kamidi Jalandhar Reddy         | Mother       |
| Shri Kamidi Jalandhar Reddy        | Shri Kamidi Narsimha Reddy          | Son          |
|                                    | Smt Kamidi Yashoda                  |              |
| Smt Gottipulla Chandra Rekha       | None                                | None         |
| Dr. Wdaru Rampulla Reddy           | None                                | None         |
| Shri Kalakota Udaya Bhaskara Reddy | None                                | None         |

## Report on Corporate Governance (Contd.)

### Chart/Matrix setting out the skills/expertise/competence of the Board of Directors

| S.no | Skills/expertise/competence required | Names of Directors who possess the skills/expertise/competence                                                                      |
|------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| 1.   | Commercial and Industrial            | Shri Kamidi Narsimha Reddy<br>Shri Kamidi Jalandhar Reddy                                                                           |
| 2.   | Regulatory                           | Shri Kamidi Narsimha Reddy<br>Shri Kamidi Jalandhar Reddy<br>Dr. W R Reddy                                                          |
| 3.   | Finance and Accounts                 | Shri Kamidi Narsimha Reddy<br>Shri Kamidi Jalandhar Reddy<br>Shri Kalakota Udaya<br>Bhaskara Reddy                                  |
| 4.   | Legal and General Management         | Shri Kamidi Narsimha Reddy<br>Shri Kamidi Jalandhar Reddy<br>Smt Kamidi Yashoda<br>(General Management)<br>Dr. Wdaru Rampulla Reddy |
| 5.   | Industrial health and safety         | Smt. Gottipulla Chandra<br>Rekha                                                                                                    |

The current composition of your Company's Board includes directors with core industry experience and has all the key skills and experience mentioned above.

**Detailed reasons for the resignation of independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided:** During 2024-25, No resignation to the office of Independent Director has taken place.

### Committees of the Board

There are Five Board Committees – the Audit Committee, the Nomination & Remuneration Committee, the Stakeholders Relationship Committee, Corporate Social Responsibility Committee and the Risk Management Committee. The Committees are formed and duly constituted in line with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The terms of reference of the Board Committees are determined by the Board from time to time, other than the Independent Directors Committee, the terms of reference of which have been adopted as prescribed under law. Meetings of each Board Committee are convened by the respective Committee Chairman. Matters requiring the Board's attention / approval, as emanating from the Board

Committee meetings, are placed before the Board with clearance of the Committee Chairman. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

### 3. AUDIT COMMITTEE

The Company has in place an audit committee as per the provisions section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

#### Composition, Name of the Members and Chairman

The Audit Committee comprises of Two Non-Executive and Independent Directors and One Executive Director.

| Name                                       | Designation | Category                               |
|--------------------------------------------|-------------|----------------------------------------|
| Shri Kalakota Udaya<br>Bhaskara Reddy*     | Chairman    | Non-Executive and Independent Director |
| Shri (Dr.) W R Reddy*                      | Member      | Non-Executive and Independent Director |
| Shri Kamidi<br>Jalandhar Reddy             | Member      | Executive and Non-Independent Director |
| Shri Lodugu<br>Balarami Reddy <sup>§</sup> | Chairman    | Non-Executive and Independent Director |
| Shri B V Rama Rao <sup>§</sup>             | Member      | Non-Executive and Independent Director |

\*inducted as members w.e.f. October 01, 2024

§ ceased to be Directors w.e.f. October 01, 2024

The Company Secretary acts as the Secretary to the Audit Committee.

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

#### Terms of reference of the Committee are as follows:

- Review the un-audited quarterly results and Annual accounts of the Company
- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services

## Report on Corporate Governance (Contd.)

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

### Meetings and Attendance during the year:

During the financial year ended on March 31, 2025, the Audit Committee met 5 times May 29 2024, August 14, 2024, November 12, 2024, February 13, 2025 and March 31, 2025 with a gap of not more than one hundred and twenty days between any two meetings.

| Sl. No. | Name of the Director                            | Meetings entitled to attend | Attended |
|---------|-------------------------------------------------|-----------------------------|----------|
| 1       | Shri Lodugu Balarami Reddy <sup>(§)</sup>       | 2                           | 2        |
| 2       | Shri Bandhakavi Venkata Rama Rao <sup>(§)</sup> | 2                           | 2        |
| 3       | Shri Kamidi Jalandhar Reddy                     | 5                           | 5        |
| 4       | Shri (Dr.) W R Reddy*                           | 3                           | 3        |
| 5       | Shri Kalakota Udaya Bhaskara Reddy*             | 3                           | 3        |

§ Ceased to be members w.e.f. October 01, 2024

\*Inducted as members w.e.f. October 01, 2024

## 4. NOMINATION AND REMUNERATION COMMITTEE

The Company has in place a Nomination and Remuneration committee in line with the provisions of section 178 of the companies Act, 2013. The Nomination and Remuneration Committee has been constituted to formulate and recommend to the Board all elements of the remuneration package of the Managing Director and Executive Directors, including performance / achievement bonus and perquisites payable to the whole time directors.

### Composition, Name of the Members and Chairman

This Committee comprises of three members and all are Non-Executive Independent Directors:

| Name                                            | Designation | Category                               |
|-------------------------------------------------|-------------|----------------------------------------|
| Shri Lodugu Balarami Reddy <sup>(§)</sup>       | Chairman    | Non-Executive and Independent Director |
| Shri Bandhakavi Venkata Rama Rao <sup>(§)</sup> | Member      | Non-Executive and Independent Director |
| Smt Gottipulla Chandra Rekha                    | Member      | Non-Executive and Independent Director |

## Report on Corporate Governance (Contd.)

| Name                               | Designation | Category                               |
|------------------------------------|-------------|----------------------------------------|
| Shri (Dr) Wdaru Rampulla Reddy*    | Member      | Non-Executive and Independent Director |
| Shri Kalakota Udaya Bhaskar Reddy* | Chairman    | Non-Executive and Independent Director |

§ ceased to be members w.e.f. October 01, 2024

\*Inducted as members w.e.f. October 01, 2024

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

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

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

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

laid down, and recommend to the Board their appointment and removal.

### Meetings and Attendance during the year:

During the financial year ended on March 31, 2025, the Nomination and Remuneration Committee met 2 times on September 26, 2024 and February 13, 2025.

| Sl. No. | Name of the Director               | Meetings entitled to attend | Attended |
|---------|------------------------------------|-----------------------------|----------|
| 1       | Shri Lodugu Balarami Reddy§        | 1                           | 1        |
| 2       | Shri Bandhakavi Venkata Rama Rao§  | 1                           | 1        |
| 3       | Smt Gottipulla Chandra Rekha       | 2                           | 2        |
| 4       | Shri (Dr.) W R Reddy*              | 1                           | 1        |
| 5       | Shri Kalakota Udaya Bhaskar Reddy* | 1                           | 1        |

§ ceased to be members w.e.f. October 1, 2024

\* Inducted as members w.e.f. October 1, 2024

### Remuneration of Directors

- a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company:

The Company neither has any pecuniary relationship nor has entered into any transaction(s) with any of its non-executive directors except the sitting fees for attending the Board / committee meeting and reimbursement of expenses in that regard.

- b) Criteria of making payments to non-executive directors:

The remuneration policy describing the criteria of making payment to non-executive directors is available at <http://knrcl.com/images/policies/criteria-of-making-payments-to-Non-Executive-Directors.pdf>

- c) Disclosures with respect to remuneration Information that is mandatorily to be disclosed in the annual report as per the provisions of Sec 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Directors report.

Further, information as required under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is hereunder:

## Report on Corporate Governance (Contd.)

All elements of remuneration package of individual directors summarised under major groups, such as salary, benefits, bonuses, stock options, pension etc for the 2024-25:

(₹ In Lakhs)

| Sl. No | Particulars of Remuneration                                                     | Name of MD/WTD/Manager                            |                                                           | Total Amount        |
|--------|---------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------|---------------------|
|        |                                                                                 | Shri Kamidi Narsimha Reddy<br>(Managing Director) | Shri Kamidi Jalandhar Reddy<br>(Executive Director & CFO) |                     |
| 1      | Gross salary                                                                    | 7,80,00,000                                       | 5,40,00,000                                               | 13,20,00,000        |
| a      | Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,80,00,000                                       | 5,40,00,000                                               |                     |
| b      | Value of perquisites u/s 17(2) Income-tax Act, 1961                             | Nil                                               | 32,40,000                                                 | 32,40,000           |
| c      | Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | Nil                                               | Nil                                                       | Nil                 |
| 2      | Stock Option                                                                    | Nil                                               | Nil                                                       | Nil                 |
| 3      | Sweat Equity                                                                    | Nil                                               | Nil                                                       | Nil                 |
| 4      | Commission                                                                      | Nil                                               | Nil                                                       | Nil                 |
|        | - as % of profit                                                                | Nil                                               | Nil                                                       | Nil                 |
|        | - others                                                                        | Nil                                               | Nil                                                       | Nil                 |
| 5      | Others (Variable Pay)                                                           | 5,85,00,000                                       | 4,05,00,000                                               | 9,90,00,000         |
|        | <b>Total</b>                                                                    | <b>13,65,00,000</b>                               | <b>9,77,40,000</b>                                        | <b>23,42,40,000</b> |

- The Board in consultation with its Nomination and Remuneration Committee adopts generally accepted criteria for determining remuneration to its Director's.
- There are no performance linked incentives or bonus to any of its directors other than the variable pay as approved by the members of the Company recommended by the Board and Nomination and Remuneration Committee.
- Moreover, no service contracts were entered into by the Company, hence, notice period and severance fees are not applicable.
- Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable: The Company has not issued any stock options.

## Sitting Fees paid to the Non-Executive Directors during 2024-25:

(Amount in ₹)

| Name                                                   | Position                                     | Sitting Fee | Other Fees | Total     |
|--------------------------------------------------------|----------------------------------------------|-------------|------------|-----------|
| <b>INDEPENDENT DIRECTORS / NON EXECUTIVE DIRECTORS</b> |                                              |             |            |           |
| Shri Bandhakavi Venkata Rama Rao <sup>§</sup>          | Chairman /Non-executive Independent Director | 8,50,000    | –          | 8,50,000  |
| Shri Lodugu Balarami Reddy <sup>§</sup>                | Non-Executive Independent Director           | 8,50,000    | –          | 8,50,000  |
| Smt. Kamidi Yashoda                                    | Non-Executive Non-Independent Director       | 5,00,000    | –          | 5,00,000  |
| Smt Gottipulla Chandra Rekha                           | Non-executive Independent Director           | 9,00,000    | –          | 9,00,000  |
| Dr. Wdaru Rampulla Reddy                               | Non-executive Independent Director           | 10,50,000   | –          | 10,50,000 |
| Shri Kalakota Udaya Bhaskara Reddy                     | Non-executive Independent Director           | 10,50,000   | –          | 10,50,000 |

§ ceased to be directors w.e.f. October 1, 2024

## Report on Corporate Governance (Contd.)

### Shares held by the Non-Executive Directors as on March 31, 2025 are as under:

| Name of the Non-Executive Directors | No. of shares held as on the date |
|-------------------------------------|-----------------------------------|
| Smt Kamidi Yashoda                  | 80,15,010                         |
| Smt Gottipulla Chandra Rekha        | Nil                               |
| Dr. Wdaru Rampulla Reddy            | Nil                               |
| Shri Kalakota Udaya Bhaskara Reddy  | Nil                               |

### Performance Evaluation criteria for independent director:

Independent Directors are evaluated based on below mentioned criteria:

- their general understanding of the Company's business dynamics
- global business and social perspective
- professional ethics, integrity and values
- willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively

The Nomination and Remuneration Committee laid down criteria for performance evaluation of all the Directors on the Board and recommended the same for evaluating the performance of each and every Director.

Board evaluates the performance of Independent Directors annually based on their participation at the Board and Committee meetings conducted during the year and the Nomination and Remuneration Committee recommends the appointment/re-appointment of the Independent Directors by assessing the role played by them in all the meetings they attended.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders' Relationship Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Composition, Name of the Members and Chairman

This Committee comprises of three members, with 1 Non-Executive Independent director, 1 Non-Executive Director and one Executive Director.

This Committee comprises of the following members

| Name                         | Designation | Category                                   |
|------------------------------|-------------|--------------------------------------------|
| Smt Kamidi Yashoda           | Chairperson | Non-Executive and Non-Independent Director |
| Shri Kamidi Jalandhar Reddy  | Member      | Executive and Non-Independent Director     |
| Smt Gottipulla Chandra Rekha | Member      | Non-Executive and Independent Director     |

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

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

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
- Issue of duplicate / split / consolidated share certificates;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

### Shareholders complaints Status:

|                            |     |
|----------------------------|-----|
| Opening                    | Nil |
| Received During the Period | Nil |
| Resolved During the Period | Nil |
| Pending                    | Nil |

### Name of non-executive director heading the committee:

Smt. Kamidi Yashoda (Non-Executive and Non-Independent Director)

### Name and designation of Compliance Officer

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

## Report on Corporate Governance (Contd.)

### Meeting and Attendance during the year:

During the financial year ended on March 31, 2025, the Stakeholders Relationship Committee met only once on August 28, 2024.

| Sl. No. | Name of the Director         | Meeting entitled to attend | Attended |
|---------|------------------------------|----------------------------|----------|
| 1       | Smt. Kamidi Yashoda          | 1                          | 1        |
| 2       | Shri Kamidi Jalandhar Reddy  | 1                          | 1        |
| 3       | Smt Gottipulla Chandra Rekha | 1                          | 1        |

### 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has in place a Corporate Social Responsibility Committee, constituted in accordance with Section 135 of the Companies Act, 2013, comprising of members in compliance of the said act. The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time. The Corporate Social Responsibility Committee was entrusted with the responsibility of overseeing Environment, Social and Governance (ESG) related issues along with the responsibilities as per Section 135(3) of the Companies Act, 2013.

#### Composition, Name of the Members and Chairman

This Committee comprises of three members, with 2 Non-Executive Independent Director and one Executive Director.

This Committee comprises of the following members

| Name                                          | Designation | Category                             |
|-----------------------------------------------|-------------|--------------------------------------|
| Shri Lodugu Balarami Reddy <sup>§</sup>       | Chairman    | Non-Executive & Independent Director |
| Shri Bandhakavi Venkata Rama Rao <sup>§</sup> | Member      | Non-Executive & Independent Director |
| Shri Kamidi Jalandhar Reddy                   | Member      | Executive Director                   |
| Shri (Dr) W R Reddy(*)                        | Chairman    | Non-Executive & Independent Director |
| Shri Kalakota Udaya Bhaskar Reddy(*)          | Member      | Non-Executive & Independent Director |

<sup>§</sup> Ceased to be members w.e.f. October 01, 2024

\*Inducted as members w.e.f. October 01, 2024

The terms of reference of the Corporate Social Responsibility Committee are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above; and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

### Meeting and Attendance during the year:

During the financial year ended on March 31, 2025, the Corporate Social Responsibility Committee met 5 times on May 29, 2024, August 14, 2024, November 12, 2024, February 13, 2025 and March 31, 2025.

| Sl. No. | Name of the Director                 | Meeting entitled to attend | Attended |
|---------|--------------------------------------|----------------------------|----------|
| 1       | Shri Lodugu Balarami Reddy(\$)       | 2                          | 2        |
| 2       | Shri Bandhakavi Venkata Rama Rao(\$) | 2                          | 2        |
| 3       | Shri Kamidi Jalandhar Reddy          | 5                          | 5        |
| 4       | Shri (Dr) W R Reddy(*)               | 3                          | 3        |
| 5       | Shri Kalakota Udaya Bhaskar Reddy(*) | 3                          | 3        |

<sup>§</sup> Ceased to be members w.e.f. October 01, 2024

\*Inducted as members w.e.f. October 01, 2024

### 7. RISK MANAGEMENT COMMITTEE

The Company has in place a Risk Management Committee constituted in accordance with the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 comprising of members in compliance of the said regulations. The Committee performs its duties and discharges its responsibilities as per its terms of reference and directions if any, given by the Board from time to time.

#### Composition, Name of the Members and Chairman

This Committee comprises of six members, with 3 Non-Executive Independent Directors, 1 Executive Director, 1 Sr. Vice-President (Technical) and General Manager (F&A)

## Report on Corporate Governance (Contd.)

This Committee comprises of the following members

| Name                                          | Designation | Category                             |
|-----------------------------------------------|-------------|--------------------------------------|
| Shri Kamidi Jalandhar Reddy                   | Chairperson | Executive Director                   |
| Shri Bandhakavi Venkata Rama Rao <sup>§</sup> | Member      | Non-Executive & Independent Director |
| Shri Lodugu Balarami Reddy <sup>§</sup>       | Member      | Non-Executive & Independent Director |
| Shri (Dr) W R Reddy*                          | Member      | Non-Executive & Independent Director |
| Shri Kalakota Udaya Bhaskar Reddy*            | Member      | Non-Executive & Independent Director |
| Smt Gottipulla Chandra Rekha                  | Member      | Non-Executive & Independent Director |
| Shri V Narsimha Ramana <sup>#</sup>           | Member      | Vice-President (Finance & Accounts)  |
| Shri S Vaikuntanathan <sup>@</sup>            | Member      | Vice-President (Technical)           |
| Shri T Bhaskar Rao*                           | Member      | Sr. Vice-President (Technical)       |
| Shri K Venkataram Rao*                        | Member      | General Manager (F&A)                |

<sup>§</sup> Ceased to be members w.e.f. October 01, 2024

<sup>#</sup> Ceased to be member w.e.f. August 01, 2024

<sup>@</sup> ceased to be member w.e.f. September 01, 2024

\*Inducted as members w.e.f. October 01, 2024

### The terms of reference of the Risk Management Committee are as follows:

The Committee shall

- Approve and periodically review the risk management policies of the Company's operations;
- Review significant reports from regulatory agencies relating to risk management and compliance issues, and management's responses;
- Policies and procedures establishing risk management governance, risk management procedures and risk control infrastructure for operations;
- Review significant risk exposures and steps, including policies and procedures, that management has taken to identify, measure, monitor, control, limit and report such exposures including, without limitation, credit, market, fiduciary, liquidity, reputational, operational fraud, strategic, technology (data security, information, business continuity risk etc) and risks associated with incentive compensation plans;

- Evaluate risk exposure and tolerance;
- Review and evaluate the corporation's practises with respect to risk assessment and risk management;
- Review reports and significant findings of risk and compliance and internal Audit Department with respect to the risk management and compliance activities of the corporation, together with the management's responses and follow-up to these reports;
- To evaluate various risks of the business and to draw out risk management plan for the Company;
- To take steps to identify and mitigate Information technology and cyber security risks that the Company is or may be exposed to on regular basis;
- To inform Board on the effectiveness of the risk management framework and process of risk management.

### Meeting and Attendance during the year:

During the financial year ended on March 31, 2025, the Risk Management Committee met 2 times on June 26, 2024 and January 18, 2025.

| Sl. No. | Name of the Director                          | Meeting entitled to attend | Attended |
|---------|-----------------------------------------------|----------------------------|----------|
| 1       | Shri Kamidi Jalandhar Reddy                   | 2                          | 2        |
| 2       | Shri Bandhakavi Venkata Rama Rao <sup>§</sup> | 1                          | 1        |
| 3       | Shri Lodugu Balarami Reddy <sup>§</sup>       | 1                          | 1        |
| 4       | Smt Gottipulla Chandra Rekha                  | 2                          | 2        |
| 5       | Shri (Dr) W R Reddy*                          | 1                          | 1        |
| 6       | Shri Kalakota Udaya Bhaskar Reddy*            | 1                          | 1        |
| 7       | Shri T Bhaskar Rao*                           | 1                          | 1        |
| 8       | Shri K Venkataram Rao*                        | 1                          | 1        |
| 9       | Shri V Narsimha Ramana <sup>@</sup>           | 1                          | 0        |
| 10      | Shri S Vaikuntanathan <sup>^</sup>            | 1                          | 0        |

<sup>§</sup>Ceased to be members w.e.f. October 01, 2024

\*Inducted as members w.e.f. October 01, 2024

<sup>@</sup>ceased to be member w.e.f. July 31, 2024

<sup>^</sup>ceased to be member w.e.f. August 31, 2024

## Report on Corporate Governance (Contd.)

## 8. SENIOR MANAGEMENT:

Particulars of the Senior management including the changes therein since the close of the previous financial year.

| Sl.No | Employee Name        | Department         | Designation              | Date of Joining |
|-------|----------------------|--------------------|--------------------------|-----------------|
| 1     | V.Venugopal Reddy    | Engineering        | Director Projects        | 1-Apr-03        |
| 2     | Maj T.L Varma        | Engineering        | Sr.Vice President        | 3-Jan-11        |
| 3     | V.Narasimha Ramana   | Engineering        | Sr.Vice President        | 9-Jun-18        |
| 4     | T.Bhaskar Rao        | Engineering        | Sr.Vice President - Tech | 6-Aug-18        |
| 5     | E.Srinivasa Rao      | Engineering        | Vice President - Tech    | 1-Dec-12        |
| 6     | S.Vaikuntanathan     | Accounts & Finance | VP - Finance             | 7-Jan-16        |
| 7     | Shri.K.Shankar Reddy | Engineering        | Sr.Vice President        | 1-Jun-14        |
| 8     | C Muralidhar Reddy   | Engineering        | Vice President           | 1-Apr-12        |

| Sl.No                     | Employee Name | Department | Designation | Date of Joining |
|---------------------------|---------------|------------|-------------|-----------------|
| Appointed during the year |               |            |             |                 |
| NIL                       |               |            |             |                 |

| Resigned during the year |                    |                           |                     |  |
|--------------------------|--------------------|---------------------------|---------------------|--|
| S.No                     | Name               | Designation               | Date of Resignation |  |
| 1                        | V Narasimha Ramana | Sr. Vice President        | 31.07.2024          |  |
| 2                        | S. Vaikuntanathan  | Vice- President (Finance) | 31.08.2024          |  |

## 9. GENERAL BODY MEETINGS:

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

| Financial Year                    | Date and Time                           | Venue                                                    | Special Resolutions passed at the AGMs by the Shareholders |
|-----------------------------------|-----------------------------------------|----------------------------------------------------------|------------------------------------------------------------|
| 2021-22<br>(27 <sup>th</sup> AGM) | Thursday, September 29, 2022<br>11.00AM | Through video conferencing/<br>other audio visual means. | NIL                                                        |
| 2022-23<br>(28 <sup>th</sup> AGM) | Thursday, September 28, 2023<br>03.30PM | Through video conferencing/<br>other audio visual means  | NIL                                                        |
| 2023-24<br>(29 <sup>th</sup> AGM) | Thursday, September 26, 2024            | Through video conferencing/<br>other audio visual means  | NIL                                                        |

There was no Extra-Ordinary General Meeting held during the year under review.

## b. Postal Ballot:

During the year under review, no postal ballot was conducted by the Company.

No special resolution is currently proposed to be conducted through postal ballot.

## Report on Corporate Governance (Contd.)

### 10. MEANS OF COMMUNICATION

#### Quarterly results:

The Company's quarterly results are published in Financial Express, Nava Telangana- Telugu and are displayed on website [www.knrcl.com](http://www.knrcl.com).

#### News releases, presentations, among others:

Official news releases and official media releases are sent to Stock Exchanges.

#### Presentations to institutional investors / analysts:

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

#### Website:

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

#### Annual Report:

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

#### Management Discussion and Analysis (MDA) Report

The report on MDA forms part of the Annual Report.

#### Disclosures to Stock Exchanges:

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

#### NSE Electronic Application Processing System (NEAPS):

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

#### BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

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

#### SCORES

A centralised web based complaints redress system 'SCORES' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaints and its current status.

#### Online Dispute Resolution Portal ('ODR Portal')

A mechanism to streamline and strengthen the existing dispute resolution in the Indian Securities Market, SEBI vide Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023), introduced the ODR Portal. This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute.

Pursuant to above-mentioned circulars, the aggrieved party can initiate the mechanism through the ODR portal, after exercising the primary options to resolve the issue directly with the Company and through the SCORES platform.

#### Dedicated e-mail ID for investors grievances redressal:

[Investors@knrcl.com](mailto:Investors@knrcl.com)

## Report on Corporate Governance (Contd.)

### 11. GENERAL SHAREHOLDERS' INFORMATION

- a) **Annual General Meeting** : 30<sup>th</sup> Annual General Meeting  
September 25, 2025  
Time : 11.00 AM  
Venue : Through video Conference or other  
Audio/Visual means
- b) **Financial Year** : April 01, 2024 to March 31, 2025
- c) **Book closure dates** : September 18, 2025 to September 25, 2025  
(Both days inclusive)
- d) **Dividend Payment date** : The Credit / dispatch of final dividend  
between October 07, 2025 to October 22, 2025
- e) **Financial Calendar for the year 2025-26**
- |                                                                                    |                                |
|------------------------------------------------------------------------------------|--------------------------------|
| Financial Reporting for the first quarter ended June 30, 2025                      | August 11, 2025                |
| Financial Reporting for the second quarter / half-year ended<br>September 30, 2025 | on or before November 14, 2025 |
| Financial Reporting for the third quarter / nine months ended<br>December 31, 2025 | on or before February 14, 2026 |
| Financial Reporting for the fourth quarter / year ended<br>March 31, 2026          | on or before May 30, 2026      |

f) **Listing on Stock Exchanges**

**Name and Address of the Stock Exchange**

BSE Limited (BSE)  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P J Towers,  
Dalal Street, Fort,  
Mumbai – 400001  
Tel: +91 22 2272 1233 / 34  
Fax: +91 22 2272 2037 / 39 / 41 / 61

**National Stock Exchange of India Limited (NSE)**

Exchange Plaza, Floor 5, Plot #C/1,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051  
Tel: +91 22 2659 8235 / 8236  
Fax: +91 22 2659 8237 / 38

The listing fees payable to BSE and NSE for the year 2025-26 have been paid in full.

g) **Script Code / Symbol**

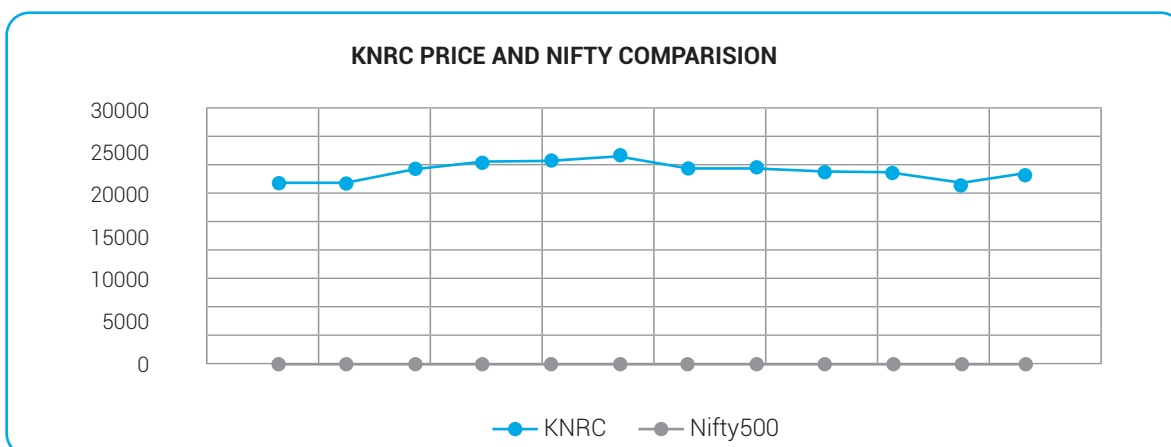
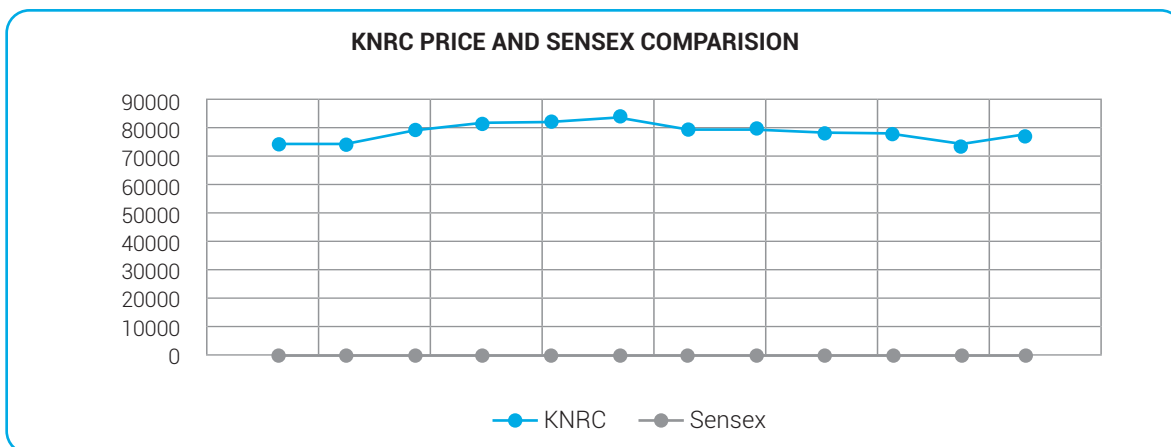
- a. Stock Exchanges
- |                                          |          |
|------------------------------------------|----------|
| Bombay Stock Exchange Limited            | : 532942 |
| National Stock Exchange of India Limited | : KNRCON |
- b. Demat ISIN Number in NSDL and CDSL for the equity shares : **INE634I01029**  
The annual custodian fee for the financial year 2025-26 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
- c. Corporate Identity Number (CIN)  
The CIN allotted by the Ministry of Corporate Affairs, Government of India is **L74210TG1995PLC130199**, and the Company is registered within the jurisdictions of the Registrar of Companies, Telangana.

## Report on Corporate Governance (Contd.)

### h) Market Price Data:

| Month  | BSE Limited (BSE) |           | National Stock Exchange of India Limited (NSE) |           |
|--------|-------------------|-----------|------------------------------------------------|-----------|
|        | High Price        | Low Price | High Price                                     | Low Price |
| Apr-24 | 275.30            | 248.50    | 275.10                                         | 248.50    |
| May-24 | 330.50            | 241.00    | 330.70                                         | 240.80    |
| Jun-24 | 407.30            | 283.15    | 407.00                                         | 283.00    |
| Jul-24 | 415.00            | 332.65    | 415.40                                         | 332.90    |
| Aug-24 | 409.15            | 329.25    | 409.05                                         | 329.55    |
| Sep-24 | 360.30            | 314.60    | 360.55                                         | 314.75    |
| Oct-24 | 347.00            | 274.45    | 346.00                                         | 274.30    |
| Nov-24 | 333.00            | 281.60    | 333.00                                         | 281.15    |
| Dec-24 | 357.15            | 313.60    | 358.85                                         | 313.10    |
| Jan-25 | 356.70            | 281.10    | 356.95                                         | 281.00    |
| Feb-25 | 315.75            | 214.30    | 315.85                                         | 214.05    |
| Mar-25 | 254.15            | 205.25    | 254.00                                         | 205.20    |

### i) Performance in comparison to broad based indices – Sensex (BSE) and Nifty (NSE)



## Report on Corporate Governance (Contd.)

j. **The trading of our securities was never suspended at any point of time during 2024-25.**

k. **Registrar & Share Transfer Agents:**

(for shares held in both Physical and Demat mode)

MUFG Intime India Private Limited

(Formerly Link Intime India Pvt Ltd)

C-101, 247 Park,

LBS Marg, Vikhroli (West),

Mumbai – 400083

Phone: 022 4918 6000

Fax: 022 4918 6060

l) **Share Transfer System:**

The physical share transfers forms (that are executed prior to 2019) are processed and the share certificates are returned to the shareholders within a maximum period of one month from the date of receipt, subject to the documents being valid and complete in all respects.

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

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

m) **Distribution of shareholding as on March 31, 2025**

| Range        |           | No. of Shareholders |               | No of shares held   |               |
|--------------|-----------|---------------------|---------------|---------------------|---------------|
| From         | To        | Number              | % of total    | Number              | % of total    |
| 1            | 500       | 2,12,750            | 94.7,716      | 1,53,15,902         | 5.4,460       |
| 501          | 1,000     | 6,457               | 2.8,763       | 49,72,001           | 1.7,679       |
| 1,001        | 2,000     | 2,867               | 1.2,771       | 42,70,050           | 1.5,183       |
| 2,001        | 3,000     | 862                 | 0.384         | 22,12,556           | 0.7,867       |
| 3,001        | 4,000     | 378                 | 0.1,684       | 13,53,224           | 0.4,812       |
| 4,001        | 5,000     | 298                 | 0.1,327       | 14,12,846           | 0.5,024       |
| 5,001        | 10,000    | 439                 | 0.1,956       | 32,64,883           | 1.1,609       |
| 10,001       | And above | 436                 | 0.1,942       | 24,84,33,138        | 88.3,366      |
| <b>Total</b> |           | <b>2,24,487</b>     | <b>100.00</b> | <b>28,12,34,600</b> | <b>100.00</b> |

## Report on Corporate Governance (Contd.)

### n) Pattern of Shareholding as on March 31, 2025

| S.No | Category                                | Total_Shares        | Total_Percent |
|------|-----------------------------------------|---------------------|---------------|
| 1    | Promoters & Promoter Group              | 13,72,59,146        | 48.81%        |
| 2    | Mutual Funds                            | 7,70,36,726         | 27.39%        |
| 4    | Banks                                   | 400                 | 0.00%         |
| 5    | Insurance Companies                     | 25,64,058           | 0.91%         |
| 6    | NBFCs Registered with RBI               | 204                 | 0.00%         |
|      | Alternate Investment Funds              | 37,277              | 0.01%         |
| 7    | Foreign Portfolio Investors Category I  | 1,83,59,123         | 6.53%         |
| 8    | Foreign Portfolio Investors Category II | 10,69,728           | 0.38%         |
| 10   | Investor Education and Protection Fund  | 39,607              | 0.01%         |
| 11   | Public                                  | 3,84,58,426         | 13.67%        |
| 12   | Non-Resident Indians                    | 19,86,698           | 0.71%         |
| 13   | Bodies Corporate                        | 29,51,682           | 1.05%         |
| 14   | Clearing Members                        | 4665                | 0.00%         |
| 15   | HUF                                     | 10,42,744           | 0.37%         |
| 16   | Limited Liability Partnerships          | 4,23,401            | 0.15%         |
| 17   | Trusts                                  | 715                 | 0.00%         |
|      | <b>TOTAL :</b>                          | <b>28,12,34,600</b> | <b>100</b>    |

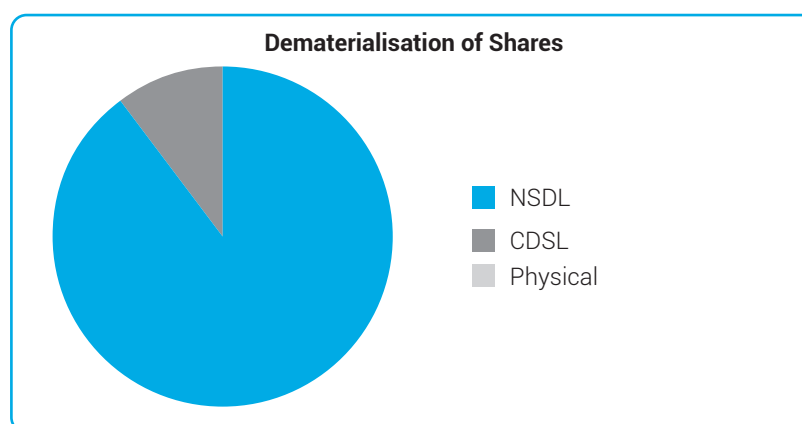
### m) Dematerialisation of Shares & Liquidity

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

#### Dematerialisation of Shares and Liquidity as on March 31, 2025

As on March 31, 2025 a total of 28,12,31,183 Equity Shares were dematerialised representing 99.999 % of the total paid up equity share capital of the Company.

|              | No. of Shares       | % of Total    |
|--------------|---------------------|---------------|
| NSDL         | 25,30,39,077        | 89.97         |
| CDSL         | 2,81,92,106         | 10.03         |
| Physical     | 3417                | 0.00          |
| <b>Total</b> | <b>28,12,34,600</b> | <b>100.00</b> |



## Report on Corporate Governance (Contd.)

- p) There are no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments during the year under report.

q) **Details of Commodity price risk or foreign exchange risk and hedging activities**

The Company is into business of construction and engineering and doesn't consume large quantities of commodities in its activities. Hence, the Company is not materially exposed to commodity price risk nor does the Company do any commodity hedging.

r) **Address for Correspondence:**

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

**Company Secretary**

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

**Registrar & Share Transfer Agents:**

(for shares held in both Physical and Demat mode)

**MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)**

(Unit: KNR Constructions Limited)  
C-101, 247 Park,  
LBS Marg, Vikhroli (West),  
Mumbai – 400083  
Phone: 022 4918 6000 Fax: 022 4918 6060

s) **Plant locations**

The Company doesn't have any plant locations.

t) **list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad**

The Company does not have any debt instruments or fixed deposit programme or any scheme or proposal involving mobilisation of funds.

## 12. DISCLOSURES

a. **Related Party Transactions**

During the year ended March 31, 2025 there were no materially significant related party transactions, which could have potential conflict with the Company's interests at large. Statement in summary form of transactions with related parties is placed before the audit committee for review. All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests. The Company has in place policy on dealing with related party transactions and the same can be accessed through [http://knrcl.com/images/policies/policy\\_on\\_materiality.pdf](http://knrcl.com/images/policies/policy_on_materiality.pdf). In compliance with the Indian Accounting Standard 24, transactions with related parties are disclosed in the notes to accounts.

b. **Details of non-compliance etc**

The Company is in compliance with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI during the year under report, except those were reported in the Secretarial Audit Report which forms part of the report.

- c. The Company has complied with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted the discretionary requirements as specified in part E of Schedule II of the Regulations and the same may be referred at point no.14 hereunder

- d. The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is available on the website of the Company and may be accessed through the link, [http://knrcl.com/images/policies/Policy\\_on\\_MATERIAL\\_SUBSIDIARIES.pdf](http://knrcl.com/images/policies/Policy_on_MATERIAL_SUBSIDIARIES.pdf)

e. **Recommendations by the Committees**

During the year under report, all the recommendations by the Committees were considered and

## Report on Corporate Governance (Contd.)

implemented by the Board and there were no instances where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required.

- f. The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (LODR) Regulations, 2015.

g. **Disclosure of Accounting Treatment**

During the preparation of financial statements for the financial year 2024-25, the Company has followed the applicable accounting standards as prescribed by the Ministry of Corporate Affairs and the Institute of Chartered Accountants of India.

h. **Dividend Distribution Policy**

The Company has in place dividend distribution policy as required in terms of the provisions of SEBI (LODR) (Second Amendment) Regulations, 2016 and the same is placed on the website of the Company

(<http://knrcl.com/images/policies/KNRCL-DIVIDEND-DISTRIBUTION-POLICY.pdf>)

i. **Board Disclosures**

1. **Risk Management**

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

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

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

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

The Company also has a Risk Management Committee which monitors and reviews risk management plan on regular basis.

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

2. **Internal Control System**

Your company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance of internal policies. The Company has a well-defined delegation of power and defined limits for approving revenue as well as capital expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down to ensure adequacy of the control system, adherence to the management instructions and legal compliances.

j. **Code of Conduct**

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

k. **Code for prevention of Insider Trading:**

The Company has adopted a code of conduct for prevention of insider trading pursuant to provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The code can be accessed from the website of the Company ([http://knrcl.com/images/policies/knrcl\\_8insider.pdf](http://knrcl.com/images/policies/knrcl_8insider.pdf)). All the Directors, Senior Management personnel and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. There were no instances of non-compliance of the code of conduct.

l. **Whistle Blower Policy/Vigil Mechanism:**

The Company encourages open door policy where every employee has access to the Head of the Business / Department, employees are free to report

## Report on Corporate Governance (Contd.)

existing / probable violation of laws, regulations or unethical conduct in the organisation. No personnel have been denied access to the Audit Committee.

### m. **Subsidiary Companies**

The details of subsidiary companies and associate companies are provided in Form AOC-1 which forms part of the Annual Report. The Audit Committee/ Board of Directors reviews regularly the financial statements of the subsidiary companies. The Board also reviews all significant transactions and arrangements, if any, entered into by the subsidiaries.

### n. **Directors & Officers Insurance policy**

The Company has undertaken and covered all the Company's Directors and Officers liability with a suitable insurance policy covering risks and the quantum as determined by the Board.

### o. **Details of utilisation of funds**

During the year under report, the Company has not raised funds through public issues or preferential allotments. Hence, reporting under this item is not applicable.

### p. **No Disqualification Certificate from Company Secretary in Practise**

Certificate from Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority as stipulated under Regulation 34 of the Listing Regulations, is attached to this report.

### q. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment

at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action. Your Company has not received any complaint on sexual harassment during the year and no complaint is pending to be resolved as at the end of FY.

### r. **Disclosure by the listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount'**

The details of the loans and advances in the nature of loans to firms/companies in which directors are interested are provided in the directors' report.

### s. **Details of material subsidiaries of the listed entity:**

Note: During the year 2024-25, the Company has two material subsidiaries as defined under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the audited financial statements for the financial year ended March 31, 2024, the Company has identified two material unlisted subsidiaries for the financial year 2024-25:

1. KNR Guruvayur Infra Private Limited
2. KNR Ramanattukara Infra Private Limited

## 13. **NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT, WITH REASONS THEREOF:**

All the corporate governance requirements are complied.

## Report on Corporate Governance (Contd.)

### 14. ADOPTION OF DISCRETIONARY REQUIREMENTS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015.

|    |                                                                 |                                                                                                                                                                                                                                                                                                                        |
|----|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | The Board                                                       | Maintenance of Office to the Non-Executive Chairperson at the Company's expense:<br><br>The Non-Executive Chairperson being resident of the same city as of the Company, visits the Company's Registered Office / stores as and when deemed necessary. Hence, no separate office as such is required to be maintained. |
| 2. | Shareholders rights                                             | All the quarterly financial results are placed on the Company's Website: www.cclproducts.com, apart from publishing the same in the Newspapers along with BSE and NSE                                                                                                                                                  |
| 3. | Modified opinion(s) on Audit Report                             | The Company's financial statements are with unmodified opinion                                                                                                                                                                                                                                                         |
| 4. | Separate Posts of Chairman and the Managing Director or the CEO | The Office of i) Chairman & ii) Managing Director are held by different persons. The Company does not have any CEO.                                                                                                                                                                                                    |
| 5. | Reporting of internal auditor                                   | The Internal Auditor reports to the Chairman of the Audit Committee.                                                                                                                                                                                                                                                   |

### 15. DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF THE LISTING REGULATIONS ARE AS FOLLOWS

| Regulation       | Particulars of regulations                                                                                           | Compliance status (Yes/No) |
|------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------|
| 17               | Board of directors                                                                                                   | Yes                        |
| 18               | Audit committee                                                                                                      | Yes                        |
| 19               | Nomination and Remuneration committee (refer Note)                                                                   | Yes                        |
| 20               | Stakeholders Relationship committee                                                                                  | Yes                        |
| 21               | Risk Management committee                                                                                            | Yes                        |
| 22               | Vigil mechanism                                                                                                      | Yes                        |
| 23               | Related party transactions                                                                                           | Yes                        |
| 24               | Corporate Governance requirements with respect to Subsidiary of listed entity                                        | Yes                        |
| 25               | Obligations with respect to Independent directors                                                                    | Yes                        |
| 26               | Obligations with respect to employees including senior management, key managerial personnel, directors and promoters | Yes                        |
| 27               | Other Corporate Governance requirements                                                                              | Yes                        |
| 46(2) (b) to (i) | Website                                                                                                              | Yes                        |

### 16. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITORS.

The Company's subsidiaries have not made any payment to the statutory auditors of the Company. The fees paid by the Company to its Statutory auditors are stated in the Audited financial statements of the Company which forms part of the Annual Report.

## Report on Corporate Governance (Contd.)

## 17. UNCLAIMED DIVIDEND

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

| Year | Type of Dividend | Dividend Per Share<br>(in ₹) | Date of Declaration | Due date for transfer | Amount in * |
|------|------------------|------------------------------|---------------------|-----------------------|-------------|
| 2018 | Final            | 0.40                         | 29.09.2018          | 29.10.2025            | 59,827.60   |
| 2019 | Final            | 0.40                         | 30.09.2019          | 30.10.2026            | 53,173.20   |
| 2020 | Interim          | 0.50                         | 10.03.2020          | 10.04.2027            | 1,80,435.00 |
| 2021 | Final            | 0.25                         | 29.09.2021          | 29.10.2028            | 1,38,708.74 |
| 2022 | Final            | 0.25                         | 29.09.2022          | 29.10.2029            | 55,372.25   |
| 2023 | Final            | 0.25                         | 28.09.2023          | 28.10.2030            | 1,11,428.25 |
| 2024 | Final            | 0.25                         | 26.09.2024          | 26.10.2031            | 55083.99    |

\* as on March 31, 2025

## 18. DISCLOSURES WITH RESPECT TO SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

|    |                                                                                                                        |                                                                                                                                                   |
|----|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | <b>No. of shares: 9,450</b><br><b>No. of shareholders: 13</b>                                                                                     |
| b) | Number of shareholders who approached the listed entity for transfer of shares from suspense account during the year   | <b>Nil</b>                                                                                                                                        |
| c) | Number of shareholders to whom shares were transferred from suspense account during the year                           | <b>Nil</b>                                                                                                                                        |
| d) | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year       | <b>No. of shares: 9,450</b><br><b>No of shareholders: 13</b>                                                                                      |
| e) | That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.   | <b>Voting rights in respect of shares lying in the suspense account shall be frozen till the rightful owner of such shares claims the shares.</b> |

19. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES (Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations):  
Not Applicable

## 20. CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained certificate from M/s VCSR & Associates., Practicing Company Secretaries regarding compliance with the provisions relating to Corporate Governance laid down in Part E of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate is annexed herewith and will be sent to the stock exchanges, along with the Annual Reports to be filed by the Company.

## 21. CEO AND CFO CERTIFICATION

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part-B of schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For KNR Constructions Limited  
Kamidi Narsimha Reddy  
Managing Director  
(DIN:00382412)

Place: Hyderabad  
Date: August 11, 2025.

## Declaration on Compliance by the Board members and Senior Management Personnel with the Company's Code of Conduct

This is to confirm that the Company has adopted a code of conduct for the members of the Board and the Senior Management Personnel. We confirm that the members of the Board and senior Management Personnel have complied with the Code of conduct in respect of the financial year ended March 31, 2025.

For **KNR Constructions Limited**

Sd/-

**Kamidi Narsimha Reddy**

Managing Director

(DIN:00382412)

Sd/-

**Kamidi Jalandhar Reddy**

Executive Director

(DIN: 00434911)

Place: Hyderabad

Date: August 11, 2025

## PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
KNR Constructions Limited

1. We have examined the compliance of the conditions of Corporate Governance by KNR Constructions Limited ('the Company') for the year ended on March 31, 2025 for the purpose of certifying compliance of conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
2. The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the further viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.
3. On the basis of the examination of the records produced, explanations and information furnished, we certify that the Company has generally complied with the mandatory conditions of the Corporate Governance as stipulated in para C of Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **VCSR & Associates**  
Company Secretaries

**Ch.Veeranjaneyulu**  
Partner

M. No:F6121, C.P.No: 6392  
UDIN: F006121G000984714  
Peer Review No:6686/2025

Place: Hyderabad  
Date: August 11, 2025

## CEO and CFO Compliance Certificate

In relation to the Audited Financial Accounts of the Company as at March 31, 2025, we hereby certify that

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- d. We have indicated to the auditors and the Audit committee that
  - i. There are no significant changes in internal control over financial reporting during the year;
  - ii. There are no significant changes in accounting policies during the year; and
  - iii. There are no instances of significant fraud of which we have become aware.

For **KNR Constructions Limited**

**K. Narsimha Reddy**

Managing Director  
(DIN: 00382412)

**K. Jalandhar Reddy**

Executive Director & CFO  
(DIN: 00434911)

Place: Hyderabad

Date: August 11, 2025

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members,  
**M/s. KNR Constructions Limited,**  
Hyderabad.

We, M/s. VCSR & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. KNR Constructions Limited having (CIN: L74210TG1995PLC130199) and having registered office at KNR House, 3<sup>rd</sup> & 4<sup>th</sup> Floors, Plot No. 114 Phase - I, Kavuri Hills, Hyderabad, Telangana- 500033 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| S. No. | Name of the Director          | DIN      | Designation          |
|--------|-------------------------------|----------|----------------------|
| 1.     | Kamidi Narsimha Reddy         | 00382412 | Managing Director    |
| 2.     | Jalandhar Reddy Kamidi        | 00434911 | Whole-time Director  |
| 3.     | *Balarami Lodugu Reddy        | 00956445 | Independent Director |
| 4.     | *Bandhakavi Venkata Ramarao   | 00972552 | Independent Director |
| 5.     | Yashoda Kamidi                | 05157487 | Director             |
| 6.     | Gottipulla Chandra Rekha      | 08464587 | Independent Director |
| 7.     | Wdaru Rampulla Reddy          | 03081486 | Independent Director |
| 8.     | Kalakota Udaya Bhaskara Reddy | 06926054 | Independent Director |

\* Shri Balarami Lodugu Reddy and Shri.Bandhakavi Venkata Ramarao have been ceased from directorship in the Company w.e.f. October 01, 2024 on completion of their tenure as Independent directors.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **VCSR & Associates**  
Company Secretaries

**Ch Veeranjanyulu**  
Partner

CP No. 6392, M No. F6121  
Peer Review Cer. No. 6686/2025  
UDIN:F006121G000984692

Place: Hyderabad

Date: August 11, 2025

# Independent Auditor's Report

To  
The Members of  
KNR Constructions Limited  
Report on the Audit of the Standalone Financial Statements

## OPINION

We have audited the accompanying Standalone Financial Statements of **KNR CONSTRUCTIONS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

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 financial statements of joint operations and management certified accounts in respect of seventeen joint operations referred to in the Other Matters paragraph below the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and

its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of this report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A       | <p>Revenue Recognition of long-term contracts:</p> <p>The Company has significant revenue from construction contracts and long-term operating and maintenance agreements. These long-term contracts are often complex customised solutions and meet the definition of a contract as per Ind AS 115.</p> <p>Revenue related to these construction contracts is recognised using the percentage of completion method, where progress is determined by comparing actual costs incurred to date, with the total estimated costs of the project. Revenue recognition for construction contracts includes management judgment in the form of estimates, which are subject to management experience and expectations of future events. The most important judgment relates to the estimated total costs of the project.</p> <p>Revenue recognition of long-term contracts is a key audit matter in the audit due to the high level of management judgement involved in the project estimates.</p> |

## Independent Auditor's Report (Contd.)

|                | <b>Auditor's Response</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                | <p>Our revenue testing included both testing of the company's controls, as well as substantive audit procedures targeted at selected major long-term projects. Our substantive testing focused on estimates applied by management in the accounting.</p> <p>Our procedures included, among others things, the following:</p> <ul style="list-style-type: none"> <li>• Ensured that the revenue recognition method applied was appropriate based on the terms of the arrangement.</li> <li>• Agreed the total project revenue estimates to sales agreements, including amendments as appropriate.</li> <li>• We obtained an understanding of the processes and tested relevant controls, which impact the revenue recognition.</li> <li>• We assessed the reliability of management's estimates by comparing the actual results of delivered projects to previous estimates.</li> </ul> |
| <b>Sr. No.</b> | <b>Key Audit Matter</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| B              | <p>Litigation and Claims:</p> <p>Considering the nature of the Company's operations, it can be exposed to a number of litigations and claims. The recognition and measurement of provisions, contingent liabilities and contingent assets as well as making the necessary disclosures in respect of litigation and claims requires significant judgment by the management in assessing the outcome of each legal case which is based on management's discussion with legal advisors.</p> <p>Due to the significance of the litigations and claims and the difficulty in assessing and measuring the resulting outcome, this is considered as a key audit matter.</p>                                                                                                                                                                                                                   |
|                | <b>Auditor's Response</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• evaluating the Company's policies, procedures and controls in relation to litigation, claims and provision assessments;</li> <li>• independent enquiries to understand the background of each case, legal position and the material risks that may impact the Company's standalone Ind AS financial statements; and</li> <li>• assessing reasonableness of judgment made by management, determining the adequacy of the level of provisioning or disclosure in the standalone Ind AS financial statements.</li> </ul>                                                                                                                                                                                                                                                                     |

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Independent Auditor's Report (Contd.)

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors is 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 Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 Financial Statements.

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 Standalone Financial Statements, 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 financial 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 on whether the Company has adequate internal financial controls with reference to Standalone 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 made by the management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 Financial Statements 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.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditor's Report (Contd.)

- Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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 financial controls 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

- a) The standalone financial statements include the audited financial statements of 12 Joint operations, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 97,926.22 Lakhs as at 31 March 2025, total revenue (before consolidation adjustments) of Rs. 26,656.17 Lakhs, total net profit/(loss) after tax (before consolidation adjustments) of Rs. (1,276.94) Lakhs, total comprehensive income/(loss) (before consolidated adjustments) of Rs. (1,276.94) Lakhs for year ended 31st March, 2025 and net cash flow/(outflow) Rs. (2,932.60) Lakhs for year ended 31st March 2025, as considered in the standalone financial statement,

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 financial statements, 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.

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 financial statements include the unaudited financial results of 5 Joint operations whose financial statements reflect total assets of Rs. 2,543.17 Lakhs (before consolidation adjustments) as at 31st March 2025 and total revenues of Rs. 2,661.93 (before consolidation adjustments), total net profit/(loss) after tax of Rs. Nil (before consolidation adjustments) and total comprehensive income/(loss) (before consolidated adjustments) of Rs. Nil for the year ended 31st March 2025 and net cash flow/(outflow) Rs. 173.86 lakhs for year ended 31st March 2025, as considered in the standalone financial statements, which have not been audited by us. These financial statements 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, this financial information is not material to the Group.

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

### Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016, ('the Order'), issued by the Central Government of India in terms of Sub-section 11 of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- B. As required by Section 143(3) of the Act, based on our audit we report that:

## Independent Auditor's Report (Contd.)

- a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer to Note 37 to the Standalone Financial Statements.
  - ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity,

## Independent Auditor's Report (Contd.)

- including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under Sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit and on the basis of test checking of selected samples, we did not come across any instance of audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For K.P. Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S

**Mohan R Lavi**  
Partner

Place: Bengaluru  
Date: 29<sup>th</sup> May, 2025

Membership No. 029340  
UDIN: 25029340BMKTLC3521

## Annexure '1' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KNR Constructions Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets intangible assets and investment property:
  - (a) A The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (a) B Reporting under Clause (i)(a)(B) of the Order is not applicable to the company
  - (b) A major portion of fixed assets have been physically verified by the management in accordance with the programme of verification, which, in our opinion, provides for physical verification of all fixed assets at reasonable interval having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification of fixed assets and have been properly dealt with in the books of account.
  - (c) According to the information and explanations given to us, the title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the Note no. 69 to standalone Ind AS financial statements held by the Company are in the name of the Company except for the following assets.

| Description of Property | Gross Carrying Value (In Rs.) | Held in name of   | Whether promoter, director or their relative or employee | Period held |
|-------------------------|-------------------------------|-------------------|----------------------------------------------------------|-------------|
| Land                    | 38,85,189                     | K.Narasimha Reddy | Promoter & Managing Director                             | 20-Apr-05   |
| Land                    | 5,36,555                      | K.Narsimha Reddy  | Promoter & Managing Director                             | 20-Oct-16   |
| Land                    | 47,15,240                     | K.Narsimha Reddy  | Promoter & Managing Director                             | 24-Oct-16   |
| Land                    | 7,57,385                      | K.Narsimha Reddy  | Promoter & Managing Director                             | 20-Oct-16   |
| Land                    | 13,34,965                     | K.Narsimha Reddy  | Promoter & Managing Director                             | 17-May-17   |
| Land                    | 13,34,965                     | K.Narsimha Reddy  | Promoter & Managing Director                             | 17-May-17   |
| Land                    | 1,07,06,074                   | K.Narsimha Reddy  | Promoter & Managing Director                             | 30-Apr-21   |
| Land                    | 1,37,63,347                   | K.Narsimha Reddy  | Promoter & Managing Director                             | 30-Apr-21   |
| Land                    | 1,27,72,920                   | K.Narsimha Reddy  | Promoter & Managing Director                             | 24-Jun-21   |
| Land                    | 91,99,260                     | K.Narsimha Reddy  | Promoter & Managing Director                             | 24-Jun-21   |
| Land                    | 24,54,010                     | K.Narsimha Reddy  | Promoter & Managing Director                             | 26-Jul-21   |
| Land                    | 4,27,245                      | K.Narsimha Reddy  | Promoter & Managing Director                             | 26-Jul-21   |
| Land                    | 21,33,835                     | K.Narsimha Reddy  | Promoter & Managing Director                             | 26-Jul-21   |
| Land                    | 12,07,741                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 15-Feb-10   |
| Land                    | 5,78,221                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 15-Feb-10   |
| Land                    | 11,03,051                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 24-Feb-10   |
| Land                    | 14,63,538                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 8-Mar-10    |
| Land                    | 5,09,102                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 23-Mar-10   |
| Land                    | 17,24,915                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 23-Mar-10   |
| Land                    | 15,31,111                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 24-Mar-10   |
| Land                    | 24,88,053                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 26-Mar-10   |
| Land                    | 16,54,935                     | K.Jalandhar Reddy | Promoter & Executive Director                            | 31-Mar-10   |
| Land                    | 5,34,316                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 31-Mar-10   |
| Land                    | 7,12,255                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 31-Mar-10   |
| Land                    | 7,88,464                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 9-Apr-10    |
| Land                    | 8,64,415                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 19-Apr-10   |
| Land                    | 4,85,450                      | K.Jalandhar Reddy | Promoter & Executive Director                            | 26-May-10   |

## Annexure "1" to the Independent Auditor's Report (Contd.)

| Description of Property | Gross Carrying Value (In Rs.) | Held in name of                    | Whether promoter, director or their relative or employee       | Period held |
|-------------------------|-------------------------------|------------------------------------|----------------------------------------------------------------|-------------|
| Land                    | 11,20,850                     | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 26-May-10   |
| Land                    | 4,38,505                      | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 3-Jan-11    |
| Land                    | 6,99,290                      | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 3-Mar-11    |
| Land                    | 3,33,456                      | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 5-Mar-11    |
| Land                    | 55,52,450                     | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 30-Apr-21   |
| Land                    | 1,51,77,110                   | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 30-Apr-21   |
| Land                    | 21,80,868                     | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 30-Apr-21   |
| Land                    | 67,57,682                     | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 30-Apr-21   |
| Land                    | 1,26,91,905                   | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 24-Jun-21   |
| Land                    | 51,74,005                     | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 27-Jun-22   |
| Land                    | 8,22,895                      | K.Jalandhar Reddy                  | Promoter & Executive Director                                  | 27-Jun-22   |
| Land                    | 10,85,446                     | V.Venu Gopal Reddy                 | Employee                                                       | 7-Aug-10    |
| Land                    | 11,74,860                     | V.Venu Gopal Reddy                 | Employee                                                       | 14-Sep-10   |
| Land                    | 8,59,220                      | V.Venu Gopal Reddy                 | Employee                                                       | 28-Sep-10   |
| Land                    | 5,47,602                      | V.Venu Gopal Reddy                 | Employee                                                       | 27-Dec-10   |
| Land                    | 3,27,925                      | V.Venu Gopal Reddy                 | Employee                                                       | 18-Mar-11   |
| Land                    | 2,99,310                      | V.Venu Gopal Reddy                 | Employee                                                       | 29-Mar-11   |
| Land                    | 1,38,063                      | V.Venu Gopal Reddy                 | Employee                                                       | 14-Jun-11   |
| Land                    | 1,43,457                      | V.Venu Gopal Reddy                 | Employee                                                       | 14-Jun-11   |
| Land                    | 5,12,940                      | V.Venu Gopal Reddy                 | Employee                                                       | 30-Apr-12   |
| Land                    | 10,38,580                     | V.Venu Gopal Reddy                 | Employee                                                       | 1-Dec-16    |
| Land                    | 3,23,59,314                   | K.Jalandhar Reddy & K.Smitha Reddy | Promoter & Executive Director & Relative of Executive Director | 31-Mar-13   |
| Land                    | 5,36,987                      | J.Anudeep                          | Employee                                                       | 19-Jun-17   |
| Land                    | 5,36,988                      | J.Anudeep                          | Employee                                                       | 19-Jun-17   |
| Land                    | 13,91,075                     | J.Anudeep                          | Employee                                                       | 17-Oct-17   |
| Land                    | 8,59,610                      | J.Anudeep                          | Employee                                                       | 25-May-18   |
| Land                    | 7,48,625                      | J.Anudeep                          | Employee                                                       | 17-Sep-18   |
| Land                    | 10,68,575                     | J.Anudeep                          | Employee                                                       | 17-Sep-18   |
| Land                    | 21,39,080                     | J.Anudeep                          | Employee                                                       | 17-Nov-18   |
| Land                    | 12,84,645                     | J.Anudeep                          | Employee                                                       | 28-Dec-18   |
| Land                    | 2,15,915                      | J.Anudeep                          | Employee                                                       | 16-Mar-19   |
| Land                    | 16,05,311                     | J.Anudeep                          | Employee                                                       | 9-Apr-19    |
| Land                    | 12,85,561                     | J.Anudeep                          | Employee                                                       | 9-Apr-19    |
| Land                    | 9,00,135                      | J.Anudeep                          | Employee                                                       | 3-Aug-19    |
| Land                    | 9,00,135                      | J.Anudeep                          | Employee                                                       | 3-Aug-19    |
| Land                    | 1,10,145                      | J.Anudeep                          | Employee                                                       | 8-Jul-19    |
| Land                    | 9,63,510                      | J.Anudeep                          | Employee                                                       | 4-Sep-19    |
| Land                    | 8,55,520                      | J.Anudeep                          | Employee                                                       | 7-Feb-20    |
| Land                    | 10,67,300                     | J.Anudeep                          | Employee                                                       | 29-Sep-20   |
| Land                    | 10,68,100                     | J.Anudeep                          | Employee                                                       | 29-Sep-20   |
| Land                    | 6,41,370                      | J.Anudeep                          | Employee                                                       | 19-Apr-21   |
| Land                    | 12,84,710                     | K.Yashoda                          | Promoter & Non-Executive Director                              | 24-Jan-19   |
|                         | <b>18,85,65,587</b>           | <b>Total</b>                       |                                                                |             |

Reason for not being held in the name of the company: We were informed that due to regulatory restrictions in the respective states the lands were registered in the name of the Promoters & Directors / Employees of the Company. The Company has taken undertaking from respective parties for having no interest in the lands.

## Annexure "1" to the Independent Auditor's Report (Contd.)

- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of inventories:
- a. According to the information and explanations given to us, inventories have been physically verified at regular intervals by the Management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such physical verification.
- b. According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us, the company has during the year granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- a. The company has provided loans and advances in the nature of loans, or stood guarantee, or provided security to any other entity:
- A. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates were Rs. 14,678.96 Lakhs and Rs. 6,547.19 Lakhs respectively.
- B. The Company has not provided any loans or any advances in the nature of loans to any other entity other than subsidiaries, joint ventures and associates. The Company has also not provided any security to any other entity other than subsidiaries, joint ventures and associates.

Following is the summary of the loans and advances in the nature of the loans provided by the Company:

(Rs. Lakhs)

|                                                                         | Guarantees | Security | Loans | Advances in the nature of loans |
|-------------------------------------------------------------------------|------------|----------|-------|---------------------------------|
| Aggregate amount granted / provided during the year:                    |            |          |       |                                 |
| Subsidiaries / Joint Ventures / Associates                              | --         | --       | --    | 14,678.96                       |
| Others                                                                  | --         | --       | --    | --                              |
| Balance outstanding as at balance sheet date in respect of above cases: |            |          |       |                                 |
| Subsidiaries / Joint Ventures / Associates                              | --         | --       | --    | 6,547.19                        |
| Others                                                                  | --         | --       | --    | --                              |

- b. In our opinion, the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- c. In respect of loans and advances granted by the company, the schedule of repayment of principal and payment of interest has not been stipulated. Accordingly, reporting on regularity of the repayments or receipts does not arise.
- d. In respect of loans granted by the Company to its subsidiaries etc., as informed by the management there is no overdue amount remaining outstanding as at the balance sheet date.
- These loans have been given on "On Account" basis. In the absence of agreements / repayment terms for these loans, the impact of the terms and conditions and their impact on the interest of the Company cannot be ascertained. Hence the question of regularity of re-payment of principal and payment of interest does not arise.

## Annexure "1" to the Independent Auditor's Report (Contd.)

e. No loan granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

f. All the loans granted by the Company to its wholly owned subsidiaries or associates are without specifying any terms or period of repayment. Total loans or advances in the nature of loans granted during the year aggregate to Rs. 14,678.96 Lakhs and balance outstanding aggregate to Rs. 6,547.19 Lakhs.

These loans have been given on "On Account" basis. In the absence of agreements for these loans, the terms and conditions and their impact on the interest of the Company cannot be ascertained. Hence the question of regularity of payment of principal and interest does not arise.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan to any director, given any guarantee, provided any security in connection with any loan taken by any director or made investment through more than two layers of investment companies as per the provisions of section 185 and 186 of the Act. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted

deposits to which directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 were applicable. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) (d). We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.

vii. According to the information and explanations given to us, in respect of records of statutory dues:

a. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Cess and other statutory dues applicable to it with the appropriate authorities. There were no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

b. There were no disputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable, except the following:

| Name of the Statute  | Nature of the Dues | Rs. In lakhs | Period to which the amount relates | Forum where dispute is pending                        | Remarks                             |
|----------------------|--------------------|--------------|------------------------------------|-------------------------------------------------------|-------------------------------------|
| Income Tax Act, 1961 | Income Tax         | Nil          | FY 2006-07                         | Honourable High Court of Telangana                    | Paid under protest Rs. 244.21 Lakhs |
| Income Tax Act, 1961 | Income Tax         | 1,822.09     | FY 2006-07                         | Commissioner of Income Tax (Appeals)-12, Hyderabad    |                                     |
| Income Tax Act, 1961 | Income Tax         | 2,913.64     | FY 2015-16                         | Commissioner of Income Tax (Appeals), Faceless, Delhi | Net of Rs. 323.74 Lakhs paid        |
| Income Tax Act, 1961 | Income Tax         | Nil          | FY 2016-17                         | Commissioner of Income Tax (Appeals)-12, Hyderabad    |                                     |
| Income Tax Act, 1961 | Income Tax         | Nil          | FY 2017-18                         | Income Tax Appellate Tribunal, Hyderabad              |                                     |

## Annexure “1” to the Independent Auditor’s Report (Contd.)

| Name of the Statute                                        | Nature of the Dues | Rs. In lakhs | Period to which the amount relates | Forum where dispute is pending                                                                             | Remarks                            |
|------------------------------------------------------------|--------------------|--------------|------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------|
| Income Tax Act, 1961                                       | Income Tax         | 2,583.92     | FY 2017-18                         | Commissioner of Income Tax (Appeals)-12, Hyderabad                                                         |                                    |
| Income Tax Act, 1961                                       | Income Tax         | 9668.40      | FY 2018-19                         | Commissioner of Income Tax (Appeals)-12, Hyderabad                                                         | Net of Rs. 375.54 Lakhs paid       |
| Income Tax Act, 1961                                       | Income Tax         | -            | FY 2019-20                         | Commissioner of Income Tax (Appeals)-12, Hyderabad                                                         |                                    |
| Income Tax Act, 1961                                       | Income Tax         | 1,438.23     | FY 2020-21                         | Commissioner of Income Tax (Appeals)-12, Hyderabad                                                         | Net of Rs. 420.16 Lakhs paid       |
| Income Tax Act, 1961                                       | Income Tax         | 748.35       | FY 2020-21                         | Commissioner of Income Tax (Appeals)-12, Hyderabad                                                         | Net of Rs. 187.08 Lakhs paid       |
| Income Tax Act, 1961                                       | Income Tax         | 1392.12      | FY 2021-22                         | Writ filed before High Court of Telangana                                                                  |                                    |
| Income Tax Act, 1961                                       | Income Tax         | 183.90       | FY 2022-23                         | Assistant Commissioner of Income Tax, CC-(2), Hyderabad                                                    |                                    |
| Andhra Pradesh Value Added Tax Act, 2005                   | VAT                | Nil          | FY 2010-11                         | Telangana Value Added Tax Appellate Tribunal                                                               | Paid under protest Rs. 51.82 lakhs |
| APVAT/TVAT Act, 2005                                       | VAT                | 1.94         | FY 2014-15                         | Honourable Supreme Court of India. Order received infavour of company, awaiting for effectual order        |                                    |
| Andhra Pradesh Value Added Tax Act, 2005                   | VAT                | 29.09        | FY 2015-16                         | Honourable Supreme Court of India. Order received infavour of company, awaiting for effectual order        |                                    |
| Telangana Tax on Entry of Goods into Local Areas Act, 2001 | Entry Tax          | 80.38        | FY 2017-18                         | Honorable High Court of Telangana.                                                                         |                                    |
| Telangana Tax on Entry of Goods into Local Areas Act, 2001 | Entry Tax          | 183.45       | FY 2014-15 to 15-16                | Honorable High Court of Telangana.                                                                         | Net of Rs. 61.14 Lakhs paid        |
| GST Telangana                                              | GST                | 1049.37      | FY 01-04-16 to 30-06-17            | We prefer to file an appeal before GST Tribunal, till now the Tribunals were not formed by the Government. | Net of Rs. 55.21 Lakhs paid        |
| GST Telangana                                              | GST                | 2202.70      | FY 01-04-17 to 30-06-18            | We prefer to file an appeal before GST Tribunal, till now the Tribunals were not formed by the Government. | Net of Rs. 578.52 Lakhs paid       |
| GST Telangana                                              | GST                | 128.19       | FY 2017-18                         | Commissioner of Appeals, Hyderabad                                                                         | Net of Rs. 14.24 Lakhs paid        |

## Annexure "1" to the Independent Auditor's Report (Contd.)

| Name of the Statute                      | Nature of the Dues | Rs. In lakhs | Period to which the amount relates | Forum where dispute is pending                                                                             | Remarks                      |
|------------------------------------------|--------------------|--------------|------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------|
| GST Andhra Pradesh                       | GST                | 521.05       | FY 2019-20                         | Joint Commissioner (Appeals) Guntur                                                                        | Net of Rs. 20.17 Lakhs paid  |
| GST Andhra Pradesh                       | GST                | 11.10        | FY 2020-21                         | Joint Commissioner (Appeals) Guntur                                                                        |                              |
| GST Karnataka                            | GST                | 32.44        | FY 2018-19 to 2019-20              | We prefer to file an appeal before GST Tribunal, till now the Tribunals were not formed by the Government. | Net of Rs. 3.60 Lakhs paid   |
| GST Karnataka                            | GST                | 445.51       | FY 2017-18                         | We prefer to file an appeal before GST Tribunal, till now the Tribunals were not formed by the Government. | Net of Rs. 49.50 Lakhs paid  |
| Madhya Pradesh Value Added Tax Act, 2002 | Entry Tax          | 41.13        | FY 2010-11                         | Commissioner (Appeals) Gwalior                                                                             | Net of Rs. 4.56 Lakhs paid   |
| Madhya Pradesh Value Added Tax Act, 2002 | Entry Tax          | 40.68        | FY 2013-14                         | VAT Appellate Tribunal, Bhopal                                                                             | Net of Rs. 2.14 Lakhs paid   |
| Madhya Pradesh Value Added Tax Act, 2002 | Entry Tax          | 12.27        | Apr'17 to Jun'17                   | Asst. Commissioner Gwalior                                                                                 |                              |
| Madhya Pradesh GST                       | GST                | 5.63         | FY 2020 - 21                       | Appellate Commissioner Bhopal, MP                                                                          | Net of Rs. 0.62 Lakhs paid   |
| GST Tamil Nadu                           | GST                | 462.49       | FY 2016-17 to 17-18                | We prefer to file an appeal before GST Tribunal, till now the Tribunals were not formed by the Government. | Net of Rs. 157.92 Lakhs paid |
| GST Tamil Nadu                           | GST                | 106.56       | FY 2016-17                         | Honorable High Court of Tamil Nadu                                                                         |                              |
| GST Tamil Nadu                           | GST                | 556.32       | FY 2017-18                         | Appellate Commissioner, Salem                                                                              | Net of Rs. 18.90 Lakhs paid  |
| GST Tamil Nadu                           | GST                | 409.40       | FY 2018 -19                        | Appellate Commissioner, Salem                                                                              | Net of Rs. 20.54 Lakhs paid  |
| GST Tamil Nadu                           | GST                | 50.14        | FY 2019-20                         | Appellate Commissioner, Salem                                                                              | Net of Rs. 2.81 Lakhs paid   |
| GST Tamil Nadu                           | GST                | 530.39       | FY 2018-19                         | Honorable High Court of Madras                                                                             |                              |
| GST Tamil Nadu                           | GST                | 798.18       | FY 2019-20                         | Honorable High Court of Madras                                                                             |                              |
| GST Tamil Nadu                           | GST                | 959.11       | FY 2020-21                         | Honorable High Court of Madras                                                                             |                              |
| GST Tamil Nadu                           | GST                | 912.73       | FY 2021-22                         | Honorable High Court of Madras                                                                             |                              |

## Annexure “1” to the Independent Auditor’s Report (Contd.)

| Name of the Statute                      | Nature of the Dues | Rs. In lakhs | Period to which the amount relates | Forum where dispute is pending                     | Remarks                     |
|------------------------------------------|--------------------|--------------|------------------------------------|----------------------------------------------------|-----------------------------|
| Odisha Sales Tax and VAT laws            | Entry Tax          | 28.87        | FY 2009-10 to 11-12                | Honorable Odisha High Court                        | Net of Rs. 5.00 Lakhs paid  |
| Odisha Sales Tax and VAT laws            | Entry Tax          | 22.00        | FY 2012-13 to 14-15                | Sales Tax Tribunal, Cuttack, Odisha                | Net of Rs. 2.50 Lakhs paid  |
| Odisha Sales Tax and VAT laws            | VAT                | 166.85       | FY 2012-13 to 14-15                | Sales Tax Tribunal, Cuttack, Odisha                | Net of Rs. 11.96 Lakhs paid |
| Odisha Sales Tax and VAT laws            | CST                | 6.03         | FY 2012-13 to 14-15                | Sales Tax Tribunal, Cuttack, Odisha                | Net of Rs. 0.50 Lakhs paid  |
| CGST Act, 2017 and Kerala SGST Act, 2017 | GST                | 7.04         | FY 2017-18                         | Additional Commissioner (Appeals), Cochin          | Net of Rs. 0.70 Lakhs paid  |
| Finance Act, 1994                        | Service Tax        | 584.29       | 01-04-16 to 30-06-17               | Customs, Excise and Service Tax Appellate Tribunal | Net of Rs. 22.76 Lakhs paid |
| Customs Act, 1962                        | Customs            | 1,509.52     | FY 2004-09                         | High Court at Telangana                            | Net of Rs. 25.00 Lakhs paid |

viii. As detailed in Note No 48 to these financial statements, during the year under report, the Company has not disclosed any transactions to the Income tax authorities as undisclosed income.

ix. According to the information and explanations given to us

- The company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.
- The company is not a declared willful defaulter by any bank or financial institution or other lender.
- No term loans were availed by the Company.
- No funds raised on short-term basis have been used for long-term purposes by the company.
- The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

x. The Company did not raise any money by way of initial public or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix)(a) of the Order is not applicable.

The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, paragraph 3 (ix)(b) of the Order is not applicable.

- No material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
  - We have not filed any report under sub-section (12) of section 143 of the Companies Act in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - As represented to us by the Management, there are no whistle-blower complaints received by the company during the year.
- xii. The company is not a Nidhi Company and therefore the provisions of Para 3(xii) of the Companies (Auditors Report), 2020 are not applicable.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the standalone Ind AS financial Statements etc., as required by the applicable accounting standards.
- In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;

**Annexure "1" to the Independent Auditor's Report (Contd.)**

- b. We have considered the reports of the Internal Auditors for the period under audit.
- xv. During the year the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary companies, associate companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b. The company has not conducted any Non-Banking Financing or Housing Finance activities during the year.
- c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of Para 3(xvi)(c) are not applicable to the company.
- d. There are no Core Investment Companies as part of the Group. Accordingly, the provisions of Para 3(xvi)(d) is not applicable to the company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly clause (xviii) is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. In respect of the ongoing projects, amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act; This matter has been disclosed in note no.31.1 to the financial statements.

**For K.P. Rao & Co.,**

Chartered Accountants

Firm's Registration No. 003135S

**Mohan R Lavi**

Partner

Place: Bengaluru

Date: 29<sup>th</sup> May, 2025

Membership No. 029340

UDIN: 25029340BMKTL3521

## Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KNR Constructions Limited of even date)

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of **KNR CONSTRUCTIONS LIMITED** (the "Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the

extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

**Annexure "A" to the Independent Auditor's Report (Contd.)**

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For K.P. Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S

**Mohan R Lavi**  
Partner  
Membership No. 029340  
UDIN: 25029340BMKTL3521  
Place: Bengaluru  
Date: 29<sup>th</sup> May, 2025

# Standalone Balance Sheet

as at March 31, 2025

(₹ in Lakhs)

| Particulars                                  | Note | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|------|-------------------------|-------------------------|
| <b>I ASSETS</b>                              |      |                         |                         |
| <b>1) Non-current assets</b>                 |      |                         |                         |
| a) Property, plant and equipment             | 3    | 29,987.80               | 36,597.05               |
| b) Capital work-in-progress                  | 3.1  | 41.20                   | 218.43                  |
| c) Right of use asset                        |      | 263.65                  | 455.32                  |
| d) Investment property                       | 3.2  | 6,634.71                | 6,634.71                |
| e) Other Intangible assets                   | 3.3  | 4.24                    | 4.38                    |
| f) Financial Assets                          |      |                         |                         |
| i) Investments                               | 4    | 39,012.69               | 34,974.81               |
| ii) Other Investments                        | 4    | 39,605.45               | 31,177.16               |
| iii) Trade receivables                       | 5    | 3,126.35                | 4,172.00                |
| iv) Loans                                    | 6    | 367.04                  | 347.42                  |
| v) Other financial assets                    | 7    | -                       | 74.95                   |
| g) Deferred tax assets (Net)                 | 8    | 12,757.75               | 13,674.51               |
| h) Non Current Tax Assets (Net)              | 9    | 3,079.65                | 2,425.61                |
| i) Other non-current assets                  | 10   | 11,432.23               | 7,131.47                |
| <b>Total Non-current assets</b>              |      | <b>1,46,312.76</b>      | <b>1,37,887.82</b>      |
| <b>2) Current assets</b>                     |      |                         |                         |
| a) Inventories                               | 11   | 16,026.02               | 22,072.06               |
| b) Financial assets                          |      |                         |                         |
| i) Trade receivables                         | 5    | 1,24,495.85             | 1,36,421.53             |
| ii) Cash and cash equivalents                | 12   | 8,116.66                | 21,652.64               |
| iii) Bank balances, other than (ii) above    | 13   | 6,244.16                | 1,807.80                |
| iv) Loans                                    | 6    | 158.62                  | 184.46                  |
| v) Other financials assets                   | 7    | 1,44,079.39             | 88,459.43               |
| c) Other current assets                      | 14   | 19,495.84               | 15,243.08               |
| <b>Total Current assets</b>                  |      | <b>3,18,616.54</b>      | <b>2,85,841.00</b>      |
| <b>3) Assets classified as held for sale</b> | 4    | 45.90                   | 45.90                   |
| <b>TOTAL ASSETS</b>                          |      | <b>4,64,975.20</b>      | <b>4,23,774.72</b>      |
| <b>II EQUITY AND LIABILITIES</b>             |      |                         |                         |
| <b>Equity</b>                                |      |                         |                         |
| a) Equity Share capital                      | 15   | 5,624.70                | 5,624.70                |
| b) Other equity                              | 16   | 3,88,874.97             | 3,16,941.21             |
| <b>Total equity</b>                          |      | <b>3,94,499.67</b>      | <b>3,22,565.91</b>      |
| <b>Liabilities</b>                           |      |                         |                         |
| <b>1) Non-current liabilities</b>            |      |                         |                         |
| a) Financial liabilities                     |      |                         |                         |
| i) Lease liability                           |      | 284.25                  | 421.65                  |
| b) Provisions                                | 20   | 681.90                  | 663.23                  |
| c) Deferred tax liabilities (Net)            |      | -                       | -                       |
| c) Other non-current liabilities             | 21   | 262.98                  | 1,071.60                |
| d) Non-current Tax liability (Net)           | 23   | -                       | -                       |
| <b>Total non-current liabilities</b>         |      | <b>1,229.13</b>         | <b>2,156.48</b>         |
| <b>2) Current liabilities</b>                |      |                         |                         |
| a) Financial liabilities                     |      |                         |                         |
| i) Borrowings                                | 17   | -                       | -                       |
| ii) Trade Payables                           | 19   |                         |                         |
| Dues to Micro & Small Enterprises            |      | 164.29                  | 140.00                  |
| Due to other than Micro & Small Enterprises  |      | 30,630.91               | 27,248.72               |
| iii) Other financial liabilities             | 18   | 27,522.92               | 51,363.84               |
| b) Provisions                                | 20   | 1,495.55                | 799.67                  |
| c) Other current liabilities                 | 22   | 8,881.31                | 18,885.65               |
| d) Current Tax liability (Net)               | 23   | 551.42                  | 614.45                  |
| <b>Total current liabilities</b>             |      | <b>69,246.40</b>        | <b>99,052.33</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>          |      | <b>4,64,975.20</b>      | <b>4,23,774.72</b>      |

Corporate information and Significant accounting policies  
See accompanying notes forming part of the financial statements  
As per our report of even date attached

1&2

**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S)

**For and on behalf of the Board**

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTLC3521

**K.Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V.Haritha**  
Company Secretary

# Standalone Statement of Profit and Loss

for the year ended March 31, 2025

| (₹ in Lakhs)                                                                                                                       |      |                              |                              |
|------------------------------------------------------------------------------------------------------------------------------------|------|------------------------------|------------------------------|
| Particulars                                                                                                                        | Note | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| <b>I Revenue from Operations</b>                                                                                                   | 24   | 3,35,864.93                  | 4,09,097.84                  |
| <b>II Other income</b>                                                                                                             | 25   | 45,165.57                    | 14,216.90                    |
| <b>III Total Income (I + II)</b>                                                                                                   |      | <b>3,81,030.50</b>           | <b>4,23,314.74</b>           |
| <b>IV Expenses</b>                                                                                                                 |      |                              |                              |
| Cost of materials consumed                                                                                                         | 26   | 1,46,643.94                  | 1,66,015.31                  |
| Construction expenses                                                                                                              | 27   | 99,826.45                    | 1,36,770.43                  |
| Employee benefits expense                                                                                                          | 28   | 17,691.50                    | 17,354.77                    |
| Finance costs                                                                                                                      | 29   | 1,295.35                     | 2,928.98                     |
| Depreciation and amortisation expense                                                                                              | 30   | 9,028.51                     | 12,450.25                    |
| Other expenses                                                                                                                     | 31   | 9,108.54                     | 18,861.57                    |
| <b>Total expenses (IV)</b>                                                                                                         |      | <b>2,83,594.29</b>           | <b>3,54,381.31</b>           |
| <b>V Profit before exceptional items and tax (III - IV)</b>                                                                        |      | <b>97,436.21</b>             | <b>68,933.43</b>             |
| <b>VI Exceptional items - Expenses/(Income)</b>                                                                                    | 32   | 1,501.21                     | -                            |
| <b>VII Profit/(Loss) before tax (V - VI)</b>                                                                                       |      | <b>95,935.00</b>             | <b>68,933.43</b>             |
| <b>VIII Tax expense</b>                                                                                                            | 33   |                              |                              |
| 1) Current tax                                                                                                                     |      | 22,158.58                    | 20,283.59                    |
| 2) Adjustment of tax relating to earlier periods                                                                                   |      | 584.24                       | 801.95                       |
| 3) Deferred tax                                                                                                                    |      | 624.10                       | (1,535.23)                   |
|                                                                                                                                    |      | <b>23,366.92</b>             | <b>19,550.31</b>             |
| <b>IX Profit/(Loss) for the year (VII - VIII)</b>                                                                                  |      | <b>72,568.08</b>             | <b>49,383.12</b>             |
| <b>X Other comprehensive income / (loss)</b>                                                                                       | 34   |                              |                              |
| <b>a) Items that will not be reclassified to profit or loss</b>                                                                    |      |                              |                              |
| Remeasurements of the defined benefit plans                                                                                        |      | 91.90                        | 612.52                       |
| Deferred Tax on above items                                                                                                        |      | (23.13)                      | (154.16)                     |
| <b>b) Items that will be reclassified to profit or loss</b>                                                                        |      | -                            | -                            |
| <b>XI Total Comprehensive Income for the period (IX+X) (Comprising Profit(Loss) and Other Comprehensive Income for the period)</b> |      | <b>72,636.85</b>             | <b>49,841.48</b>             |
| <b>XII Earnings per equity share : (In ₹)</b>                                                                                      |      |                              |                              |
| 1) Basic                                                                                                                           |      | 25.80                        | 17.56                        |
| 2) Diluted                                                                                                                         |      | 25.80                        | 17.56                        |

**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S)

**For and on behalf of the Board**

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTLC3521

**K.Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V.Haritha**  
Company Secretary

# Standalone Statement of Changes in Equity

for the year ended March 31, 2025

## A. EQUITY SHARE CAPITAL

| (₹ in Lakhs)                                               |                     |                 |
|------------------------------------------------------------|---------------------|-----------------|
| Particulars                                                | Number of Shares    | Amount          |
| <b>Balance as at April 01, 2023</b>                        | 28,12,34,600        | 5,624.70        |
| Add/(Less) Changes in equity share capital during the year | -                   | -               |
| <b>Balance as at March 31, 2024</b>                        | <b>28,12,34,600</b> | <b>5,624.70</b> |
| Add/(Less) Changes in equity share capital during the year | -                   | -               |
| <b>Balance as at March 31, 2025</b>                        | <b>28,12,34,600</b> | <b>5,624.70</b> |

## B. OTHER EQUITY

| (₹ in Lakhs)                                                 |                            |                 |                                                  |                                             |                                           |                                       |                    |
|--------------------------------------------------------------|----------------------------|-----------------|--------------------------------------------------|---------------------------------------------|-------------------------------------------|---------------------------------------|--------------------|
| Particulars                                                  | Reserves and Surplus       |                 |                                                  |                                             | Other items of Other Comprehensive Income | Money received against share warrants | Total              |
|                                                              | Securities Premium Reserve | General Reserve | Exchange difference on transaction & translation | Surplus in the statement of profit and loss |                                           |                                       |                    |
| <b>Balance as at April 01, 2023</b>                          | <b>9,786.96</b>            | <b>2,849.00</b> | -                                                | <b>2,55,332.23</b>                          | <b>(165.37)</b>                           | -                                     | <b>2,67,802.82</b> |
| Profit for the year                                          | -                          | -               | -                                                | 49,383.12                                   | -                                         | -                                     | 49,383.12          |
| Other Comprehensive Income/ loss for the year (Net of Taxes) | -                          | -               | -                                                | -                                           | 458.36                                    | -                                     | 458.36             |
| Payment of Dividend                                          | -                          | -               | -                                                | (703.09)                                    | -                                         | -                                     | (703.09)           |
| <b>Balance as at March 31, 2024</b>                          | <b>9,786.96</b>            | <b>2,849.00</b> | -                                                | <b>3,04,012.26</b>                          | <b>292.99</b>                             | -                                     | <b>3,16,941.21</b> |
| <b>Balance as at April 01, 2024</b>                          | 9,786.96                   | 2,849.00        | -                                                | 3,04,012.26                                 | 292.99                                    | -                                     | 3,16,941.21        |
| Profit for the year                                          | -                          | -               | -                                                | 72,568.08                                   | -                                         | -                                     | 72,568.08          |
| Other Comprehensive Income/ loss for the year (Net of Taxes) | -                          | -               | -                                                | -                                           | 68.77                                     | -                                     | 68.77              |
| Payment of Dividend                                          | -                          | -               | -                                                | (703.09)                                    | -                                         | -                                     | (703.09)           |
| <b>Balance as at March 31, 2025</b>                          | <b>9,786.96</b>            | <b>2,849.00</b> | -                                                | <b>3,75,877.25</b>                          | <b>361.76</b>                             | -                                     | <b>3,88,874.97</b> |

See accompanying notes forming part of the financial statements  
As per our report of even date attached

**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S)

**For and on behalf of the Board**

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTLC3521

**K.Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V.Haritha**  
Company Secretary

# Standalone Cash Flow Statement

for the year ended March 31, 2025

(₹ in Lakhs)

| Particulars                                                                      | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|----------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>A) Cash flow from Operating Activities</b>                                    |                              |                              |
| <b>Profit before tax</b>                                                         | <b>95,935.00</b>             | <b>68,933.43</b>             |
| <b>Adjustments for:</b>                                                          |                              |                              |
| Depreciation and Amortisation Expense                                            | 9,028.51                     | 12,450.25                    |
| Loss/(Profit) on sale of Property, Plant and Equipment, Investment Property(Net) | (77.20)                      | (280.15)                     |
| Liabilities no longer required written back                                      | (237.36)                     | (515.08)                     |
| Provision for doubtful advances written back                                     | (4,679.23)                   | -                            |
| Provision for Impairment on Investments written back                             | (5,450.00)                   | -                            |
| Bad Debts / Advances written Off                                                 | 757.40                       | 245.01                       |
| (Gain) / Loss on Mutual Funds                                                    | (259.02)                     | (90.37)                      |
| Un winding Interest on Fair Value of Financial Instruments                       | (395.61)                     | (539.09)                     |
| Unbilled Revenue written off                                                     | -                            | 2,536.91                     |
| Exceptional Item                                                                 | 1,501.21                     | -                            |
| Provision for Doubtful Advances and Other receivables                            | -                            | 4,325.63                     |
| Provision for Impairment of investments                                          | -                            | 5,450.00                     |
| Allowance for expected credit loss on Trade Receivables                          | 705.21                       | -                            |
| Un winding Interest on Lease liability                                           | 35.32                        | 43.60                        |
| Interest on mobilisation advance                                                 | 106.53                       | 791.68                       |
| Finance cost                                                                     | 1,154.00                     | 2,094.00                     |
| Interest Income                                                                  | (29,184.06)                  | (11,213.68)                  |
| <b>Operating profit before working capital changes</b>                           | <b>68,940.70</b>             | <b>84,232.14</b>             |
| Changes in working capital:                                                      |                              |                              |
| (Increase)/Decrease in Trade and Other Receivables and prepayments               | (49,219.19)                  | (48,044.16)                  |
| (Increase)/Decrease in Inventories                                               | 6,046.04                     | 1,335.28                     |
| Increase/(Decrease) in Trade and other Payables                                  | (30,471.57)                  | 6,024.36                     |
| <b>Cash generated/ (used) from Operations</b>                                    | <b>(4,704.02)</b>            | <b>43,547.62</b>             |
| Income Taxes (paid) / Refund                                                     | (21,665.64)                  | (21,769.27)                  |
| <b>Net Cash flows from / (used in) Operating Activities- (A)</b>                 | <b>(26,369.66)</b>           | <b>21,778.35</b>             |
| <b>B) Cash flow from Investing Activities</b>                                    |                              |                              |
| Proceeds from sale of property, plant and equipment                              | 223.90                       | 554.02                       |
| Payments for property, plant and equipment and Capital Work-in-Progress          | (2,033.36)                   | (7,832.15)                   |
| Interest Received                                                                | 29,198.35                    | 11,187.73                    |
| (Increase)/Decrease in Fixed Deposits                                            | (4,436.36)                   | (380.37)                     |
| Loans/Advances to Subsidiaries/Associates and others                             | 31.38                        | (170.81)                     |
| Investments in Subsidiaries, Associates and Others                               | (6,757.15)                   | (19,118.63)                  |
| TDS on Interest Received                                                         | (1,524.72)                   | (21.00)                      |
| <b>Net Cash flows from / (used in) Investing Activities- (B)</b>                 | <b>14,702.04</b>             | <b>(15,781.21)</b>           |

## Standalone Cash Flow Statement (Contd.)

(₹ in Lakhs)

| Particulars                                                           | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-----------------------------------------------------------------------|------------------------------|------------------------------|
| <b>C) Cash flow from Financing Activities</b>                         |                              |                              |
| Proceeds from borrowings                                              | 26,500.00                    | 50,000.00                    |
| Repayment of borrowings                                               | (26,500.00)                  | (50,000.00)                  |
| Increase / (decrease) in short term borrowings                        | -                            | (25.45)                      |
| Finance cost paid                                                     | (1,165.27)                   | (2,173.48)                   |
| Dividend Paid                                                         | (703.09)                     | (703.09)                     |
| <b>Net Cash Flows from / (used in) Financing Activities- (C)</b>      | <b>(1,868.36)</b>            | <b>(2,902.02)</b>            |
| <b>Net increase/(decrease) in cash and cash equivalents - (A+B+C)</b> | <b>(13,535.98)</b>           | <b>3,095.12</b>              |
| Cash & Cash Equivalents at the beginning of the year                  | 21,652.64                    | 18,557.52                    |
| <b>Cash &amp;Cash Equivalents at end of the year (Refer note)</b>     | <b>8,116.66</b>              | <b>21,652.64</b>             |
| <b>Note:</b>                                                          |                              |                              |
| 1 Cash & Cash equivalents                                             |                              |                              |
| Cash on hand                                                          | 21.74                        | 33.47                        |
| Bank Balance including Deposits and Cheques on Hand - Current Account | 8,094.92                     | 21,619.17                    |
| <b>Total Cash &amp; Cash equivalents</b>                              | <b>8,116.66</b>              | <b>21,652.64</b>             |

- The Cash flow statement is prepared in accordance with the Indirect Method stated in Ind-AS7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.
- Previous year's figures have been regrouped, wherever necessary.
- Figures in brackets represent cash outflows.

See accompanying notes forming part of the financial statements  
As per our report of even date attached

**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S)

**For and on behalf of the Board**

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTL3521

**K.Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V.Haritha**  
Company Secretary

# Notes Forming Part of the Standalone Financial Statements

## for the year ended March 31, 2025

### 1 REPORTING ENTITY INFORMATION:

KNR Constructions Limited ('the Company') is a company domiciled in India with its registered office at 'KNR House' 3rd & 4th Floor, Plot No: 114, Phase-I, Kavuri Hills, Hyderabad – 500 033. The Company has been incorporated in 1995 under the provisions of Indian Companies Act. The shares of the Company are listed on the both the stock exchanges (BSE & NSE) India in 2008 pursuant to the Public offer of Equity Shares. The Company is engaged in the business of infrastructure sector, primarily in the construction of roads, bridges, flyovers and irrigation projects.

### 2 MATERIAL ACCOUNTING POLICIES:

#### 2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

#### 2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been presented Rs. in lakhs rounded off to two decimal unless otherwise indicated.

#### 2.3 Basis of Preparation & Presentation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

#### 2.4 Interest in Joint Operations

A Joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an

arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Company undertakes its activities under joint operations, of the Company as a joint operator recognizes in relation to its interest in a joint operation:

1. Its assets, including its share of any assets held jointly,
2. Its liabilities, including its share of any liabilities incurred jointly,
3. Its revenue from the sale of its share arising from the joint operation,
4. Its share of the revenue from the joint operations, and
5. Its expenses, including its share of any expenses incurred jointly

#### 2.5 Operating cycle for Current and non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract/ service including the defect liability period, wherever applicable, and extends up to the realization of receivables (including retention monies) within the credit period normally applicable to the respective project.

#### 2.6 Fair Value Measurement

The company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within fair value hierarchy based on the low level of input that is significant to the fair value measurement as a whole:

**Level 1** – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

**Level 2** – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (observable inputs).

**Level 3** – Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs).

## Notes Forming Part of the Standalone Financial Statements (Contd.)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2.7 Property, plant and equipment (PPE)

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing

the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is calculated on cost of items of property, plant and equipment in the manner and as per the useful life prescribed under Schedule-II to the Act except the below mentioned assets, and is generally recognized in the statement of profit and loss. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

The following asset category has useful life different from the life specified in Schedule II of the Companies Act, 2013 based on the management's assessment

| Sl. No.   | Description                                                          | Useful life given as per Companies Act 2013 | Company's estimated useful life |
|-----------|----------------------------------------------------------------------|---------------------------------------------|---------------------------------|
| <b>1.</b> | <b>Buildings</b>                                                     |                                             |                                 |
|           | RCC structure                                                        | 60 years                                    | 60 years                        |
|           | Temporary structure                                                  | 3 Years                                     | 3 Years                         |
| <b>2.</b> | <b>Plant and Machinery</b>                                           |                                             |                                 |
|           | Concreting, crushing, piling equipment's and road making equipment's | 12 Years                                    | 7 Years*/3 Years**              |
|           | Heavy Lift equipment's                                               |                                             |                                 |
|           | - Cranes < 100 tons                                                  | 15 Years                                    | 7 Years*/3 Years**              |
|           | - Earth-moving equipment's                                           | 9 Years                                     | 7 Years*/3 Years**              |
|           | Construction Accessories                                             | 12 Years                                    | 7 Years*/3 Years**              |
|           | Others including Material Handling / Pipeline / Welding Equipment's  | 12 Years                                    | 7 Years*/3 Years**              |
| <b>3.</b> | <b>Furniture and fittings</b>                                        | 10 Years                                    | 10 Years                        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

| Sl. No.   | Description                                            | Useful life given as per Companies Act 2013 | Company's estimated useful life |
|-----------|--------------------------------------------------------|---------------------------------------------|---------------------------------|
| <b>4.</b> | <b>Motor Vehicles</b>                                  |                                             |                                 |
|           | Motor cycles, Scooters and other mopeds                | 10 Years                                    | 10 Years                        |
|           | Motor buses, motor lorries, motor cars and motor taxis | 8 Years                                     | 8 Years                         |
| <b>5.</b> | <b>Office equipment's</b>                              | 5 Years                                     | 5 Years                         |
| <b>6.</b> | <b>Computers and data processing units</b>             |                                             |                                 |
|           | Servers and networks                                   | 6 Years                                     | 6 Years                         |
|           | End user devices, such as, desktops, laptop etc.,      | 3 Years                                     | 3 Years                         |
| <b>7.</b> | <b>Laboratory equipment's</b>                          | 10 years                                    | 7 years *                       |

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

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

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal.

## 2.8 Capital Work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost less refundable taxes.

## 2.9 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS 16's requirement for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn

from use and no further economic benefits expected from disposal. Any gain or loss arising on de recognition of the property is included in profit or loss in the period in which the property is derecognized.

## 2.10 Intangible assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Pre-operative expenses including administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets. Intangible assets are amortized over their useful life.

| Asset             | Useful life |
|-------------------|-------------|
| Computer Software | 3 Years     |

## 2.11 Investment in Subsidiaries, Associates, Joint Ventures and Mutual Funds

On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

Investments in mutual funds are carried at fair value through profit and loss.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

Investments are classified as 'held for sale' when all of the following criteria's are met:

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed and
- (iv) Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such investments classified as held for sale are measured at the lower of its carrying value and fair value less impairment.

Investments in joint operations are recognised at cost with adjustment to respective share of profit/loss.

### 2.12 Inventories

Raw Materials, construction materials and stores & spares are valued at weighted average cost or net realizable value whichever is less. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

### 2.13 Financial instruments

#### i. Classification and subsequent measurement

##### Financial assets

Financial asset is

- Cash / Equity Instrument of another Entity,
- Contractual right to –
  - a) Receive Cash / another Financial Asset from another Entity, or
  - b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

On initial recognition, a financial asset is classified as measured at

- Amortized cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial liabilities

Financial liability is Contractual Obligation to

- deliver Cash or another Financial Asset to another Entity, or
- exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavorable to the Entity

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

#### ii. De-recognition

##### Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

**Notes Forming Part of the Standalone Financial Statements (Contd.)****Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

**iii. Impairment****Impairment of financial instruments**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortized cost
- Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**Impairment of non-financial assets**

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized, if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

**2.14 Cash and cash equivalents**

Cash and cash equivalents includes Cash in hand, bank balances and cheques on hand, Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

**2.15 Other Bank balances**

Other bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation.

**2.16 Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease, the Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### 2.17 Provisions

Provisions are recognised only when:

- a) An entity has a present obligation (legal or constructive) as a result of a past event
- b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

- c) A reliable estimate can be made of the amount of the obligation.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### 2.18 Contingent liability, Contingent Assets and Commitments

- i) Contingent liability is disclosed in case of
  - a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
  - b) A present obligation arising from past events, when no reliable estimate is possible.
- ii) Contingent assets are disclosed where an inflow of economic benefits is probable.
- iii) Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:
  - a) Estimated amount of contracts remaining to be executed on capital account and not provided for
  - b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
  - c) Other commitments related to sales/ procurements made in the normal course of business are not disclosed to avoid excessive details.

Contingent liabilities, Contingent assets and Commitments are reviewed at each Balance Sheet date.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 2.19 Revenue recognition

#### Accounting for Construction contracts

The Company constructs infrastructure projects on behalf of clients. Delivering the project as per the contractual terms is the only performance obligation that has been identified. Under the terms of the contracts, the company will perform its obligations on time to time as per the timing schedule indicated in the contract with the asset having no alternative use to the entity and the company having an enforceable right to receive payment for the work done. Hence, Revenue is therefore recognized over time on a cost to cost method, i.e. based on the proportion of contract costs incurred for the work performed to date relative to the estimated total contract costs. The management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

As per the contract, when there is a right to consideration in exchange for goods or services that have been transferred to a customer when that right is conditioned on something other than the passage of time, a contract asset is recognised to the extent of the consideration due.

Similarly, when there is an obligation to transfer goods or services to a customer for which the entity has received consideration from the customer, a contract liability is recognised to the extent of the obligation.

#### Accounting for Claims

Claims are accounted as income in the period of receipt of arbitration award and acceptance by client. Interest awarded, being in the nature of additional compensation under the terms of the contract, is accounted as other Income on receipt of arbitration award and acceptance by client.

#### Other Income

**Interest income:** Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable Effective interest rate (EIR). Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

**Dividend income:** Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

**Other Items of Income:** Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

### 2.20 Employee benefits

#### a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, and short term compensated absences etc. Expenses on non-accumulating compensated absences are recognised in the period in which the absences occur.

#### b) Post-employment benefits:

i. **Defined contribution plans:** The state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

ii. **Defined benefit plans:** The employees' group gratuity fund schemes are managed by Life Insurance Corporation of India (L.I.C), and post-retirement provident fund scheme are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

Re measurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (wherever applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to profit and loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

### 2.21 Taxes on Income

Income tax comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

#### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### 2.22 Foreign currencies

- a) The Functional Currency of the Company is Indian Rupees (INR), and these financial statements are presented in Indian rupees (Lakhs).
- b) Foreign Currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate on the date of the transaction.
- c) At each Balance Sheet date, foreign currency monetary items are reported using the closing rate or at amount likely to be realized from or required to disburse. Exchange differences that arise on settlement of Long Term monetary items or on reporting of Long Term Monetary items at each Balance sheet date, at the closing rate are charged to Statement of Profit and loss.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 2.23 Cash Flow Statement

The Cash flow statement is prepared in accordance with Ind AS 7 by using indirect method by segregating as cash flows from operating, investing and financing activities. Under the Cash flow from operating activities, the net profit is adjusted for the effects of Non-cash items, Changes in working capital and other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement.

Cash comprises cash on hand. Cash equivalents are balances with banks including cheques on hand and short-term balances (with an original maturity of three months or less from the date of acquisition).

### 2.24 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders equity, in period in which the dividends are approved by the equity shareholders in general meeting.

### 2.25 Earnings per share

#### a) Basic Earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury share.

#### b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.26 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.27 Exceptional Items

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

### 2.28 Key accounting estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Estimates include the property plant and equipment, inventory; future obligations in respect of retirement benefit plans, provisions, fair value measurement and taxes etc.

#### a) Revenue Recognition

The Company follows the percentage completion method, based on the proportion that contract cost incurred as on reporting date to the total estimated contract cost including escalations/ variations, this method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates

## Notes Forming Part of the Standalone Financial Statements (Contd.)

that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

### **b) Property, plant and equipment**

The company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

### **c) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

### **d) Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term including anticipated renewals and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

### **e) Provision for employee benefits**

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

### **f) Income Taxes**

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

### **g) Estimation of net realisable value of inventories**

In estimating the net realisable value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.

### **h) Impairment of trade receivables and advances**

Significant estimates are required in ascertaining the provision to be made for impairment of trade receivables and advances.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

| Particulars             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------|-------------------------|-------------------------|
| <b>Tangible Assets</b>  |                         |                         |
| Land - Free Hold *      | 8,933.10                | 8,915.15                |
| Buildings               | 1,365.49                | 1,401.34                |
| Plant and Equipment     | 18,272.66               | 24,749.87               |
| Furniture and Fixtures  | 148.44                  | 143.71                  |
| Vehicles                | 1,161.00                | 1,256.70                |
| Office equipment        | 72.90                   | 96.15                   |
| Computers & Accessories | 34.21                   | 34.13                   |
|                         | <b>29,987.80</b>        | <b>36,597.05</b>        |

Note: Refer note 17.1 for details of assets pledged.

(₹ in Lakhs)

| Particulars                     | Tangible Assets  |                 |                     |                        |                 |                  |                         | Total              |
|---------------------------------|------------------|-----------------|---------------------|------------------------|-----------------|------------------|-------------------------|--------------------|
|                                 | Land - Free Hold | Buildings       | Plant and Equipment | Furniture and Fixtures | Vehicles        | Office equipment | Computers & Accessories |                    |
| <b>Cost or Deemed Cost :</b>    |                  |                 |                     |                        |                 |                  |                         |                    |
| As at April 01, 2024            | 8,915.15         | 4,070.59        | 1,44,684.35         | 460.93                 | 3,868.69        | 324.05           | 208.88                  | 1,62,532.64        |
| Additions                       | 17.95            | 159.05          | 1,592.36            | 44.21                  | 376.42          | 26.57            | 27.53                   | 2,244.09           |
| Disposals/Adjustments           | -                | (141.28)        | (2,479.41)          | (0.52)                 | (108.87)        | -                | 1.75                    | (2,728.33)         |
| <b>As at March 31, 2025</b>     | <b>8,933.10</b>  | <b>4,088.36</b> | <b>1,43,797.30</b>  | <b>504.62</b>          | <b>4,136.24</b> | <b>350.62</b>    | <b>238.16</b>           | <b>1,62,048.40</b> |
| <b>Accumulated Depreciation</b> |                  |                 |                     |                        |                 |                  |                         |                    |
| As at April 01, 2024            | -                | 2,669.25        | 1,19,934.48         | 317.22                 | 2,611.99        | 227.90           | 174.75                  | 1,25,935.59        |
| Charge for the period           | -                | 187.84          | 7,943.50            | 39.45                  | 458.61          | 49.82            | 29.20                   | 8,708.42           |
| Disposals/Adjustments           | -                | (134.22)        | (2,353.34)          | (0.49)                 | (95.36)         | -                | -                       | (2,583.41)         |
| <b>As at March 31, 2025</b>     | <b>-</b>         | <b>2,722.87</b> | <b>1,25,524.64</b>  | <b>356.18</b>          | <b>2,975.24</b> | <b>277.72</b>    | <b>203.95</b>           | <b>1,32,060.60</b> |
| <b>Net Carrying Amount</b>      |                  |                 |                     |                        |                 |                  |                         |                    |
| <b>As at March 31, 2025</b>     | <b>8,933.10</b>  | <b>1,365.49</b> | <b>18,272.66</b>    | <b>148.44</b>          | <b>1,161.00</b> | <b>72.90</b>     | <b>34.21</b>            | <b>29,987.80</b>   |
| As at March 31, 2024            | 8,915.15         | 1,401.34        | 24,749.87           | 143.71                 | 1,256.70        | 96.15            | 34.13                   | 36,597.05          |

(₹ in Lakhs)

| Particulars                     | Tangible Assets  |                 |                     |                        |                 |                  |                         | Total              |
|---------------------------------|------------------|-----------------|---------------------|------------------------|-----------------|------------------|-------------------------|--------------------|
|                                 | Land - Free Hold | Buildings       | Plant and Equipment | Furniture and Fixtures | Vehicles        | Office equipment | Computers & Accessories |                    |
| <b>Cost or Deemed Cost :</b>    |                  |                 |                     |                        |                 |                  |                         |                    |
| As at April 01, 2023            | 7,717.22         | 4,016.66        | 1,42,882.79         | 523.56                 | 3,497.83        | 519.16           | 304.61                  | 1,59,461.83        |
| Additions                       | 1,197.93         | 77.75           | 6,277.34            | 21.50                  | 471.36          | 43.76            | 21.77                   | 8,111.41           |
| Disposals/Adjustments           | -                | (23.82)         | (4,475.78)          | (84.13)                | (100.50)        | (238.87)         | (117.50)                | (5,040.60)         |
| <b>As at March 31, 2024</b>     | <b>8,915.15</b>  | <b>4,070.59</b> | <b>1,44,684.35</b>  | <b>460.93</b>          | <b>3,868.69</b> | <b>324.05</b>    | <b>208.88</b>           | <b>1,62,532.64</b> |
| <b>Accumulated Depreciation</b> |                  |                 |                     |                        |                 |                  |                         |                    |
| As at April 01, 2023            | -                | 2,423.67        | 1,12,903.29         | 353.38                 | 2,297.17        | 388.92           | 254.89                  | 1,18,621.32        |
| Charge for the period           | -                | 261.86          | 11,271.35           | 43.77                  | 406.62          | 65.76            | 31.68                   | 12,081.04          |
| Disposals/Adjustments           | -                | (16.28)         | (4,240.16)          | (79.93)                | (91.80)         | (226.78)         | (111.82)                | (4,766.77)         |
| <b>As at March 31, 2024</b>     | <b>-</b>         | <b>2,669.25</b> | <b>1,19,934.48</b>  | <b>317.22</b>          | <b>2,611.99</b> | <b>227.90</b>    | <b>174.75</b>           | <b>1,25,935.59</b> |
| <b>Net Carrying Amount</b>      |                  |                 |                     |                        |                 |                  |                         |                    |
| <b>As at March 31, 2024</b>     | <b>8,915.15</b>  | <b>1,401.34</b> | <b>24,749.87</b>    | <b>143.71</b>          | <b>1,256.70</b> | <b>96.15</b>     | <b>34.13</b>            | <b>36,597.05</b>   |
| As at March 31, 2023            | 7,717.22         | 1,592.99        | 29,979.50           | 170.18                 | 1,200.66        | 130.24           | 49.72                   | 40,840.51          |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 3.1 Capital work-in-progress

(₹ in Lakhs)

| Particulars       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------|-------------------------|-------------------------|
| Cost :            |                         |                         |
| Opening As at     | 218.43                  | 251.01                  |
| Add: Additions    | 86.35                   | 597.94                  |
| Less: Adjustments | 263.58                  | 630.52                  |
| <b>As at</b>      | <b>41.20</b>            | <b>218.43</b>           |

The capital work-in-progress ageing schedule as follows:

(₹ in Lakhs)

| Particulars                           | As at<br>March 31, 2025 |              |              |                         |              | As at<br>March 31, 2024 |              |              |                         |               |
|---------------------------------------|-------------------------|--------------|--------------|-------------------------|--------------|-------------------------|--------------|--------------|-------------------------|---------------|
|                                       | Less<br>than 1<br>year  | 1-2<br>years | 2-3<br>years | More<br>than 3<br>years | Total        | Less<br>than 1<br>year  | 1-2<br>years | 2-3<br>years | More<br>than 3<br>years | Total         |
| Projects in progress                  | 32.73                   | 2.91         | 5.56         | -                       | 41.20        | 212.87                  | 5.56         | -            | -                       | 218.43        |
| Projects temporarily suspended        | -                       | -            | -            | -                       | -            | -                       | -            | -            | -                       | -             |
| <b>Total capital work-in-progress</b> | <b>32.73</b>            | <b>2.91</b>  | <b>5.56</b>  | <b>-</b>                | <b>41.20</b> | <b>212.87</b>           | <b>5.56</b>  | <b>-</b>     | <b>-</b>                | <b>218.43</b> |

As on the date of balance sheet, there is no capital work-in-progress project(s) whose completion is overdue or has exceeded the cost, based on the approved plan.

### 3.2 Investment Property

(₹ in Lakhs)

| Particulars           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------|-------------------------|-------------------------|
| Investment Property * | 6,634.71                | 6,634.71                |
|                       | <b>6,634.71</b>         | <b>6,634.71</b>         |

\* Land and investment property includes ₹ 1,885.66 Lakhs (P.Y ₹ 1,885.66 Lakhs) held in the name of Directors, relatives of Directors for and on behalf of the Company and refer note 65 for the details of the immovable property not held in the name of the Company.

Note: Refer note 17.1 for details of assets pledged.

| As at March 31, 2025            |                 | (₹ in Lakhs) |
|---------------------------------|-----------------|--------------|
| Particulars                     | Amount          |              |
| <b>Cost / Deemed Cost</b>       |                 |              |
| As at April 01, 2024            | 6,634.71        |              |
| Additions                       | -               |              |
| Disposals / Adjustments         | -               |              |
| <b>As at March 31, 2025</b>     | <b>6,634.71</b> |              |
| <b>Accumulated Depreciation</b> |                 |              |
| As at April 01, 2024            | -               |              |
| Charge for the period           | -               |              |
| Disposals / Adjustments         | -               |              |
| <b>As at March 31, 2025</b>     | <b>-</b>        |              |
| <b>Net Carrying Amount</b>      |                 |              |
| <b>As at March 31, 2025</b>     | <b>6,634.71</b> |              |
| <b>As at March 31, 2024</b>     | <b>6,634.71</b> |              |

| As at March 31, 2024            |                 | (₹ in Lakhs) |
|---------------------------------|-----------------|--------------|
| Particulars                     | Amount          |              |
| <b>Cost / Deemed Cost</b>       |                 |              |
| As at April 01, 2023            | 6,587.97        |              |
| Additions                       | 46.74           |              |
| Disposals / Adjustments         | -               |              |
| <b>As at March 31, 2024</b>     | <b>6,634.71</b> |              |
| <b>Accumulated Depreciation</b> |                 |              |
| As at April 01, 2023            | -               |              |
| Charge for the period           | -               |              |
| Disposals / Adjustments         | -               |              |
| <b>As at March 31, 2024</b>     | <b>-</b>        |              |
| <b>Net Carrying Amount</b>      |                 |              |
| <b>As at March 31, 2024</b>     | <b>6,634.71</b> |              |
| As at March 31, 2023            | 6,587.97        |              |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 3.2 Investment Property (Contd.)

## Fair Value of Investment Property

Details and fair value of the investment property as on March 31, 2025 and March 31, 2024 is given below

(₹ in Lakhs)

| Particulars         | Fair value Hierarchy | As at March 31, 2025 | As at March 31, 2024 |
|---------------------|----------------------|----------------------|----------------------|
| Investment Property | Level 3              | 15,732.05            | 15,081.96            |
|                     |                      | <b>15,732.05</b>     | <b>15,081.96</b>     |

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

## 3.3 Other Intangible assets

(₹ in Lakhs)

| Particulars       | As at March 31, 2025 | As at March 31, 2024 |
|-------------------|----------------------|----------------------|
| Computer Software | 4.24                 | 4.38                 |
| <b>Total</b>      | <b>4.24</b>          | <b>4.38</b>          |

| As at March 31, 2025 (₹ in Lakhs) |                   |               |
|-----------------------------------|-------------------|---------------|
| Particulars                       | Computer software | Total         |
| <b>Cost / Deemed Cost</b>         |                   |               |
| As at April 01, 2024              | 55.20             | <b>55.20</b>  |
| Additions                         | 3.14              | <b>3.14</b>   |
| Disposals / Adjustments           | (2.16)            | <b>(2.16)</b> |
| <b>As at March 31, 2025</b>       | <b>56.18</b>      | <b>56.18</b>  |
| <b>Accumulated Depreciation</b>   |                   |               |
| As at April 01, 2024              | 50.82             | <b>50.82</b>  |
| Charge for the period             | 1.50              | <b>1.50</b>   |
| Disposals                         | (0.38)            | <b>(0.38)</b> |
| <b>As at March 31, 2025</b>       | <b>51.94</b>      | <b>51.94</b>  |
| <b>Net Carrying Amount</b>        |                   |               |
| <b>As at March 31, 2025</b>       | <b>4.24</b>       | <b>4.24</b>   |
| <b>As at March 31, 2024</b>       | <b>4.38</b>       | <b>4.38</b>   |

| As at March 31, 2024 (₹ in Lakhs) |                   |               |
|-----------------------------------|-------------------|---------------|
| Particulars                       | Computer software | Total         |
| <b>Cost / Deemed Cost</b>         |                   |               |
| As at April 01, 2023              | 56.27             | <b>56.27</b>  |
| Additions                         | -                 | <b>-</b>      |
| Disposals / Adjustments           | (1.07)            | <b>(1.07)</b> |
| <b>As at March 31, 2024</b>       | <b>55.20</b>      | <b>55.20</b>  |
| <b>Accumulated Depreciation</b>   |                   |               |
| As at April 01, 2023              | 51.15             | <b>51.15</b>  |
| Charge for the period             | 0.70              | <b>0.70</b>   |
| Disposals                         | (1.03)            | <b>(1.03)</b> |
| <b>As at March 31, 2024</b>       | <b>50.82</b>      | <b>50.82</b>  |
| <b>Net Carrying Amount</b>        |                   |               |
| <b>As at March 31, 2024</b>       | <b>4.38</b>       | <b>4.38</b>   |
| As at March 31, 2023              | <b>5.12</b>       | <b>5.12</b>   |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 4. INVESTMENTS

(₹ in Lakhs)

| Particulars                                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-Current</b>                                                    |                         |                         |
| <b>Trade - Unquoted</b>                                               |                         |                         |
| <b>a) Equity instruments of subsidiaries (At cost):</b>               |                         |                         |
| KNR Agrotech & Beverages Private Limited                              | 1.00                    | 1.00                    |
| 10,000 (PY 10,000) equity shares of ₹ 10/- each, fully paid           |                         |                         |
| KNR Infrastructure Projects Private Limited                           | 1.00                    | 1.00                    |
| 10,000 (PY 10,000) equity shares of ₹ 10/- each, fully paid           |                         |                         |
| KNR Energy Limited                                                    | 5.00                    | 5.00                    |
| 50,000 (PY 50,000) equity shares of ₹ 10/- each, fully paid           |                         |                         |
| KNRC Holdings & Investments Private Limited                           | 1.00                    | 1.00                    |
| 10,000 (PY 10,000) equity shares of ₹ 10/- each, fully paid           |                         |                         |
| KNR Somwarpet Infraproject Private Limited (Refer note 4.1)           | 3,052.50                | 3,052.50                |
| 3,05,250 (PY 3,05,250) equity shares of ₹ 1,000/- each, fully paid    |                         |                         |
| KNR Palani Infra Private Limited (Refer note 4.2)                     | 4,023.00                | 4,023.00                |
| 4,02,300 (PY 4,02,300) equity shares of ₹ 1,000/- each, fully paid    |                         |                         |
| KNR Guruvayur Infra Private Limited (Refer note 4.3)                  | 10,457.50               | 10,457.50               |
| 10,45,750 (PY 10,45,750) equity shares of ₹ 1,000/- each, fully paid  |                         |                         |
| KNR Ramanattukara Infra Private Limited (Refer note 4.4)              | 11,250.00               | 11,250.00               |
| 11,25,000 (PY 11,25,000) equity shares of ₹ 1,000/- each, fully paid  |                         |                         |
| KNR Ramagiri Infra Private Limited (Refer note 4.5)                   | 4,807.50                | 4,807.50                |
| 4,80,750 (PY 4,80,750) equity shares of ₹ 1,000/- each, fully paid    |                         |                         |
| KNR Sriranganatha Infra Private Limited (Refer note 4.6)              | 10.00                   | 10.00                   |
| 1,000 (PY 1,000) equity shares of ₹ 1,000/- each, fully paid          |                         |                         |
| KNR Kaveri Infra Private Limited (Refer note 4.7)                     | 10.00                   | 10.00                   |
| 1,000 (PY 1,000) equity shares of ₹ 1,000/- each, fully paid          |                         |                         |
| KNR Ramatheertham Infra Private Limited (Refer note 4.8)              | 4,375.00                | 10.00                   |
| 4,37,500 (PY 1,000) equity shares of ₹ 1,000/- each, fully paid       |                         |                         |
| <b>Total</b>                                                          | <b>37,993.50</b>        | <b>33,628.50</b>        |
| <b>b) Equity instruments of associates (At Cost):</b>                 |                         |                         |
| Patel KNR Infrastructures Limited                                     | 1,152.88                | 1,480.00                |
| 1,15,28,839 (PY 1,48,00,000) equity shares of ₹ 10/- each, fully paid |                         |                         |
| Patel KNR Heavy Infrastructures Limited                               | 952.95                  | 952.95                  |
| 95,29,500 (PY 95,29,500) equity shares of ₹ 10/- each, fully paid     |                         |                         |
| <b>Total Un quoted Investments in Associates</b>                      | <b>2,105.83</b>         | <b>2,432.95</b>         |
| Less : Impairment Made                                                | (1,086.64)              | (1,086.64)              |
| <b>Net Un quoted Investments in Associates</b>                        | <b>1,019.19</b>         | <b>1,346.31</b>         |
| <b>Total equity Investments (a+b)</b>                                 | <b>39,012.69</b>        | <b>34,974.81</b>        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 4. INVESTMENTS (CONTD.)

(₹ in Lakhs)

| Particulars                                                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>c) Other Investment In Subsidiaries &amp; Associates (Quasi Debt)</b>    |                         |                         |
| <b>Subsidiaries</b>                                                         |                         |                         |
| KNR Muzaffarpur Barauni Tollway Private Limited                             | -                       | 5,276.50                |
| KNR Agrotech & Beverages Private Limited                                    | 590.13                  | 590.13                  |
| KNR Energy Limited                                                          | 425.24                  | 425.24                  |
| KNRC Holdings and Investments Private Limited                               | 5,994.12                | 9,623.22                |
| KNR Somwarpet Infraproject Private Limited                                  | 9,272.89                | 8,189.00                |
| KNR Palani Infra Private Limited                                            | 2,417.21                | 2,417.21                |
| KNR Guruvayur Infra Private Limited                                         | 6,512.00                | 2,127.00                |
| KNR Ramanattukara Infra Private Limited                                     | 5,576.00                | 2,056.00                |
| KNR Ramagiri Infra Private Limited                                          | 3,329.00                | 434.00                  |
| <b>Associates</b>                                                           |                         |                         |
| Patel KNR Heavy Infrastructures Limited                                     | 1,793.69                | 1,793.69                |
| <b>Total Other Investment In Subsidiaries &amp; Associates (Quasi Debt)</b> | <b>35,910.28</b>        | <b>32,931.99</b>        |
| Less : Provision for impairment                                             |                         |                         |
| Impairment made for KNR Muzaffarpur Barauni Tollway Private Limited         | -                       | (3,229.08)              |
| Impairment made for KNRC Holdings and Investments Private Limited           | -                       | (2,220.92)              |
| <b>Total Impairment</b>                                                     | <b>-</b>                | <b>(5,450.00)</b>       |
| <b>Net Other Investment In Subsidiaries &amp; Associates (Quasi Debt)</b>   | <b>35,910.28</b>        | <b>27,481.99</b>        |
| <b>d) Other Investment In LLPs</b>                                          |                         |                         |
| Manjeri City Infrastructures and Developers LLP                             | 3,290.17                | 3,290.17                |
| Benedire Infrastructures and Developers LLP                                 | 405.00                  | 405.00                  |
| <b>Total</b>                                                                | <b>3,695.17</b>         | <b>3,695.17</b>         |
| <b>Total other investments (c+d)</b>                                        | <b>39,605.45</b>        | <b>31,177.16</b>        |
| <b>Total non-current investments (a+b+c+d)</b>                              | <b>78,618.14</b>        | <b>66,151.97</b>        |
| <b>Current</b>                                                              |                         |                         |
| <b>Trade - Unquoted - Held for Sale</b>                                     |                         |                         |
| <b>e) Equity instruments of Other Companies (At cost):</b>                  |                         |                         |
| KNR Muzaffarpur Barauni Tollway Private Limited (Refer note 4.9)            |                         |                         |
| 4,59,000 (PY 4,59,000) equity shares of ₹ 10/- each, fully paid             | 45.90                   | 45.90                   |
| <b>Total current investments (e)</b>                                        | <b>45.90</b>            | <b>45.90</b>            |
| <b>Total Investments (a+b+c+d+e)</b>                                        | <b>78,664.04</b>        | <b>66,197.87</b>        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 4. INVESTMENTS (CONTD.)

(₹ in Lakhs)

| Particulars                                                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Total Investments</b>                                                             |                         |                         |
| i) Aggregate amount of Unquoted equity investments in Subsidiaries - Non Current (a) | 37,993.50               | 33,628.50               |
| ii) Aggregate amount of Unquoted equity investments in Associates - Non Current (b)  | 2,105.83                | 2,432.95                |
| iii) Aggregate amount of impairment in value of investments - Non Current (b)        | (1,086.64)              | (1,086.64)              |
| iv) Aggregate amount of amortised cost of unquoted investments - Non Current (c)     | 35,910.28               | 32,931.99               |
| v) Aggregate amount of impairment in value of investments - Non Current (c)          | -                       | (5,450.00)              |
| vi) Aggregate amount of unquoted investments in LLP - Non Current (d)                | 3,695.17                | 3,695.17                |
| vii) Aggregate amount of Unquoted equity investments held for sale - Current (e)     | 45.90                   | 45.90                   |
|                                                                                      | <b>78,664.04</b>        | <b>66,197.87</b>        |

- 4.1** 91,575 Shares (P.Y. 1,55,678) equity share have been pledged and 64,103 shares (P.Y. Nil) are given under non disposable undertaking with Catalyst Trusteeship Limited for the term loan availed by KNR Somwarpet Infra Project Private Limited
- 4.2** 2,05,173 Shares (P.Y. 2,05,173) equity share have been pledged with Axis Trustee services Limited for the term loan availed by KNR Palani Infra Private Limited
- 4.3** 5,33,333 Shares (P.Y. 5,33,333) equity share have been pledged with SBI Cap Trustee services Limited for the term loan availed by KNR Guruvayur Infra Private Limited
- 4.4** 5,73,750 Shares (P.Y. 5,73,750) equity share have been pledged and 5,50,762 shares (P.Y. 5,50,762 shares) are given under non disposable undertaking with Catalyst Trustee services Limited for the term loan availed by KNR Ramanattukara Infra Private Limited
- 4.5** 2,45,183 Shares (P.Y. 2,45,183) equity share have been pledged and 2,35,077 shares (P.Y. 2,35,077 shares) are given under non disposable undertaking with Axis Trustee services Limited for the term loan availed by KNR Ramagiri Infra Private Limited
- 4.6** 510 Shares (P.Y. 510) equity share have been pledged with Axis Trustee services Limited for the term loan availed by KNR Sriranganatha Infra Private Limited
- 4.7** 510 Shares (P.Y. 510) equity share have been pledged with Catalyst Trustee services Limited for the term loan availed by KNR Kaveri Infra Private Limited
- 4.8** 510 Shares (P.Y. 510) equity share have been pledged with SBI Cap Trustee services Limited for the term loan availed by KNR Ramatheertham Infra Private Limited
- 4.9** Nil Shares (P.Y. 1,44,000) equity share have been pledged with Punjab National Bank for the term loan availed by KNR Muzaffarpur Barauni Tollway Private Limited

### 5. TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                                       |                         |                         |
| <b>Unsecured, considered good</b>                        |                         |                         |
| Trade Receivables (Arbitration Award Claims from JV's)   | 806.00                  | 1,851.50                |
| Trade Receivables (Arbitration Award Claims from Others) | 2,320.35                | 2,320.50                |
| <b>Total Non-Current Trade Receivables</b>               | <b>3,126.35</b>         | <b>4,172.00</b>         |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 5. TRADE RECEIVABLES (CONTD.)

(₹ in Lakhs)

| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------|-------------------------|-------------------------|
| <b>Current</b>                                        |                         |                         |
| <b>Unsecured, considered good</b>                     |                         |                         |
| Trade Receivables from Related Party (Refer note: 45) | 34,287.75               | 71,737.71               |
| Trade Receivables from others                         | 90,913.31               | 64,683.82               |
| Less: Allowance for expected credit loss              | (705.21)                | -                       |
| <b>Unsecured, considered doubtful</b>                 |                         |                         |
| Trade Receivables                                     | 18.15                   | 1,226.96                |
| Less: Provision for doubtful Trade Receivables        | (18.15)                 | (1,226.96)              |
| <b>Total Current Trade Receivables</b>                | <b>1,24,495.85</b>      | <b>1,36,421.53</b>      |
| <b>Total</b>                                          | <b>1,27,622.20</b>      | <b>1,40,593.53</b>      |

## 5.1 Ageing Trade Receivables

(₹ in Lakhs)

| Particulars                                                                   | Less than<br>6 months | 6 months<br>to 1 year | 1-2 years        | 2-3 years       | More than<br>3 years | Total              |
|-------------------------------------------------------------------------------|-----------------------|-----------------------|------------------|-----------------|----------------------|--------------------|
| <b>As on March 31, 2025</b>                                                   |                       |                       |                  |                 |                      |                    |
| Undisputed Trade Receivables - Considered Good                                | 65,907.62             | 5.01                  | 60,940.99        | 1,307.79        | 166.00               | 1,28,327.41        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -                     | -                     | -                | -               | 18.15                | 18.15              |
| Undisputed Trade Receivables – credit impaired                                | -                     | -                     | -                | -               | (18.15)              | (18.15)            |
| Disputed Trade receivables - Considered good                                  | -                     | -                     | -                | -               | -                    | -                  |
| Disputed Trade Receivables – which have significant increase in credit risk   | -                     | -                     | -                | -               | -                    | -                  |
| Disputed Trade Receivables – credit impaired                                  | -                     | -                     | -                | -               | -                    | -                  |
| Less: Allowance for expected credit loss                                      | 51.64                 | 0.02                  | 578.15           | 65.39           | 10.01                | 705.21             |
| <b>Total</b>                                                                  | <b>65,855.98</b>      | <b>4.99</b>           | <b>60,362.84</b> | <b>1,242.40</b> | <b>155.99</b>        | <b>1,27,622.20</b> |
| <b>As on March 31, 2024</b>                                                   |                       |                       |                  |                 |                      |                    |
| Undisputed Trade Receivables - Considered Good                                | 1,27,925.43           | 5,867.68              | 1,730.01         | 59.30           | 5,011.11             | 1,40,593.53        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -                     | -                     | 720.75           | 312.21          | 194.00               | 1,226.96           |
| Undisputed Trade Receivables – credit impaired                                | -                     | -                     | (720.75)         | (312.21)        | (194.00)             | (1,226.96)         |
| Disputed Trade receivables - Considered good                                  | -                     | -                     | -                | -               | -                    | -                  |
| Disputed Trade Receivables – which have significant increase in credit risk   | -                     | -                     | -                | -               | -                    | -                  |
| Disputed Trade Receivables – credit impaired                                  | -                     | -                     | -                | -               | -                    | -                  |
| <b>Total</b>                                                                  | <b>1,27,925.43</b>    | <b>5,867.68</b>       | <b>1,730.01</b>  | <b>59.30</b>    | <b>5,011.11</b>      | <b>1,40,593.53</b> |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 6. LOANS

(₹ in Lakhs)

| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                                     |                         |                         |
| Unsecured, considered good:                            |                         |                         |
| Loans to related parties (Refer note : 6.1, 6.2 & 45 ) |                         |                         |
| - Subsidiaries                                         | 367.04                  | 347.42                  |
| <b>Total Non-Current Loans</b>                         | <b>367.04</b>           | <b>347.42</b>           |
| <b>Current</b>                                         |                         |                         |
| <b>Unsecured, considered good:</b>                     |                         |                         |
| Loans to                                               |                         |                         |
| - Joint Venture Partners                               | 158.62                  | 184.46                  |
| <b>Total Current Loans</b>                             | <b>158.62</b>           | <b>184.46</b>           |
| <b>Total</b>                                           | <b>525.66</b>           | <b>531.88</b>           |

6.1 - Loans due by subsidiaries have common directors.

- Intercompany loans to related parties carried at fair value (Amortised cost) as per Ind AS

6.2 - All the above loans are interest bearing

### 7. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

| Particulars                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                              |                         |                         |
| <b>Unsecured, considered good:</b>              |                         |                         |
| Retention deposits & With Held                  | -                       | 46.13                   |
| Advances to Sub-contractors                     | -                       | 28.82                   |
| <b>Total Non-Current Other Financial Assets</b> | <b>-</b>                | <b>74.95</b>            |
| <b>Current</b>                                  |                         |                         |
| <b>Unsecured, considered good:</b>              |                         |                         |
| Advances to related parties (Refer note: 45)    | 6,180.15                | 5,739.19                |
| Retention Deposits & Withheld                   | 34,608.30               | 24,208.99               |
| Unbilled Revenue / Contract Asset               | 96,880.01               | 49,758.71               |
| Interest receivable                             | 35.63                   | 49.92                   |
| Security Deposits                               | 3,297.41                | 1,628.78                |
| Other Receivables                               | 1,675.52                | 2,259.64                |
| Receivable from Others                          | 1,402.37                | 1,408.13                |
| <b>Unsecured, considered doubtful:</b>          |                         |                         |
| Receivable from Others                          | 1,405.28                | 3,406.07                |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 7. OTHER FINANCIAL ASSETS (CONTD.)

(₹ in Lakhs)

| Particulars                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Less: Provision for doubtful Receivable                 | (1,405.28)              | -                       |
| Security Deposits                                       | 85.82                   | 85.82                   |
| Less: Provision for doubtful Security Deposits          | (85.82)                 | (85.82)                 |
| Other Receivables                                       | 10.54                   | 201.20                  |
| Less: Provision for doubtful Others                     | (10.54)                 | (201.20)                |
| Retention Deposits                                      | 14.91                   | 14.91                   |
| Less: Provision for Retention Deposits                  | (14.91)                 | (14.91)                 |
| Advances to related parties                             | -                       | 3,279.76                |
| Less: Provision for doubtful advances - related parties | -                       | (3,279.76)              |
| <b>Total Current Other Financial Assets</b>             | <b>1,44,079.39</b>      | <b>88,459.43</b>        |
| <b>Total</b>                                            | <b>1,44,079.39</b>      | <b>88,534.38</b>        |

## 8. DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

| Particulars            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------|-------------------------|-------------------------|
| Deferred tax assets    | 12,757.75               | 13,404.98               |
| MAT credit entitlement | -                       | 269.53                  |
| <b>Total</b>           | <b>12,757.75</b>        | <b>13,674.51</b>        |

8.1 Components of deferred income tax assets and liabilities arising on account of temporary differences are:

(₹ in Lakhs)

| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>Deferred tax asset</b>                              |                         |                         |
| Expenditure disallowed under Income Tax Act, 1961      | 327.12                  | 300.84                  |
| Provision for doubtful advances and receivables        | 918.65                  | 1,457.56                |
| Deferred tax on fair value of investment of properties | 2,119.31                | 1,967.87                |
| Property, plant and equipment                          | 9,292.68                | 9,678.71                |
| MAT credit entitlement                                 | -                       | 269.53                  |
|                                                        | <b>12,657.76</b>        | <b>13,674.51</b>        |
| <b>Deferred tax liability</b>                          |                         |                         |
| On OCI (Gratuity)                                      | 99.99                   | -                       |
|                                                        | <b>99.99</b>            | <b>-</b>                |
| <b>Total</b>                                           | <b>12,757.75</b>        | <b>13,674.51</b>        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 9. TAX ASSETS (NET)

(₹ in Lakhs)

| Particulars                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                 |                         |                         |
| Advance Tax                        | 3,079.65                | 2,425.61                |
| <b>Total Non-current Tax Asset</b> | <b>3,079.65</b>         | <b>2,425.61</b>         |

### 10. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

| Particulars                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Un-secured Considered good</b>      |                         |                         |
| Capital advances                       | 149.46                  | 186.10                  |
| Security Deposits                      | 1,877.34                | 1,643.35                |
| Dues from Statutory authorities        | 9,405.43                | 5,302.02                |
| <b>Unsecured, considered doubtful:</b> |                         |                         |
| Capital advances                       | 9.71                    | 9.71                    |
| Less: Provision for bad debts          | (9.71)                  | (9.71)                  |
| <b>Total</b>                           | <b>11,432.23</b>        | <b>7,131.47</b>         |

### 11. INVENTORIES

(₹ in Lakhs)

| Particulars       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------|-------------------------|-------------------------|
| Raw materials     | 8,740.70                | 9,748.10                |
| Goods-in transit  | -                       | 369.07                  |
|                   | <b>8,740.70</b>         | <b>10,117.17</b>        |
| Stores and spares | 7,285.32                | 11,573.69               |
| Goods-in transit  | -                       | 381.20                  |
|                   | <b>7,285.32</b>         | <b>11,954.89</b>        |
| <b>Total</b>      | <b>16,026.02</b>        | <b>22,072.06</b>        |

11.1 The above inventories are valued at weighted average cost or net realisable value whichever is less.

### 12. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------|-------------------------|-------------------------|
| Balances with banks: |                         |                         |
| In current accounts  | 8,094.92                | 21,159.14               |
| Cheques on hand      | -                       | 460.03                  |
| Cash on hand         | 21.74                   | 33.47                   |
| <b>Total</b>         | <b>8,116.66</b>         | <b>21,652.64</b>        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 13. OTHER BANK BALANCES

(₹ in Lakhs)

| Particulars                                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------|-------------------------|-------------------------|
| Margin Money & Other Deposits (Refer Note: 13.1) | 6,238.16                | 1,801.17                |
| Un-claimed Dividend                              | 6.00                    | 6.63                    |
| <b>Total</b>                                     | <b>6,244.16</b>         | <b>1,807.80</b>         |

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

## 14. OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------|-------------------------|-------------------------|
| <b>Un-secured Considered good</b>                   |                         |                         |
| Advances to Sub-contractors                         | 13,038.26               | 10,953.23               |
| Advances to Suppliers (Other than capital advances) | 3,824.69                | 2,291.23                |
| Staff Imprest & Salary Advances                     | 469.48                  | 389.45                  |
| Prepaid expenses                                    | 622.66                  | 653.09                  |
| Receivables from Others                             | 1,540.75                | 956.08                  |
| <b>Considered doubtful</b>                          |                         |                         |
| Advances to Sub-contractors                         | 59.11                   | 59.11                   |
| Provision for Advance to Sub Contractors            | (59.11)                 | (59.11)                 |
| <b>Total</b>                                        | <b>19,495.84</b>        | <b>15,243.08</b>        |

## 15. EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Particulars                                              | As at March 31, 2025 |                 | As at March 31, 2024 |                 |
|----------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                          | No. of Shares        | Amount          | No. of Shares        | Amount          |
| <b>Authorised Share capital</b>                          |                      |                 |                      |                 |
| Equity Shares of ₹ 2/- each                              | 30,00,00,000         | 6,000.00        | 30,00,00,000         | 6,000.00        |
| <b>Issued, subscribed &amp; fully paid share capital</b> |                      |                 |                      |                 |
| Equity Shares of ₹ 2/- each                              | 28,12,34,600         | 5,624.70        | 28,12,34,600         | 5,624.70        |
| <b>Total</b>                                             | <b>28,12,34,600</b>  | <b>5,624.70</b> | <b>28,12,34,600</b>  | <b>5,624.70</b> |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 15.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year is set out below

(₹ in Lakhs)

| Particulars                                          | As at March 31, 2025 |                 | As at March 31, 2024 |                 |
|------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                      | No. of Shares        | Amount          | No. of Shares        | Amount          |
| Number of Equity Shares at the beginning of the year | 28,12,34,600         | 5,624.70        | 28,12,34,600         | 5,624.70        |
| Add: Number of Shares Issued                         | -                    | -               | -                    | -               |
| Less: Number of Shares Bought Back                   | -                    | -               | -                    | -               |
| Number of Equity Shares at the end of the year       | <b>28,12,34,600</b>  | <b>5,624.70</b> | <b>28,12,34,600</b>  | <b>5,624.70</b> |

#### Terms/ Rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- . Each holder of equity shares is entitled to one vote per share.

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

The Board of Directors has proposed in their meeting held on May 29, 2025 dividend of ₹ 0.25/- per fully paid equity share of ₹ 2/- each.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 15.2 The details of shareholder holding more than 5% shares as at March 31, 2025 and March 31, 2024:

(₹ in Lakhs)

| Name of the shareholder        | As at March 31, 2025 |        | As at March 31, 2024 |        |
|--------------------------------|----------------------|--------|----------------------|--------|
|                                | No. of Shares        | Amount | No. of Shares        | Amount |
| Kamidi Narsimha Reddy          | 8,54,84,926          | 30.40  | 9,14,20,000          | 32.51  |
| Kamidi Jalandhar Reddy         | 3,72,59,210          | 13.25  | 3,77,59,210          | 13.43  |
| HDFC Midcap opportunities fund | 2,30,52,174          | 8.20   | 2,39,41,391          | 8.51   |

### 15.3 For the period of five years immediately preceding reporting period

- Shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash. - Nil
- Aggregate Number and class of shares allotted as fully paid up by way of bonus shares.

| Particulars                  | No. of shares | ₹ In Lakhs |
|------------------------------|---------------|------------|
| Equity share of ₹ 2/- each * | 14,06,17,300  | 2,812.35   |

- Shares which were bought back in any of the years. - Nil
- Calls unpaid by any director or officer of the Company during the year. - Nil

\* During the 2020-21 the Company has issued Bonus Shares in the ratio of 1:1 on February 05, 2021.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 15.4 Shareholding of Promoters / Promoter group:

(₹ in Lakhs)

| Promoter / Promoter group Name | As at March 31, 2025 |                   |                          | As at March 31, 2024 |                   |                          |
|--------------------------------|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
|                                | No. of Shares        | % of Total Shares | % Change during the year | No. of Shares        | % of Total Shares | % Change during the year |
| Kamidi Narsimha Reddy          | 8,54,84,926          | 30.40%            | (6.49%)                  | 9,14,20,000          | 32.51%            | 1.11%                    |
| Kamidi Jalandhar Reddy         | 3,72,59,210          | 13.25%            | (1.32%)                  | 3,77,59,210          | 13.43%            | 0.00%                    |
| Kamidi Yashoda                 | 80,15,010            | 2.85%             | -                        | 80,15,010            | 2.85%             | 0.00%                    |
| Mereddy Rajesh Reddy           | 65,00,000            | 2.31%             | -                        | 65,00,000            | 2.31%             | (13.33%)                 |

## 16. OTHER EQUITY

(₹ in Lakhs)

| Particulars                                    | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------------------|----------------------|----------------------|
| a) Securities premium reserve                  | 9,786.96             | 9,786.96             |
| b) General reserve                             | 2,849.00             | 2,849.00             |
| c) Surplus in the statement of profit and loss |                      |                      |
| Balance at the beginning of the period         | 3,04,012.26          | 2,55,332.23          |
| Add: Profit/(Loss) for the period              | 72,568.08            | 49,383.12            |
| Less: Dividend paid                            | (703.09)             | (703.09)             |
|                                                | <b>3,75,877.25</b>   | <b>3,04,012.26</b>   |
| d) Other Comprehensive Income - Gratuity       | 361.76               | 292.99               |
| <b>Total (a+b+c+d)</b>                         | <b>3,88,874.97</b>   | <b>3,16,941.21</b>   |

## 17. BORROWINGS

(₹ in Lakhs)

| Particulars                                                                 | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------------------------------------------------|----------------------|----------------------|
| <b>Non-current</b>                                                          | -                    | -                    |
| <b>Total non-current borrowings</b>                                         | -                    | -                    |
| <b>Current</b>                                                              |                      |                      |
| Loans repayable on Demand Secured loans From banks (Refer note 17.1 & 17.2) |                      |                      |
| Working capital demand loans                                                | -                    | -                    |
| Cash credits                                                                | -                    | -                    |
| <b>Total current borrowings</b>                                             | -                    | -                    |
| <b>Total</b>                                                                | -                    | -                    |

## Terms of Security

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

- Hypothecation of all chargeable current assets on pari passu basis with other participating banks
- First pari passu charge on equitable mortgage of certain land & buildings
- Hypothecation of certain movable fixed assets of the Company, which are not encumbered/charged to the term lenders
- First pari passu charge on fixed deposit of ₹ 3,303.00 Lakhs made with SBI
- Personal guarantee of Director

## Notes Forming Part of the Standalone Financial Statements (Contd.)

**17.2** The interest rate for working capital demand loan and cash credit facilities varies from 8.15% to 10.10% per annum

**17.3** The quarterly returns of current assets filed by the Company with banks are in agreement with the books of account

### 17.4 Un-secured Loans

The Company availed un-secured loan from directors, which are repayable on demand and carries interest at SBI 1 year MCLR and the interest rate will be changed according to the changes in SBI MCLR from time to time.

## 18. OTHER FINANCIAL LIABILITIES

| (₹ in Lakhs)                                                    |                         |                         |
|-----------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Current</b>                                                  |                         |                         |
| Interest accrued but not due other than Mobilisation Advance    | -                       | 0.61                    |
| Interest accrued but not due on Mobilisation Advance            | 1,050.39                | 954.52                  |
| Advance Received From Clients - Related Parties (Refer note:45) | -                       | 10.24                   |
| Unclaimed dividend                                              | 6.08                    | 6.71                    |
| Retention Deposits and with held                                | 14,670.07               | 13,733.41               |
| Security Deposits                                               | 221.93                  | 660.98                  |
| Unearned Revenue / Contract Liability                           | 9,870.63                | 33,185.66               |
| Outstanding Expenses                                            | 1,703.82                | 2,811.71                |
| <b>Total current other financial liabilities</b>                | <b>27,522.92</b>        | <b>51,363.84</b>        |
| <b>Total</b>                                                    | <b>27,522.92</b>        | <b>51,363.84</b>        |

**18.1** During the year, an un-paid dividend amount of ₹ 64,401/- for relating to 2016-17 has been transferred to Investor Education and Protection Fund. The balance un-paid dividend is not due for transfer to the Investor Education and Protection Fund as at Balance Sheet date.

## 19. TRADE PAYABLES

| (₹ in Lakhs)                                           |                         |                         |
|--------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Current</b>                                         |                         |                         |
| Trade payables (refer note 19.1)                       |                         |                         |
| Dues to Micro & Small Enterprises (Refer note 19.2)    | 164.29                  | 140.00                  |
| Dues to creditors other than Micro & Small Enterprises | 18,027.12               | 16,432.11               |
| Bills Payable (Sub-contractors/Labour/Service)         | 12,603.79               | 10,816.61               |
| <b>Total current trade payables</b>                    | <b>30,795.20</b>        | <b>27,388.72</b>        |
| <b>Total</b>                                           | <b>30,795.20</b>        | <b>27,388.72</b>        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 19.1 Ageing for trade payables from the due date of payment

(₹ in Lakhs)

| Particulars                                                                     | Less than one year | 1-2 years       | 2-3 years       | More than 3 years | Total            |
|---------------------------------------------------------------------------------|--------------------|-----------------|-----------------|-------------------|------------------|
| <b>As on March 31, 2025</b>                                                     |                    |                 |                 |                   |                  |
| Undisputed dues of micro enterprises and small enterprises                      | 164.29             | -               | -               | -                 | 164.29           |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 24,938.29          | 974.31          | 1,098.19        | 3,620.12          | 30,630.91        |
| Disputed dues of micro enterprises and small enterprises                        | -                  | -               | -               | -                 | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises   | -                  | -               | -               | -                 | -                |
| <b>Total</b>                                                                    | <b>25,102.58</b>   | <b>974.31</b>   | <b>1,098.19</b> | <b>3,620.12</b>   | <b>30,795.20</b> |
| <b>As on March 31, 2024</b>                                                     |                    |                 |                 |                   |                  |
| Undisputed dues of micro enterprises and small enterprises                      | 140.00             | -               | -               | -                 | 140.00           |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 21,780.65          | 1,424.43        | 323.18          | 3,720.46          | 27,248.72        |
| Disputed dues of micro enterprises and small enterprises                        | -                  | -               | -               | -                 | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises   | -                  | -               | -               | -                 | -                |
| <b>Total</b>                                                                    | <b>21,920.65</b>   | <b>1,424.43</b> | <b>323.18</b>   | <b>3,720.46</b>   | <b>27,388.72</b> |

**19.2** Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the Company and the required disclosures are given below:

|    |                                                                                                                                                                                                                                         |        |        |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|
| a) | Principal amount remaining unpaid                                                                                                                                                                                                       | 164.29 | 140.00 |
| b) | Interest due thereon                                                                                                                                                                                                                    | -      | -      |
| c) | Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year                    | -      | -      |
| d) | Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | -      | -      |
| e) | Interest accrued and remaining unpaid at the end of accounting year                                                                                                                                                                     | -      | 0.92   |
| f) | Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises                                                                     | -      | -      |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 20. PROVISIONS

(₹ in Lakhs)

| Particulars                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                   |                         |                         |
| Provision for employee benefits      |                         |                         |
| - Gratuity (Refer note: 40)          | 681.90                  | 663.23                  |
| <b>Total non -current provisions</b> | <b>681.90</b>           | <b>663.23</b>           |
| <b>Current</b>                       |                         |                         |
| Provision for expenses               | 1,341.43                | 608.47                  |
| Provision for employee benefits      |                         |                         |
| - Gratuity (Refer note: 40)          | 154.12                  | 191.20                  |
| <b>Total current provisions</b>      | <b>1,495.55</b>         | <b>799.67</b>           |
| <b>Total</b>                         | <b>2,177.45</b>         | <b>1,462.90</b>         |

### 21. OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------|-------------------------|-------------------------|
| Advance received from clients | -                       | 808.62                  |
| Security Deposits             | 262.98                  | 262.98                  |
| <b>Total</b>                  | <b>262.98</b>           | <b>1,071.60</b>         |

### 22. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars                                                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Mobilisation Advance/ Advance received from clients - Related Parties (Refer note:45) | 5,972.32                | 10,301.69               |
| Mobilisation Advance received from clients - Others                                   | -                       | 72.85                   |
| Security deposits                                                                     | 826.23                  | 1,035.58                |
| Dues to statutory authorities                                                         | 1,942.50                | 7,291.57                |
| Others                                                                                | 140.26                  | 183.96                  |
| <b>Total</b>                                                                          | <b>8,881.31</b>         | <b>18,885.65</b>        |

### 23. CURRENT TAX LIABILITY (NET)

(₹ in Lakhs)

| Particulars              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------|-------------------------|-------------------------|
| <b>Current</b>           |                         |                         |
| Provision for Income Tax | 22,257.23               | 20,408.61               |
| Less: Advance tax paid   | (21,705.81)             | (19,794.16)             |
| <b>Total</b>             | <b>551.42</b>           | <b>614.45</b>           |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 24 REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars            | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|------------------------|------------------------------|------------------------------|
| Income from Contracts  | 3,17,628.78                  | 3,97,061.50                  |
| Other Operating Income | 18,236.15                    | 12,036.34                    |
| <b>Total</b>           | <b>3,35,864.93</b>           | <b>4,09,097.84</b>           |

## 25 OTHER INCOME

(₹ in Lakhs)

| Particulars                                           | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-------------------------------------------------------|------------------------------|------------------------------|
| Interest Income                                       | 29,184.06                    | 11,213.68                    |
| Un winding interest on fair value of Financial Assets | 395.61                       | 539.09                       |
| Interest on Income tax refunds                        | -                            | 8.35                         |
| Dividend Income from Associates                       | 1,448.92                     | -                            |
| <b>Other non-operating income</b>                     |                              |                              |
| Profit on Sale of Asset                               | 365.26                       | 381.72                       |
| Discount received from suppliers                      | 1,494.10                     | 814.15                       |
| Liabilities no longer required written back           | 237.36                       | 515.08                       |
| Insurance claim received                              | 167.85                       | 89.36                        |
| Profit on Sale of Mutual Funds                        | 259.02                       | 90.37                        |
| Provision for Doubtful advances/debtors Written back  | 4,679.23                     | -                            |
| Provision for Impairment on Investments written back  | 5,450.00                     | -                            |
| Miscellaneous Income                                  | 1,484.16                     | 565.10                       |
| <b>Total</b>                                          | <b>45,165.57</b>             | <b>14,216.90</b>             |

## 26 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars                             | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-----------------------------------------|------------------------------|------------------------------|
| Construction Materials, Stores & Spares |                              |                              |
| Opening Stock                           | 22,072.06                    | 23,407.34                    |
| Add: Net Purchases                      | 1,40,597.90                  | 1,64,680.03                  |
|                                         | <b>1,62,669.96</b>           | <b>1,88,087.37</b>           |
| Less: Closing Stock                     | 16,026.02                    | 22,072.06                    |
| <b>Total Consumption</b>                | <b>1,46,643.94</b>           | <b>1,66,015.31</b>           |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 27 CONSTRUCTION EXPENSES

| (₹ in Lakhs)                  |                              |                              |
|-------------------------------|------------------------------|------------------------------|
| Particulars                   | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Sub-contract Expenses         | 11,272.51                    | 19,242.80                    |
| Spreading & Assortment Exp.   | 66,119.48                    | 89,693.74                    |
| Power and Fuel                | 1,268.53                     | 1,412.54                     |
| Seigniorage charges / Royalty | 4,201.24                     | 4,150.57                     |
| Transport Charges             | 7,965.68                     | 8,547.75                     |
| Hire Charges                  | 2,427.62                     | 2,311.22                     |
| Watch & Ward                  | 479.01                       | 770.99                       |
| Other Recoveries by Clients   | 251.15                       | 1,303.86                     |
| Repairs to Others             | 508.83                       | 213.18                       |
| Repairs to Machinery          | 766.91                       | 547.07                       |
| Repairs to Vehicles           | 737.95                       | 1,108.17                     |
| Other Construction expenses   | 3,827.54                     | 7,468.54                     |
| <b>Total</b>                  | <b>99,826.45</b>             | <b>1,36,770.43</b>           |

### 28 EMPLOYEE BENEFITS EXPENSE

| (₹ in Lakhs)                              |                              |                              |
|-------------------------------------------|------------------------------|------------------------------|
| Particulars                               | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Salaries, Wages and Other Benefits        | 17,164.25                    | 16,838.29                    |
| Contribution to Provident and Other Funds | 333.55                       | 330.32                       |
| Staff welfare Expenses                    | 193.70                       | 186.16                       |
| <b>Total</b>                              | <b>17,691.50</b>             | <b>17,354.77</b>             |

Note: The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, has delivered a judgement in the case of Surya Roshani Limited and Others vs. EPFO wherein they have set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purpose of computation of Provident fund contribution, The Company is reviewing the impact of this decision of policies.

### 29 FINANCE COSTS

| (₹ in Lakhs)                                 |                              |                              |
|----------------------------------------------|------------------------------|------------------------------|
| Particulars                                  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| <b>Interest Expense on</b>                   |                              |                              |
| Working Capital Demand Loans and Cash Credit | 378.33                       | 363.22                       |
| Term Loans                                   | 50.94                        | 293.14                       |
| Loan from Directors                          | 47.19                        | -                            |
| Interest on Mobilisation Advance             | 106.53                       | 828.49                       |
| Un winding Interest on Lease liability       | 35.32                        | 43.60                        |
| Interest on Income Tax (Refer Note: 48)      | 94.42                        | 595.86                       |
| Others                                       | 18.47                        | 214.50                       |
|                                              | <b>731.20</b>                | <b>2,338.81</b>              |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 29 FINANCE COSTS (CONTD.)

(₹ in Lakhs)

| Particulars                             | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-----------------------------------------|------------------------------|------------------------------|
| <b>Other Borrowing Costs</b>            |                              |                              |
| Processing Charges                      | 148.06                       | 192.44                       |
| Bank Guarantee/Letter of Credit Charges | 281.61                       | 388.50                       |
| Bank and Other Financial Charges        | 134.48                       | 9.23                         |
| <b>Total</b>                            | <b>1,295.35</b>              | <b>2,928.98</b>              |

## 30 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

| Particulars                                      | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--------------------------------------------------|------------------------------|------------------------------|
| Depreciation & Amortisation                      | 8,709.92                     | 12,081.74                    |
| Depreciation & Amortisation - Right of use asset | 318.59                       | 368.51                       |
| <b>Total</b>                                     | <b>9,028.51</b>              | <b>12,450.25</b>             |

## 31 OTHER EXPENSES

(₹ in Lakhs)

| Particulars                                               | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-----------------------------------------------------------|------------------------------|------------------------------|
| Travelling & Conveyance                                   | 383.67                       | 383.19                       |
| Postage & Telegrams and Telephones                        | 58.58                        | 66.51                        |
| Business promotion expenses                               | 9.97                         | 15.10                        |
| Advertisement and publicity                               | 11.35                        | 5.90                         |
| Legal, Professional & Consultancy Charges                 | 1,629.80                     | 2,239.73                     |
| Insurance                                                 | 1,164.54                     | 1,204.13                     |
| Rates and taxes excluding taxes of Income                 | 922.96                       | 671.63                       |
| Auditor's Remuneration (including out of pocket Expenses) | 18.49                        | 18.48                        |
| Printing & Stationery                                     | 115.58                       | 141.66                       |
| Tender expenses                                           | 43.91                        | 40.40                        |
| Office maintenance                                        | 142.42                       | 153.96                       |
| Rent expenses                                             | 623.14                       | 616.74                       |
| Electricity charges                                       | 867.24                       | 871.15                       |
| Directors Sitting Fees                                    | 52.00                        | 51.50                        |
| Loss on sale of Assets                                    | 288.06                       | 101.57                       |
| Bad Debts / Advances Written Off                          | 757.40                       | 245.01                       |
| Provision for Doubtful Advances, Receivables and Deposits | -                            | 4,325.63                     |
| Donation                                                  | 331.14                       | 1,068.02                     |
| CSR expenses (Refer note 31.1)                            | 712.30                       | 879.90                       |
| Interest on Statutory dues                                | 9.06                         | 21.33                        |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 31 OTHER EXPENSES (CONTD.)

| (₹ in Lakhs)                                            |                              |                              |
|---------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                             | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Allowance for expected credit loss on Trade Receivables | 705.21                       | -                            |
| Provision for Impairment of Investments                 | -                            | 5,450.00                     |
| Miscellaneous expenses                                  | 261.72                       | 290.03                       |
| <b>Total</b>                                            | <b>9,108.54</b>              | <b>18,861.57</b>             |

**31.1** As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

A CSR committee has been formed by the Company as per the act. The funds were primarily allocated to the corpus and utilised through out the year on these activities in schedule VII of the Companies Act, 2013.

| (₹ in Lakhs)                                                                                                                                                                            |                                                                                                                                        |                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Particulars                                                                                                                                                                             | Year ended<br>March 31, 2025                                                                                                           | Year ended<br>March 31, 2024                                         |
| a) Amount required to be spent by the Company during the year                                                                                                                           | 1,324.21                                                                                                                               | 1,117.99                                                             |
| b) Amount of expenditure incurred                                                                                                                                                       | 712.30                                                                                                                                 | 879.90                                                               |
| c) Shortfall /(Excess) at the end of the year                                                                                                                                           | 611.91                                                                                                                                 | 238.09                                                               |
| d) Total of previous year's shortfall/(Excess)                                                                                                                                          | 1,046.79                                                                                                                               | 434.88                                                               |
| e) Reason for shortfall                                                                                                                                                                 | The shortfall is due to Ongoing Projects and the said amount is transferred to Un Spent account as per the provisions of Companies Act |                                                                      |
| f) Nature of CSR activities                                                                                                                                                             |                                                                                                                                        |                                                                      |
| 1. Construction / acquisition of any assets                                                                                                                                             | 307.92                                                                                                                                 | 125.14                                                               |
| 2. On Purposes other than (1) above                                                                                                                                                     | 404.38                                                                                                                                 | 754.76                                                               |
| g) Details of related party transactions                                                                                                                                                |                                                                                                                                        |                                                                      |
| h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | Since no provision is made for short fall the amount is shown as Nil                                                                   | Since no provision is made for short fall the amount is shown as Nil |

### 32 EXCEPTIONAL ITEMS

| (₹ in Lakhs)                                          |                              |                              |
|-------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                           | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Loss/(Profit) on Sale of Investments (Refer note: 52) | (565.26)                     | -                            |
| Provision/writtenoff for receivable from CUBE         | 2,066.47                     | -                            |
| <b>Total</b>                                          | <b>1,501.21</b>              | <b>-</b>                     |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 33 TAX EXPENSE

(₹ in Lakhs)

| Particulars                                               | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-----------------------------------------------------------|------------------------------|------------------------------|
| <b>A - Current Tax</b>                                    |                              |                              |
| Current tax on profits for the year                       | 22,158.58                    | 20,283.59                    |
| Adjustments in respect of prior years                     | 584.24                       | 801.95                       |
| <b>Sub-Total</b>                                          | <b>22,742.82</b>             | <b>21,085.54</b>             |
| <b>B - Deferred Tax</b>                                   |                              |                              |
| Deferred Tax Liability / (Asset) due to timing difference | 624.10                       | (1,535.23)                   |
| <b>Sub-Total</b>                                          | <b>624.10</b>                | <b>(1,535.23)</b>            |
| <b>Total</b>                                              | <b>23,366.92</b>             | <b>19,550.31</b>             |

## 33.1 Reconciliation of tax expenses to accounting profit

(₹ in Lakhs)

| Particulars                                                                   | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-------------------------------------------------------------------------------|------------------------------|------------------------------|
| Accounting profit before tax                                                  | 95,935.00                    | 68,933.43                    |
| Tax @ 34.944% (PY 34.944%)                                                    | <b>24,144.92</b>             | <b>17,349.17</b>             |
| <b>Adjustments</b>                                                            |                              |                              |
| Effect of income exempt from taxation                                         | (147.67)                     | 45.93                        |
| Effect of expenses that are not deductible in determining taxable profit      | (1,845.85)                   | 2,865.78                     |
| Others                                                                        | 7.18                         | -                            |
| Short term capital gain on Mutual funds and Long Term Capital gains on lands  | -                            | 22.71                        |
| Earlier year taxes                                                            | 584.24                       | 801.95                       |
| Deferred tax                                                                  | 624.10                       | (1,535.23)                   |
| <b>Tax Expenses recognised in the statement of profit and loss</b>            | <b>23,366.92</b>             | <b>19,550.31</b>             |
| <b>Income tax credit/(expense) recognised in Other Comprehensive Income :</b> |                              |                              |
| Tax effect on actuarial gains/losses on defined benefit obligations           | 23.13                        | 154.16                       |

\* The Government of India, vide Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019, introduced section 115 BAA in the Income Tax Act, 1961, providing domestic companies an irrevocable option to adopt reduced corporate tax rate, subject to certain conditions. The Company has decided to adopt reduced corporate tax rate from FY 2020-21.

## 34 OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

| Particulars                                           | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-------------------------------------------------------|------------------------------|------------------------------|
| Items that will not be reclassified to profit or loss |                              |                              |
| i) Actuarial Gains & (Losses) on plan benefits        | 91.90                        | 612.52                       |
| ii) Deferred Tax on above                             | (23.13)                      | (154.16)                     |
| <b>Total</b>                                          | <b>68.77</b>                 | <b>458.36</b>                |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 35 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company, the Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

The Company's adjusted net debt to equity ratio at March 31, 2025 and March 31, 2024 was as follows

(₹ in Lakhs)

|                                                   | March 31, 2025     | March 31, 2024     |
|---------------------------------------------------|--------------------|--------------------|
| Total debt                                        | -                  | -                  |
| Less: cash and cash equivalents                   | 14,360.82          | 23,460.44          |
| <b>Adjusted net debt</b>                          | <b>(14,360.82)</b> | <b>(23,460.44)</b> |
| Total equity                                      | 3,94,499.67        | 3,22,565.91        |
| <b>Adjusted equity</b>                            | <b>3,94,499.67</b> | <b>3,22,565.91</b> |
| <b>Adjusted net debt to adjusted equity ratio</b> | <b>(0.04)</b>      | <b>(0.07)</b>      |

Foot note : Total Debt includes Long term Borrowings (Including Current Maturities) and Interest Accrued thereon and Short term Borrowings. Cash and Cash equivalents includes other Bank Balances)

### 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

#### A. Accounting fair values classifications and measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at March 31, 2025

(₹ in Lakhs)

| Particulars                  | Carrying amount |                    |                       | Fair Value                                |                                         |                                           |                    |
|------------------------------|-----------------|--------------------|-----------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|--------------------|
|                              | FVTPL           | Amortised Cost     | Total carrying amount | Level 1 (Quoted prices in active markets) | Level 2 (Significant observable inputs) | Level 3 (Significant unobservable inputs) | Total              |
| <b>Financial assets</b>      |                 |                    |                       |                                           |                                         |                                           |                    |
| Investments in Associates    | -               | 39,012.69          | 39,012.69             | -                                         | -                                       | 39,012.69                                 | 39,012.69          |
| Other Investments            | -               | 39,605.45          | 39,605.45             | -                                         | -                                       | 39,605.45                                 | 39,605.45          |
| Trade receivables            | -               | 1,27,622.20        | 1,27,622.20           | -                                         | -                                       | 1,27,622.20                               | 1,27,622.20        |
| Cash and cash equivalents    | -               | 14,360.82          | 14,360.82             | -                                         | -                                       | -                                         | -                  |
| Loans                        | -               | 525.66             | 525.66                | -                                         | -                                       | 525.66                                    | 525.66             |
| Other financial assets       | -               | 1,44,079.39        | 1,44,079.39           | -                                         | -                                       | 1,44,079.39                               | 1,44,079.39        |
|                              | -               | <b>3,65,206.21</b> | <b>3,65,206.21</b>    | -                                         | -                                       | <b>3,65,206.21</b>                        | <b>3,65,206.21</b> |
| <b>Financial liabilities</b> |                 |                    |                       |                                           |                                         |                                           |                    |
| Secured Bank loans           | -               | -                  | -                     | -                                         | -                                       | -                                         | -                  |
| Trade payables               | -               | 30,795.20          | 30,795.20             | -                                         | -                                       | 30,795.20                                 | 30,795.20          |
| Lease Liability              | -               | 284.25             | 284.25                | -                                         | -                                       | 284.25                                    | 284.25             |
| Other financial liabilities  | -               | 27,522.92          | 27,522.92             | -                                         | -                                       | 27,522.92                                 | 27,522.92          |
|                              | -               | <b>58,602.37</b>   | <b>58,602.37</b>      | -                                         | -                                       | <b>58,602.37</b>                          | <b>58,602.37</b>   |

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

As at March 31, 2024

(₹ in Lakhs)

| Particulars                  | Carrying amount |                    |                       | Fair Value                                   |                                            |                                              |                    |
|------------------------------|-----------------|--------------------|-----------------------|----------------------------------------------|--------------------------------------------|----------------------------------------------|--------------------|
|                              | FVTPL           | Amortised Cost     | Total carrying amount | Level 1<br>(Quoted prices in active markets) | Level 2<br>(Significant observable inputs) | Level 3<br>(Significant unobservable inputs) | Total              |
| <b>Financial assets</b>      |                 |                    |                       |                                              |                                            |                                              |                    |
| Investments in Associates    | -               | 34,974.81          | 34,974.81             | -                                            | -                                          | 34,974.81                                    | 34,974.81          |
| Other Investments            | -               | 31,177.16          | 31,177.16             | -                                            | -                                          | 31,177.16                                    | 31,177.16          |
| Trade receivables            | -               | 1,40,593.53        | 1,40,593.53           | -                                            | -                                          | 1,40,593.53                                  | 1,40,593.53        |
| Cash and cash equivalents    | -               | 23,460.44          | 23,460.44             | -                                            | -                                          | -                                            | -                  |
| Loans                        | -               | 531.88             | 531.88                | -                                            | -                                          | 531.88                                       | 531.88             |
| Other financials assets      | -               | 88,534.38          | 88,534.38             | -                                            | -                                          | 88,534.38                                    | 88,534.38          |
|                              | -               | <b>3,19,272.20</b> | <b>3,19,272.20</b>    | -                                            | -                                          | <b>2,95,811.76</b>                           | <b>2,95,811.76</b> |
| <b>Financial liabilities</b> |                 |                    |                       |                                              |                                            |                                              |                    |
| Secured Bank loans           | -               | -                  | -                     | -                                            | -                                          | -                                            | -                  |
| Trade payables               | -               | 27,388.72          | 27,388.72             | -                                            | -                                          | 27,388.72                                    | 27,388.72          |
| Lease Liability              | -               | 421.65             | 421.65                | -                                            | -                                          | 421.65                                       | 421.65             |
| Other financial liabilities  | -               | 51,363.84          | 51,363.84             | -                                            | -                                          | 51,363.84                                    | 51,363.84          |
|                              | -               | <b>79,174.21</b>   | <b>79,174.21</b>      | -                                            | -                                          | <b>79,174.21</b>                             | <b>79,174.21</b>   |

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

The Company's focus is to estimate a vulnerability of financial risk and to address the issue to minimise the potential adverse effects of its financial performance.

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk on trade receivables is limited as the customers of the Company mainly consists of the Government promoted entities having a strong credit worthiness. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms are with a credit period ranging from 45 to 90 days and retention money to be released at the end of the project. However, in some cases retention money can be released by substituting with bank guarantees. The Company has a detailed review mechanism for review of overdue receivables at various levels to ensure realisation of the such receivables.

The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

| (₹ in Lakhs)                                                     |                |                |
|------------------------------------------------------------------|----------------|----------------|
| Particulars                                                      | March 31, 2025 | March 31, 2024 |
| <b>Opening Balance</b>                                           | -              | -              |
| Changes in loss allowance for expected credit loss:              |                |                |
| - Provision/(reversal) of allowance for expected credit loss     | 705.21         | -              |
| - Additional provision (net) towards credit impaired receivables | -              | -              |
| - Write off as bad debts                                         | -              | -              |
| <b>Closing Balance</b>                                           | <b>705.21</b>  | -              |

#### b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

#### As at March 31, 2025

| (₹ in Lakhs)                                |                        |                  |                 |                   |                  |
|---------------------------------------------|------------------------|------------------|-----------------|-------------------|------------------|
| Particulars                                 | Contractual Cash flows |                  |                 |                   | Total            |
|                                             | Carrying Amount        | Upto 1 year      | 1 to 3 Years    | More than 3 years |                  |
| <b>Non-derivative financial liabilities</b> |                        |                  |                 |                   |                  |
| Secured Bank loans                          | -                      | -                | -               | -                 | -                |
| Trade payables                              | 30,795.20              | 25,102.58        | 2,072.50        | 3,620.12          | 30,795.20        |
| Lease Liability                             | 284.25                 | 188.25           | 45.05           | 50.95             | 284.25           |
| Other financial liabilities                 | 27,522.92              | 12,624.84        | 7,563.05        | 7,335.04          | 27,522.92        |
|                                             | <b>58,602.37</b>       | <b>37,915.67</b> | <b>9,680.60</b> | <b>11,006.10</b>  | <b>58,602.37</b> |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

**36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)**

As at March 31, 2024

(₹ in Lakhs)

| Particulars                                 | Contractual Cash flows |                  |                  |                   | Total            |
|---------------------------------------------|------------------------|------------------|------------------|-------------------|------------------|
|                                             | Carrying Amount        | Upto 1 year      | 1 to 3 Years     | More than 3 years |                  |
| <b>Non-derivative financial liabilities</b> |                        |                  |                  |                   |                  |
| Secured Bank loans                          | -                      | -                | -                | -                 | -                |
| Trade payables                              | 27,388.72              | 21,920.65        | 1,747.61         | 3,720.46          | 27,388.72        |
| Lease Liability                             | 421.65                 | 268.21           | 153.44           | -                 | 421.65           |
| Other financial liabilities                 | 51,363.84              | 15,409.15        | 28,250.11        | 7,704.58          | 51,363.84        |
|                                             | <b>79,174.21</b>       | <b>37,598.01</b> | <b>30,151.16</b> | <b>11,425.04</b>  | <b>79,174.21</b> |

**c) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**i) Foreign currency risk**

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency

**ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant variable interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal.

**iii) Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The Company measures risk through sensitivity analysis.

The Company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The Company does not have any closing investments in mutual funds as on March 31, 2025 and March 31, 2024

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 37 CONTINGENT LIABILITY, COMMITMENTS AND CONTINGENT ASSETS

(₹ In Lakhs)

| Particulars                                                                                                                                                                                                                                                                                                                                      | As at                    |                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                                  | March 31, 2025           | March 31, 2024           |
| <b>i) Contingent Liabilities</b>                                                                                                                                                                                                                                                                                                                 |                          |                          |
| a) Claims against the Company not acknowledged as debt #                                                                                                                                                                                                                                                                                         |                          |                          |
| 1. Disputed Income tax *                                                                                                                                                                                                                                                                                                                         | 28,744.75                | 30,012.94                |
| 2. Disputed Sales tax/ VAT/ Entry tax/GST                                                                                                                                                                                                                                                                                                        | 15,520.94                | 9,519.79                 |
| 3. Disputed Service tax                                                                                                                                                                                                                                                                                                                          | 607.05                   | 607.05                   |
| 4. Disputed Customs duty                                                                                                                                                                                                                                                                                                                         | 1,534.52                 | 1,509.52                 |
| 5. Others (Civil cases)                                                                                                                                                                                                                                                                                                                          | 25.69                    | 25.69                    |
| # Interest not ascertainable after the date of order, if any                                                                                                                                                                                                                                                                                     |                          |                          |
| <b>b) Guarantees</b>                                                                                                                                                                                                                                                                                                                             |                          |                          |
| Corporate guarantees given to banks and financial institutions for financial assistance extended to Subsidiaries, Associates and Joint Ventures                                                                                                                                                                                                  | -                        | -                        |
| <b>c) Other money for which the Company is contingently liable</b>                                                                                                                                                                                                                                                                               |                          |                          |
| Joint and several liabilities in respect of joint venture projects and liquidated damages in respect of delays in completion of projects.                                                                                                                                                                                                        | Amount not ascertainable | Amount not ascertainable |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                     | <b>46,432.95</b>         | <b>41,675.00</b>         |
| * The Company has got benefit of deduction under Section 80 IA (4) on eligible projects under provisions of Income Tax Act, 1961 for an amount of ₹ 4,422.19 Lakhs, for the A.Y 2006-07 to 2012-13 and A.Y 2014-15 the department has filed appeals against ITAT orders at the High Court of Judicature at Hyderabad for the State of Telangana. |                          |                          |
| The Company considers it appropriate not to create a liability for the above said amount on the basis of assessment made by the management.                                                                                                                                                                                                      |                          |                          |
| <b>ii) Commitments</b>                                                                                                                                                                                                                                                                                                                           |                          |                          |
| a) Estimated amount of contracts remaining to be executed on capital account and not provided for                                                                                                                                                                                                                                                | 24.13                    | 41.44                    |
| b) Other commitments                                                                                                                                                                                                                                                                                                                             |                          |                          |
| Estimated amount of committed funding by way of equity/loans to subsidiary companies                                                                                                                                                                                                                                                             | 33,916.61                | 48,703.60                |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                     | <b>33,940.74</b>         | <b>48,745.04</b>         |
| <b>iii) Contingent Assets</b>                                                                                                                                                                                                                                                                                                                    |                          |                          |
| Arbitration claims awarded, but client not accepted                                                                                                                                                                                                                                                                                              | <b>33,352.66</b>         | <b>19,960.16</b>         |

### 38 REMUNERATION PAID TO THE STATUTORY AUDITORS

(₹ in Lakhs)

| Particulars                                       | March 31, 2025 | March 31, 2024 |
|---------------------------------------------------|----------------|----------------|
| Statutory Audit Fees                              | 14.00          | 14.00          |
| Other services (including Out of pocket expenses) | 4.49           | 4.48           |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 39 DISCLOSURE PURSUANT TO IND AS 33 "EARNINGS PER SHARE(EPS)"

|                                                               | (₹ in Lakhs)   |                |
|---------------------------------------------------------------|----------------|----------------|
|                                                               | March 31, 2025 | March 31, 2024 |
| i. Profit (loss) attributable to equity shareholders(basic)   | 72,568.08      | 49,383.12      |
| ii. Weighted average number of equity shares (basic)          | 2,812.35       | 2,812.35       |
| <b>Basic EPS</b>                                              | <b>25.80</b>   | <b>17.56</b>   |
| i. Profit (loss) attributable to equity shareholders(diluted) | 72,568.08      | 49,383.12      |
| ii. Weighted average number of equity shares (diluted)        | 2,812.35       | 2,812.35       |
| <b>Diluted EPS</b>                                            | <b>25.80</b>   | <b>17.56</b>   |

## 40 DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS"

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

## A Defined benefit plans:

- Liability for gratuity as on March 31, 2025 is ₹ 1,313.08 Lakhs (March 31, 2024: ₹ 1,169.49 Lakhs) of which ₹ 477.07 Lakhs (March 31, 2024: ₹ 315.06 Lakhs) is funded with the Life Insurance Corporation of India. The balance of ₹ 836.01 Lakhs (March 31, 2024: ₹ 854.43 Lakhs) is included in Provision for Gratuity.
- Details of the Company's post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary.

## Amount to be recognised in Balance sheet:

|                                     | (₹ In Lakhs)            |                         |
|-------------------------------------|-------------------------|-------------------------|
| Particulars                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Present Value of Funded Obligations | 1,313.09                | 1,169.49                |
| Fair Value of Plan Assets           | (477.07)                | (315.06)                |
| <b>Net Liability</b>                | <b>836.02</b>           | <b>854.43</b>           |

- Expenses to be recognised in Statement of Profit and Loss under Employee Benefit Expenses:

|                                                      | (₹ In Lakhs)                 |                              |
|------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                          | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
| Current Service Cost                                 | 191.08                       | 159.81                       |
| Past Service Cost                                    | -                            | -                            |
| Net Interest cost                                    | 54.64                        | 91.91                        |
| <b>Total included in "Employee Benefits Expense"</b> | <b>245.72</b>                | <b>251.72</b>                |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 40 DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS" (CONTD.)

- iv. Expenses to be recognised in Statement of Profit and Loss under Other Comprehensive Income:

(₹ In Lakhs)

| Particulars                                                     | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-----------------------------------------------------------------|------------------------------|------------------------------|
| Return on Plan Assets                                           | (9.15)                       | (6.53)                       |
| Net Actuarial Losses / (Gains) Recognised in Year               | (82.75)                      | (605.99)                     |
| <b>Total included in "Other Comprehensive (Income)/Expense"</b> | <b>(91.90)</b>               | <b>(612.52)</b>              |

- v. Reconciliation of benefit obligation and plan assets for the year:

(₹ In Lakhs)

| Particulars                                                                               | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Change in Defined Benefit Obligation                                                      |                              |                              |
| Opening Defined Benefit Obligation                                                        | 1,169.49                     | 1,529.90                     |
| Current Service Cost                                                                      | 191.08                       | 159.81                       |
| Past Service Cost                                                                         | -                            | -                            |
| Increase / (Decrease) due to effect of any business combination / divestiture / transfer) | -                            | -                            |
| Interest Cost                                                                             | 74.22                        | 102.42                       |
| Actuarial Losses / (Gain)                                                                 | (82.43)                      | (605.99)                     |
| Benefits Paid                                                                             | (39.27)                      | (16.65)                      |
| <b>Closing Defined Benefit Obligation</b>                                                 | <b>1,313.09</b>              | <b>1,169.49</b>              |
| Opening Fair Value of Plan assets                                                         | 315.06                       | 179.58                       |
| Interest income                                                                           | 19.59                        | 10.50                        |
| Expected Return on Plan Assets                                                            | 9.15                         | 6.53                         |
| Contributions                                                                             | 172.54                       | 135.10                       |
| Benefits Paid                                                                             | (39.27)                      | (16.65)                      |
| <b>Closing Fair Value of Plan Assets</b>                                                  | <b>477.07</b>                | <b>315.06</b>                |
| Expected Employer's Contribution Next Year                                                | 207.27                       | 191.20                       |

- vi. Asset information:

| Category of Assets                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------|-------------------------|-------------------------|
| Insurer Managed Funds –Life Insurance Corporation of India | 100%                    | 100%                    |
| Amount in Lakhs                                            | <b>477.07</b>           | <b>315.06</b>           |

- vii. Experience Adjustments:

(₹ in Lakhs)

| Particulars                                | 2024-25  | 2023-24  | 2022-23    | 2021-22    | 2020-21    |
|--------------------------------------------|----------|----------|------------|------------|------------|
| Defined Benefit Obligations (DBO)          | 1,313.09 | 1,169.49 | 1,529.90   | 1,347.33   | 1,051.32   |
| Plan Assets                                | 477.07   | 315.06   | 179.58     | 167.49     | 24.79      |
| Surplus / (Deficit)                        | (836.02) | (854.43) | (1,350.32) | (1,179.84) | (1,026.53) |
| Experience Adjustments on Plan Liabilities | -        | -        | -          | 116.05     | 19.35      |
| Experience Adjustments on Plan Assets      | 126.74   | 615.92   | 12.89      | -          | -          |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 40 DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS" (CONTD.)

viii. Sensitivity Analysis:

| Particulars                                              | Gratuity Plan           |                         |
|----------------------------------------------------------|-------------------------|-------------------------|
|                                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Assumptions                                              |                         |                         |
| Discount rate                                            | 6.60%                   | 7.20%                   |
| Estimated rate of return on plan assets                  | 6.60%                   | 7.20%                   |
| Expected rate of salary increase                         | 7.00%                   | 7.00%                   |
| Attrition rate                                           | 10.00%                  | 10.00%                  |
| <b>Sensitivity analysis – DBO at the end of the year</b> |                         |                         |
| Discount rate + 100 basis points                         | (5.49%)                 | (5.38%)                 |
| Discount rate - 100 basis points                         | 6.22%                   | 6.08%                   |
| Salary increase rate +1%                                 | 5.47%                   | 5.36%                   |
| Salary increase rate -1%                                 | (5.15%)                 | (5.00%)                 |
| Attrition rate +1%                                       | (0.04%)                 | (0.03%)                 |
| Attrition rate -1%                                       | 0.04%                   | (0.03%)                 |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

ix. The following pay-outs are expected in future years:

| Particulars    | (₹ in Lakhs)<br>As at<br>March 31, 2025 |
|----------------|-----------------------------------------|
|                |                                         |
| March 31, 2026 | 315.17                                  |
| March 31, 2027 | 100.21                                  |
| March 31, 2028 | 136.95                                  |
| March 31, 2029 | 137.02                                  |
| March 31, 2030 | 128.14                                  |

## 41 PARTICULARS OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS REQUIRED BY REGULATION 34(3) AND 53(F) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

| S.<br>No | Name of the Company                          | Balance as at  |                | Maximum outstanding during the year |                |
|----------|----------------------------------------------|----------------|----------------|-------------------------------------|----------------|
|          |                                              | March 31, 2025 | March 31, 2024 | March 31, 2025                      | March 31, 2024 |
|          |                                              |                |                |                                     |                |
| <b>A</b> | <b>Subsidiaries</b>                          |                |                |                                     |                |
| 1        | KNR Agrotech & Beverages Pvt. Ltd.,          | 163.30         | 156.31         | 163.30                              | 156.31         |
| 2        | KNR Energy Ltd.,                             | 670.53         | 147.60         | 670.53                              | 147.60         |
| 3        | KNRC Holdings and Investments Pvt. Ltd.,     | 884.84         | 792.55         | 884.84                              | 792.55         |
| 4        | Patel KNR Heavy Infrastructures Ltd.,        | 35.63          | (10.24)        | 35.63                               | 746.76         |
| 5        | KNR Muzaffarpur Barauni Tollway Pvt. Ltd., * | -              | 6,355.56       | -                                   | 6,355.56       |
| 6        | KNR Infrastructure Projects Pvt. Ltd.,       | 11.60          | 11.33          | 11.60                               | 11.33          |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

41

### PARTICULARS OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS REQUIRED BY REGULATION 34(3) AND 53(F) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015. (CONTD.)

(₹ in Lakhs)

| S. No    | Name of the Company                                                 | Balance as at  |                | Maximum outstanding during the year |                |
|----------|---------------------------------------------------------------------|----------------|----------------|-------------------------------------|----------------|
|          |                                                                     | March 31, 2025 | March 31, 2024 | March 31, 2025                      | March 31, 2024 |
| 7        | KNR Muzaffarpur Holdings Pvt. Ltd., *                               | -              | 15.08          | -                                   | 15.08          |
| 8        | KNR Somwarpet Infra Project Pvt. Ltd.,                              | 1.70           | -              | 36.67                               | 170.38         |
| 9        | KNR Palani Infra Pvt. Ltd.,                                         | 118.11         | 11.43          | 118.11                              | 755.19         |
| 10       | Patel KNR Infrastructure Ltd.,                                      | 1.11           | 0.10           | 1.42                                | 0.10           |
| 11       | KNR Guruvayur Infra Pvt. Ltd.,                                      | 7.68           | 94.17          | 94.29                               | 94.17          |
| 12       | KNR Ramanattukara Infra Pvt. Ltd.,                                  | 387.77         | 307.14         | 387.77                              | 307.14         |
| 13       | KNR Ramagiri Infra Pvt. Ltd.,                                       | 2,629.43       | 177.54         | 3,141.53                            | 3,007.29       |
| 14       | KNR Kaveri Infra Pvt. Ltd.,                                         | 290.53         | 284.42         | 290.53                              | 284.42         |
| 15       | KNR Ramatheertham Infra Pvt. Ltd.,                                  | 0.18           | 322.03         | 464.16                              | 322.03         |
| 16       | KNR Sriranganatha Infra Pvt. Ltd.,                                  | 266.41         | 263.05         | 266.41                              | 263.05         |
| 17       | Benedire Infrastructures and Developers LLP                         | 2.75           | 0.30           | 2.75                                | 0.30           |
| 18       | Manjeri City Infrastructures And Developers LLP                     | 1,075.62       | 11.45          | 1,075.62                            | 64.25          |
| <b>B</b> | <b>Loans and Advances where there is no repayment schedule</b>      |                |                |                                     |                |
| 1        | KNR Agrotech & Beverages Pvt. Ltd.,                                 | 163.30         | 156.31         | 163.30                              | 156.31         |
| 2        | KNR Energy Ltd.,                                                    | 670.53         | 147.60         | 670.53                              | 147.60         |
| 3        | KNRC Holdings and Investments Pvt. Ltd.,                            | 884.84         | 792.55         | 884.84                              | 792.55         |
| 4        | Patel KNR Heavy Infrastructures Ltd.,                               | 35.63          | (10.24)        | 35.63                               | 746.76         |
| 5        | KNR Muzaffarpur Barauni Tollway Pvt. Ltd., *                        | -              | 6,355.56       | -                                   | 6,355.56       |
| 6        | KNR Infrastructure Projects Pvt. Ltd.,                              | 11.60          | 11.33          | 11.60                               | 11.33          |
| 7        | KNR Muzaffarpur Holdings Pvt. Ltd., *                               | -              | 15.08          | -                                   | 15.08          |
| 8        | KNR Somwarpet Infra Project Pvt. Ltd.,                              | 1.70           | -              | 36.67                               | 170.38         |
| 9        | KNR Palani Infra Pvt. Ltd.,                                         | 118.11         | 11.43          | 118.11                              | 755.19         |
| 10       | Patel KNR Infrastructure Ltd.,                                      | 1.11           | 0.10           | 1.42                                | 0.10           |
| 11       | KNR Guruvayur Infra Pvt. Ltd.,                                      | 7.68           | 94.17          | 94.29                               | 94.17          |
| 12       | KNR Ramanattukara Infra Pvt. Ltd.,                                  | 387.77         | 307.14         | 387.77                              | 307.14         |
| 13       | KNR Ramagiri Infra Pvt. Ltd.,                                       | 2,629.43       | 177.54         | 3,141.53                            | 3,007.29       |
| 14       | KNR Kaveri Infra Pvt. Ltd.,                                         | 290.53         | 284.42         | 290.53                              | 284.42         |
| 15       | KNR Ramatheertham Infra Pvt. Ltd.,                                  | 0.18           | 322.03         | 464.16                              | 322.03         |
| 16       | KNR Sriranganatha Infra Pvt. Ltd.,                                  | 266.41         | 263.05         | 266.41                              | 263.05         |
| 17       | Benedire Infrastructures and Developers LLP                         | 2.75           | 0.30           | 2.75                                | 0.30           |
| 18       | Manjeri City Infrastructures And Developers LLP                     | 1,075.62       | 11.45          | 1,075.62                            | 64.25          |
| <b>C</b> | <b>Loans to firms / Companies in which directors are interested</b> | Nil            | Nil            | Nil                                 | Nil            |

\* Ceased to be Step-down Subsidiaries with effect from March 27, 2025

**Notes Forming Part of the Standalone Financial Statements (Contd.)****42 DISCLOSURE PURSUANT TO IND AS 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS":**

The Company constructs infrastructure projects on behalf of clients. Delivering the project as per the contractual terms is the only performance obligation that has been identified. Under the terms of the contracts, the Company will perform its obligations on time to time as per the timing schedule indicated in the contract with the asset having no alternative use to the entity and the Company having an enforceable right to receive payment for the work done. Hence, Revenue is therefore recognised over time on a cost to cost method, i.e. based on the proportion of contract costs incurred for the work performed to date relative to the estimated total contract costs. The management consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

**Contract balances as on:**

| (₹ In Lakhs)         |                |                |
|----------------------|----------------|----------------|
| Particulars          | March 31, 2025 | March 31, 2024 |
| Receivables          | 1,27,622.20    | 1,40,593.53    |
| Contract Assets      | 1,31,488.31    | 74,013.83      |
| Contract Liabilities | 15,842.95      | 43,560.20      |

**43 VALUE OF IMPORTS CALCULATED ON CIF BASIS**

| (₹ in Lakhs) |                    |                |                |
|--------------|--------------------|----------------|----------------|
| S No.        | Particulars        | March 31, 2025 | March 31, 2024 |
| a            | Material Purchases | Nil            | 762.50         |
| b            | Stores & Spares    | 7.61           | Nil            |
| c            | Capital goods      | Nil            | Nil            |

**44 EXPENDITURE/REMITTANCE IN FOREIGN CURRENCY**

| (₹ in Lakhs)                                                                |                |                |
|-----------------------------------------------------------------------------|----------------|----------------|
| Particulars                                                                 | March 31, 2025 | March 31, 2024 |
| On account of Travel/Other expenses (including boarding & lodging expenses) | Nil            | Nil            |

**45 DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE"****(a) List of related parties****(i) Subsidiaries :**

|   |                                         |    |                                                 |
|---|-----------------------------------------|----|-------------------------------------------------|
| 1 | KNR Agrotech & Beverages Pvt. Ltd.,     | 8  | KNR Ramanattukara Infra Pvt. Ltd.,              |
| 2 | KNR Infrastructure Projects Pvt. Ltd.,  | 9  | KNR Ramagiri Infra Pvt. Ltd.,                   |
| 3 | KNR Energy Ltd.,                        | 10 | KNR Ramatheertham Infra Pvt. Ltd.,              |
| 4 | KNR Somwarpet Infra Project Pvt. Ltd.,  | 11 | KNR Sriranganatha Infra Pvt. Ltd.,              |
| 5 | KNR Palani Infra Pvt. Ltd.,             | 12 | KNR Kaveri Infra Pvt. Ltd.,                     |
| 6 | KNRC Holdings and Investment Pvt. Ltd., | 13 | Manjeri City Infrastructures and Developers LLP |
| 7 | KNR Guruvayur Infra Pvt. Ltd.,          | 14 | Benedire Infrastructures and Developers LLP     |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

### DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

#### Step-down Subsidiaries :

|   |                                           |   |                                              |
|---|-------------------------------------------|---|----------------------------------------------|
| 1 | Mesmeric Software Solutions Pvt. Ltd.,    | 4 | Asara Construction & Projects Pvt. Ltd.,     |
| 2 | Nag Talent Ventures & Infotech Pvt. Ltd., | 5 | KNR Muzaffarpur Holdings Pvt. Ltd., #        |
| 3 | Gradient Estates Pvt. Ltd.,               | 6 | KNR Muzaffarpur-Barauni Tollway Pvt. Ltd., # |

# Ceased to be Step-down Subsidiaries with effect from March 27, 2025

#### (ii) Associate Companies :

1. Patel KNR Infrastructures Ltd.,
2. Patel KNR Heavy Infrastructures Ltd.,

#### (iii) Joint Venture :

1. SEL-KNR-JV (At Bangladesh)

#### (iv) Key Management Personnel's (KMPs):

|    |                            |                              |
|----|----------------------------|------------------------------|
| 1  | Sri. K.Narsimha Reddy      | Managing Director            |
| 2  | Sri K.Jalandhar Reddy      | Executive Director & CFO     |
| 3  | Smt. K.Yashoda             | Non-Executive Director       |
| 4  | Sri. W. Rampulla Reddy     | Non-Executive Director       |
| 5  | Sri. K.Udya Bhaskara Reddy | Non-Executive Director       |
| 6  | Sri. B.V.Rama Rao *        | Independent Director         |
| 7  | Sri. L.B.Reddy *           | Independent Director         |
| 8  | Smt. G.C Rekha             | Independent Director         |
| 9  | Sri S.Vaikuntanathan #     | Executive Officer - VP (F&A) |
| 10 | Smt. V. Haritha            | Company Secretary            |
| 11 | Sri. Venugopal Reddy       | Director in Subsidiaries     |
| 12 | Sri. D.Tirupathi Reddy     | Director in Subsidiaries     |

\*Resigned with effect from October 01, 2024

# Resigned with effect from August 31, 2024

#### (v) Relatives of KMPs :

|   |                           |                                           |
|---|---------------------------|-------------------------------------------|
| 1 | Sri. M.Rajesh Reddy       | Son-in-law of Sri K.Narsimha Reddy        |
| 2 | Sri. V.Krishna Reddy      | Brother of Smt. K.Yashoda                 |
| 3 | Kamidi Reality Pvt. Ltd., | Company in which Directors are Interested |

#### (vi) Other Related parties :

|   |                                                         |                              |
|---|---------------------------------------------------------|------------------------------|
| 1 | KNR Constructions Limited Employees group gratuity fund | Post employment benefit plan |
|---|---------------------------------------------------------|------------------------------|

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

## DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

## (b) Disclosure of related party transactions during the Year:

(₹ in Lakhs, except share data)

| Sl. No. | Particulars                                         | Subsidiaries<br>(including Step-down subsidiaries) |             | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |             | Other related party |         |
|---------|-----------------------------------------------------|----------------------------------------------------|-------------|------------|----------|----------------|---------|---------------------------------------------------|-------------|---------------------|---------|
|         |                                                     | 2024-25                                            | 2023-24     | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24     | 2024-25             | 2023-24 |
| 1       | Revenue from Work contract                          | 1,46,043.48                                        | 2,20,239.52 | 3,937.02   | 1,520.87 | -              | -       | -                                                 | -           | -                   | -       |
| 2       | Interest Income on Inter corporate loans            | 14,229.00                                          | 18.08       | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 3       | Sale of materials and services                      | -                                                  | -           | 223.35     | 137.50   | -              | -       | -                                                 | -           | -                   | -       |
| 4       | Arbitration Claims received                         | -                                                  | -           | 938.06     | 830.87   | -              | -       | -                                                 | -           | -                   | -       |
| 5       | Interest income from claims                         | -                                                  | -           | 1,826.72   | 1,445.31 | -              | -       | -                                                 | -           | -                   | -       |
| 6       | Dividend income                                     | -                                                  | -           | 1,448.92   | -        | -              | -       | -                                                 | -           | -                   | -       |
| 7       | Profit on transfer of equity shares under buyback   | -                                                  | -           | 565.26     | -        | -              | -       | -                                                 | -           | -                   | -       |
| 8       | Interest paid on Mob.Adv. Received                  | 106.53                                             | 791.68      | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 9       | Investment in Equity Shares                         | 4,365.00                                           | 15,275.00   | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 10      | Sale /Redemption of investments equity shares       | -                                                  | -           | 327.12     | -        | -              | -       | -                                                 | -           | -                   | -       |
| 11      | Investment (Equity Nature)                          | 11,883.89                                          | 3,934.00    | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 12      | Sale/ Redemption of investments (Equity Nature)     | 8,905.60                                           | -           | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 13      | Mobilisation advance received/(recovered)           | (3,775.86)                                         | (5,238.91)  | (553.51)   | 1,009.38 | -              | -       | -                                                 | -           | -                   | -       |
| 14      | Re-imbursement of expenditure incurred/ (Recovered) | (6,354.95)                                         | 3,075.80    | 46.88      | (37.68)  | -              | -       | -                                                 | -           | -                   | -       |
| 15      | Advance paid/(recovered)                            | 3,911.44                                           | 845.79      | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 16      | Retention deposit & Withheld deducted/(released)    | (55.31)                                            | 611.43      | 42.05      | -        | -              | -       | -                                                 | -           | -                   | -       |
| 17      | Un-secured loan received                            | -                                                  | -           | -          | -        | -              | -       | 13,500.00                                         | 10,000.00   | -                   | -       |
| 18      | Un-secured loan (repaid)                            | -                                                  | -           | -          | -        | -              | -       | (13,500.00)                                       | (10,000.00) | -                   | -       |
| 19      | Short Term Employee Benefits                        | -                                                  | -           | -          | -        | -              | -       | 2,442.04                                          | 2,230.73    | -                   | -       |
| 20      | Post-employment Benefits *                          | -                                                  | -           | -          | -        | -              | -       | 39.35                                             | 36.71       | -                   | -       |
| 21      | Other Long-term Benefits                            | -                                                  | -           | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 22      | Termination Benefits                                | -                                                  | -           | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 23      | Share based payment                                 | -                                                  | -           | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 24      | Dividend paid                                       | -                                                  | -           | -          | -        | -              | -       | 345.65                                            | 359.24      | -                   | -       |
| 25      | Land lease rent paid                                | 375.00                                             | 375.00      | -          | -        | -              | -       | 39.18                                             | 39.18       | -                   | -       |
| 26      | Office rent paid                                    | -                                                  | -           | -          | -        | -              | -       | 2.54                                              | 7.67        | -                   | -       |
| 27      | Interest paid on unsecured loans                    | -                                                  | -           | -          | -        | -              | -       | 47.19                                             | -           | -                   | -       |
| 28      | Directors sitting fee paid                          | -                                                  | -           | -          | -        | -              | -       | 52.00                                             | 51.50       | -                   | -       |
| 29      | Imprest paid / (recovered)                          | -                                                  | -           | -          | -        | -              | -       | 21.42                                             | (5.10)      | -                   | -       |
| 30      | Contribution to Post-employment Benefit Plans       | -                                                  | -           | -          | -        | -              | -       | -                                                 | -           | 180.00              | 135.04  |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

### DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

(c) Related party balances outstanding are as follows:

(₹ in Lakhs, except share data)

| Sl. No.  | Particulars                                     | Subsidiaries (including Step-down subsidiaries) |           | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|----------|-------------------------------------------------|-------------------------------------------------|-----------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|          |                                                 | 2024-25                                         | 2023-24   | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
| <b>1</b> | <b>Debit balances outstanding</b>               |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | KNR Muzaffarpur Barauni Tollways Pvt. Ltd.,     | -                                               | 13,070.21 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Agrotech & Beverage Pvt. Ltd.,              | 754.43                                          | 747.44    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Energy Ltd.,                                | 1,100.76                                        | 577.84    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNRC Holdings and Investments Pvt. Ltd.,        | 6,874.97                                        | 10,416.76 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Infrastructure Projects Pvt. Ltd.,          | 12.52                                           | 12.33     | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Muzaffarpur Holdings Pvt. Ltd.,             | -                                               | 15.09     | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Palani Infra Pvt. Ltd.,                     | 7,220.89                                        | 7,992.15  | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Somwarpet Infra Project Pvt. Ltd.,          | 13,937.79                                       | 11,817.15 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Guruvayur Infra Pvt. Ltd.,                  | 22,496.93                                       | 37,881.81 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramanattukara Infra Pvt. Ltd.,              | 27,261.05                                       | 44,610.66 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramagiri Infra Pvt. Ltd.,                   | 18,388.43                                       | 17,941.43 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramatheertham Infra Pvt. Ltd.,              | 12,933.00                                       | 332.03    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Sriranganatha Infra Pvt. Ltd.,              | 276.41                                          | 273.05    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Kaveri Infra Pvt.Ltd.,                      | 300.53                                          | 294.42    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | Benedire Infrastructures and Developers LLP     | 407.75                                          | 405.30    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | Manjeri City Infrastructures and Developers LLP | 4,365.79                                        | 3,301.62  | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel KNR Heavy Infrastructure Ltd.,            | -                                               | -         | 4,581.00   | 2,071.22 | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel KNR Infrastructure Ltd.,                  | -                                               | -         | 1,659.32   | 4,201.65 | -              | -       | -                                                 | -       | -                   | -       |
|          | V. Venuggopal Reddy                             | -                                               | -         | -          | -        | -              | -       | 37.69                                             | 10.17   | -                   | -       |
| <b>2</b> | <b>Credit Balances outstanding</b>              |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | KNR Somwarpet Infra Project Pvt. Ltd.,          | 4,310.91                                        | 859.53    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramanattukara Infra Pvt. Ltd.,              | 728.74                                          | 887.51    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Guruvayur Infra Pvt Ltd.,                   | 226.12                                          | 2,924.82  | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramagiri Infra Pvt. Ltd.,                   | 1,301.08                                        | 5,574.97  | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNRC Holdings and Investments Pvt. Ltd.,        | 486.00                                          | 324.00    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

**DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)**

(₹ in Lakhs, except share data)

| Sl. No. | Particulars                                     | Subsidiaries (including Step-down subsidiaries) |         | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|---------|-------------------------------------------------|-------------------------------------------------|---------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|         |                                                 | 2024-25                                         | 2023-24 | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
|         | Manjeri City Infrastructures and Developers LLP | 729.00                                          | 486.00  | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|         | Patel Knr Infrastructure Ltd.,                  | -                                               | -       | 455.87     | 1,009.38 | -              | -       | -                                                 | -       | -                   | -       |
|         | K.Narsimha Reddy*                               | -                                               | -       | -          | -        | -              | -       | 45.82                                             | 41.17   | -                   | -       |
|         | K.Jalandhar Reddy*                              | -                                               | -       | -          | -        | -              | -       | 30.57                                             | 29.47   | -                   | -       |
|         | V.Haritha *                                     | -                                               | -       | -          | -        | -              | -       | 1.10                                              | 1.04    | -                   | -       |
|         | V. Venugopal Reddy*                             | -                                               | -       | -          | -        | -              | -       | 4.11                                              | 4.02    | -                   | -       |
|         | D.Tirupathi Reddy                               | -                                               | -       | -          | -        | -              | -       | 2.59                                              | -       | -                   | -       |
|         | K.Yashoda                                       | -                                               | -       | -          | -        | -              | -       | 1.97                                              | 1.97    | -                   | -       |
|         | V.Krishna Reddy*                                | -                                               | -       | -          | -        | -              | -       | 0.60                                              | 0.57    | -                   | -       |

**(d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year :**

(₹ in Lakhs, except share data)

| Sl. No.  | Particulars                                     | Subsidiaries (including Step-down subsidiaries) |           | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|----------|-------------------------------------------------|-------------------------------------------------|-----------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|          |                                                 | 2024-25                                         | 2023-24   | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
| <b>1</b> | <b>Revenue from Work contract</b>               |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | KNR Somwarpet Infra Project Pvt. Ltd.,          | 19,817.13                                       | -         | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Guruvayur Infra Pvt. Ltd.,                  | 32,454.64                                       | 76,905.13 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramanattukara Infra Pvt. Ltd.,              | 39,997.66                                       | 84,385.13 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramagiri Infra Pvt. Ltd.,                   | 30,349.14                                       | 39,036.47 | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Ramatheertham Infra Pvt.Ltd.,               | 21,466.93                                       | -         | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>2</b> | <b>Interest Income on Inter corporate loans</b> |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | KNRC Holdings and Investments Pvt. Ltd.,        | 4,745.85                                        | 18.08     | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | KNR Muzaffarpur Barauni Tollways Pvt. Ltd.,     | 9,483.15                                        | -         | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>3</b> | <b>Sale of materials and services</b>           |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                  | -                                               | -         | -          | 137.50   | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Heavy Infrastructure Ltd.,            | -                                               | -         | 223.35     | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | Kamidi Reality Pvt. Ltd.,                       | -                                               | -         | -          | -        | -              | -       | 36.99                                             | -       | -                   | -       |
| <b>4</b> | <b>Arbitration Claims received</b>              |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                  | -                                               | -         | -          | 830.87   | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Heavy Infrastructure Ltd.,            | -                                               | -         | 938.06     | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>5</b> | <b>Interest income from claims</b>              |                                                 |           |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                  | -                                               | -         | -          | 1,445.31 | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Heavy Infrastructure Ltd.,            | -                                               | -         | 1,826.72   | -        | -              | -       | -                                                 | -       | -                   | -       |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

### DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

(₹ in Lakhs, except share data)

| Sl. No.   | Particulars                                               | Subsidiaries<br>(including Step-down subsidiaries) |             | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|-----------|-----------------------------------------------------------|----------------------------------------------------|-------------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|           |                                                           | 2024-25                                            | 2023-24     | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
| <b>6</b>  | <b>Dividend income</b>                                    |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | Patel Knr Infrastructure Ltd.,                            | -                                                  | -           | 1,448.92   | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>7</b>  | <b>Profit on transfer of equity shares under buyback</b>  |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | Patel Knr Infrastructure Ltd.,                            | -                                                  | -           | 565.26     | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>8</b>  | <b>Interest paid on Mob.Adv. Received</b>                 |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Ramanattukara Infra Pvt. Ltd.,                        | -                                                  | 340.95      | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Guruvayur Infra Pvt Ltd                               | 14.62                                              | 236.63      | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Ramagiri Infra Pvt. Ltd.,                             | 91.91                                              | 214.10      | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>9</b>  | <b>Investment in Equity Shares</b>                        |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Guruvayur Infra Pvt Ltd                               | -                                                  | 10,447.50   | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Ramagiri Infra Pvt. Ltd.,                             | -                                                  | 4,797.50    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Ramatheertham Infra Pvt.Ltd.,                         | 4,365.00                                           | -           | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>10</b> | <b>Sale /Redemption of investments in equity</b>          |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | Patel Knr Infrastructure Ltd.,                            | -                                                  | -           | 327.12     | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>11</b> | <b>Investment (Equity Nature)</b>                         |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Somwarpet Infra Project Pvt. Ltd.,                    | -                                                  | 1,135.00    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Guruvayur Infra Pvt Ltd                               | 4,385.00                                           | 745.00      | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Ramanattukara Infra Pvt Ltd                           | 3,520.00                                           | 1,620.00    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Ramagiri Infra Pvt. Ltd.,                             | 2,895.00                                           | 434.00      | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>12</b> | <b>Sale /Redemption of investments (Equity nature)</b>    |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Muzaffarpur Barauni Tollways Pvt. Ltd.,               | 5,276.50                                           | -           | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNRC Holdings and Investments Pvt. Ltd.,                  | 3,629.10                                           | -           | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>13</b> | <b>Mobilisation advance received/(recovered)</b>          |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Ramanattukara Infra Pvt. Ltd.,                        | -                                                  | (12,357.99) | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Somwarpet Infra Project Pvt. Ltd.,                    | 3,451.38                                           | (975.06)    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Guruvayur Infra Pvt. Ltd                              | (2,711.86)                                         | 2,711.86    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Ramagiri Infra Pvt. Ltd.,                             | (4,356.61)                                         | 5,382.28    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | Patel Knr Infrastructure Ltd.,                            | -                                                  | -           | (553.51)   | 1,009.38 | -              | -       | -                                                 | -       | -                   | -       |
| <b>14</b> | <b>Re-imbursement of expenditure incurred/(Recovered)</b> |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Muzaffarpur Barauni Tollways Pvt. Ltd.,               | (6,354.95)                                         | 3,075.80    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>15</b> | <b>Advance paid/(recovered)</b>                           |                                                    |             |            |          |                |         |                                                   |         |                     |         |
|           | KNR Ramanattukara Infra Pvt. Ltd.,                        | -                                                  | 132.12      | -          | -        | -              | -       | -                                                 | -       | -                   | -       |
|           | KNR Palani Infra Pvt. Ltd.,                               | -                                                  | (443.73)    | -          | -        | -              | -       | -                                                 | -       | -                   | -       |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

## DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

(₹ in Lakhs, except share data)

| Sl. No.   | Particulars                                                 | Subsidiaries<br>(including Step-down subsidiaries) |          | Associates |         | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |             | Other related party |         |
|-----------|-------------------------------------------------------------|----------------------------------------------------|----------|------------|---------|----------------|---------|---------------------------------------------------|-------------|---------------------|---------|
|           |                                                             | 2024-25                                            | 2023-24  | 2024-25    | 2023-24 | 2024-25        | 2023-24 | 2024-25                                           | 2023-24     | 2024-25             | 2023-24 |
|           | KNRC Holdings and Investments Pvt. Ltd                      | -                                                  | 506.24   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Ramagiri Infra Pvt. Ltd.,                               | 2,451.89                                           | (259.63) | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Ramatheertham Infra Pvt. Ltd.,                          | -                                                  | 322.03   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Sriranganatha Infra Pvt. Ltd.,                          | -                                                  | 263.05   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Kaveri Infra Pvt. Ltd.,                                 | -                                                  | 284.42   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Energy Limited                                          | 522.93                                             | -        | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | Manjeri City Infrastructures and Developers LLP             | 1,064.16                                           | -        | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
| <b>16</b> | <b>Retention deposit &amp; Withheld deducted/(released)</b> |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | KNR Guruvayur Infra Pvt. Ltd.,                              | 428.00                                             | 428.00   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Ramanattukara Infra Pvt. Ltd.,                          | 61.52                                              | 96.02    | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Palani Infra Pvt. Ltd.,                                 | (16.34)                                            | -        | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Ramagiri Infra Private Limited                          | (27.90)                                            | -        | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | KNR Somwarpet Infra Project Pvt. Ltd.,                      | 355.41                                             | -        | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | Patel Knr Infrastructure Ltd.,                              | -                                                  | -        | 42.05      | -       | -              | -       | -                                                 | -           | -                   | -       |
| <b>17</b> | <b>Un-secured loan received</b>                             |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Narsimha Reddy                                            | -                                                  | -        | -          | -       | -              | -       | 13,500.00                                         | 10,000.00   | -                   | -       |
| <b>18</b> | <b>Un-secured loan (repaid)</b>                             |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Narsimha Reddy                                            | -                                                  | -        | -          | -       | -              | -       | (13,500.00)                                       | (10,000.00) | -                   | -       |
| <b>19</b> | <b>Short Term Employee Benefits</b>                         |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Narsimha Reddy                                            | -                                                  | -        | -          | -       | -              | -       | 1,365.00                                          | 1,248.00    | -                   | -       |
|           | K.Jalandhar Reddy                                           | -                                                  | -        | -          | -       | -              | -       | 945.00                                            | 864.00      | -                   | -       |
| <b>20</b> | <b>Post-employment Benefits *</b>                           |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Jalandhar Reddy                                           | -                                                  | -        | -          | -       | -              | -       | 32.40                                             | 32.40       | -                   | -       |
| <b>21</b> | <b>Dividend paid</b>                                        |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Narsimha Reddy                                            | -                                                  | -        | -          | -       | -              | -       | 213.71                                            | 226.05      | -                   | -       |
|           | K.Jalandhar Reddy                                           | -                                                  | -        | -          | -       | -              | -       | 93.15                                             | 94.40       | -                   | -       |
| <b>22</b> | <b>Land lease rent paid</b>                                 |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | KNRC Holdings and Investments Pvt. Ltd.,                    | 150.00                                             | 150.00   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
|           | Manjeri City Infrastructures and Developers LLP             | 225.00                                             | 225.00   | -          | -       | -              | -       | -                                                 | -           | -                   | -       |
| <b>23</b> | <b>Office rent paid</b>                                     |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Jalandhar Reddy                                           | -                                                  | -        | -          | -       | -              | -       | 2.54                                              | 7.67        | -                   | -       |
| <b>24</b> | <b>Interest paid on unsecured loans</b>                     |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | K.Narsimha Reddy                                            | -                                                  | -        | -          | -       | -              | -       | 47.19                                             | -           | -                   | -       |
| <b>25</b> | <b>Directors sitting fee paid</b>                           |                                                    |          |            |         |                |         |                                                   |             |                     |         |
|           | B.V.Rama Rao                                                | -                                                  | -        | -          | -       | -              | -       | 8.50                                              | 17.75       | -                   | -       |
|           | L.B.Reddy                                                   | -                                                  | -        | -          | -       | -              | -       | 8.50                                              | 17.75       | -                   | -       |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

45

### DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

(₹ in Lakhs, except share data)

| Sl. No.   | Particulars                                             | Subsidiaries<br>(including Step-down subsidiaries) |         | Associates |         | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|-----------|---------------------------------------------------------|----------------------------------------------------|---------|------------|---------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|           |                                                         | 2024-25                                            | 2023-24 | 2024-25    | 2023-24 | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
|           | W. Rampulla Reddy                                       | -                                                  | -       | -          | -       | -              | -       | 10.50                                             | -       | -                   | -       |
|           | K.Udya Bhaskara Reddy                                   | -                                                  | -       | -          | -       | -              | -       | 10.50                                             | -       | -                   | -       |
|           | G.C. Rekha                                              | -                                                  | -       | -          | -       | -              | -       | 9.00                                              | 10.00   | -                   | -       |
| <b>26</b> | <b>Imprest paid (recovered)</b>                         |                                                    |         |            |         |                |         |                                                   |         |                     |         |
|           | K.Narsimha Reddy                                        | -                                                  | -       | -          | -       | -              | -       | (4.91)                                            | -       | -                   | -       |
|           | V.Venugopal Reddy                                       | -                                                  | -       | -          | -       | -              | -       | 27.52                                             | (4.64)  | -                   | -       |
| <b>27</b> | <b>Contribution to Post-employment Benefit Plans</b>    |                                                    |         |            |         |                |         |                                                   |         |                     |         |
|           | KNR Constructions Limited Employees group gratuity fund | -                                                  | -       | -          | -       | -              | -       | -                                                 | -       | 180.00              | 135.04  |

\*As the future liabilities for gratuity is provided on actuarial basis for the group as a whole, the amount pertaining to the KMP's is not ascertainable, therefore not included above.

#### (e) Disclosure in respect of commitments (Equity/Capital Commitment) with related parties:

(₹ in Lakhs)

| Sl.No. | Particulars                           | Subsidiaries     |                  | Associates |          | Joint Ventures |          |
|--------|---------------------------------------|------------------|------------------|------------|----------|----------------|----------|
|        |                                       | 2024-25          | 2023-24          | 2024-25    | 2023-24  | 2024-25        | 2023-24  |
| 1      | KNR Somwarpet Infraproject Pvt. Ltd., | 1,345.61         | 968.60           | -          | -        | -              | -        |
| 2      | KNR Guruvayur Infra Pvt. Ltd.,        | 3,945.50         | 8,330.00         | -          | -        | -              | -        |
| 3      | KNR Ramanattukara Infra Pvt. Ltd.,    | 5,674.00         | 9,194.00         | -          | -        | -              | -        |
| 4      | KNR Ramagiri Infra Pvt. Ltd.,         | 1,478.50         | 4,373.00         | -          | -        | -              | -        |
| 5      | KNR Ramatheertham Infra Pvt.Ltd.,     | 4,371.00         | 8,736.00         |            |          |                |          |
| 6      | KNR Sriranganatha Infra Pvt.Ltd.,     | 8,940.00         | 8,940.00         |            |          |                |          |
| 7      | KNR Kaveri Infra Pvt.Ltd.,            | 8,162.00         | 8,162.00         |            |          |                |          |
|        | <b>Total</b>                          | <b>33,916.61</b> | <b>48,703.60</b> | <b>-</b>   | <b>-</b> | <b>-</b>       | <b>-</b> |

- Note:
- 1) All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
  - 2) The amount of outstanding balances as shown above are unsecured and will be settled/recovered in cash.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

**46 RECONCILIATION BETWEEN THE OPENING AND CLOSING BALANCES IN THE FINANCIAL STATEMENT FOR FINANCIAL LIABILITIES AND ASSETS ARISING FROM FINANCING ACTIVITIES (IND AS – 7)**

(₹ in Lakhs)

| Particulars                               | Secured Loans | Un Secured Loans | Interest        | Total           |
|-------------------------------------------|---------------|------------------|-----------------|-----------------|
| <b>Opening Balance</b>                    | -             | -                | <b>955.13</b>   | <b>955.13</b>   |
| Interest/Dividend Accrued during the year | -             | -                | 1,295.35        | 1,295.35        |
| <b>Cash flows</b>                         |               |                  |                 |                 |
| Received                                  | 13,000.00     | 13,500.00        | -               | 26,500.00       |
| Repayment                                 | (13,000.00)   | (13,500.00)      | -               | (26,500.00)     |
| Interest paid                             | -             | -                | (1,165.27)      | (1,165.27)      |
| <b>Non-Cash items</b>                     |               |                  |                 |                 |
| Impact of Unwinding Interest              | -             | -                | (35.32)         | (35.32)         |
| Others                                    | -             | -                | 0.50            | -               |
| <b>Closing Balance</b>                    | -             | -                | <b>1,050.39</b> | <b>1,050.39</b> |

**47 SEGMENT INFORMATION**

The Company's operations predominantly consist of "Construction and Engineering activities". Hence there are no reportable segments. During the year under report, substantial part of the Company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary 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.

**48** 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 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. The re assessment proceedings has been completed by the Assessing Officer during the financial year 2023-24 for the aforesaid years and based on Assessment Orders, the Company made an additional provision of ₹ 845.34 Lakhs towards Income tax and ₹ 423.78 Lakhs towards interest on Income Tax for the above said years due to corporate additions/adjustments, 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 year ended March 31, 2024.

**49** During the year ended March 31, 2025, the Company has received an Arbitration Claim from one of its Associate for an amount of ₹ 3,557.12 Lakhs included in Revenue from Operations and ₹ 10,354.37 Lakhs towards interest on such claim included in the other income and also expenses related to such claims of ₹ 129.47 Lakhs included in Other expenses and the resultant tax of ₹ 3,468.66 Lakhs included in current tax.

**50** During the year ended March 31, 2025, the Company received an Arbitration Claim for an amount of ₹ 2,775.80 Lakhs included in Revenue from Operations and ₹ 4,307.24 Lakhs towards interest on such claim included in the other income and also expenses related to such claims of ₹ 93.67 Lakhs included in Other expenses and the resultant tax of ₹ 1,759.08 Lakhs included in current tax.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

- 51** During year ended March 31, 2025, pursuant to the Settlement Agreement dated September 03, 2024 signed by KNR Muzaffarpur Barauni Tollway Private Limited, one of its subsidiary Company with NHAI-
- a) the Company received an amount of ₹ 14,194.75 Lakhs towards interest on unsecured loan included in the other income and the resultant tax of ₹ 3,572.53 Lakhs included in current tax.
  - b) the Company made a provision towards impairment of equity of ₹ 5,450.00 Lakhs, towards doubtful advances of ₹ 3,279.76 Lakhs and towards doubtful trade receivables of ₹ 1,014.42 Lakhs, which were included in Other expenses of the statement of standalone profit and loss for the year ended March 31, 2024. The said provision has been reversed and accounted during the year ended March 31, 2025 which is included in Other Income.
- 52** During year ended March 31, 2025, One of the Associate Company bought back its 32,71,161 shares of ₹ 10/- each held by the Company for a consideration of ₹ 892.38 Lakhs accordingly the resultant profit on such buyback of ₹ 565.26 Lakhs included in the exceptional items in the statement of Standalone profit and loss.
- 53** During year ended March 31, 2025, the Company made a provision of ₹ 1,405.28 Lakhs and written off ₹ 661.19 Lakhs aggregating to ₹ 2,066.47 Lakhs towards receivables from CUBE Highways and Infrastructure III Pte. Ltd included in the exceptional items in the statement of Standalone profit and loss due to non fulfilment of some of the conditions of the Share Purchase Agreements executed between the Company, CUBE Highways and Infrastructure III Pte. Ltd and respective SPV's i.e. KNR Tirumala Infra Pvt Ltd, KNR Shankarampet Projects Pvt Ltd and KNR Srirangam Infra Pvt Ltd.
- 54** During year ended March 31, 2025, the Company received following Arbitration Claim/dividend, which has been included in the statement of Standalone profit and loss:-
- a) From one of Company's JOs, the Company received claim for an amount of ₹ 6,088.12 Lakhs which is included in Revenue from Operations and also expenses related to such claims of ₹ 441.29 Lakhs included in Other expenses and the resultant tax of ₹ 1,421.31 Lakhs included in current tax.
  - b) Received an amount of ₹ 1,448.92 Lakhs as Dividend from one of its Associate Company, which is included in Other Income and the resultant tax of ₹ 364.69 Lakhs included in current tax.
- 55** The trade receivables, retention amounts and unbilled amounts includes an amount of ₹ 1,28,661.28 Lakhs for the year ended March 31, 2025 (₹ 77,396.55 Lakhs for March 31, 2024) relating to Kaleswaram Package 3 and Kaleswaram Package 4 Irrigation Projects in Telangana. collections in these projects have been stalled since March 2024 and March 23 respectively. Despite no collections, the Company is executing the projects to comply with the project execution terms and to demonstrate that the Company was not at fault in execution of the projects. Management based on internal assessments and discussions with Authority is confident of recovering it's present and future dues.
- 56** During the year ended March 31, 2025, the Company entered into a Share Purchase Agreement dated October 29, 2024 for transfer of its entire shareholding in one of its stepdown subsidiary i.e. KNR Muzaffarpur Barauni Tollway Pvt Ltd., for an equity valuation of ₹ 45.90 Lakhs.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

- 57** During the year ended March 31, 2024, the Company received following Arbitration Claims, which has been included in the statement of Standalone profit and loss:-
- In one of the erstwhile Subsidiary Company i.e KNR Walayar Tollways Private Limited (now Walayar Vedakkanchery Expressway Private Limited) received claims and passed on to the Company as per Share Purchase Agreement & Claim Management Agreement for an amount of ₹ 6,106.86 Lakhs and ₹ 9,491.00 Lakhs, which was recognised as Contract Receipt included in Revenue from Operations and Interest Income included in other income respectively. Further also expenses related to such claims of ₹ 841.63 Lakhs included in Other expenses and the resultant tax of ₹ 3,713.85 Lakhs was included in current tax.
  - In one of the Associate Company i.e Patel KNR Infrastructures Ltd., received claims and passed on to the Company for an amount of ₹ 830.87 Lakhs, which was set off against existing unbilled revenue of ₹ 2,095.53 Lakhs and the balance unbilled revenue has been written off to the tune of ₹ 1,264.66 Lakhs included in other expenses and also received ₹ 1,459.06 Lakhs towards Interest included in other income and the resultant tax of ₹ 48.93 Lakhs was included in current tax.
  - In two of Company's JOs i.e. Patel KNR JV & KNR Patel JV, the Company received claims from the JOs for an amount of ₹ 7,411.77 Lakhs included in Revenue from Operations and also expenses related to such claims of ₹ 588.61 Lakhs included in Other expenses and the resultant tax of ₹ 1,717.39 Lakhs included in current tax.
- 58** There have been no events after the reporting date that require disclosure in the financial statements.
- 59** Contribution to political parties during the 2024-25 is ₹ Nil (for 2023-24 is ₹ 1,000.00 Lakhs)
- 60** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 61** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- 62** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 63** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 64** The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- 65** The Company has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.

## Notes Forming Part of the Standalone Financial Statements (Contd.)

**66** The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

### **67 DISCLOSURE IN ACCORDANCE WITH IND AS - 116**

#### The Company recognised in the Statement of Profit and Loss

| (₹ In Lakhs)                          |                              |                              |
|---------------------------------------|------------------------------|------------------------------|
| Particulars                           | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Depreciation Charge on ROU Asset      | 318.59                       | 368.51                       |
| Interest Expense on Lease Liabilities | 35.32                        | 43.60                        |

The Company recognised following lease assets and liabilities in the Balance sheet.

| (₹ In Lakhs)                  |                         |                         |
|-------------------------------|-------------------------|-------------------------|
| Particulars                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Carrying Amount of ROU Assets | 263.65                  | 455.32                  |
| Lease liability               | 284.25                  | 421.65                  |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 68 KEY FINANCIAL RATIOS:

| Ratio                           | Numerator                                     | Denominator                  | As at March 31, 2025 |                     |       | As at March 31, 2024 |                     |       | Variation | Reason for variance                                                                                                                                     |
|---------------------------------|-----------------------------------------------|------------------------------|----------------------|---------------------|-------|----------------------|---------------------|-------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                 |                                               |                              | Numerator's Value    | Denominator's Value | Ratio | Numerator's Value    | Denominator's Value | Ratio |           |                                                                                                                                                         |
|                                 |                                               |                              |                      |                     |       |                      |                     |       |           |                                                                                                                                                         |
| Current ratio                   | Current Assets                                | Current Liabilities          | 318,617              | 69,246              | 4.60  | 2,85,841             | 99,052              | 2.89  | 59.45%    | Due to higher unbilled revenue during the 2024-25 leads to higher Current Ratio.                                                                        |
| Debt - Equity Ratio             | Total Debt                                    | Net Worth                    | -                    | 394,500             | -     | -                    | 3,22,566            | -     | 0.00%     |                                                                                                                                                         |
| Debt Service Coverage ratio     | Earnings available for debt service           | Debt Service                 | 82,815               | 27,665              | 2.99  | 64,482               | 52,173              | 1.24  | 142.20%   | Due to receipt of Claims, the Profit for the 2024-25 is higher compared to 2023-24 and the Debt utilised to the 2024-25 also lower compared to 2023-24. |
| Return on Equity ratio          | Net Profits after taxes - Preference Dividend | Average Shareholder's Equity | 72,568               | 358,533             | 0.20  | 49,383               | 2,97,997            | 0.17  | 22.14%    |                                                                                                                                                         |
| Inventory Turnover ratio        | Net Sales                                     | Average Inventory            | 335,865              | 19,049              | 17.63 | 4,09,098             | 22,740              | 17.99 | (1.99%)   |                                                                                                                                                         |
| Trade Receivable Turnover Ratio | Cost of goods sold OR sales                   | Average Trade Receivable     | 335,865              | 134,108             | 2.50  | 4,09,098             | 1,20,945            | 3.38  | (25.96%)  | Due to reduction of Trade receivables for the 2024-25                                                                                                   |
| Trade Payable Turnover Ratio    | Net Sales                                     | Average Trade Payables       | 335,865              | 29,092              | 11.54 | 4,09,098             | 32,496              | 12.59 | (8.29%)   |                                                                                                                                                         |
| Net Capital Turnover Ratio      | Net Sales                                     | Working Capital              | 335,865              | 249,370             | 1.35  | 4,09,098             | 1,86,789            | 2.19  | (38.50%)  | Due to lower turnover and higher current assets in 2024-25                                                                                              |
| Net Profit ratio                | Net Profit                                    | Net sales                    | 72,568               | 335,865             | 0.22  | 49,383               | 4,09,098            | 0.12  | 78.99%    | Due to receipt of Claims, the Profit for 2024-25 is higher compared to 2023-24                                                                          |
| Return on Capital Employed      | Earnings before interest and taxes            | Capital Employed             | 97,230               | 394,500             | 0.25  | 71,862               | 3,22,566            | 0.22  | 10.63%    |                                                                                                                                                         |

(₹ In Lakhs)

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 69 ALL PROPERTY, PLANT AND EQUIPMENT ARE HELD IN THE NAME OF THE COMPANY, EXCEPT FOLLOWING:

| Relevant line item in the Balance Sheet | Description of Property | Gross Carrying Value | Title Deeds held in the name of | Whether title deed holder promoter, director or their relative of promoter /director or employee of promoter /director | Property held since which date | Reason for not being held in the name of the Company |
|-----------------------------------------|-------------------------|----------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------------------------------|
| Investment Property                     | Land                    | 3,885,189            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 20-Apr-05                      |                                                      |
| Property, Plant and Equipment           | Land                    | 536,555              | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 20-Oct-16                      |                                                      |
| Property, Plant and Equipment           | Land                    | 4,715,240            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 24-Oct-16                      |                                                      |
| Property, Plant and Equipment           | Land                    | 757,385              | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 20-Oct-16                      |                                                      |
| Investment Property                     | Land                    | 1,334,965            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 17-May-17                      |                                                      |
| Investment Property                     | Land                    | 1,334,965            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 17-May-17                      |                                                      |
| Property, Plant and Equipment           | Land                    | 10,706,074           | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 30-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 13,763,347           | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 30-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 12,772,920           | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 24-Jun-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 9,199,260            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 24-Jun-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 2,454,010            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 26-Jul-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 427,245              | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 26-Jul-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 2,133,835            | Sri K. Narsimha Reddy           | Promoter and Managing Director                                                                                         | 26-Jul-21                      |                                                      |
| Investment Property                     | Land                    | 1,207,741            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 15-Feb-10                      |                                                      |
| Property, Plant and Equipment           | Land                    | 578,221              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 15-Feb-10                      |                                                      |
| Investment Property                     | Land                    | 1,103,051            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 24-Feb-10                      |                                                      |
| Investment Property                     | Land                    | 1,463,538            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 8-Mar-10                       |                                                      |
| Investment Property                     | Land                    | 509,102              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 23-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 1,724,915            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 23-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 1,531,111            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 24-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 2,488,053            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 26-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 1,654,935            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 31-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 534,316              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 31-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 712,255              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 31-Mar-10                      |                                                      |
| Investment Property                     | Land                    | 788,464              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 9-Apr-10                       |                                                      |
| Investment Property                     | Land                    | 864,415              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 19-Apr-10                      |                                                      |
| Investment Property                     | Land                    | 485,450              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 26-May-10                      |                                                      |
| Investment Property                     | Land                    | 1,120,850            | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 26-May-10                      |                                                      |
| Investment Property                     | Land                    | 438,505              | Sri. K Jalandhar Reddy          | Promoter and Executive Director                                                                                        | 3-Jan-11                       |                                                      |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

## 69 ALL PROPERTY, PLANT AND EQUIPMENT ARE HELD IN THE NAME OF THE COMPANY, EXCEPT FOLLOWING: (CONTD.)

| Relevant line item in the Balance Sheet | Description of Property | Gross Carrying Value | Title Deeds held in the name of                | Whether title deed holder promoter, director or their relative of promoter /director or employee of promoter /director | Property held since which date | Reason for not being held in the name of the Company |
|-----------------------------------------|-------------------------|----------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------------------------------|
| Investment Property                     | Land                    | 699,290              | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 3-Mar-11                       |                                                      |
| Investment Property                     | Land                    | 333,456              | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 5-Mar-11                       |                                                      |
| Property, Plant and Equipment           | Land                    | 5,552,450            | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 30-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 15,177,110           | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 30-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 2,180,868            | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 30-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 6,757,682            | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 30-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 12,691,905           | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 24-Jun-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 5,174,005            | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 27-Jun-22                      |                                                      |
| Property, Plant and Equipment           | Land                    | 822,895              | Sri. K Jalandhar Reddy                         | Promoter and Executive Director                                                                                        | 27-Jun-22                      |                                                      |
| Investment Property                     | Land                    | 1,085,446            | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 7-Aug-10                       |                                                      |
| Investment Property                     | Land                    | 1,174,860            | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 14-Sep-10                      |                                                      |
| Investment Property                     | Land                    | 859,220              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 28-Sep-10                      |                                                      |
| Investment Property                     | Land                    | 547,602              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 27-Dec-10                      |                                                      |
| Property, Plant and Equipment           | Land                    | 327,925              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 18-Mar-11                      |                                                      |
| Investment Property                     | Land                    | 299,310              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 29-Mar-11                      |                                                      |
| Investment Property                     | Land                    | 138,063              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 14-Jun-11                      |                                                      |
| Investment Property                     | Land                    | 143,457              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 14-Jun-11                      |                                                      |
| Investment Property                     | Land                    | 512,940              | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 30-Apr-12                      |                                                      |
| Property, Plant and Equipment           | Land                    | 1,038,580            | Sri. V. Venu Gopal Reddy                       | Employee                                                                                                               | 1-Dec-16                       |                                                      |
| Investment Property                     | Land                    | 32,359,314           | Sri. K. Jalandhar Reddy & Smt. K. Smitha Reddy | Promoter and Executive Director & Relative of Executive Director                                                       | 31-Mar-13                      |                                                      |
| Investment Property                     | Land                    | 536,987              | Sri. J. Anudeep                                | Employee                                                                                                               | 19-Jun-17                      |                                                      |
| Investment Property                     | Land                    | 536,988              | Sri. J. Anudeep                                | Employee                                                                                                               | 19-Jun-17                      |                                                      |
| Property, Plant and Equipment           | Land                    | 1,391,075            | Sri. J. Anudeep                                | Employee                                                                                                               | 17-Oct-17                      |                                                      |
| Property, Plant and Equipment           | Land                    | 859,610              | Sri. J. Anudeep                                | Employee                                                                                                               | 25-May-18                      |                                                      |
| Property, Plant and Equipment           | Land                    | 748,625              | Sri. J. Anudeep                                | Employee                                                                                                               | 17-Sep-18                      |                                                      |
| Property, Plant and Equipment           | Land                    | 1,068,575            | Sri. J. Anudeep                                | Employee                                                                                                               | 17-Sep-18                      |                                                      |
| Property, Plant and Equipment           | Land                    | 2,139,080            | Sri. J. Anudeep                                | Employee                                                                                                               | 17-Nov-18                      |                                                      |
| Property, Plant and Equipment           | Land                    | 1,284,645            | Sri. J. Anudeep                                | Employee                                                                                                               | 28-Dec-18                      |                                                      |
| Property, Plant and Equipment           | Land                    | 215,915              | Sri. J. Anudeep                                | Employee                                                                                                               | 16-Mar-19                      |                                                      |

## Notes Forming Part of the Standalone Financial Statements (Contd.)

### 69 ALL PROPERTY, PLANT AND EQUIPMENT ARE HELD IN THE NAME OF THE COMPANY, EXCEPT FOLLOWING: (CONTD.)

| Relevant line item in the Balance Sheet | Description of Property | Gross Carrying Value | Title Deeds held in the name of | Whether title deed holder promoter, director or their relative of promoter /director | Property held since which date | Reason for not being held in the name of the Company |
|-----------------------------------------|-------------------------|----------------------|---------------------------------|--------------------------------------------------------------------------------------|--------------------------------|------------------------------------------------------|
| Property, Plant and Equipment           | Land                    | 1,605,311            | Sri. J. Anudeep                 | Employee                                                                             | 9-Apr-19                       |                                                      |
| Property, Plant and Equipment           | Land                    | 1,285,561            | Sri. J. Anudeep                 | Employee                                                                             | 9-Apr-19                       |                                                      |
| Property, Plant and Equipment           | Land                    | 900,135              | Sri. J. Anudeep                 | Employee                                                                             | 3-Aug-19                       |                                                      |
| Property, Plant and Equipment           | Land                    | 900,135              | Sri. J. Anudeep                 | Employee                                                                             | 3-Aug-19                       |                                                      |
| Property, Plant and Equipment           | Land                    | 110,145              | Sri. J. Anudeep                 | Employee                                                                             | 8-Jul-19                       |                                                      |
| Property, Plant and Equipment           | Land                    | 963,510              | Sri. J. Anudeep                 | Employee                                                                             | 4-Sep-19                       |                                                      |
| Property, Plant and Equipment           | Land                    | 855,520              | Sri. J. Anudeep                 | Employee                                                                             | 7-Feb-20                       |                                                      |
| Property, Plant and Equipment           | Land                    | 1,067,300            | Sri. J. Anudeep                 | Employee                                                                             | 29-Sep-20                      |                                                      |
| Property, Plant and Equipment           | Land                    | 1,068,100            | Sri. J. Anudeep                 | Employee                                                                             | 29-Sep-20                      |                                                      |
| Property, Plant and Equipment           | Land                    | 641,370              | Sri. J. Anudeep                 | Employee                                                                             | 19-Apr-21                      |                                                      |
| Property, Plant and Equipment           | Land                    | 1,284,710            | Smt. K. Yashoda                 | Promoter and Non-Executive Director                                                  | 24-Jan-19                      |                                                      |

**Notes Forming Part of the Standalone Financial Statements (Contd.)****70 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the Board of Directors on May 29, 2025.

**71** Previous year's figures have been regrouped/reclassified/rearranged wherever considered necessary.

See accompanying notes forming part of the financial statements  
As per our report of even date attached

**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S)

**For and on behalf of the Board**

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTLC3521

**K.Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V.Haritha**  
Company Secretary

# Independent Auditor's Report

To  
The Members of  
KNR Constructions Limited

## Report on the Audit of the Consolidated Financial Statements

### OPINION

We have audited the accompanying consolidated financial statements of **KNR CONSTRUCTIONS LIMITED** (the "Holding Company") which include 17 Joint Operations and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its associates which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in

equity and their consolidated cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. Revenue Recognition of long-term contracts of Holding Company</b></p> <p>The Company has significant revenue from construction contracts and long-term operating and maintenance agreements. These long-term contracts are often complex customised solutions and meet the definition of a contract as per Ind AS 115.</p> <p>Revenue related to these construction contracts is recognised using the percentage of completion method, where progress is determined by comparing actual costs incurred to date, with the total estimated costs of the project. Revenue recognition for construction contracts includes management judgment in the form of estimates, which are subject to management experience and expectations of future events. The most important judgment relates to the estimated total costs of the project.</p> | <p>Our revenue testing included both testing of the company's controls, as well as substantive audit procedures targeted at selected major long-term projects. Our substantive testing focused on estimates applied by management in the accounting.</p> <p>Our procedures included, among others things, the following:</p> <p>Ensured that the revenue recognition method applied was appropriate based on the terms of the arrangement;</p> <p>Agreed the total project revenue estimates to sales agreements, including amendments as appropriate;</p> <p>We obtained an understanding of the processes and tested relevant controls, which impact the revenue recognition;</p> |

## Independent Auditor's Report (Contd.)

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue recognition of long-term contracts is a key audit matter in the audit due to the high level of management judgement involved in the project estimates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | We assessed the reliability of management's estimates by comparing the actual results of delivered projects to previous estimates;                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>2. Litigations and Claims of Holding Company</b><br>Considering the nature of the Company's operations, it can be exposed to a number of litigations and claims. The recognition and measurement of provisions, contingent liabilities and contingent assets as well as making the necessary disclosures in respect of litigation and claims requires significant judgment by the management in assessing the outcome of each legal case which is based on management's discussion with legal advisors. Due to the significance of the litigations and claims and the difficulty in assessing and measuring the resulting outcome, this is considered as a key audit matter. | Our audit procedures included the following:<br>Evaluating the Company's policies, procedures and controls in relation to litigation, claims and provision assessments;<br>Independent enquiries to understand the background of each case, legal position and the material risks that may impact the consolidated Ind AS financial statements; and<br>Assessing reasonableness of judgment made by management, determining the adequacy of the level of provisioning or disclosure in the consolidated Ind As financial statements. |

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes

in equity and consolidated cash flows of the Group including its associates and joint venture in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

The respective Boards of Directors of the entities 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 the assets of the Group and of its associates and joint venture for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the entities included in the Group and of its associates and joint venture are responsible for assessing the ability of the respective entities 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 Boards of Directors either intends to

## Independent Auditor's Report (Contd.)

liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the entities included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 statements.

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 statements, 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 financial 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 on whether the Company and its subsidiary companies which are companies incorporated in India, 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 made by the management.

- Conclude on the appropriateness of management's 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 ability of the Group to continue as a going concern. 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 statements 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its associates and joint venture to express an opinion on the consolidated Ind AS financial statements. For the other entities included in the consolidated Ind AS financial statements, 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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

## Independent Auditor's Report (Contd.)

with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

The Consolidated financial statements include the audited financial statements of 14 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 3,69,687.09 Lakhs, total revenue (before consolidation adjustments) of Rs. 2,96,013.25 Lakhs, total net profit after tax (before consolidation adjustments) of Rs. 38,985.40 Lakhs, total comprehensive income (net) of Rs. 38,985.40 lakhs and net cash flow/(outflow) of (11,769.04) lakhs for the year ended 31 March 2025, as considered in the Consolidated financial statements, which have been audited by their respective independent auditors. The Consolidated financial statements also include the Group's share of net profit after tax (before consolidation adjustments) of Rs. (387.31) Lakhs and the Group's share of total comprehensive income (before consolidation adjustments) of Rs. (55.40) Lakhs for the year ended 31st March 2025, as considered in the consolidated financial statements, 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 statements, 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.

Our opinion on the consolidated financial statements 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.

The Consolidated financial statements also include the Group's share of net profit after tax (before consolidation adjustments) of Rs. Nil and Group's share of total comprehensive income

(before consolidation adjustments) of Rs. Nil for the year ended 31 March 2025, as considered in the consolidated financial statements, in respect of 1 joint venture located outside India. This financial information is unaudited and have been furnished to us by the Management. 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

The Consolidated financial statements include the audited financial statements of 12 Joint operations, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 97,926.22 Lakhs, total revenue (before consolidation adjustments) of Rs. 26,656.17 Lakhs, total net profit/(loss) after tax (before consolidation adjustments) of and Rs. (1,276.94) Lakhs, total comprehensive income/(loss) (before consolidated adjustments) of Rs. (1,276.94) Lakhs and net cash flow/ (outflow) of Rs. (2,932.60) Lakhs for year ended 31st March 2025, as considered in the financial statements, 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 statements, 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.

Our opinion on the consolidated financial statements 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.

The Consolidated financial statements include the unaudited financial statements of 5 Joint operations whose financial information reflect total assets of Rs. 2,543.17 Lakhs (before consolidation adjustments), total revenues of Rs. 2,661.93 lakhs (before consolidation adjustments), total net profit/(loss) after tax of Rs. Nil (before consolidation adjustments) and total comprehensive income/(loss) (before consolidated adjustments) of Rs. Nil for the year ended 31st March 2025 and net cash flow/(outflow) of Rs. 173.86 Lakhs for year ended 31st March 2025, as considered in the financial statements, which have not been audited by us. These financial statements 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

## Independent Auditor's Report (Contd.)

statements. 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.

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial statements of the subsidiary companies and associate companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure I" a statement on the matters specified in paragraph 3(xxi) of the Order

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint operations, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the parent and its subsidiary companies, associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS Financial Statements disclose the impact if any, of pending litigations as at March 31, 2025 on its financial position in its consolidated Ind AS Financial Statements – Refer Note No. 37.
  - ii. The Group and its associates did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

**Independent Auditor's Report (Contd.)**

- iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under

the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit and on the basis of test checking of selected samples, we did not come across any instance of audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended March 31, 2025, included in the consolidated financial statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, we report that there were no qualifications or adverse remarks.

**For K.P. Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S

**Mohan R Lavi**  
Partner

Place: Bengaluru  
Date: 29<sup>th</sup> May 2025.

Membership No. 029340  
UDIN: 25029340BMKTLB1079

## Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KNR Constructions Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025 we have audited the internal financial controls with reference to consolidated financial statements of **KNR CONSTRUCTIONS LIMITED** (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary companies, which are companies incorporated in India.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Annexure "A" To The Independent Auditor's Report (Contd.)****INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For K.P. Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S

**Mohan R Lavi**  
Partner

Place: Bengaluru  
Date: 29<sup>th</sup> May 2025.

Membership No. 029340  
UDIN: 25029340BMKTLB1079

# Consolidated Balance Sheet

as at March 31, 2025

|                                                                |      |      |                         | (₹ in Lakhs)            |
|----------------------------------------------------------------|------|------|-------------------------|-------------------------|
| Particulars                                                    |      | Note | As At<br>March 31, 2025 | As At<br>March 31, 2024 |
| <b>I ASSETS</b>                                                |      |      |                         |                         |
| <b>1) Non-current assets</b>                                   |      |      |                         |                         |
| a) Property, plant and equipment                               | 3    |      | 33,832.48               | 40,302.43               |
| b) Capital work-in-progress                                    | 3.1  |      | 41.20                   | 218.43                  |
| c) Right of use asset                                          |      |      | 263.65                  | 455.32                  |
| d) Investment Property                                         | 3.2  |      | 14,145.31               | 13,751.66               |
| e) Other Intangible assets                                     | 3.3  |      | 4.25                    | 26,126.57               |
| f) Financial Assets                                            |      |      |                         |                         |
| i) Investments                                                 | 4    |      | 5,353.19                | 7,554.33                |
| ii) Trade receivables                                          | 5    |      | 3,126.35                | 4,172.00                |
| iii) Other Financial Assets                                    | 6    |      | 2,74,354.92             | 1,85,914.45             |
| g) Deferred tax assets (net)                                   | 7    |      | 12,757.75               | 13,674.51               |
| h) Non-Current tax assets (net)                                | 8    |      | 5,443.31                | 4,742.12                |
| i) Other non-current assets                                    | 9    |      | 46,924.85               | 34,590.54               |
| <b>Total Non-current assets</b>                                |      |      | <b>3,96,247.26</b>      | <b>3,31,502.36</b>      |
| <b>2) Current assets</b>                                       |      |      |                         |                         |
| a) Inventories                                                 | 10   |      | 16,041.38               | 22,087.42               |
| b) Financial assets                                            |      |      |                         |                         |
| i) Investments                                                 | 4    |      | 6,228.80                | 3,964.30                |
| ii) Trade receivables                                          | 5    |      | 92,111.66               | 67,398.39               |
| iii) Cash and cash equivalents                                 | 11   |      | 10,333.01               | 35,638.01               |
| iv) Bank balances, other than (iii) above                      | 12   |      | 21,918.86               | 5,451.21                |
| v) Loans                                                       | 13   |      | 158.62                  | 184.46                  |
| vi) Other financial assets                                     | 6    |      | 1,46,188.66             | 92,941.06               |
| c) Current Tax Assets (net)                                    | 8    |      | 2,849.48                | 2,140.32                |
| d) Other current assets                                        | 14   |      | 21,012.41               | 19,071.22               |
| <b>Total Current assets</b>                                    |      |      | <b>3,16,842.88</b>      | <b>2,48,876.39</b>      |
| <b>3) Assets classified as held for sale</b>                   |      |      | <b>45.90</b>            | <b>-</b>                |
| <b>TOTAL ASSETS</b>                                            |      |      | <b>7,13,136.04</b>      | <b>5,80,378.75</b>      |
| <b>II EQUITY AND LIABILITIES</b>                               |      |      |                         |                         |
| <b>Equity</b>                                                  |      |      |                         |                         |
| a) Equity Share capital                                        | 15   |      | 5,624.70                | 5,624.70                |
| b) Instruments Entirely Equity in nature                       | 15.6 |      | -                       | 850.00                  |
| c) Other Equity                                                | 16   |      | 4,48,493.15             | 3,48,940.06             |
| <b>Equity attributable to the share holders of the Company</b> |      |      | <b>4,54,117.85</b>      | <b>3,55,414.76</b>      |
| Non-controlling Interests                                      |      |      | -                       | (5,647.37)              |
| <b>Total Equity</b>                                            |      |      | <b>4,54,117.85</b>      | <b>3,49,767.39</b>      |
| <b>Liabilities</b>                                             |      |      |                         |                         |
| <b>1) Non-current liabilities</b>                              |      |      |                         |                         |
| a) Financial liabilities                                       |      |      |                         |                         |
| i) Borrowings                                                  | 17   |      | 1,75,740.69             | 1,16,178.65             |
| ii) Lease liabilities                                          |      |      | 284.25                  | 421.65                  |
| iii) Other financial liabilities                               | 18   |      | -                       | 599.74                  |
| b) Provisions                                                  | 20   |      | 5,030.82                | 2,168.28                |
| c) Other non-current liabilities                               | 21   |      | 262.98                  | 1,071.60                |
| <b>Total non-current liabilities</b>                           |      |      | <b>1,81,318.74</b>      | <b>1,20,439.92</b>      |
| <b>2) Current liabilities</b>                                  |      |      |                         |                         |
| a) Financial liabilities                                       |      |      |                         |                         |
| i) Borrowings                                                  | 17   |      | 8,922.54                | 9,643.41                |
| ii) Trade Payables                                             | 19   |      |                         |                         |
| Dues to Micro & Small Enterprises                              |      |      | 164.29                  | 140.00                  |
| Due to creditors other than Micro & Small Enterprises          |      |      | 30,447.42               | 27,978.88               |
| iii) Other financial liabilities                               | 18   |      | 27,122.38               | 51,212.36               |
| b) Provisions                                                  | 20   |      | 1,495.55                | 6,053.09                |
| c) Other current liabilities                                   | 22   |      | 7,034.31                | 14,493.47               |
| d) Current Tax Liabilities (net)                               | 23   |      | 2,512.96                | 650.23                  |
| <b>Total current liabilities</b>                               |      |      | <b>77,699.45</b>        | <b>1,10,171.44</b>      |
| <b>Total Liabilities</b>                                       |      |      | <b>2,59,018.19</b>      | <b>2,30,611.36</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            |      |      | <b>7,13,136.04</b>      | <b>5,80,378.75</b>      |

Corporate information and Significant accounting policies  
See accompanying notes forming part of the financial statements

As per our report attached  
**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S )

For and on behalf of the Board

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTLB1079

**K. Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V. Haritha**  
Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

| (₹ in Lakhs)                                                                                                                            |           |                              |                              |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------------|------------------------------|
| Particulars                                                                                                                             | Note      | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| <b>I</b> Revenue from Operations                                                                                                        | 24        | 4,75,316.64                  | 4,42,948.64                  |
| <b>II</b> Other income                                                                                                                  | 25        | 31,568.85                    | 14,469.09                    |
| <b>III Total Income (I + II)</b>                                                                                                        |           | <b>5,06,885.49</b>           | <b>4,57,417.73</b>           |
| <b>IV Expenses</b>                                                                                                                      |           |                              |                              |
| Cost of materials consumed                                                                                                              | 26        | 1,46,643.92                  | 1,66,015.29                  |
| Construction expenses                                                                                                                   | 27        | 1,05,693.30                  | 1,38,667.68                  |
| Construction Cost under Service Concession Arrangements                                                                                 |           | 31,887.83                    | 4,314.71                     |
| Employee benefits expense                                                                                                               | 28        | 17,712.84                    | 17,419.23                    |
| Finance costs                                                                                                                           | 29        | 20,789.58                    | 10,567.40                    |
| Depreciation and amortisation expense                                                                                                   | 3 & 30    | 31,421.95                    | 15,683.13                    |
| Other expenses                                                                                                                          | 31        | 10,841.05                    | 11,756.16                    |
| <b>Total expenses (IV)</b>                                                                                                              |           | <b>3,64,990.47</b>           | <b>3,64,423.60</b>           |
| <b>V Profit/(Loss) before share of Profit/(Loss) from Associates and Joint Controlled entities (III-IV)</b>                             |           | <b>1,41,895.02</b>           | <b>92,994.13</b>             |
| <b>VI</b> Share of Profit/(Loss) from Associates and Joint controlled entities                                                          |           | (1,874.02)                   | 1,851.92                     |
| <b>VII Profit/(Loss) before exceptional items and tax (V + VI)</b>                                                                      |           | <b>1,40,021.00</b>           | <b>94,846.05</b>             |
| <b>VIII</b> Exceptional items - Expenses/(Income)                                                                                       | 32        | 14,062.80                    | -                            |
| <b>IX Profit/(Loss) before tax (VII-VIII)</b>                                                                                           |           | <b>1,25,958.20</b>           | <b>94,846.05</b>             |
| <b>X Tax expense</b>                                                                                                                    | 33        |                              |                              |
| 1) Current tax                                                                                                                          |           | 24,539.76                    | 20,319.37                    |
| 2) Adjustment of tax relating to earlier periods                                                                                        |           | 606.93                       | 832.22                       |
| 3) Deferred tax                                                                                                                         |           | 624.10                       | (1,535.23)                   |
|                                                                                                                                         |           | <b>25,770.79</b>             | <b>19,616.36</b>             |
| <b>XI Profit/(Loss) for the year (IX- X)</b>                                                                                            |           | <b>1,00,187.41</b>           | <b>75,229.69</b>             |
| <b>XII Other comprehensive Income/(loss)</b>                                                                                            | 34        |                              |                              |
| <b>a) Items that will not be reclassified to profit or loss</b>                                                                         |           |                              |                              |
| Remeasurements of the defined benefit plans                                                                                             |           | 91.90                        | 612.14                       |
| Deferred Tax on above items                                                                                                             |           | (23.13)                      | (154.16)                     |
| <b>b) Items that will be reclassified to profit or loss</b>                                                                             |           | -                            | -                            |
| <b>XIII Total Comprehensive Income for the period (XI+XII) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b> |           | <b>1,00,256.18</b>           | <b>75,687.67</b>             |
| <b>Profit/(loss) attributable to (XI):</b>                                                                                              |           |                              |                              |
| Owners of the Company                                                                                                                   |           | 1,00,187.41                  | 77,739.88                    |
| Non-controlling interests                                                                                                               |           | -                            | (2,510.19)                   |
|                                                                                                                                         |           | <b>1,00,187.41</b>           | <b>75,229.69</b>             |
| <b>Total comprehensive income attributable to (XIII):</b>                                                                               |           |                              |                              |
| Owners of the Company                                                                                                                   |           | 1,00,256.18                  | 78,197.86                    |
| Non-controlling interests                                                                                                               |           | -                            | (2,510.19)                   |
|                                                                                                                                         |           | <b>1,00,256.18</b>           | <b>75,687.67</b>             |
| <b>XIV Earnings per equity share: (In ₹)</b>                                                                                            | <b>38</b> |                              |                              |
| 1) Basic                                                                                                                                |           | 35.62*                       | 27.64                        |
| 2) Diluted                                                                                                                              |           | 35.62*                       | 27.64                        |
| Corporate information and Significant accounting policies                                                                               | 1 & 2     |                              |                              |

See accompanying notes forming part of the financial statements

As per our report attached

**For K. P. Rao & Co.,**  
Chartered Accountants  
(Firm Regn. No.003135S)

**Mohan R Lavi**  
Partner  
Membership No: 029340  
UDIN: 25029340BMKTLB1079

**K. Narsimha Reddy**  
Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**  
Executive Director & CFO  
DIN: 00434911

Place : Hyderabad  
Date : May 29, 2025

**V. Haritha**  
Company Secretary

**For and on behalf of the Board**

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

## A - EQUITY SHARE CAPITAL

(₹ In Lakhs)

| Particulars                                               | Number              | Amount          |
|-----------------------------------------------------------|---------------------|-----------------|
| As at April 01, 2023                                      | 28,12,34,600        | 5,624.70        |
| Add/Less: Changes in equity share capital during the year | -                   | -               |
| <b>As at March 31, 2024</b>                               | <b>28,12,34,600</b> | <b>5,624.70</b> |
| Add/Less: Changes in equity share capital during the year | -                   | -               |
| <b>As at March 31, 2025</b>                               | <b>28,12,34,600</b> | <b>5,624.70</b> |

## B - OTHER EQUITY

(₹ in Lakhs)

| Particulars                                                                                         | Reserves and Surplus |                  |                    | Items of other comprehensive income/(loss) | Instrument entirely equity in nature | Total Attributable to the shareholders of the Company | Non-controlling interests | Total              |
|-----------------------------------------------------------------------------------------------------|----------------------|------------------|--------------------|--------------------------------------------|--------------------------------------|-------------------------------------------------------|---------------------------|--------------------|
|                                                                                                     | Securities Premium   | General Reserves | Retained Earnings  | Other items of Other Comprehensive Income  |                                      |                                                       |                           |                    |
| <b>Balance as at April 01, 2023</b>                                                                 | <b>9,786.96</b>      | <b>2,849.00</b>  | <b>2,58,974.80</b> | <b>(165.47)</b>                            | <b>850.00</b>                        | <b>2,72,295.29</b>                                    | <b>(3,137.19)</b>         | <b>2,69,158.11</b> |
| Profit for the year                                                                                 | -                    | -                | 77,739.88          | -                                          | -                                    | 77,739.88                                             | (2,510.19)                | 75,229.69          |
| Other Comprehensive income/(loss) for the year                                                      | -                    | -                | -                  | 457.98                                     | -                                    | 457.98                                                | -                         | 457.98             |
| Dividends & Dividend tax paid                                                                       | -                    | -                | (703.09)           | -                                          | -                                    | (703.09)                                              | -                         | (703.09)           |
| Increase/(decrease) in non-controlling interests due to dilution/divestment/acquisition/right issue | -                    | -                | -                  | -                                          | -                                    | -                                                     | -                         | -                  |
| <b>Balance as at March 31, 2024</b>                                                                 | <b>9,786.96</b>      | <b>2,849.00</b>  | <b>3,36,011.59</b> | <b>292.51</b>                              | <b>850.00</b>                        | <b>3,49,790.06</b>                                    | <b>(5,647.38)</b>         | <b>3,44,142.69</b> |
| <b>Balance as at April 01, 2024</b>                                                                 | <b>9,786.96</b>      | <b>2,849.00</b>  | <b>3,36,011.59</b> | <b>292.51</b>                              | <b>850.00</b>                        | <b>3,49,790.06</b>                                    | <b>(5,647.38)</b>         | <b>3,44,142.69</b> |
| Profit for the year                                                                                 | -                    | -                | 1,00,187.41        | -                                          | -                                    | 1,00,187.41                                           | -                         | 1,00,187.41        |
| Other Comprehensive income/(loss) for the year                                                      | -                    | -                | -                  | 68.77                                      | -                                    | 68.77                                                 | -                         | 68.77              |
| Dividends & Dividend tax paid                                                                       | -                    | -                | (703.09)           | -                                          | -                                    | (703.09)                                              | -                         | (703.09)           |
| Exchange Differences on translation of foreign operations                                           | -                    | -                | -                  | -                                          | -                                    | -                                                     | -                         | -                  |
| Increase/(decrease) in non-controlling interests due to dilution/divestment/acquisition/right issue | -                    | -                | -                  | -                                          | (850.00)                             | (850.00)                                              | 5,647.38                  | 4,797.38           |
| <b>Balance as at March 31, 2025</b>                                                                 | <b>9,786.96</b>      | <b>2,849.00</b>  | <b>4,35,495.91</b> | <b>361.28</b>                              | <b>-</b>                             | <b>4,48,493.15</b>                                    | <b>-</b>                  | <b>4,48,493.15</b> |

**For K. P. Rao & Co.,**

Chartered Accountants  
(Firm Regn. No.003135S)

**Mohan R Lavi**

Partner  
Membership No: 029340  
UDIN: 25029340BMKTLB1079

Place : Hyderabad  
Date : May 29, 2025

**For and on behalf of the Board**

**K. Narsimha Reddy**

Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**

Executive Director & CFO  
DIN: 00434911

**V. Haritha**

Company Secretary

# Audited Consolidated Cash Flow Statement

for the year ended March 31, 2025

(₹ In Lakhs)

| Particulars                                                            | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>A) Cash Flow from operating Activities</b>                          |                              |                              |
| Profit before tax                                                      | <b>1,25,958.20</b>           | <b>94,846.05</b>             |
| Adjustments for :                                                      |                              |                              |
| Depreciation and Amortisation expense                                  | 31,421.95                    | 15,683.13                    |
| Liabilities no longer required written back                            | (8,198.20)                   | (515.08)                     |
| Provision for Doubtful Advances written back                           | (385.05)                     | -                            |
| Bad debts/advances written off                                         | 1,619.42                     | 245.01                       |
| (Gain)/Loss on sale of property, plant and equipment                   | (77.20)                      | (280.15)                     |
| (Gain)/Loss on sale of Mutual funds                                    | (1,193.75)                   | (96.09)                      |
| (Gain)/Loss on Fair value of Financial instruments                     | (375.99)                     | (521.01)                     |
| Unbilled Revenue Written off                                           | -                            | 2,536.91                     |
| Exceptional Item                                                       | 14,062.80                    | -                            |
| Provision for Doubtful Advances and Other Receivables                  | -                            | 31.45                        |
| Finance Income on Financial Assets                                     | (39,339.75)                  | (24,515.86)                  |
| Provision for Periodic maintenance                                     | 2,849.44                     | 1,828.33                     |
| Un winding Interest on Lease liabilities                               | 35.32                        | 43.60                        |
| Un Winding Interest on Deferment of NHAI Premium                       | -                            | 671.72                       |
| Un Amortised Processing fee                                            | 104.27                       | 21.84                        |
| Modification gain/loss                                                 | (410.17)                     | 664.37                       |
| Allowance for expected credit loss on Trade Receivables                | 705.21                       |                              |
| Provision for Impairment on carriageway                                | -                            | 1,200.00                     |
| Finance costs                                                          | 20,649.99                    | 9,830.24                     |
| Interest Income                                                        | (15,248.29)                  | (11,309.15)                  |
|                                                                        | <b>6,220.00</b>              | <b>(4,480.74)</b>            |
| <b>Operating profit/(loss) before working capital changes</b>          | <b>1,32,178.20</b>           | <b>90,365.31</b>             |
| Working capital adjustments:                                           |                              |                              |
| (Increase)/Decrease in Trade and Other Receivables and prepayments     | (1,43,201.96)                | (1,07,761.86)                |
| (Increase)/Decrease in Inventories                                     | 6,046.04                     | 1,335.28                     |
| Increase/(Decrease) in Trade and other Payables                        | (28,780.32)                  | 10,593.54                    |
| <b>Cash generated/(Used in) From Operations</b>                        | <b>(33,758.04)</b>           | <b>(5,467.73)</b>            |
| Income Taxes (paid)/Refunds                                            | (22,900.06)                  | (24,244.56)                  |
| <b>Net Cash Flows from/(used in) Operating Activities - (A)</b>        | <b>(56,658.10)</b>           | <b>(29,712.29)</b>           |
| <b>B) Cash Flow from Investing Activities</b>                          |                              |                              |
| Proceeds from sale of property, plant and equipment                    | 242.28                       | 554.02                       |
| Purchase of property, plant and equipment and Capital Work-in-Progress | (2,797.54)                   | (8,286.17)                   |
| Proceeds from Sale/(Purchase) of investments                           | (10,911.84)                  | (4,187.74)                   |
| Interest Received                                                      | 14,778.11                    | 11,283.20                    |
| (Increase)/Decrease in Fixed Deposits                                  | (16,467.65)                  | (2,528.93)                   |
| Loans to Joint Venture Partners                                        | 25.84                        | (173.32)                     |
| TDS on Interest Received                                               | (1,524.72)                   | (21.00)                      |
| <b>Net Cash Flow from/(used in) Investing Activities - (B)</b>         | <b>(16,655.52)</b>           | <b>(3,359.94)</b>            |

## Audited Consolidated Cash Flow Statement (Contd.)

(₹ In Lakhs)

| Particulars                                                                | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|----------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>C) Cash Flow from Financing Activities</b>                              |                              |                              |
| Proceeds from Borrowings                                                   | 1,30,870.00                  | 1,31,987.37                  |
| Increase/(Decrease) from Short term borrowings                             | -                            | (25.45)                      |
| Repayment of Borrowings                                                    | (66,164.96)                  | (71,473.44)                  |
| Increase/(Decrease) in Instruments Entirely Equity in nature               | (850.00)                     | -                            |
| Deferred Payment of Liability                                              | (172.00)                     | -                            |
| Finance cost paid                                                          | (20,618.70)                  | (10,172.68)                  |
| Payment (to)/from non-controlling interest (net)                           | 5,647.37                     | -                            |
| Dividends paid and Dividend Tax Paid                                       | (703.09)                     | (703.09)                     |
| <b>Net Cash Flow from/(used in) Financing Activities - ( C )</b>           | <b>48,008.62</b>             | <b>49,612.71</b>             |
| Net increase/(decrease) in Cash and Cash Equivalents - (A+B+C)             | (25,305.00)                  | 16,540.48                    |
| Cash & Cash Equivalents at the beginning of the year                       | 35,638.01                    | 19,097.53                    |
| <b>Cash &amp; Cash Equivalents as at the end of the year (Refer Note )</b> | <b>10,333.01</b>             | <b>35,638.01</b>             |
| <b>Notes:</b>                                                              |                              |                              |
| <b>1 Cash &amp; Cash equivalents includes:</b>                             |                              |                              |
| Cash in Hand                                                               | 25.51                        | 50.26                        |
| Bank Balance and Cheques on hand - current account                         | 10,307.50                    | 35,587.75                    |
| <b>Total Cash &amp; Cash equivalents</b>                                   | <b>10,333.01</b>             | <b>35,638.01</b>             |

- The Cash flow statement is prepared in accordance with the Indirect Method stated in Ind-AS7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.
- Previous year's figures have been regrouped, wherever necessary.
- Figures in brackets represent cash outflows.

**For K. P. Rao & Co.,**

Chartered Accountants  
(Firm Regn. No.003135S)

**Mohan R Lavi**

Partner  
Membership No: 029340  
UDIN: 25029340BMKTLB1079

Place : Hyderabad  
Date : May 29, 2025

**For and on behalf of the Board**

**K. Narsimha Reddy**

Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**

Executive Director & CFO  
DIN: 00434911

**V. Haritha**

Company Secretary

# Notes Forming Part of the Consolidated Financial Statements

## 1 REPORTING ENTITY INFORMATION:

KNR Constructions Limited ('the Company') is a company domiciled in India with its registered office at 'KNR House' 3rd & 4th Floor, Plot No: 114, Phase-I, Kavuri Hills, Hyderabad – 500 033. The Company has been incorporated in 1995 under the provisions of Indian Companies Act. The shares of the Company are listed on the both the stock exchanges (BSE & NSE) in India in 2008 pursuant to the Public offer of equity shares. The Company, its subsidiaries and Associates collectively referred to as the "Group" is engaged in the infrastructure sector and is undertaking Turn key EPC contracts and BOT & HAM projects on public-private partnership basis, group activities are primarily in the construction of roads, bridges, flyovers and irrigation projects.

## 2 MATERIAL ACCOUNTING POLICIES:

### 2.1 Statement of Compliance

These financial statements are the Consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016 notified under the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

### 2.2 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been presented ₹ in Lakhs rounded-off to two decimal, unless otherwise indicated.

### 2.3 Basis of Preparation & Presentation

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

### 2.4 Basis of Consolidation

The consolidated financial statements have been prepared on the following basis:

#### i) Subsidiaries

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as disclosed in Note 43. Subsidiaries are consolidated from the date control commences until the date control ceases. Subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses on intra-group transactions as per Indian Accounting Standard 110.

#### ii) Associates

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

#### iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures; the classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

For joint operations, the group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

For joint venture, A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

assets of the joint arrangement. Investments in Joint Venture are accounted for using the equity method after initially recognised at cost.

- iv) The financial statements of the Subsidiaries, Associates and the Joint ventures used in the consolidation are drawn up to the same reporting date as that of the Holding Company, i.e. March 31, 2025.
- v) Non-controlling interests in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet under the Total Equity.
- vi) Non-controlling interests in the net assets of consolidated subsidiaries consists of:
  - a) The amount of equity attributable to Non-controlling holders at the date on which investment in a subsidiary is made; and
  - b) The Non-controlling holders share of movements in the equity since the date the parent subsidiary relationship came into existence.
- vii) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements. The Subsidiaries and Associate Companies are considered for consolidated financial statements are given in Note 43.

### 2.5 Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of

the consideration received and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 2.6 Operating cycle for Current and Non-Current classification

The group has classified all its assets and liabilities as current or non-current, wherever applicable, as per the operating cycle of the group as per Schedule III to the Act. Operating cycle for the business activities of the group covers the duration of the project/contract/service including the defect liability period, wherever applicable, and extends up to the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

### 2.7 Fair Value Measurement

The group measures certain financial instruments, in its financial statements at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within fair value hierarchy based on the low-level of input that is significant to the fair value measurement as a whole:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (observable input).

Level 3 – Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2.8 Property, plant and equipment (PPE)

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and

estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is calculated on cost of items of property, plant and equipment in the manner and as per the useful life prescribed under Schedule-II to the Act except the below mentioned assets, and is generally recognised in the statement of profit and loss. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

The following asset category has useful life different from the life specified in Schedule II of the Companies Act, 2013 based on the management's assessment

| S. No.    | Description                                                          | Useful life given as per Companies Act 2013 | Company's estimated useful life |
|-----------|----------------------------------------------------------------------|---------------------------------------------|---------------------------------|
| <b>1.</b> | <b>Buildings</b>                                                     |                                             |                                 |
|           | RCC structure                                                        | 60 years                                    | 60 years                        |
|           | Temporary structure                                                  | 3 Years                                     | 3 Years                         |
| <b>2.</b> | <b>Plant and Machinery</b>                                           |                                             |                                 |
|           | Concreting, crushing, piling equipment's and road making equipment's | 12 Years                                    | 7 Years */3 Years**             |
|           | Heavy Lift equipment's                                               |                                             |                                 |
|           | - Cranes < 100 tons                                                  | 15 Years                                    | 7 Years */3 Years**             |
|           | - Earth-moving equipment's                                           | 9 Years                                     | 7 Years */3 Years**             |
|           | Construction Accessories                                             | 12 Years                                    | 7 Years */3 Years**             |
|           | Others including Material Handling/Pipeline/Welding Equipment's      | 12 Years                                    | 7 Years */3 Years**             |
| <b>3.</b> | <b>Furniture and fittings</b>                                        | 10 Years                                    | 10 Years                        |
| <b>4.</b> | <b>Motor Vehicles</b>                                                |                                             |                                 |
|           | Motor cycles, Scooters and other mopeds                              | 10 Years                                    | 10 Years                        |
|           | Motor buses, motor lorries, motor cars and motor taxis               | 8 Years                                     | 8 Years                         |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

| S. No. | Description                                      | Useful life given as per Companies Act 2013 | Company's estimated useful life |
|--------|--------------------------------------------------|---------------------------------------------|---------------------------------|
| 5.     | Office equipment's                               | 5 Years                                     | 5 Years                         |
| 6.     | Computers and data processing units              |                                             |                                 |
|        | Servers and networks                             | 6 Years                                     | 6 Years                         |
|        | End user devices such as, desktops, laptop etc., | 3 Years                                     | 3 Years                         |
| 7.     | Laboratory equipment's                           | 10 years                                    | 7 years *                       |

\* The Group estimated life of the asset as 7 years.

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

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal.

### 2.9 Capital Work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost less refundable taxes.

### 2.10 Intangible Asset under Service Concession Arrangements (SCA)

The Group recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The Group has followed life based amortisation for intangible assets which are recognised under service

concession arrangements, over the balance concession period.

### Government grants – Viability Gap Funding (VGF)

Any VGF in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipt.

### Accounting for negative grants

The Group is required to make payments to the authority during the period of SCA which is called negative grant as per Ind-AS 115, and the payment is in the form of fixed payment (annual throughout the SCA) and the Group has recognised as a liability with a present value of annual payments payable during the SCA. And the same was capitalised to the intangible assets.

### 2.11 Rights under Service Concession Arrangements (Hybrid Annuity Projects)

#### Financial Asset under SCA

Where Group has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", The Group will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the Authority/Client for the construction services and such financial assets are classified as "Receivables against Service Concession Arrangements" (Financial Asset Receivable).

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development under service Concession Arrangements are allocated and recognised and classified as "Financial Assets Receivable".

**Notes Forming Part of the Consolidated Financial Statements (Contd.)**

The amount due from the authority including Operation & Maintenance Income is accounted for in accordance with Ind AS 109 as measured at amortised cost and the interest calculated using the effective interest method is recognised in statement of profit and loss.

As per the Concession Arrangement, the support during construction period received on milestone basis is accounted for as part of the transaction price (Financial Asset) as defined in Ind AS 115.

**2.12 Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS 16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

**2.13 Other Intangible Assets**

Other Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Pre-operative expenses including administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Intangible assets are amortised over their useful life.

| Asset             | Useful life |
|-------------------|-------------|
| Computer Software | 3 Years     |

**2.14 Investment in Associates and Joint Ventures and Mutual Funds**

Investments in mutual funds are carried at fair value through profit and loss.

Investments are classified as 'held for sale' when all of the following criterias are met:

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed and
- (iv) Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such investments classified as held for sale are measured at the lower of its carrying value and fair value less impairment.

Investments in joint venture are recognised at cost with adjustment to respective share of profit/loss.

**2.15 Inventories**

Raw Materials, construction materials and stores & spares are valued at weighted average cost or net realisable value whichever is less. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

**2.16 Financial Instruments****i. Classification and subsequent measurement****Financial assets**

Financial asset is

- Cash/Equity Instrument of another Entity,
- Contractual right to –
  - a) Receive Cash/another Financial Asset from another Entity, or
  - b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- o the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- o The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial liabilities

Financial liability is Contractual Obligation to

- deliver Cash or another Financial Asset to another Entity, or
- exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

## ii. De-recognition

### Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

### Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

## iii. Impairment

### Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortised cost
- Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised, if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

### 2.17 Cash and cash equivalents

Cash and cash equivalents includes Cash in hand, bank balances and cheques on hand, Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

### 2.18 Other Bank Balances

Other bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation.

### 2.19 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets

is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease, the Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

### 2.20 Provisions

Provisions are recognised only when:

- An entity has a present obligation (legal or constructive) as a result of a past event
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### Provision for contractual obligations

Provisions are taken for contractual obligations to maintain the condition of infrastructure under concession agreement, principally to cover the expense of major road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels etc. Provision for contractual obligations is determined by discounting the expected maintenance expense spanning several years at a pre-tax rate that reflects the current market assessment of the time value and the risks specific to the liability and is updated annually. Provisions are also taken whenever recognised signs of defects are encountered on identified infrastructure.

### 2.21 Contingent liability, Contingent Assets and Commitments

- i) Contingent liability is disclosed in case of
  - a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
  - b) A present obligation arising from past events, when no reliable estimate is possible.
- ii) Contingent assets are disclosed where an inflow of economic benefits is probable.
- iii) Commitments are future liabilities for contractual expenditure. Commitments are Classified and disclosed as follows:
  - a) Estimated amount of contracts remaining to be executed on capital account and Not provided for
  - b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
  - c) Other commitments related to sales/ procurements made in the normal course of business are not disclosed to avoid excessive details.

Contingent liabilities, Contingent assets and Commitments are reviewed at each Balance Sheet date.

### 2.22 Revenue Recognition

#### Accounting for Construction contracts

The Group constructs infrastructure projects on behalf of clients. Delivering the project as per the contractual terms is the only performance obligation that has been identified. Under the terms of the contracts, the group will perform its obligations on time to time as per the timing schedule indicated in the contract with the asset having no alternative use to the entity and the group having an enforceable right to receive payment for the work done. Hence, Revenue is therefore recognised over time on a cost to cost method, i.e. based on the proportion of contract costs incurred for the work performed to date relative to the estimated total contract costs. The management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

As per the contract, when there is a right to consideration in exchange for goods or services that have been transferred to a customer when that right is conditioned on something other than the passage of time, a contract asset is recognised to the extent of the consideration due.

Similarly, when there is an obligation to transfer goods or services to a customer for which the entity has received consideration from the customer, a contract liability is recognised to the extent of the obligation.

#### Accounting for Claims

Claims are accounted as income in the period of receipt of arbitration award and acceptance by client or evidence of acceptance received. Interest awarded, being in the nature of additional compensation under the terms of the contract, is accounted as other Income on receipt of favourable arbitration award.

#### Service concession arrangements (SCA)

##### For BOT (Toll) Projects

The Group derives revenue primarily from toll collection and other miscellaneous construction contracts. Toll collections from the users of the infrastructure facility constructed by the Company under the Service

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

Concession Arrangement is accounted for based on completion of the performance obligation which largely coincides with actual toll collection from the user. Revenue from sale of smart cards is accounted on recharge basis.

### For Hybrid Annuity Projects

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. The group shall recognise and measure revenue for the services it performs. The nature of the consideration determines its subsequent accounting treatment i.e. as Financial Assets. The group will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the authority/client for the construction services.

The Financial Asset due from the authority/client is accounted and measured at amortised cost. The interest calculated using the effective interest method is recognised in the statement of profit and loss. As per the Concession Arrangement, support received during construction period are accounted for as part of the transaction price (i.e. Financial Asset).

### Other Income

**Interest income:** Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable Effective interest rate (EIR). Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

**Dividend income:** Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

**Other Items of Income:** Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

## 2.23 Employee Benefits

### a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like

salaries, wages, and short term compensated absences etc. Expenses on non-accumulating compensated absences are recognised in the period in which the absences occur.

### b) Post-employment benefits:

i. **Defined contribution plans:** The state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

ii. **Defined benefit plans:** The employees' group gratuity fund schemes are managed by Life Insurance Corporation of India (L.I.C), and post-retirement provident fund scheme are the Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re measurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (wherever applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to profit and loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

under the defined benefit plans to recognise the obligation on a net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

### 2.24 Taxes on Income

Income tax comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

#### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial

recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### iii. Minimum Alternate Tax (MAT)

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

### 2.25 Foreign Currencies

#### Foreign Currency transaction and translation expenditure

- The Functional Currency of the Group is Indian Rupees(₹), and these financial statements are presented in Indian rupees(Lakhs)
- Foreign Currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate on the date of the transaction.
- At each Balance Sheet date, foreign currency monetary items are reported using the closing rate or at amount likely to be realised from or required to disburse. Exchange differences that arise on settlement of Long Term monetary items or on

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

reporting of Long Term Monetary items at each Balance sheet date, at the closing rate are charged to Statement of Profit and loss.

### 2.26 Cash flow statement

The Consolidated Cash flow statement is prepared in accordance with Ind AS 7 by using indirect method by segregating as cash flows from operating, investing and financing activities. Under the Cash flow from operating activities, the net profit is adjusted for the effects of Non-cash items, Changes in working capital and other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those amounts which are not considered in cash and cash equivalents as on the date of Balance Sheet are included in investing activities.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

### 2.27 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders equity, in period in which the dividends are approved by the equity shareholders in general meeting.

### 2.28 Earnings per share

#### a) Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury share.

#### b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.29 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.30 Exceptional Items

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase/decrease in profit/loss for the year.

### 2.31 Key accounting estimates and judgements

The preparation of these consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise. Estimates include the property plant and equipment, inventory; future obligations in respect of retirement benefit plans, provisions, fair value measurement and taxes etc.

#### a) Revenue Recognition

The Group follows the percentage completion method, based on the proportion that contract cost incurred as on reporting date to the total estimated contract cost including escalations/variations, this method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

### b) **Property, plant and equipment**

The Group reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

### c) **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

### d) **Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term including anticipated renewals and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that

option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

### e) **Provision for employee benefits**

The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

### f) **Income Taxes**

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax positions.

### g) **Estimation of net realisable value of inventories**

In estimating the net realisable value of Inventories the Group makes an estimate of future selling prices and costs necessary to make the sale.

### h) **Impairment of trade receivables and advances**

Significant estimates are required in ascertaining the provision to be made for impairment of trade receivables and advances.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

| Particulars             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------|-------------------------|-------------------------|
| <b>Tangible Assets</b>  |                         |                         |
| Land - Free Hold*       | 11,684.24               | 11,463.51               |
| Buildings               | 1,942.59                | 1,875.04                |
| Plant and Equipment     | 18,747.27               | 25,343.25               |
| Furniture and Fixtures  | 148.44                  | 145.23                  |
| Vehicles                | 1,162.60                | 1,260.09                |
| Office equipment        | 72.90                   | 104.84                  |
| Computers & Accessories | 34.22                   | 37.25                   |
| Road Development        | 40.22                   | 73.22                   |
|                         | <b>33,832.48</b>        | <b>40,302.43</b>        |

Note: Refer note 17.1 for details of assets pledged

(₹ in Lakhs)

| Particulars                 | Tangible Assets      |                 |                        |                              |                 |                     |                            |                     | Total              |
|-----------------------------|----------------------|-----------------|------------------------|------------------------------|-----------------|---------------------|----------------------------|---------------------|--------------------|
|                             | Land -<br>Free Hold* | Buildings       | Plant and<br>Equipment | Furniture<br>and<br>Fixtures | Vehicles        | Office<br>equipment | Computers &<br>Accessories | Road<br>Development |                    |
| <b>Cost</b>                 |                      |                 |                        |                              |                 |                     |                            |                     |                    |
| As at April 01, 2024        | 11,463.51            | 4,666.06        | 1,45,724.20            | 466.09                       | 3,886.02        | 418.57              | 228.04                     | 262.25              | 1,67,114.74        |
| Additions                   | 220.73               | 323.01          | 1,592.36               | 44.21                        | 376.42          | 27.37               | 27.76                      | -                   | 2,611.86           |
| Disposals/adjustments       | -                    | (159.15)        | (2,479.41)             | (5.68)                       | (118.38)        | (95.32)             | (17.64)                    | -                   | (2,875.58)         |
| <b>As at March 31, 2025</b> | <b>11,684.24</b>     | <b>4,829.92</b> | <b>1,44,837.15</b>     | <b>504.62</b>                | <b>4,144.06</b> | <b>350.62</b>       | <b>238.16</b>              | <b>262.25</b>       | <b>1,66,851.02</b> |
| <b>Depreciation</b>         |                      |                 |                        |                              |                 |                     |                            |                     |                    |
| As at April 01, 2024        | -                    | 2,791.02        | 1,20,380.95            | 320.86                       | 2,625.93        | 313.73              | 190.79                     | 189.03              | 1,26,812.31        |
| Charge for the period       | -                    | 237.47          | 8,062.27               | 39.78                        | 465.07          | 51.08               | 29.83                      | 33.00               | 8,918.50           |
| Disposals/adjustments       | -                    | (141.16)        | (2,353.34)             | (4.46)                       | (109.54)        | (87.09)             | (16.68)                    | -                   | (2,712.27)         |
| <b>As at March 31, 2025</b> | <b>-</b>             | <b>2,887.33</b> | <b>1,26,089.88</b>     | <b>356.18</b>                | <b>2,981.46</b> | <b>277.72</b>       | <b>203.94</b>              | <b>222.03</b>       | <b>1,33,018.54</b> |
| <b>Net Carrying Amount</b>  |                      |                 |                        |                              |                 |                     |                            |                     |                    |
| <b>As at March 31, 2025</b> | <b>11,684.24</b>     | <b>1,942.59</b> | <b>18,747.27</b>       | <b>148.44</b>                | <b>1,162.60</b> | <b>72.90</b>        | <b>34.22</b>               | <b>40.22</b>        | <b>33,832.48</b>   |
| <b>As at March 31, 2024</b> | <b>11,463.51</b>     | <b>1,875.04</b> | <b>25,343.25</b>       | <b>145.23</b>                | <b>1,260.09</b> | <b>104.84</b>       | <b>37.25</b>               | <b>73.22</b>        | <b>40,302.43</b>   |

(₹ in Lakhs)

| Particulars                 | Tangible Assets      |                 |                        |                              |                 |                     |                            |                     | Total              |
|-----------------------------|----------------------|-----------------|------------------------|------------------------------|-----------------|---------------------|----------------------------|---------------------|--------------------|
|                             | Land -<br>Free Hold* | Buildings       | Plant and<br>Equipment | Furniture<br>and<br>Fixtures | Vehicles        | Office<br>equipment | Computers &<br>Accessories | Road<br>Development |                    |
| <b>Cost</b>                 |                      |                 |                        |                              |                 |                     |                            |                     |                    |
| As at April 01, 2023        | 10,244.90            | 4,612.13        | 1,43,922.64            | 528.72                       | 3,515.16        | 612.84              | 323.77                     | 262.25              | 1,64,022.41        |
| Additions                   | 1,218.61             | 77.75           | 6,277.34               | 21.50                        | 471.36          | 44.60               | 21.77                      | -                   | 8,132.93           |
| Disposals/adjustments       | -                    | (23.82)         | (4,475.78)             | (84.13)                      | (100.50)        | (238.87)            | (117.50)                   | -                   | (5,040.60)         |
| <b>As at March 31, 2024</b> | <b>11,463.51</b>     | <b>4,666.06</b> | <b>1,45,724.20</b>     | <b>466.09</b>                | <b>3,886.02</b> | <b>418.57</b>       | <b>228.04</b>              | <b>262.25</b>       | <b>1,67,114.74</b> |
| <b>Depreciation</b>         |                      |                 |                        |                              |                 |                     |                            |                     |                    |
| As at April 01, 2023        | -                    | 2,495.87        | 1,13,196.82            | 356.69                       | 2,308.75        | 463.28              | 269.26                     | 128.68              | 1,19,219.35        |
| Charge for the period       | -                    | 311.43          | 11,424.29              | 44.10                        | 408.98          | 77.23               | 33.35                      | 60.35               | 12,359.73          |
| Disposals/adjustments       | -                    | (16.28)         | (4,240.16)             | (79.93)                      | (91.80)         | (226.78)            | (111.82)                   | -                   | (4,766.77)         |
| <b>As at March 31, 2024</b> | <b>-</b>             | <b>2,791.02</b> | <b>1,20,380.95</b>     | <b>320.86</b>                | <b>2,625.93</b> | <b>313.73</b>       | <b>190.79</b>              | <b>189.03</b>       | <b>1,26,812.31</b> |
| <b>Net Carrying Amount</b>  |                      |                 |                        |                              |                 |                     |                            |                     |                    |
| <b>As at March 31, 2024</b> | <b>11,463.51</b>     | <b>1,875.04</b> | <b>25,343.25</b>       | <b>145.23</b>                | <b>1,260.09</b> | <b>104.84</b>       | <b>37.25</b>               | <b>73.22</b>        | <b>40,302.43</b>   |
| As at March 31, 2023        | 10,244.90            | 2,116.26        | 30,725.82              | 172.03                       | 1,206.41        | 149.56              | 54.51                      | 133.57              | 44,803.06          |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 3.1 CAPITAL WORK-IN-PROGRESS

| (₹ in Lakhs)             |                         |                         |
|--------------------------|-------------------------|-------------------------|
| Particulars              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Capital work-in-progress | 41.20                   | 218.43                  |
|                          | <b>41.20</b>            | <b>218.43</b>           |

| (₹ In Lakhs)                |               |
|-----------------------------|---------------|
| Particulars                 | Amount        |
| <b>Cost</b>                 |               |
| <b>As at April 01, 2024</b> | <b>218.43</b> |
| Additions                   | 86.35         |
| Disposal/capitalised        | (263.58)      |
| <b>As at March 31, 2025</b> | <b>41.20</b>  |
| <b>Depreciation</b>         |               |
| As at April 01, 2024        | -             |
| Charge for the period       | -             |
| Disposal/adjusted           | -             |
| <b>As at March 31, 2025</b> | <b>-</b>      |
| <b>Net Carrying Amount</b>  |               |
| <b>As at March 31, 2025</b> | <b>41.20</b>  |
| As at March 31, 2024        | 218.43        |

| (₹ In Lakhs)                |               |
|-----------------------------|---------------|
| Particulars                 | Amount        |
| <b>Cost</b>                 |               |
| <b>As at April 01, 2023</b> | <b>251.01</b> |
| Additions                   | 597.94        |
| Disposal/capitalised        | (630.52)      |
| <b>As at March 31, 2024</b> | <b>218.43</b> |
| <b>Depreciation</b>         |               |
| As at April 01, 2023        | -             |
| Charge for the period       | -             |
| Disposal/adjusted           | -             |
| <b>As at March 31, 2024</b> | <b>-</b>      |
| <b>Net Carrying Amount</b>  |               |
| <b>As at March 31, 2024</b> | <b>218.43</b> |
| As at March 31, 2023        | 251.01        |

#### Ageing of Capital work-in-progress

| (₹ In Lakhs)                               |                      |              |              |                      |              |                      |              |              |                      |               |
|--------------------------------------------|----------------------|--------------|--------------|----------------------|--------------|----------------------|--------------|--------------|----------------------|---------------|
| Particulars                                | As at March 31, 2025 |              |              |                      |              | As at March 31, 2024 |              |              |                      |               |
|                                            | Less than<br>1 year  | 1-2<br>years | 2-3<br>years | More than<br>3 years | Total        | Less than<br>1 year  | 1-2<br>years | 2-3<br>years | More than<br>3 years | Total         |
| Projects in progress                       | 32.73                | 2.91         | -            | 5.56                 | 41.20        | 212.87               | 5.56         | -            | -                    | 218.43        |
| Projects temporarily<br>suspended          | -                    | -            | -            | -                    | -            | -                    | -            | -            | -                    | -             |
| <b>Total capital work-<br/>in-progress</b> | <b>32.73</b>         | <b>2.91</b>  | <b>-</b>     | <b>5.56</b>          | <b>41.20</b> | <b>212.87</b>        | <b>5.56</b>  | <b>-</b>     | <b>-</b>             | <b>218.43</b> |

As on the date of balance sheet, there is no capital work-in-progress project(s) whose completion is overdue or has exceeded the cost, based on the approved plan.

### 3.2 INVESTMENT PROPERTY

| (₹ in Lakhs)        |                         |                         |
|---------------------|-------------------------|-------------------------|
| Particulars         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Investment Property | 14,145.31               | 13,751.66               |
|                     | <b>14,145.31</b>        | <b>13,751.66</b>        |

\* Land and investment property includes ₹ 1,885.66 Lakhs (P.Y ₹ 1,885.66 Lakhs) held in the name of Directors, relatives of Directors for and on behalf of the Company.

Note: Refer note 17.1 for details of assets pledged.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 3.2 INVESTMENT PROPERTY (CONTD.)

| (₹ In Lakhs)                |                  | (₹ In Lakhs)                |                  |
|-----------------------------|------------------|-----------------------------|------------------|
| Particulars                 | Amount           | Particulars                 | Amount           |
| <b>As at April 01, 2024</b> | <b>13,751.66</b> | <b>As at April 01, 2023</b> | <b>13,272.42</b> |
| Additions                   | 393.66           | Additions                   | 479.24           |
| Disposals                   | -                | Disposals                   | -                |
| <b>As at March 31, 2025</b> | <b>14,145.31</b> | <b>As at March 31, 2024</b> | <b>13,751.66</b> |
| <b>Depreciation</b>         |                  | <b>Depreciation</b>         |                  |
| As at April 01, 2024        | -                | As at April 01, 2023        | -                |
| Charge for the period       | -                | Charge for the period       | -                |
| Disposal/adjusted           | -                | Disposal/adjusted           | -                |
| <b>As at March 31, 2025</b> | <b>-</b>         | <b>As at March 31, 2024</b> | <b>-</b>         |
| <b>Net Carrying Amount</b>  |                  | <b>Net Carrying Amount</b>  |                  |
| <b>As at March 31, 2025</b> | <b>14,145.31</b> | <b>As at March 31, 2024</b> | <b>13,751.66</b> |
| As at March 31, 2024        | 13,751.66        | As at March 31, 2023        | 13,272.42        |

## 3.3 OTHER INTANGIBLE ASSETS

| (₹ in Lakhs)                        |                         |                         |
|-------------------------------------|-------------------------|-------------------------|
| Particulars                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Computer Software                   | 4.25                    | 4.38                    |
| Carriage way                        | -                       | 26,122.19               |
| Intangible assets under development | -                       | -                       |
| <b>Total</b>                        | <b>4.25</b>             | <b>26,126.57</b>        |

| (₹ In Lakhs)                |                      |                  |                                        |                  |
|-----------------------------|----------------------|------------------|----------------------------------------|------------------|
| Particulars                 | Computer<br>software | Carriage way     | Intangible assets<br>under development | Total            |
| <b>Cost</b>                 |                      |                  |                                        |                  |
| <b>As at April 01, 2024</b> | <b>55.43</b>         | <b>48,412.54</b> | <b>-</b>                               | <b>48,467.97</b> |
| Additions                   | 3.14                 | -                | -                                      | 3.14             |
| Disposals                   | (2.16)               | (3,938.82)       | -                                      | (3,940.98)       |
| <b>As at March 31, 2025</b> | <b>56.41</b>         | <b>44,473.72</b> | <b>-</b>                               | <b>44,530.13</b> |
| <b>Depreciation</b>         |                      |                  |                                        |                  |
| <b>As at April 01, 2024</b> | <b>51.05</b>         | <b>22,290.35</b> | <b>-</b>                               | <b>22,341.40</b> |
| Charge for the period       | 1.49                 | 22,183.37        | -                                      | 22,184.86        |
| Disposals                   | (0.38)               | -                | -                                      | (0.38)           |
| <b>As at March 31, 2025</b> | <b>52.16</b>         | <b>44,473.72</b> | <b>-</b>                               | <b>44,525.88</b> |
| <b>Net Carrying Amount</b>  |                      |                  |                                        |                  |
| <b>As at March 31, 2025</b> | <b>4.25</b>          | <b>-</b>         | <b>-</b>                               | <b>4.25</b>      |
| As at March 31, 2024        | 4.38                 | 26,122.19        | -                                      | 26,126.57        |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 3.3 OTHER INTANGIBLE ASSETS (CONTD.)

| (₹ In Lakhs)                |                   |                  |                                     |                  |
|-----------------------------|-------------------|------------------|-------------------------------------|------------------|
| Particulars                 | Computer software | Carriage way     | Intangible assets under development | Total            |
| <b>Cost</b>                 |                   |                  |                                     |                  |
| <b>As at April 01, 2023</b> | <b>56.50</b>      | <b>49,612.54</b> | <b>-</b>                            | <b>49,669.04</b> |
| Additions                   | -                 | -                | -                                   | -                |
| Disposals                   | (1.07)            | (1,200.00)       | -                                   | (1,201.07)       |
| <b>As at March 31, 2024</b> | <b>55.43</b>      | <b>48,412.54</b> | <b>-</b>                            | <b>48,467.97</b> |
| <b>Depreciation</b>         |                   |                  |                                     |                  |
| <b>As at April 01, 2023</b> | <b>51.38</b>      | <b>19,336.16</b> | <b>-</b>                            | <b>19,387.54</b> |
| Charge for the period       | 0.70              | 2,954.19         | -                                   | 2,954.89         |
| Disposals                   | (1.03)            | -                | -                                   | (1.03)           |
| <b>As at March 31, 2024</b> | <b>51.05</b>      | <b>22,290.35</b> | <b>-</b>                            | <b>22,341.40</b> |
| <b>Net Carrying Amount</b>  |                   |                  |                                     |                  |
| <b>As at March 31, 2024</b> | <b>4.38</b>       | <b>26,122.19</b> | <b>-</b>                            | <b>26,126.57</b> |
| As at March 31, 2023        | 5.12              | 30,276.38        | -                                   | 30,281.50        |

### 4 INVESTMENTS

| (₹ in Lakhs)                                                          |                      |                      |
|-----------------------------------------------------------------------|----------------------|----------------------|
| Particulars                                                           | As at March 31, 2025 | As at March 31, 2024 |
| <b>Non-current</b>                                                    |                      |                      |
| <b>Trade - Unquoted</b>                                               |                      |                      |
| <b>a) Investment In Associate (Quasi Equity)</b>                      |                      |                      |
| Patel KNR Heavy Infrastructures Ltd.,                                 | 1,793.69             | 1,793.69             |
| <b>Total</b>                                                          | <b>1,793.69</b>      | <b>1,793.69</b>      |
| <b>Trade - Unquoted</b>                                               |                      |                      |
| <b>b) Equity instruments of associates (At Cost):</b>                 |                      |                      |
| Patel KNR Infrastructures Ltd.                                        |                      |                      |
| 1,15,28,839 (PY 1,48,00,000) equity shares of ₹ 10/- each, fully paid | 1,152.88             | 1,480.00             |
| Add/(Less): Cumulative Share of Profit                                | 1,276.56             | 2,429.61             |
| <b>Net Investment (I)</b>                                             | <b>2,429.44</b>      | <b>3,909.61</b>      |
| Patel KNR Heavy Infrastructures Ltd.,                                 |                      |                      |
| 95,29,500 (PY 95,29,500) equity shares of ₹ 10/- each, fully paid     | 952.95               | 952.95               |
| Add/(Less): Cumulative Share of Profit                                | 1,263.75             | 1,984.72             |
| <b>Net Investment (II)</b>                                            | <b>2,216.70</b>      | <b>2,937.67</b>      |
| <b>Total Equity investment in associates (I + II)</b>                 | <b>4,646.14</b>      | <b>6,847.28</b>      |
| Less : Impairment Made                                                | 1,086.64             | 1,086.64             |
| <b>Net Equity investment in associates</b>                            | <b>3,559.50</b>      | <b>5,760.64</b>      |
| <b>Total Non- Current Investments (a+b)</b>                           | <b>5,353.19</b>      | <b>7,554.33</b>      |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 4 INVESTMENTS (CONTD.)

(₹ in Lakhs)

| Particulars                                                                         |                     |           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------------------------------------|---------------------|-----------|-------------------------|-------------------------|
| <b>Current</b>                                                                      |                     |           |                         |                         |
| <b>Trade - Quoted - at fair value</b>                                               |                     |           |                         |                         |
| <b>c) Investments in Mutual Funds</b>                                               | <b>No. of Units</b> |           |                         |                         |
|                                                                                     | <b>CY</b>           | <b>PY</b> |                         |                         |
| HSBC MF Pool Collection Account                                                     | 95,21,065           | Nil       | 1,903.53                | -                       |
| ICICI Prudential Floating Interest Growth plan                                      | 3,94,198            | Nil       | 1,636.63                | -                       |
| Bandhan Bond Fund - Short term Plan (Regular)                                       | 24,58,154           | 21,36,625 | 1,156.25                | 1,102.60                |
| ICICI Prudential Floating Rate Fund-F-MF                                            | Nil                 | 2,65,898  | -                       | 1,022.76                |
| SBI Corporate Bond Fund-MF                                                          | Nil                 | 21,89,192 | -                       | 306.55                  |
| <b>Total current investments</b>                                                    |                     |           | <b>4,696.41</b>         | <b>2,431.91</b>         |
| <b>Trade - Unquoted</b>                                                             |                     |           |                         |                         |
| <b>d) Current Accounts in Joint Venture</b>                                         |                     |           |                         |                         |
| SEL - KNR JV                                                                        |                     |           | 1,532.39                | 1,532.39                |
| <b>Trade - Unquoted - Held for sale</b>                                             |                     |           |                         |                         |
| <b>e) Equity instruments of Other Companies (At cost):</b>                          |                     |           |                         |                         |
| KNR Muzaffarpur Barauni Tollway Pvt Ltd                                             |                     |           |                         |                         |
| 4,59,000 equity shares of ₹ 10/- each, fully paid                                   |                     |           | 45.90                   | -                       |
| <b>Total Equity investment</b>                                                      |                     |           | <b>45.90</b>            | <b>-</b>                |
| <b>Total Current Investments (c+d+e)</b>                                            |                     |           | <b>6,274.70</b>         | <b>3,964.30</b>         |
| <b>Total Investments (a+b+c+d+e)</b>                                                |                     |           | <b>11,627.89</b>        | <b>11,518.63</b>        |
| <b>Total Investments</b>                                                            |                     |           |                         |                         |
| i) Aggregate amount of amortised cost of unquoted investments - Non Current (a)     |                     |           | 1,793.69                | 1,793.69                |
| ii) Aggregate amount of unquoted equity investments in Associates - Non Current (b) |                     |           | 4,646.14                | 6,847.28                |
| iii) Aggregate amount of impairment in value of investments (b)                     |                     |           | (1,086.64)              | (1,086.64)              |
| iv) Aggregate book value of quoted investments - Current (c)                        |                     |           | 4,696.41                | 2,431.91                |
| iv) Aggregate amount of unquoted investments - Current (d)                          |                     |           | 1,532.39                | 1,532.39                |
| v) Aggregate amount of Unquoted equity investments held for sale - Current (e)      |                     |           | 45.90                   | -                       |
|                                                                                     |                     |           | <b>11,627.89</b>        | <b>11,518.63</b>        |

Note : Aggregate market value of quoted investments is ₹ 4,696.41 Lakhs (March 31, 2024 is ₹ 2,431.91 Lakhs)

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 5 TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                                      |                         |                         |
| <b>Unsecured, considered good</b>                       |                         |                         |
| Trade Receivables (Arbitration Award Claims from JV's)  | 806.00                  | 1,851.50                |
| Trade Receivables (Arbitration Award Claims from SPV's) | 2,320.35                | 2,320.50                |
|                                                         | <b>3,126.35</b>         | <b>4,172.00</b>         |
| <b>Current</b>                                          |                         |                         |
| <b>Unsecured, considered good</b>                       |                         |                         |
| Trade Receivables                                       | 92,816.87               | 67,398.39               |
| Less: Allowance for expected credit loss                | (705.21)                | -                       |
| <b>Unsecured, considered doubtful</b>                   |                         |                         |
| Trade Receivables                                       | 18.15                   | 212.54                  |
| Less: Provision for doubtful Trade Receivables          | (18.15)                 | (212.54)                |
| <b>Total Current Trade Receivables</b>                  | <b>92,111.66</b>        | <b>67,398.39</b>        |
| <b>Total</b>                                            | <b>95,238.01</b>        | <b>71,570.39</b>        |

#### 5.1 TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars                                                                   | Outstanding for the following periods from the due date of payment |                       |                  |                 |                      | Total            |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------|------------------|-----------------|----------------------|------------------|
|                                                                               | Less than<br>6 months*                                             | 6 months<br>to 1 year | 1-2 years        | 2-3 years       | More than<br>3 years |                  |
| <b>As on March 31, 2025</b>                                                   |                                                                    |                       |                  |                 |                      |                  |
| Undisputed Trade Receivables - Considered Good                                | 33,113.03                                                          | 218.39                | 61,138.01        | 1,307.79        | 166.00               | 95,943.22        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -                                                                  | -                     | -                | -               | 18.15                | 18.15            |
| Undisputed Trade Receivables – credit impaired                                | -                                                                  | -                     | -                | -               | (18.15)              | (18.15)          |
| Disputed Trade receivables - Considered good                                  | -                                                                  | -                     | -                | -               | -                    | -                |
| Disputed Trade Receivables – which have significant increase in credit risk   | -                                                                  | -                     | -                | -               | -                    | -                |
| Disputed Trade Receivables – credit impaired                                  | -                                                                  | -                     | -                | -               | -                    | -                |
| Less: Allowance for expected credit loss                                      | 51.64                                                              | 0.02                  | 578.15           | 65.39           | 10.01                | 705.21           |
| <b>Total</b>                                                                  | <b>33,061.39</b>                                                   | <b>218.37</b>         | <b>60,559.86</b> | <b>1,242.40</b> | <b>155.99</b>        | <b>95,238.01</b> |

(₹ in Lakhs)

|                                                                               |                  |                 |                 |              |                 |                  |
|-------------------------------------------------------------------------------|------------------|-----------------|-----------------|--------------|-----------------|------------------|
| <b>As on March 31, 2024</b>                                                   |                  |                 |                 |              |                 |                  |
| Undisputed Trade Receivables - Considered Good                                | 57,143.49        | 7,211.48        | 2,145.01        | 59.30        | 5,011.11        | 71,570.39        |
| Undisputed Trade Receivables – which have significant increase in credit risk | -                | -               | -               | 18.54        | 194.00          | 212.54           |
| Undisputed Trade Receivables – credit impaired                                | -                | -               | -               | (18.54)      | (194.00)        | (212.54)         |
| Disputed Trade receivables - Considered good                                  | -                | -               | -               | -            | -               | -                |
| Disputed Trade Receivables – which have significant increase in credit risk   | -                | -               | -               | -            | -               | -                |
| Disputed Trade Receivables – credit impaired                                  | -                | -               | -               | -            | -               | -                |
| <b>Total</b>                                                                  | <b>57,143.49</b> | <b>7,211.48</b> | <b>2,145.01</b> | <b>59.30</b> | <b>5,011.11</b> | <b>71,570.39</b> |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 6 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

| Particulars                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                              |                         |                         |
| <b>Unsecured, considered good:</b>              |                         |                         |
| Financial Asset Receivable                      | 2,74,354.92             | 1,85,839.50             |
| Retention deposits & With Held                  | -                       | 46.13                   |
| Advances to Sub-contractors                     | -                       | 28.82                   |
| <b>Total Non-Current Other Financial Assets</b> | <b>2,74,354.92</b>      | <b>1,85,914.45</b>      |
| <b>Current</b>                                  |                         |                         |
| <b>Unsecured, considered good:</b>              |                         |                         |
| Financial Asset Receivable                      | 1,537.28                | 5,034.11                |
| Advances to related parties (Refer note : 40)   | 181.83                  | 416.41                  |
| Retention Deposits & Withheld                   | 39,035.13               | 27,554.72               |
| Interest receivable                             | 520.10                  | 49.92                   |
| Security Deposits                               | 3,623.56                | 1,953.78                |
| Other Receivables                               | 3,008.38                | 3,359.21                |
| Unbilled Revenue/Contract Asset                 | 96,880.01               | 49,758.71               |
| Receivable from WVEPL                           | 1,402.37                | 1,408.13                |
| <b>Unsecured, considered doubtful:</b>          |                         |                         |
| Receivable from SPV's                           | 1,405.28                | 3,406.07                |
| Less: Provision for doubtful receivables        | (1,405.28)              | -                       |
| Security Deposits                               | 85.82                   | 85.82                   |
| Less: Provision for doubtful Security Deposits  | (85.82)                 | (85.82)                 |
| Other Receivables                               | 10.54                   | 201.20                  |
| Less: Provision for doubtful Others             | (10.54)                 | (201.20)                |
| Retention Deposits                              | 14.91                   | 14.91                   |
| Less: Provision for Retention Deposits          | (14.91)                 | (14.91)                 |
| <b>Total Current Other Financial Assets</b>     | <b>1,46,188.66</b>      | <b>92,941.06</b>        |
| <b>Total Other Financial Assets</b>             | <b>4,20,543.58</b>      | <b>2,78,855.51</b>      |

## 7 DEFERRED TAX ASSETS (NET)

(₹ In Lakhs)

| Particulars            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------|-------------------------|-------------------------|
| Deferred tax assets    | 12,757.75               | 13,404.98               |
| MAT credit entitlement | -                       | 269.53                  |
| <b>Total</b>           | <b>12,757.75</b>        | <b>13,674.51</b>        |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 7 DEFERRED TAX ASSETS (NET) (CONTD.)

#### 7.1 Components of deferred income tax assets and liabilities arising on account of temporary differences are:

(₹ in Lakhs)

| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>Deferred tax assets</b>                             |                         |                         |
| Expenditure disallowed under Income Tax Act, 1961      | 327.12                  | 300.84                  |
| Provision for doubtful advances                        | 918.65                  | 1,457.56                |
| Deferred tax on fair value of investment of properties | 2,119.31                | 1,967.87                |
| Property, plant and equipment                          | 9,292.68                | 9,678.71                |
| MAT credit entitlement                                 | -                       | 269.53                  |
|                                                        | <b>12,657.76</b>        | <b>13,674.51</b>        |
| <b>Deferred tax liabilities</b>                        |                         |                         |
| On OCI (Gratuity)                                      | 99.99                   | -                       |
| <b>Total</b>                                           | <b>12,757.75</b>        | <b>13,674.51</b>        |

### 8 TAX ASSETS (NET)

(₹ in Lakhs)

| Particulars        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------|-------------------------|-------------------------|
| <b>Non-current</b> |                         |                         |
| Advance Tax        | 5,443.31                | 4,742.12                |
|                    | <b>5,443.31</b>         | <b>4,742.12</b>         |
| <b>Current</b>     |                         |                         |
| Advance Tax        | 2,849.48                | 2,140.32                |
|                    | <b>2,849.48</b>         | <b>2,140.32</b>         |
| <b>Total</b>       | <b>8,292.79</b>         | <b>6,882.44</b>         |

### 9 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

| Particulars                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Un-secured Considered good</b>      |                         |                         |
| Capital advances                       | 227.21                  | 261.10                  |
| Security Deposits                      | 2,513.80                | 1,643.35                |
| Dues from Statutory authorities        | 44,183.84               | 32,686.09               |
| <b>Unsecured, considered doubtful:</b> |                         |                         |
| Capital advances                       | 9.71                    | 9.71                    |
| Less: Provision for Capital Advances   | (9.71)                  | (9.71)                  |
| <b>Total</b>                           | <b>46,924.85</b>        | <b>34,590.54</b>        |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 10 INVENTORIES

(₹ in Lakhs)

| Particulars          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------|-------------------------|-------------------------|
| <b>Raw materials</b> | 8,756.06                | 9,763.45                |
| Goods-in transit     | -                       | 369.07                  |
| Stores and spares    | 7,285.32                | 11,573.70               |
| Goods-in transit     | -                       | 381.20                  |
| <b>Total</b>         | <b>16,041.38</b>        | <b>22,087.42</b>        |

## 11 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------|-------------------------|-------------------------|
| <b>Balances with banks:</b> |                         |                         |
| in current accounts         | 10,307.50               | 35,127.72               |
| Cheques on hand             | -                       | 460.03                  |
| Cash on hand                | 25.51                   | 50.26                   |
| <b>Total</b>                | <b>10,333.01</b>        | <b>35,638.01</b>        |

## 12 OTHER BANK BALANCES

(₹ in Lakhs)

| Particulars                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| <b>Earmarked balances with Banks</b> |                         |                         |
| Margin Money & Other fixed deposits  | 21,912.86               | 5,444.58                |
| Un-claimed Dividend                  | 6.00                    | 6.63                    |
| <b>Total</b>                         | <b>21,918.86</b>        | <b>5,451.21</b>         |

## 13 LOANS

(₹ in Lakhs)

| Particulars                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Current</b>                              |                         |                         |
| <b>Unsecured, considered good:</b>          |                         |                         |
| <b>Loans to</b>                             |                         |                         |
| Joint Venture Partners ( Refer note : 13.1) | 158.62                  | 184.46                  |
| <b>Total Current Loans</b>                  | <b>158.62</b>           | <b>184.46</b>           |

13.1 All the loans to joint venture partners are interest bearing.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 14 OTHER CURRENT ASSETS

| (₹ in Lakhs)                                        |                         |                         |
|-----------------------------------------------------|-------------------------|-------------------------|
| Particulars                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Un-secured Considered good</b>                   |                         |                         |
| Advances to Sub-contractors                         | 13,038.26               | 14,199.57               |
| Advances to Suppliers (Other than capital advances) | 3,853.15                | 2,291.23                |
| Staff Imprest & Salary Advances                     | 481.23                  | 390.65                  |
| Prepaid expenses                                    | 751.39                  | 811.60                  |
| Receivables from Others                             | 2,888.38                | 1,378.17                |
| <b>Considered doubtful</b>                          |                         |                         |
| Advances to Sub-contractors                         | 59.11                   | 59.11                   |
| Less: Provision for Advance to Sub Contractors      | (59.11)                 | (59.11)                 |
| <b>Total</b>                                        | <b>21,012.41</b>        | <b>19,071.22</b>        |

### 15 EQUITY SHARE CAPITAL

| Particulars                                              | As at March 31, 2025 |                 | As at March 31, 2024 |                 |
|----------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                          | No. of Shares        | Amount in Lakhs | No. of Shares        | Amount in Lakhs |
| <b>Authorised Share capital</b>                          |                      |                 |                      |                 |
| Equity Shares of ₹ 2/- each                              | 30,00,00,000         | 6,000.00        | 30,00,00,000         | 6,000.00        |
| <b>Issued, subscribed &amp; fully paid share capital</b> |                      |                 |                      |                 |
| Equity Shares of ₹ 2/- each                              | 28,12,34,600         | 5,624.70        | 28,12,34,600         | 5,624.70        |
| <b>Total</b>                                             | <b>28,12,34,600</b>  | <b>5,624.70</b> | <b>28,12,34,600</b>  | <b>5,624.70</b> |

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

| Particulars                                    | As at March 31, 2025         |                 | As at March 31, 2024         |                 |
|------------------------------------------------|------------------------------|-----------------|------------------------------|-----------------|
|                                                | No. of Shares<br>(FV of ₹ 2) | Amount in Lakhs | No. of Shares<br>(FV of ₹ 2) | Amount in Lakhs |
| Number of Equity Shares at the beginning       | 28,12,34,600                 | 5,624.70        | 28,12,34,600                 | 5,624.70        |
| Add: Number of Shares Issued                   | -                            | -               | -                            | -               |
| Less: Number of Shares Brought Back            | -                            | -               | -                            | -               |
| Number of Equity Shares at the end of the year | <b>28,12,34,600</b>          | <b>5,624.70</b> | <b>28,12,34,600</b>          | <b>5,624.70</b> |

#### Terms/Rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- . Each holder of equity shares is entitled to one vote per share.

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

The Board of Directors has proposed in their meeting held on May 29, 2025 dividend of ₹ 0.25/- per fully paid equity share of ₹ 2/- each.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 15 EQUITY SHARE CAPITAL (CONTD.)

## 15.2 The details of shareholder holding more than 5% shares as at March 31, 2025 and March 31, 2024:

| Particulars                    | As at March 31, 2025 |           | As at March 31, 2024 |           |
|--------------------------------|----------------------|-----------|----------------------|-----------|
|                                | No. of Shares held   | % holding | No. of Shares held   | % holding |
| Kamidi Narsimha Reddy          | 8,54,84,926          | 30.40     | 9,14,20,000          | 32.51     |
| Kamidi Jalandhar Reddy         | 3,72,59,210          | 13.25     | 3,77,59,210          | 13.43     |
| HDFC Midcap opportunities fund | 2,30,52,174          | 8.20      | 2,39,41,391          | 8.51      |

## 15.3 For the period of five years immediately preceding reporting period

- i) Shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash. - Nil
- ii) Aggregate Number and class of shares allotted as fully paid up by way of bonus shares.

| Particulars                  | No. of shares | ₹ In Lakhs |
|------------------------------|---------------|------------|
| Equity share of ₹ 2/- each * | 14,06,17,300  | 2,812.35   |

- iii) Shares which were bought back in any of the years. - Nil
- iv) Calls unpaid by any director or officer of the Company during the year. - Nil

\* During the 2020-21 the Company has issued Bonus Shares in the ratio of 1:1 on February 05, 2021.

## 15.4 Shareholding of Promoters/Promoter group:

(₹ in Lakhs)

| Promoter/Promoter group Name | As at March 31, 2025 |                   |                          | As at March 31, 2024 |                   |                          |
|------------------------------|----------------------|-------------------|--------------------------|----------------------|-------------------|--------------------------|
|                              | No. of Shares        | % Of Total Shares | % Change during the year | No. of Shares        | % Of Total Shares | % Change during the year |
| Kamidi Narsimha Reddy        | 8,54,84,926          | 30.40%            | (6.49%)                  | 9,14,20,000          | 32.51%            | 1.11%                    |
| Kamidi Jalandhar Reddy       | 3,72,59,210          | 13.25%            | (1.32%)                  | 3,77,59,210          | 13.43%            | 0.00%                    |
| Kamidi Yashoda               | 80,15,010            | 2.85%             | -                        | 80,15,010            | 2.85%             | 0.00%                    |
| Merreddy Rajesh Reddy        | 65,00,000            | 2.31%             | -                        | 65,00,000            | 2.31%             | (13.33%)                 |

## 15.6 Instruments Entirely equity in nature

(₹ in Lakhs)

| Particulars               | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------|----------------------|----------------------|
| Loan from Promoter of SPV | 0.00                 | 850.00               |
|                           | <b>0.00</b>          | <b>850.00</b>        |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 16 OTHER EQUITY

| (₹ in Lakhs)                                   |                         |                         |
|------------------------------------------------|-------------------------|-------------------------|
| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| a) Securities premium reserve                  | 9,786.96                | 9,786.96                |
| b) General reserve                             | 2,849.00                | 2,849.00                |
| c) Surplus in the statement of profit and loss |                         |                         |
| Balance at the beginning of the period         | 3,36,011.59             | 2,58,974.80             |
| Add: (Loss)/Profit for the period              | 1,00,187.41             | 77,739.88               |
| Less: Dividend paid                            | (703.09)                | (703.09)                |
|                                                | <b>4,35,495.91</b>      | <b>3,36,011.59</b>      |
| d) Other Comprehensive Income - Gratuity       | 361.28                  | 292.51                  |
| Balance at the end of the period (a+b+c+d)     | <b>4,48,493.15</b>      | <b>3,48,940.06</b>      |

### 17 BORROWINGS

| (₹ in Lakhs)                                                           |                         |                         |
|------------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Non-current</b>                                                     |                         |                         |
| <b>Secured loans</b>                                                   |                         |                         |
| From banks                                                             |                         |                         |
| Term loans (refer note: 17.4)                                          | 1,75,740.69             | 1,10,210.51             |
|                                                                        | <b>1,75,740.69</b>      | <b>1,10,210.51</b>      |
| <b>Unsecured loans</b>                                                 |                         |                         |
| Deferred Payment Liability - NHAI Premium                              | -                       | 5,968.14                |
|                                                                        | -                       | <b>5,968.14</b>         |
| <b>Total non-current borrowings</b>                                    | <b>1,75,740.69</b>      | <b>1,16,178.65</b>      |
| <b>Current</b>                                                         |                         |                         |
| <b>Secured loans From Banks</b>                                        |                         |                         |
| Term Loan (refer note: 17.4)                                           | 8,922.54                | 9,643.41                |
| Cash Credit & Working capital demand loans (refer note: 17.1 and 17.2) | -                       | -                       |
| <b>Total current borrowings</b>                                        | <b>8,922.54</b>         | <b>9,643.41</b>         |
| <b>Total</b>                                                           | <b>1,84,663.23</b>      | <b>1,25,822.06</b>      |

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

- Hypothecation of entire current assets on pari passu basis with other participating banks
- First pari passu charge on equitable mortgage of certain land & buildings
- Hypothecation of certain movable fixed assets of the Company, which are not encumbered/charged to the term lenders
- First pari passu charge on fixed deposit of ₹ 3,303.00 Lakhs made with SBI
- Personal guarantee of Director

**17.2** The interest rate for working capital demand loan and cash credit facilities varies from 8.15% to 10.10% per annum

**17.3** The quarterly returns of current assets filed by the Company with banks are in agreement with the books of account.

**Notes Forming Part of the Consolidated Financial Statements (Contd.)****17 BORROWINGS (CONTD.)****17.4 Term Loans of Subsidiaries:****For KNR Palani Infra Pvt Ltd**

Terms of Security :

- a) A first mortgage and charge on all the Borrower's immovable properties, both present and future, save and except the Project Assets;
- b) A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and all other movable assets, both present and future save and expect the Project Assets;
- c) A first charge over all accounts of the Borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents.
- d) A first charge on all intangible assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the Project Assets.
- e) A pledge of 51% of the issued, paid up and voting equity share capital of the Borrower held by the Promoter in the Borrower till the Final Settlement Date.
- f) Non disposal undertaking on balance 49% of the stake.

Repayment Terms: As on March 31, 2025 Outstanding term loan is ₹ 23,154.00 Lakhs at the interest rate of Axis 1 year MCLR and the Balance outstanding is repayable in 23 Semi Annual Instalments.

**For KNR Ramanattukara Infra Pvt Ltd**

Terms of Security :

- a) A first charge on all the Borrower's tangible movable assets and all other movable assets both present and future save and except the Project Assets;
- b) A first charge on the Project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future intangibles, goodwill, uncalled capital (present and Future);
- c) A first charge on Projects bank accounts, including but not limited to the escrow account opened in a designated bank, where all cash inflows from the Project shall be deposited and all proceeds shall be utilised in a manner and priority to be decided by the Lenders/Investors.
- d) Hypothecation of all the Company's rights and interests under all the agreements related to the Project, Letter of Credit (If any), and guarantee or performance bond provided by any party for any contract related to the project in favour of the Borrower.
- e) Hypothecation of all applicable insurance policies.
- f) Pledge of 51% equity shares and preference shares (subject to regulatory compliance) of the borrower till the facilities is entirely repaid.
- g) Non disposal undertaking on balance 49% equity shares and preference shares.
- h) Pledge of 100% over NCDs/CCDs extended by Sponsor to Borrower, if funds are infused by Sposor in the form of above instruments.

Repayment Terms: As on March 31, 2025 the Company has availed a term loan of ₹ 65,000.00 Lakhs at the interest rate of HDFC 1 year MCLR + spread of 0.80% p.a and the term loan is repayable in 26 Semi Annual Installments beginning from Q3 of 2025-26.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 17 BORROWINGS (CONTD.)

#### For KNR Guruvayur Infra Pvt Ltd

Terms of Security :

- a) A first mortgage and charge on all the Borrower's immovable properties, both present and future, save and except the Project Assets;
- b) A first charge on all the Borrower's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and all other movable assets, both present and future save and except the Project Assets;
- c) A first charge over all accounts of the Borrower including the Escrow Account and the Sub-Accounts (or any account in Substitution hereof) that may be opened in accordance with Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents.
- d) A first charge on all intangibles assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the Project Assets.
- e) A pledge of 51% of the issued, paid up and voting equity share capital of the Borrower held by the Promoter in the Borrower till the Final Settlement Date.

Repayment Terms: As on March 31, 2025 the Company has availed a long term loan of ₹ 57,500 Lakhs at 6M MCLR+Spread of 1.05%, which is repayable in 26 semi annual instalments. Company has applied for EOT, Accordingly scheduled Project completion date is March 31, 2025 and the revised repayment starts from Q3 of 2025-26

#### For KNR Ramagiri Infra Pvt Ltd

Terms of Security :

- a) A first mortgage and charge on all the Borrower's immovable properties, both present and future, save and except the Project Assets;
- b) A first charge on all the Borrower's fixed assets & tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and all other movable assets, both present and future save and except the Project Assets;
- c) A first charge over all accounts of the Borrower including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents.
- d) A Charge over book debts, Operating Cash flows, commissions, revenues of whatsoever nature & the receivables
- e) A first charge on all intangibles assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the Project Assets.
- f) a first ranking pari passu charge of all the Company's rights and interests under all the agreements related to the Project, Letter of Credit (If any), and guarantee or performance bond provided by any party for any contract related to the project in favour of the Borrower.
- g) Hypothecation of all applicable insurance policies.
- h) A pledge of 51% of the issued, paid up and voting equity share capital of the Borrower held by the Promoter in the Borrower till the Final Settlement Date.
- i) Non disposal undertaking on balance 49% of the stake.

Repayment Terms : As on March 31, 2025 the Company has availed a term loan of ₹ 20,000.00 Lakhs at the interest rate of Axis 1 months MCLR and the repayment starts from Q2 of 2025-26

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 17 BORROWINGS (CONTD.)

## For KNR Somwarpet Infra Projects Pvt Ltd

## Terms of Security :

- A first charge on all the Borrower's tangible moveable assets, including but not limited to moveable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and all other movable assets, both present and future save and expect the Project Assets;
- A first charge on all the Borrower's intangible assets, including but not limited to intellectual property rights, including all patents, patent applications, trademarks, permits, service marks, trade names, trade secrets, proprietary information and knowledge and all intangible assets, both present and future save and expect the Project Assets;
- A first charge over all the rights, title, interest, benefit, claims and demands whatsoever of the Borrower in, to, under and/or in respect of the Insurance Contracts both present and future.
- A first charge on all rights, title, interest, benefit, claims and demands whatsoever of the Borrower in, to, under and all accounts of the Borrower including the Escrow Account, the Debt Service Reserve Account and the sub-accounts or any account in substitution thereof.
- A first charge on Borrower's book debts, cash flows, Rreceivables, current assets, commissions, revenues, whether now, or at any time during the continuance of this Deed.
- A pledge of 30% of the paid up share capital of the Borrower held by the Promoter in the Borrower till the Final Settlement Date.
- Non disposal undertaking on balance 21% of the stake.

Repayment Terms: As on March 31, 2025 the Company has outstanding term loan of ₹ 20,913.53 Lakhs from Yes Bank limited at 3M T-bill rate plus 2.14% and the Balance outstanding is repayable in 9 Semi Annual Instalments.

## 18 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

| Particulars                                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                                              |                         |                         |
| Interest on NHAI Premium Payable                                | -                       | 577.57                  |
| Other Payables                                                  | -                       | 22.17                   |
| <b>Total non-current other financial liabilities</b>            | <b>-</b>                | <b>599.74</b>           |
| <b>Current</b>                                                  |                         |                         |
| Interest accrued but not due on other than Mobilisation Advance | 340.05                  | 100.07                  |
| Interest accrued but not due on Mobilisation Advance            | -                       | 208.69                  |
| Advance Received from Related Parties ( Refer note : 40)        | -                       | 21.50                   |
| Unclaimed dividend (Refer note : 18.1)                          | 6.08                    | 6.71                    |
| Retention Deposits and With held                                | 14,670.07               | 14,158.41               |
| Security Deposits                                               | 221.93                  | 660.98                  |
| Amount received from NHAI                                       | -                       | 10.24                   |
| Unearned Revenue/Contract Liability                             | 9,870.63                | 33,185.66               |
| Outstanding Expenses                                            | 2,013.62                | 2,860.10                |
| <b>Total current other financial liabilities</b>                | <b>27,122.38</b>        | <b>51,212.36</b>        |
| <b>Total</b>                                                    | <b>27,122.38</b>        | <b>51,812.10</b>        |

**18.1** During the year, an un-paid dividend amount of ₹ 64,401/- for relating to 2016-17 has been transferred to Investor Education and Protection Fund. The balance un-paid dividend is not due for transfer to the Investor Education and Protection Fund as at Balance Sheet date.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 19 TRADE PAYABLES

(₹ in Lakhs)

| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>Current</b>                                         |                         |                         |
| Trade payables (Refer note 19.1)                       |                         |                         |
| Dues to Micro & Small Enterprises (Refer note 19.2)    | 164.29                  | 140.00                  |
| Dues to creditors other than Micro & Small Enterprises | 16,812.13               | 16,108.11               |
| Bills Payable (Sub-contractors/Labour/Service)         | 13,635.29               | 11,870.77               |
| <b>Total current trade payables</b>                    | <b>30,611.71</b>        | <b>28,118.88</b>        |
| <b>Total</b>                                           | <b>30,611.71</b>        | <b>28,118.88</b>        |

#### 19.1 Ageing for trade payables from the due date of payment

(₹ in Lakhs)

| Particulars                                                                     | Less than<br>one year | 1-2 years     | 2-3 years     | More than<br>3 years | Total            |
|---------------------------------------------------------------------------------|-----------------------|---------------|---------------|----------------------|------------------|
| <b>As on March 31, 2025</b>                                                     |                       |               |               |                      |                  |
| Undisputed dues of micro enterprises and small enterprises                      | 164.29                | -             | -             | -                    | 164.29           |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 25,564.88             | 569.31        | 693.19        | 3,620.04             | 30,447.42        |
| Disputed dues of micro enterprises and small enterprises                        | -                     | -             | -             | -                    | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises   | -                     | -             | -             | -                    | -                |
| <b>Total</b>                                                                    | <b>25,729.16</b>      | <b>569.31</b> | <b>693.19</b> | <b>3,620.04</b>      | <b>30,611.71</b> |

(₹ in Lakhs)

| Particulars                                                                     | Less than<br>one year | 1-2 years       | 2-3 years     | More than<br>3 years | Total            |
|---------------------------------------------------------------------------------|-----------------------|-----------------|---------------|----------------------|------------------|
| <b>As on March 31, 2024</b>                                                     |                       |                 |               |                      |                  |
| Undisputed dues of micro enterprises and small enterprises                      | 140.00                | -               | -             | -                    | 140.00           |
| Undisputed dues of creditors other than micro enterprises and small enterprises | 22,510.81             | 1,424.43        | 323.18        | 3,720.46             | 27,978.88        |
| Disputed dues of micro enterprises and small enterprises                        | -                     | -               | -             | -                    | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises   | -                     | -               | -             | -                    | -                |
| <b>Total</b>                                                                    | <b>22,650.81</b>      | <b>1,424.43</b> | <b>323.18</b> | <b>3,720.46</b>      | <b>28,118.88</b> |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

**19 TRADE PAYABLES (CONTD.)**

**19.2** Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the Company and the required disclosures are given below:

(₹ in Lakhs)

| Particulars                                                                                                                                                                                                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| a) Principal amount remaining unpaid                                                                                                                                                                                                       | 164.29                  | 140.00                  |
| b) Interest due thereon                                                                                                                                                                                                                    | -                       | -                       |
| c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year                    | -                       | -                       |
| d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | -                       | -                       |
| e) Interest accrued and remaining unpaid at the end of accounting year                                                                                                                                                                     | -                       | 0.92                    |
| f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises                                                                     | -                       | -                       |

**20 PROVISIONS**

(₹ in Lakhs)

| Particulars                                               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                                        |                         |                         |
| Provision for employee benefits                           |                         |                         |
| Gratuity (Refer note : 39)                                | 681.90                  | 668.80                  |
| Provision for contractual obligations (Refer note : 20.1) | 4,348.92                | 1,499.48                |
| <b>Total non -current provisions</b>                      | <b>5,030.82</b>         | <b>2,168.28</b>         |
| <b>Current</b>                                            |                         |                         |
| Provision for Capital expenditure                         | -                       | 741.50                  |
| Provision for Expenses                                    | 1,341.43                | 608.47                  |
| Provision for employee benefits:                          |                         |                         |
| Gratuity (Refer note : 39)                                | 154.12                  | 192.12                  |
| Provision for contractual obligations (Refer note : 20.1) | -                       | 4,511.00                |
| <b>Total current provisions</b>                           | <b>1,495.55</b>         | <b>6,053.09</b>         |
| <b>Total</b>                                              | <b>6,526.37</b>         | <b>8,221.37</b>         |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 20 PROVISIONS (CONTD.)

20.1 In respect of subsidiaries, KNR Muzaffarpur Barauni Tollway Pvt Ltd, KNR Palani Infra Pvt Ltd has made provision for various contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below

#### Movement of Provision

(₹ in Lakhs)

| Particulars                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning of the year</b> | <b>6,010.48</b>         | <b>4,225.03</b>         |
| Provision made during the year              | 2,849.44                | 1,828.33                |
| Un winding Interest on MMR                  | -                       | -                       |
| Provision utilised during the year          | -                       | -                       |
| Provision reversed during the year          | (4,511.00)              | (42.88)                 |
| <b>Balance as at end of the year</b>        | <b>4,348.92</b>         | <b>6,010.48</b>         |

### 21 OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------|-------------------------|-------------------------|
| Security Deposits             | 262.98                  | 262.98                  |
| Advance received from clients | -                       | 808.62                  |
| <b>Total</b>                  | <b>262.98</b>           | <b>1,071.60</b>         |

### 22 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------|-------------------------|-------------------------|
| Mobilisation Advance received from clients - Others | 2,127.96                | 4,156.94                |
| Security deposits                                   | 826.23                  | 1,035.58                |
| Dues to statutory authorities                       | 3,989.86                | 9,166.57                |
| Others                                              | 90.26                   | 134.38                  |
| <b>Total</b>                                        | <b>7,034.31</b>         | <b>14,493.47</b>        |

### 23 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

| Particulars                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------|-------------------------|-------------------------|
| Current                         |                         |                         |
| Income Tax Provision            | 24,218.77               | 20,444.39               |
| Less: Advance tax paid          | (21,705.81)             | (19,794.16)             |
| <b>Total Current Provisions</b> | <b>2,512.96</b>         | <b>650.23</b>           |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 24 REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars                      | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|----------------------------------|------------------------------|------------------------------|
| Income from Contracts & Services | 3,22,850.74                  | 4,02,066.73                  |
| Construction Income              | 887.83                       | 4,314.71                     |
| Other Operating Income           | 1,53,723.90                  | 36,567.20                    |
| Less : Transferred to NHAI       | (2,145.83)                   | -                            |
| <b>Total</b>                     | <b>4,75,316.64</b>           | <b>4,42,948.64</b>           |

## 25 OTHER INCOME

(₹ in Lakhs)

| Particulars                                          | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|------------------------------------------------------|------------------------------|------------------------------|
| Interest Income                                      | 15,248.29                    | 11,309.15                    |
| Interest Income on fair value of interest free loans | 375.99                       | 521.01                       |
| Gain/(Loss) on fair value of FD                      | -                            | 77.91                        |
| Interest on Income tax refunds                       | 102.75                       | 63.62                        |
| Profit on sale of mutual Funds                       | 1,193.75                     | 96.09                        |
| Dividend Income on Associates                        | 1,448.92                     | -                            |
| <b>Other non-operating income</b>                    |                              |                              |
| Profit on Sale of Assets                             | 365.26                       | 381.72                       |
| Discount Received from suppliers                     | 1,494.10                     | 814.15                       |
| Liabilities no longer required written back          | 8,198.20                     | 515.08                       |
| Insurance Claim Received                             | 167.85                       | 89.36                        |
| Gain on fair value of Mutual funds                   | 214.34                       | 31.90                        |
| Provision for Doubtful advances/debtors written back | 385.05                       | -                            |
| Miscellaneous Income                                 | 1,964.18                     | 569.10                       |
| Modification Gain                                    | 410.17                       | -                            |
| <b>Total</b>                                         | <b>31,568.85</b>             | <b>14,469.09</b>             |

## 26 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars                                        | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|----------------------------------------------------|------------------------------|------------------------------|
| <b>Construction Materials, Stores &amp; Spares</b> |                              |                              |
| Opening Stock                                      | 22,087.41                    | 23,422.69                    |
| Add: Net Purchases                                 | 1,40,597.89                  | 1,64,680.02                  |
|                                                    | <b>1,62,685.30</b>           | <b>1,88,102.71</b>           |
| Less: Closing Stock                                | 16,041.38                    | 22,087.42                    |
| <b>Total Consumption</b>                           | <b>1,46,643.92</b>           | <b>1,66,015.29</b>           |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 27 CONSTRUCTION EXPENSES

| (₹ in Lakhs)                                 |                              |                              |
|----------------------------------------------|------------------------------|------------------------------|
| Particulars                                  | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
| Sub-contract expenses                        | 11,272.51                    | 19,242.80                    |
| Spreading & Assortment exp.                  | 66,152.33                    | 89,744.92                    |
| Power and Fuel                               | 1,283.03                     | 1,460.80                     |
| Seigniorage charges/Royalty                  | 4,201.24                     | 4,157.06                     |
| Transport Charges                            | 7,965.68                     | 8,547.75                     |
| Hire Charges                                 | 2,432.22                     | 2,311.79                     |
| Watch & Ward                                 | 510.43                       | 815.78                       |
| Other Recoveries by Clients                  | 251.15                       | 1,303.86                     |
| Repairs to Others                            | 544.09                       | 239.72                       |
| Repairs to Machinery                         | 768.22                       | 547.47                       |
| Repairs to Vehicles                          | 742.31                       | 1,122.97                     |
| Toll Maintenance Expenses                    | 144.87                       | 215.15                       |
| Periodic/Major maintenance expenditure       | 2,849.44                     | 1,828.33                     |
| Operation and Maintenance expenses - Routine | 383.86                       | -                            |
| Other Construction Expenses                  | 6,720.65                     | 7,129.28                     |
| Less: Transferred to NHAI                    | (528.73)                     | -                            |
| <b>Total</b>                                 | <b>1,05,693.30</b>           | <b>1,38,667.68</b>           |

### 28 EMPLOYEE BENEFITS EXPENSE

| (₹ in Lakhs)                                                |                              |                              |
|-------------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                                 | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
| Salaries, Wages and Other Benefits                          | 17,185.22                    | 16,901.29                    |
| Contribution to Provident and Other Funds (Refer note : 39) | 333.55                       | 330.32                       |
| Staff welfare Expenses                                      | 194.07                       | 187.62                       |
| <b>Total</b>                                                | <b>17,712.84</b>             | <b>17,419.23</b>             |

Note: The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, has delivered a judgement in the case of Surya Roshani Limited and Others vs. EPFO wherein they have set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purpose of computation of Provident fund contribution, The Company is reviewing the impact of this decision of policies.

### 29 FINANCE COSTS

| (₹ in Lakhs)                                 |                              |                              |
|----------------------------------------------|------------------------------|------------------------------|
| Particulars                                  | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
| <b>Interest Expense on</b>                   |                              |                              |
| Working capital demand loans and cash credit | 378.33                       | 363.22                       |
| Term Loans                                   | 14,168.64                    | 7,551.51                     |
| Interest on Unsecured Loans                  | 4,967.56                     | -                            |
| Loan from Directors                          | 47.19                        | -                            |
| Interest on Mobilisation Advance             | -                            | 284.56                       |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 29 FINANCE COSTS (CONTD.)

(₹ in Lakhs)

| Particulars                      | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|----------------------------------|------------------------------|------------------------------|
| Others                           | 127.02                       | 416.32                       |
| Unwinding Interest               | 139.59                       | 737.16                       |
| Interest on Income Tax           | 94.42                        | 597.62                       |
|                                  | <b>19,922.75</b>             | <b>9,950.39</b>              |
| Other Borrowing Costs            |                              |                              |
| Processing charges               | 148.06                       | 192.44                       |
| BG/LC charges                    | 281.61                       | 388.50                       |
| Bank and Other Financial Charges | 437.16                       | 36.07                        |
| <b>Total</b>                     | <b>20,789.58</b>             | <b>10,567.40</b>             |

## 30 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

| Particulars                                       | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|---------------------------------------------------|------------------------------|------------------------------|
| Depreciation & Amortisation                       | 31,103.36                    | 15,314.62                    |
| Depreciation & Amortisation - Right of Use assets | 318.59                       | 368.51                       |
| <b>Total</b>                                      | <b>31,421.95</b>             | <b>15,683.13</b>             |

## 31 OTHER EXPENSES

(₹ in Lakhs)

| Particulars                                               | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-----------------------------------------------------------|------------------------------|------------------------------|
| Travelling & Conveyance                                   | 387.34                       | 388.43                       |
| Postage, Telegrams and Telephones                         | 58.58                        | 66.52                        |
| Business Promotion expenses                               | 9.97                         | 15.10                        |
| Advertisement and publicity                               | 12.60                        | 7.15                         |
| Legal & Professional charges                              | 2,114.73                     | 2,700.64                     |
| Insurance                                                 | 1,459.98                     | 1,468.84                     |
| Rates and taxes excluding taxes of Income                 | 936.27                       | 672.56                       |
| Payments to the Auditor                                   | 31.72                        | 32.58                        |
| Printing & Stationery                                     | 116.39                       | 143.94                       |
| Tender expenses                                           | 43.91                        | 40.40                        |
| Office maintenance                                        | 142.42                       | 153.96                       |
| Rent expenses                                             | 623.14                       | 616.74                       |
| Electricity charges                                       | 867.24                       | 871.15                       |
| Directors Sitting fees                                    | 52.00                        | 51.50                        |
| Loss on sale of Assets                                    | 288.06                       | 101.57                       |
| Bad Debts/Advances Written off                            | 1,619.42                     | 245.01                       |
| Provision for Doubtful Advances, Receivables and Deposits | -                            | 31.45                        |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 31 OTHER EXPENSES (CONTD.)

(₹ in Lakhs)

| Particulars                                             | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|---------------------------------------------------------|------------------------------|------------------------------|
| Donation                                                | 331.19                       | 1,068.19                     |
| CSR Expenses (Refer note 31.1)                          | 914.59                       | 968.40                       |
| Interest on Statutory Dues                              | 11.53                        | 21.35                        |
| Allowance for expected credit loss on Trade Receivables | 705.21                       | -                            |
| Modification gain/loss                                  | -                            | 664.37                       |
| Provision for Impairment of Investments                 | -                            | 1,200.00                     |
| Miscellaneous expenses                                  | 371.89                       | 226.31                       |
| Less ; Transferred to NHAI                              | (257.13)                     | -                            |
| <b>Total</b>                                            | <b>10,841.05</b>             | <b>11,756.16</b>             |

**31.1** As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

A CSR committee has been formed by the Company as per the act. The funds were primarily allocated to the corpus and utilised through out the year on these activities in schedule VII of the Companies Act, 2013.

(₹ in Lakhs)

| Particulars                                                                                                                                                                             | Year Ended<br>March 31, 2025                                                                                                          | Year Ended<br>March 31, 2024                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| a) Amount required to be spent by the Company during the year                                                                                                                           | 1,526.47                                                                                                                              | 1,206.36                                                             |
| b) Amount of expenditure incurred                                                                                                                                                       | 914.59                                                                                                                                | 968.40                                                               |
| c) Shortfall at the end of the year                                                                                                                                                     | 611.88                                                                                                                                | 237.96                                                               |
| d) Total of previous year's shortfall                                                                                                                                                   | 1,040.10                                                                                                                              | 428.22                                                               |
| e) Reason for shortfall                                                                                                                                                                 | The Shortfall is Due to Ongoing Projects and the said amount is transferred to unspent account as per the provisions of Companies Act |                                                                      |
| f) Nature of CSR activities                                                                                                                                                             |                                                                                                                                       |                                                                      |
| 1. Construction/acquisition of any assets                                                                                                                                               | 307.92                                                                                                                                | 125.14                                                               |
| 2. On Purposes other than (1) above                                                                                                                                                     | 606.67                                                                                                                                | 843.26                                                               |
| g) Details of related party transactions                                                                                                                                                | Nil                                                                                                                                   | Nil                                                                  |
| h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | Since no provision is made for short fall the amount is shown as Nil                                                                  | Since no provision is made for short fall the amount is shown as Nil |

### 32 EXCEPTIONAL ITEMS

(₹ in Lakhs)

| Particulars                                    | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|------------------------------------------------|------------------------------|------------------------------|
| Loss/(Profit) on Sale of Investments           | 11,996.33                    | -                            |
| Provision/written off for Receivable from CUBE | 2,066.47                     | -                            |
| <b>Total</b>                                   | <b>14,062.80</b>             | <b>-</b>                     |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 33 TAX EXPENSE

(₹ in Lakhs)

| Particulars                                             | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|---------------------------------------------------------|------------------------------|------------------------------|
| <b>A - Current Tax</b>                                  |                              |                              |
| Current tax on profits for the year                     | 24,539.76                    | 20,319.37                    |
| Adjustments in respect of prior years                   | 606.93                       | 832.22                       |
| <b>Sub-Total</b>                                        | <b>25,146.69</b>             | <b>21,151.59</b>             |
| <b>B - Deferred Tax</b>                                 |                              |                              |
| Deferred Tax Liability/(Asset) due to timing difference | 624.10                       | (1,535.23)                   |
| <b>Sub-Total</b>                                        | <b>624.10</b>                | <b>(1,535.23)</b>            |
| <b>Total</b>                                            | <b>25,770.79</b>             | <b>19,616.36</b>             |

## 33.1 Reconciliation of tax expenses to accounting profit

(₹ in Lakhs)

| Particulars                                                                   | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-------------------------------------------------------------------------------|------------------------------|------------------------------|
| Accounting profit before tax                                                  | 1,25,958.20                  | 94,846.05                    |
| Enacted tax rates in India*                                                   | 25.168%                      | 25.168%                      |
| Tax                                                                           | 31,701.16                    | 23,870.85                    |
| <b>Adjustments</b>                                                            |                              |                              |
| Effect of income exempt from taxation                                         | (147.67)                     | 45.93                        |
| Effect of expenses that are not deductible in determining taxable profit      | (7,020.91)                   | (3,620.11)                   |
| Earlier year taxes                                                            | 606.93                       | 801.95                       |
| Deferred tax                                                                  | 624.10                       | (1,535.23)                   |
| Short term capital gain on Mutual funds                                       | -                            | 22.71                        |
| Others                                                                        | 7.18                         | 30.26                        |
| <b>Tax Expenses recognised in the statement of profit and loss</b>            | <b>25,770.79</b>             | <b>19,616.36</b>             |
| <b>Income tax credit/(expense) recognised in Other Comprehensive Income :</b> |                              |                              |
| Tax effect on actuarial gains/losses on defined benefit obligations           | (23.13)                      | (154.16)                     |

## 34 OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

| Particulars                                           | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-------------------------------------------------------|------------------------------|------------------------------|
| Items that will not be reclassified to profit or loss |                              |                              |
| i) Actuarial Gains & Losses                           | 91.90                        | 612.14                       |
| ii) Deferred tax                                      | (23.13)                      | (154.16)                     |
|                                                       | <b>68.77</b>                 | <b>457.98</b>                |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 35 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the group, the groups policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

The Company's adjusted net debt to equity ratio at March 31, 2025 and March 31, 2024 was as follows

| (₹ in Lakhs)                                      |                    |                    |
|---------------------------------------------------|--------------------|--------------------|
| Particulars                                       | March 31, 2025     | March 31, 2024     |
| Total debt                                        | 1,85,003.28        | 1,19,953.99        |
| Less: cash and cash equivalents                   | 32,251.87          | 41,089.22          |
| <b>Adjusted net debt</b>                          | <b>1,52,751.41</b> | <b>78,864.77</b>   |
| Total equity                                      | 4,54,117.85        | 3,55,414.76        |
| <b>Adjusted equity</b>                            | <b>4,54,117.85</b> | <b>3,55,414.76</b> |
| <b>Adjusted net debt to adjusted equity ratio</b> | <b>0.34</b>        | <b>0.22</b>        |

Foot note : Total Debt includes Long term Borrowings, Short term Borrowings and Interest Accrued thereon. Cash and Cash equivalents includes other Bank Balances

### 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

#### A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at March 31, 2025

| (₹ in Lakhs)                 |                 |                    |                       |
|------------------------------|-----------------|--------------------|-----------------------|
| Particulars                  | Carrying amount |                    |                       |
|                              | FVTPL           | Amortised Cost     | Total carrying amount |
| <b>Financial assets</b>      |                 |                    |                       |
| Investments in Associates    | -               | 5,353.19           | <b>5,353.19</b>       |
| Other Investments            | 4,696.41        | 1,532.39           | <b>6,228.80</b>       |
| Trade receivables            | -               | 95,238.01          | <b>95,238.01</b>      |
| Cash and cash equivalents    | -               | 32,251.87          | <b>32,251.87</b>      |
| Loans                        | -               | 158.62             | <b>158.62</b>         |
| Other financial assets       | -               | 4,20,543.58        | <b>4,20,543.58</b>    |
|                              | <b>4,696.41</b> | <b>5,55,077.66</b> | <b>5,59,774.07</b>    |
| <b>Financial liabilities</b> |                 |                    |                       |
| Secured Bank loans           | -               | 1,84,663.23        | <b>1,84,663.23</b>    |
| Trade payables               | -               | 30,611.71          | <b>30,611.71</b>      |
| Lease Liabilities            | -               | 284.25             | <b>284.25</b>         |
| Other financial liabilities  | -               | 27,122.38          | <b>27,122.38</b>      |
|                              | -               | <b>2,42,681.57</b> | <b>2,42,681.57</b>    |

| (₹ in Lakhs)    |          |                    |                    |
|-----------------|----------|--------------------|--------------------|
| Fair Value      |          |                    |                    |
| Level 1         | Level 2  | Level 3            | Total              |
|                 |          |                    |                    |
| -               | -        | 5,353.19           | <b>5,353.19</b>    |
| 4,696.41        | -        | 1,532.39           | <b>6,228.80</b>    |
| -               | -        | 95,238.01          | <b>95,238.01</b>   |
| -               | -        | -                  | -                  |
| -               | -        | 158.62             | <b>158.62</b>      |
| -               | -        | 4,20,543.58        | <b>4,20,543.58</b> |
| <b>4,696.41</b> | <b>-</b> | <b>5,22,825.79</b> | <b>5,27,522.20</b> |
|                 |          |                    |                    |
| -               | -        | 1,84,663.23        | <b>1,84,663.23</b> |
| -               | -        | 30,611.71          | <b>30,611.71</b>   |
| -               | -        | 284.25             | <b>284.25</b>      |
| -               | -        | 27,122.38          | <b>27,122.38</b>   |
| -               | -        | <b>2,42,681.57</b> | <b>2,42,681.57</b> |

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

As at March 31, 2024

(₹ in Lakhs)

| Particulars                               | Carrying amount |                    |                       | Fair Value      |          |                    |                    |
|-------------------------------------------|-----------------|--------------------|-----------------------|-----------------|----------|--------------------|--------------------|
|                                           | FVTPL           | Amortised Cost     | Total carrying amount | Level 1         | Level 2  | Level 3            | Total              |
| <b>Financial assets</b>                   |                 |                    |                       |                 |          |                    |                    |
| Investments in Associates held for sale   | -               | 7,554.33           | <b>7,554.33</b>       | -               | -        | 7,554.33           | <b>7,554.33</b>    |
| Other Investments                         | 2,431.91        | 1,532.39           | <b>3,964.30</b>       | 2,431.91        | -        | 1,532.39           | <b>3,964.30</b>    |
| Trade receivables                         | -               | 71,570.39          | <b>71,570.39</b>      | -               | -        | 71,570.39          | <b>71,570.39</b>   |
| Cash and cash equivalents                 | -               | 41,089.22          | <b>41,089.22</b>      | -               | -        | -                  | <b>-</b>           |
| Loans                                     | -               | 184.46             | <b>184.46</b>         | -               | -        | 184.46             | <b>184.46</b>      |
| Other financial assets                    | -               | 2,78,855.51        | <b>2,78,855.51</b>    | -               | -        | 2,78,855.51        | <b>2,78,855.51</b> |
|                                           | <b>2,431.91</b> | <b>4,00,786.30</b> | <b>4,03,218.21</b>    | <b>2,431.91</b> | <b>-</b> | <b>3,59,697.08</b> | <b>3,62,128.99</b> |
| <b>Financial liabilities</b>              |                 |                    |                       |                 |          |                    |                    |
| Secured Bank loans                        | -               | 1,19,853.92        | <b>1,19,853.92</b>    | -               | -        | 1,19,853.92        | <b>1,19,853.92</b> |
| Deferred Payment Liability - NHAI Premium | -               | 5,968.14           | <b>5,968.14</b>       | -               | -        | 5,968.14           | <b>5,968.14</b>    |
| Trade payables                            | -               | 28,118.88          | <b>28,118.88</b>      | -               | -        | 28,118.88          | <b>28,118.88</b>   |
| Lease Liabilities                         | -               | 421.65             | <b>421.65</b>         | -               | -        | 421.65             | <b>421.65</b>      |
| Other financial liabilities               | -               | 51,812.10          | <b>51,812.10</b>      | -               | -        | 51,812.10          | <b>51,812.10</b>   |
|                                           | <b>-</b>        | <b>2,06,174.69</b> | <b>2,06,174.69</b>    | <b>-</b>        | <b>-</b> | <b>2,06,174.69</b> | <b>2,06,174.69</b> |

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company's focus is to estimate a vulnerability of financial risk and to address the issue to minimise the potential adverse effects of its financial performance.

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk on trade receivables is limited as the customers of the Company mainly consists of the Government promoted entities having a strong credit worthiness. Accordingly, the Companies customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms are with a credit period ranging from 45 to 90

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

days and retention money to be released at the end of the project. however, in some cases retention money can released by substituting with bank guarantees. The Company has a detailed review mechanism for review of overdue receivables at various levels to ensure realisation of the such receivables.

The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

| Particulars                                                      | March 31, 2025 | March 31, 2024 |
|------------------------------------------------------------------|----------------|----------------|
| <b>Opening Balance</b>                                           | -              | -              |
| Changes in loss allowance for expected credit loss:              |                |                |
| - Provision/(reversal) of allowance for expected credit loss     | -              | -              |
| - Additional provision (net) towards credit impaired receivables | 705.21         | -              |
| - Write off as bad debts                                         | -              | -              |
| <b>Closing Balance</b>                                           | <b>705.21</b>  | -              |

The group's BOT Projects generally does not have trade receivable as collection of toll income coincide as and when the traffic passes through toll plazas and for BOT (Annuity/HAM) the receivables are from the Authoity at stipulated time lines with specific percentage of amounts. Hence, the management believes that the Group is not exposed to any credit risk.

#### b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

As at March 31, 2025

(₹ in Lakhs)

| Particulars                                 | Contractual Cash flows |                  |                  |                    | Total              |
|---------------------------------------------|------------------------|------------------|------------------|--------------------|--------------------|
|                                             | Carrying Amount        | Upto 1 year      | 1 to 3 Years     | More than 3 years  |                    |
| <b>Non-derivative financial liabilities</b> |                        |                  |                  |                    |                    |
| Secured Bank loans                          | 1,84,663.23            | 8,922.54         | 34,063.67        | 1,41,677.02        | 1,84,663.23        |
| Trade payables                              | 30,611.71              | 25,729.16        | 1,262.50         | 3,620.12           | 30,611.79          |
| Lease Liabilities                           | 284.25                 | 188.25           | 45.05            | 50.95              | 284.25             |
| Other financial liabilities                 | 27,122.38              | 12,224.30        | 7,575.04         | 7,323.04           | 27,122.38          |
|                                             | <b>2,42,681.57</b>     | <b>47,064.26</b> | <b>42,946.26</b> | <b>1,52,671.13</b> | <b>2,42,681.65</b> |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

As at March 31, 2024

(₹ in Lakhs)

| Particulars                                 | Contractual Cash flows |                  |                  |                    | Total              |
|---------------------------------------------|------------------------|------------------|------------------|--------------------|--------------------|
|                                             | Carrying Amount        | Upto 1 year      | 1 to 3 Years     | More than 3 years  |                    |
| <b>Non-derivative financial liabilities</b> |                        |                  |                  |                    |                    |
| Secured Bank loans                          | 1,19,853.92            | 9,643.41         | 25,410.47        | 84,800.04          | 1,19,853.92        |
| Deferred Payment Liability - NHAI Premium   | 5,968.14               | 359.00           | 676.00           | 4,933.14           | 5,968.14           |
| Trade payables                              | 28,118.88              | 22,650.81        | 1,747.61         | 3,720.46           | 28,118.88          |
| Lease Liabilities                           | 421.65                 | 268.21           | 153.44           | -                  | 421.65             |
| Other financial liabilities                 | 51,812.10              | 15,543.63        | 28,496.66        | 7,771.82           | 51,812.10          |
|                                             | <b>2,06,174.69</b>     | <b>48,465.06</b> | <b>56,484.18</b> | <b>1,01,225.45</b> | <b>2,06,174.69</b> |

## c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Groups income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

## i) Foreign currency risk

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Group is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency

## ii) Interest rate risk

Interest rate risk is the risk that fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rates.

The interest risk arises to the Group mainly from long term borrowings with variable rates. The Group measures risk through sensitivity analysis.

The Group is exposed to Interest rate risk as it has few variable interest rate borrowings.

**The Groups exposure to interest rate risk due to borrowings is as follows:**

(₹ in Lakhs)

| Particulars           | Note No. | March 31, 2025 | March 31, 2024 |
|-----------------------|----------|----------------|----------------|
| Long term Borrowings  | 17       | 1,75,740.69    | 1,10,210.51    |
| Short term Borrowings | 17       | 8,922.54       | 9,643.41       |

## Sensitivity analysis

(₹ in Lakhs)

| Interest Rate Risk Analysis              | Impact on profit/loss after tax |                           |
|------------------------------------------|---------------------------------|---------------------------|
|                                          | Year Ended March 31, 2025       | Year Ended March 31, 2024 |
| Increase or decrease in Interest by 25bp | 461.66                          | 299.63                    |

Note : In case of Increase in Interest rate, Profit will reduce and vice versa

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

#### iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Group is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The Group measures risk through sensitivity analysis.

The Groups risk management policy is to mitigate the risk by investments in diversified mutual funds.

The Group's exposure to price risk due to investments in mutual fund is as follows:

| (₹ in Lakhs)                |          |                |                |
|-----------------------------|----------|----------------|----------------|
| Particulars                 | Note No. | March 31, 2025 | March 31, 2024 |
| Investments in Mutual Funds | 4        | 4,696.41       | 2,431.91       |

#### Sensitivity analysis

| (₹ in Lakhs)                      |                                 |                              |
|-----------------------------------|---------------------------------|------------------------------|
| Price Rate Risk Analysis          | Impact on profit/loss after tax |                              |
|                                   | Year Ended<br>March 31, 2025    | Year Ended<br>March 31, 2024 |
| Increase or decrease in NAV by 2% | 93.93                           | 48.64                        |

Note : In case of Decrease in NAV, Profit will reduce and vice versa

### 37 CONTINGENT LIABILITY, COMMITMENTS AND CONTINGENT ASSETS

| (₹ in Lakhs)                                                                                                                              |                          |                          |
|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                                                                                           | As at                    |                          |
|                                                                                                                                           | March 31, 2025           | March 31, 2024           |
| <b>i) Contingent Liabilities</b>                                                                                                          |                          |                          |
| <b>a) Claims against the Group not acknowledged as debt #</b>                                                                             |                          |                          |
| 1. Disputed Income tax *                                                                                                                  | 31,927.00                | 33,195.19                |
| 2. Disputed Sales tax/VAT/Entry tax                                                                                                       | 15,520.94                | 9,519.79                 |
| 3. Disputed Service tax                                                                                                                   | 619.99                   | 607.05                   |
| 4. Disputed Customs                                                                                                                       | 1,534.52                 | 1,509.52                 |
| 5. Others (Civil cases)                                                                                                                   | 25.69                    | 25.69                    |
| # Interest not ascertainable after the date of order, if any                                                                              |                          |                          |
| <b>b) Guarantees</b>                                                                                                                      |                          |                          |
| Corporate guarantees given to banks and financial institutions for financial assistance extended to Joint Operations.                     | -                        | -                        |
| <b>c) Other money for which the Group is contingently liable</b>                                                                          |                          |                          |
| Joint and several liabilities in respect of joint venture projects and liquidated damages in respect of delays in completion of projects. | Amount not ascertainable | Amount not ascertainable |
| <b>Total</b>                                                                                                                              | <b>49,628.14</b>         | <b>44,857.24</b>         |

\*The Company has got benefit of deduction under Section 80 IA (4) on eligible projects under provisions of Income Tax Act, 1961 for an amount of ₹ 4,422.19 Lakhs, for the A.Y 2006-07 to 2012-13 and A.Y 2014-15 the department has filed appeals against ITAT orders at the High Court of Judicature at Hyderabad for the State of Telangana.

The Company considers it appropriate not to create a liability for the above said amount on the basis of legal opinion and decided cases.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 37 CONTINGENT LIABILITY, COMMITMENTS AND CONTINGENT ASSETS (CONTD.)

(₹ in Lakhs)

|                                                                                                       | As at            |                  |
|-------------------------------------------------------------------------------------------------------|------------------|------------------|
|                                                                                                       | March 31, 2025   | March 31, 2024   |
| <b>ii) Commitments</b>                                                                                |                  |                  |
| a) Estimated amount of contracts remaining to be executed on capital account and not provided for     | 24.13            | 44.44            |
| b) Estimated amount of committed funding by way of equity/deemed equity to subsidiary companies       | -                | -                |
| <b>Total</b>                                                                                          | <b>24.13</b>     | <b>44.44</b>     |
| <b>iii) Contingent Assets</b>                                                                         |                  |                  |
| Arbitration claims awarded for various projects, but client not accepted (including insurance claims) | <b>33,352.66</b> | <b>19,960.16</b> |

## 38 DISCLOSURE PURSUANT TO IND AS 33 "EARNINGS PER SHARE (EPS)"

(₹ in Lakhs)

|                                                               | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|---------------------------------------------------------------|------------------------------|------------------------------|
| i. Profit (loss) attributable to equity shareholders(basic)   | 1,00,187.41                  | 77,739.88                    |
| ii. Weighted average number of equity shares (basic)          | 2,812.35                     | 2,812.35                     |
| <b>Basic EPS (i/ii)</b>                                       | <b>35.62</b>                 | <b>27.64</b>                 |
| i. Profit (loss) attributable to equity shareholders(diluted) | 1,00,187.41                  | 77,739.88                    |
| ii. Weighted average number of equity shares (diluted)        | 2,812.35                     | 2,812.35                     |
| <b>Diluted EPS (i/ii)</b>                                     | <b>35.62</b>                 | <b>27.64</b>                 |

## 39 DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS"

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

**A Defined benefit plans:**

- Liability for gratuity as on March 31, 2025 is ₹ 1,313.08 Lakhs (March 31, 2024: ₹ 1,169.49 Lakhs) of which ₹ 477.07 Lakhs (March 31, 2024: ₹ 315.06 Lakhs) is funded with the Life Insurance Corporation of India. The balance of ₹ 836.01 Lakhs (March 31, 2024: ₹ 854.43 Lakhs) is included in Provision for Gratuity.
- Details of the Company's post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary.

**Amount to be recognised in Balance sheet:**

(₹ In Lakhs)

| Particulars                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------|-------------------------|-------------------------|
| Present Value of Funded Obligations | 1,313.09                | 1,169.49                |
| Fair Value of Plan Assets           | (477.07)                | (315.06)                |
| <b>Net Liability</b>                | <b>836.02</b>           | <b>854.43</b>           |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 39 DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS" (CONTD.)

#### iii. Expenses to be recognised in Statement of Profit and Loss under Employee Benefit Expenses:

(₹ in Lakhs)

| Particulars                                          | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|------------------------------------------------------|------------------------------|------------------------------|
| Current Service Cost                                 | 191.08                       | 159.81                       |
| Past Service Cost                                    | -                            | -                            |
| Net Interest cost                                    | 54.64                        | 91.91                        |
| <b>Total included in "Employee Benefits Expense"</b> | <b>245.72</b>                | <b>251.72</b>                |

#### iv. Expenses to be recognised in Statement of Profit and Loss under Other Comprehensive Income:

(₹ in Lakhs)

| Particulars                                                     | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-----------------------------------------------------------------|------------------------------|------------------------------|
| Return on Plan Assets                                           | (9.15)                       | (6.53)                       |
| Net Actuarial Losses/(Gains) Recognised in Year                 | (82.75)                      | (605.99)                     |
| <b>Total included in "Other Comprehensive (Income)/Expense"</b> | <b>(91.90)</b>               | <b>(612.52)</b>              |

#### v. Reconciliation of benefit obligation and plan assets for the year:

(₹ in Lakhs)

| Particulars                                                                         | Year Ended<br>March 31, 2025 | Year Ended<br>March 31, 2024 |
|-------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Change in Defined Benefit Obligation                                                |                              |                              |
| Opening Defined Benefit Obligation                                                  | 1,169.49                     | 1,529.90                     |
| Current Service Cost                                                                | 191.08                       | 159.81                       |
| Past Service Cost                                                                   | -                            | -                            |
| Increase/(Decrease) due to effect of any business combination/divestiture/transfer) | -                            | -                            |
| Interest Cost                                                                       | 74.22                        | 102.42                       |
| Actuarial Losses/(Gain)                                                             | (82.43)                      | (605.99)                     |
| Benefits Paid                                                                       | (39.27)                      | (16.65)                      |
| Closing Defined Benefit Obligation                                                  | 1,313.09                     | 1,169.49                     |
| Opening Fair Value of Plan assets                                                   | 315.06                       | 179.58                       |
| Interest income                                                                     | 19.59                        | 10.50                        |
| Expected Return on Plan Assets                                                      | 9.15                         | 6.53                         |
| Contributions                                                                       | 172.54                       | 135.10                       |
| Benefits Paid                                                                       | (39.27)                      | (16.65)                      |
| <b>Closing Fair Value of Plan Assets</b>                                            | <b>477.07</b>                | <b>315.06</b>                |
| Expected Employer's Contribution Next Year                                          | 207.27                       | 191.20                       |

#### vi. Asset information:

(₹ In Lakhs)

| Category of Asset                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------|-------------------------|-------------------------|
| Insurer Managed Funds –Life Insurance Corporation of India | 100%                    | 100%                    |
| Amount in Lakhs                                            | 477.07                  | 315.06                  |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 39 DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS" (CONTD.)

## vii. Experience Adjustments:

(₹ in Lakhs)

| Particulars                                | 2024-25  | 2023-24  | 2022-23    | 2021-22    | 2020-21    |
|--------------------------------------------|----------|----------|------------|------------|------------|
| Defined Benefit Obligations (DBO)          | 1,313.09 | 1,169.49 | 1,529.90   | 1,347.33   | 1,051.32   |
| Plan Assets                                | 477.07   | 315.06   | 179.58     | 167.49     | 24.79      |
| Surplus/(Deficit)                          | (836.02) | (854.43) | (1,350.32) | (1,179.84) | (1,026.53) |
| Experience Adjustments on Plan Liabilities | -        | -        | -          | 116.05     | 19.35      |
| Experience Adjustments on Plan Assets      | 126.74   | 615.92   | 12.89      | -          | -          |

## viii. Sensitivity Analysis:

| Particulars                                              | Gratuity Plan           |                         |
|----------------------------------------------------------|-------------------------|-------------------------|
|                                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Assumptions</b>                                       |                         |                         |
| Discount rate                                            | 6.60%                   | 7.20%                   |
| Estimated rate of return on plan assets                  | 6.60%                   | 7.20%                   |
| Expected rate of salary increase                         | 7.00%                   | 7.00%                   |
| Attrition rate                                           | 10.00%                  | 10.00%                  |
| <b>Sensitivity analysis – DBO at the end of the year</b> |                         |                         |
| Discount rate + 100 basis points                         | (5.49%)                 | (5.38%)                 |
| Discount rate - 100 basis points                         | 6.22%                   | 6.08%                   |
| Salary increase rate +1%                                 | 5.47%                   | 5.36%                   |
| Salary increase rate -1%                                 | (5.15%)                 | (5.00%)                 |
| Attrition rate +1%                                       | (0.04%)                 | (0.03%)                 |
| Attrition rate -1%                                       | 0.04%                   | 0.03%                   |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

## ix. The following pay-outs are expected in future years:

(₹ in Lakhs)

| Particulars    | Year Ended<br>March 31, 2025 |
|----------------|------------------------------|
| March 31, 2026 | 315.17                       |
| March 31, 2027 | 100.21                       |
| March 31, 2028 | 136.95                       |
| March 31, 2029 | 137.02                       |
| March 31, 2030 | 128.14                       |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

40

### DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE

#### (a) List of related parties

##### (i) Associate Companies :

1. Patel KNR Infrastructures Ltd.,
2. Patel KNR Heavy Infrastructures Ltd.,

##### (ii) Joint Venture :

1. SEL-KNR-JV (At Bangladesh)

##### (iii) Key Management Personnel's (KMPs):

|    |                            |                                  |
|----|----------------------------|----------------------------------|
| 1  | Sri. K.Narsimha Reddy      | Managing Director                |
| 2  | Sri K.Jalandhar Reddy      | Executive Director & CFO         |
| 3  | Smt. K.Yashoda             | Non-Executive Director           |
| 4  | Sri. W. Rampulla Reddy     | Independent Director             |
| 5  | Sri. K.Udya Bhaskara Reddy | Independent Director             |
| 6  | Sri. B.V.Rama Rao *        | Independent Director             |
| 7  | Sri. L.B.Reddy *           | Independent Director             |
| 8  | Smt. G. Rekha              | Independent Director             |
| 9  | Sri S.Vaikuntanathan #     | Executive Officer - VP (F&A)     |
| 10 | Smt. V. Haritha            | Company Secretary                |
| 11 | Sri. V.Venugopal Reddy     | Director in subsidiary companies |
| 12 | Sri. D.Tirupathi Reddy     | Director in subsidiary companies |

\*Resigned with effect from October 01, 2024

# Resigned with effect from August 31, 2024

##### (iv) Relatives of KMPs :

|   |                           |                                           |
|---|---------------------------|-------------------------------------------|
| 1 | Sri. M.Rajesh Reddy       | Son-in-law of Sri K.Narsimha Reddy        |
| 2 | Sri. V.Krishna Reddy      | Brother of Smt. K.Yashoda                 |
| 3 | Kamidi Reality Pvt. Ltd., | Company in which Directors are Interested |

##### (v) Other Related parties :

|   |                                                         |                              |
|---|---------------------------------------------------------|------------------------------|
| 1 | KNR Constructions Limited Employees group gratuity fund | Post-employment benefit plan |
|---|---------------------------------------------------------|------------------------------|

#### (b) Disclosure of related party transactions :

(₹ In Lakhs, except share data)

| Sl. No. | Particulars                     | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|---------|---------------------------------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|         |                                 | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
| 1       | Work contract receipts received | 4,875.08   | 1,520.87 | -              | -       | -                                                 | -       | -                   | -       |
| 2       | Sale of materials and services  | 223.35     | 137.50   | -              | -       | 36.99                                             | -       | -                   | -       |
| 3       | Arbitration Claims received     | 938.06     | 830.87   | -              | -       | -                                                 | -       | -                   | -       |
| 4       | Interest income from claims     | 1,826.72   | 1,445.31 | -              | -       | -                                                 | -       | -                   | -       |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

40

**DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)**

(₹ In Lakhs, except share data)

| Sl. No. | Particulars                                        | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |             | Other related party |         |
|---------|----------------------------------------------------|------------|----------|----------------|---------|---------------------------------------------------|-------------|---------------------|---------|
|         |                                                    | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24     | 2024-25             | 2023-24 |
| 5       | Dividend income                                    | 1,448.92   | -        | -              | -       | -                                                 | -           | -                   | -       |
| 6       | Profit on transfer of equity shares under buyback  | 565.26     | -        | -              | -       | -                                                 | -           | -                   | -       |
| 7       | Sale/Redemption of investments equity shares       | 327.12     | -        | -              | -       | -                                                 | -           | -                   | -       |
| 8       | Mobilisation advance received/ (recovered)         | (553.51)   | 1,009.38 | -              | -       | -                                                 | -           | -                   | -       |
| 9       | Re-imbursement of expenditure incurred/(Recovered) | 46.88      | (37.68)  | -              | -       | -                                                 | -           | -                   | -       |
| 10      | Un-secured loan received                           | -          | -        | -              | -       | 13,500.00                                         | 10,000.00   | -                   | -       |
| 11      | Un-secured loan (repaid)                           | -          | -        | -              | -       | (13,500.00)                                       | (10,000.00) | -                   | -       |
| 12      | Short Term Employee Benefits                       | -          | -        | -              | -       | 2,442.04                                          | 2,230.73    | -                   | -       |
| 13      | Post-employment Benefits *                         | -          | -        | -              | -       | 39.35                                             | 36.71       | -                   | -       |
| 14      | Other Long-term Benefits                           | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 15      | Termination Benefits                               | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 16      | Share based payment                                | -          | -        | -              | -       | -                                                 | -           | -                   | -       |
| 17      | Dividend paid                                      | -          | -        | -              | -       | 345.65                                            | 359.24      | -                   | -       |
| 18      | Land lease rent paid                               | -          | -        | -              | -       | 39.18                                             | 39.18       | -                   | -       |
| 19      | Office rent paid                                   | -          | -        | -              | -       | 2.54                                              | 7.67        | -                   | -       |
| 20      | Interest paid on unsecured loans                   | -          | -        | -              | -       | 47.19                                             | -           | -                   | -       |
| 21      | Directors sitting fee paid                         | -          | -        | -              | -       | 52.00                                             | 51.50       | -                   | -       |
| 22      | Imprest paid/(recovered)                           | -          | -        | -              | -       | 21.42                                             | (5.10)      | -                   | -       |
| 23      | Contribution to Post-employment Benefit Plans      | -          | -        | -              | -       | -                                                 | -           | 180.00              | 135.09  |

## (c) Related party balances outstanding are as follows :

(₹ In Lakhs, except share data)

| Sl. No.  | Particulars                          | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|----------|--------------------------------------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|          |                                      | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
| <b>1</b> | <b>Debit balances outstanding</b>    |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Heavy Infrastructure Ltd., | 4,581.00   | 2,071.22 | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Infrastructure Ltd.,       | 1,659.32   | 4,201.65 | -              | -       | -                                                 | -       | -                   | -       |
|          | V. Venu Gopal Reddy                  | -          | -        | -              | -       | 37.69                                             | -       | -                   | -       |
| <b>2</b> | <b>Credit Balances outstanding</b>   |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,       | 455.87     | 1,009.38 | -              | -       | -                                                 | -       | -                   | -       |
|          | K.Narsimha Reddy *                   | -          | -        | -              | -       | 45.82                                             | 41.17   | -                   | -       |
|          | K.Jalandhar Reddy *                  | -          | -        | -              | -       | 30.57                                             | 29.47   | -                   | -       |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

40

### DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

(₹ In Lakhs, except share data)

| Sl. No. | Particulars         | Associates |         | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|---------|---------------------|------------|---------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|         |                     | 2024-25    | 2023-24 | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
|         | V. Haritha *        | -          | -       | -              | -       | 1.10                                              | 1.04    | -                   | -       |
|         | V. Venugopal Reddy* | -          | -       | -              | -       | 4.11                                              | 4.02    | -                   | -       |
|         | D. Tirupathi Reddy  | -          | -       | -              | -       | 2.59                                              | -       | -                   | -       |
|         | K. Yashoda          | -          | -       | -              | -       | 1.97                                              | 1.97    | -                   | -       |
|         | V. Krishna Reddy *  | -          | -       | -              | -       | 0.60                                              | 0.57    | -                   | -       |

- (d) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

(₹ In Lakhs, except share data)

| Sl. No.  | Particulars                                               | Associates |          | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |         | Other related party |         |
|----------|-----------------------------------------------------------|------------|----------|----------------|---------|---------------------------------------------------|---------|---------------------|---------|
|          |                                                           | 2024-25    | 2023-24  | 2024-25        | 2023-24 | 2024-25                                           | 2023-24 | 2024-25             | 2023-24 |
| <b>1</b> | <b>Work contract receipts received</b>                    |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Heavy Infrastructure Ltd.,                      | 1,705.23   | 771.52   | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Infrastructure Ltd.,                            | 3,169.85   | 749.35   | -              | -       | -                                                 | -       | -                   | -       |
| <b>2</b> | <b>Sale of materials and services</b>                     |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | 137.50     | 137.50   | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Heavy Infrastructure Ltd.,                      | 223.35     | -        | -              | -       | -                                                 | -       | -                   | -       |
|          | Kamidi Reality Pvt. Ltd.,                                 | -          | -        | -              | -       | 36.99                                             | -       | -                   | -       |
| <b>3</b> | <b>Arbitration Claims received</b>                        |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | -          | 830.87   | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Heavy Infrastructure Ltd.,                      | 938.06     | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>4</b> | <b>Interest income from claims</b>                        |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | -          | 1,445.31 | -              | -       | -                                                 | -       | -                   | -       |
|          | Patel Knr Heavy Infrastructure Ltd.,                      | 1,826.72   | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>5</b> | <b>Dividend income</b>                                    |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | 1,448.92   | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>6</b> | <b>Profit on transfer of equity shares under buyback</b>  |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | 565.26     | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>7</b> | <b>Sale/Redemption of investments in equity</b>           |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | 327.12     | -        | -              | -       | -                                                 | -       | -                   | -       |
| <b>8</b> | <b>Mobilisation advance received/ (recovered)</b>         |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Infrastructure Ltd.,                            | (553.51)   | 1,009.38 | -              | -       | -                                                 | -       | -                   | -       |
| <b>9</b> | <b>Re-imbursement of expenditure incurred/(Recovered)</b> |            |          |                |         |                                                   |         |                     |         |
|          | Patel Knr Heavy Infrastructure Ltd.,                      | 45.87      | (37.73)  | -              | -       | -                                                 | -       | -                   | -       |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

40

## DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24: RELATED PARTY DISCLOSURE" (CONTD.)

(₹ In Lakhs, except share data)

| Sl. No.   | Particulars                                          | Associates |         | Joint Ventures |         | Key Management personnel (KMP) & Relatives of KMP |             | Other related party |         |
|-----------|------------------------------------------------------|------------|---------|----------------|---------|---------------------------------------------------|-------------|---------------------|---------|
|           |                                                      | 2024-25    | 2023-24 | 2024-25        | 2023-24 | 2024-25                                           | 2023-24     | 2024-25             | 2023-24 |
| <b>10</b> | <b>Un-secured loan received</b>                      |            |         |                |         |                                                   |             |                     |         |
|           | K. Narsimha Reddy                                    | -          | -       | -              | -       | 13,500.00                                         | 10,000.00   | -                   | -       |
| <b>11</b> | <b>Un-secured loan (repaid)</b>                      |            |         |                |         |                                                   |             |                     |         |
|           | K. Narsimha Reddy                                    | -          | -       | -              | -       | (13,500.00)                                       | (10,000.00) | -                   | -       |
| <b>12</b> | <b>Short Term Employee Benefits</b>                  |            |         |                |         |                                                   |             |                     |         |
|           | K. Narsimha Reddy                                    | -          | -       | -              | -       | 1,365.00                                          | 1,248.00    | -                   | -       |
|           | K. Jalandhar Reddy                                   | -          | -       | -              | -       | 945.00                                            | 864.00      | -                   | -       |
| <b>13</b> | <b>Post-employment Benefits *</b>                    |            |         |                |         |                                                   |             |                     |         |
|           | K. Jalandhar Reddy                                   | -          | -       | -              | -       | 32.40                                             | 32.40       | -                   | -       |
| <b>14</b> | <b>Dividend paid</b>                                 |            |         |                |         |                                                   |             |                     |         |
|           | K. Narsimha Reddy                                    | -          | -       | -              | -       | 213.71                                            | 226.05      | -                   | -       |
|           | K. Jalandhar Reddy                                   | -          | -       | -              | -       | 93.15                                             | 94.40       | -                   | -       |
| <b>15</b> | <b>Land lease rent paid</b>                          |            |         |                |         |                                                   |             |                     |         |
|           | K. Jalandhar Reddy                                   | -          | -       | -              | -       | 17.29                                             | 17.29       | -                   | -       |
|           | K. Yashoda                                           | -          | -       | -              | -       | 21.89                                             | 21.89       | -                   | -       |
| <b>16</b> | <b>Office rent paid</b>                              |            |         |                |         |                                                   |             |                     |         |
|           | K. Jalandhar Reddy                                   | -          | -       | -              | -       | 2.54                                              | 7.67        | -                   | -       |
| <b>17</b> | <b>Interest paid on unsecured loans</b>              |            |         |                |         |                                                   |             |                     |         |
|           | K. Narsimha Reddy                                    | -          | -       | -              | -       | 47.19                                             | -           | -                   | -       |
| <b>18</b> | <b>Directors sitting fee paid</b>                    |            |         |                |         |                                                   |             |                     |         |
|           | B.V.Rama Rao                                         | -          | -       | -              | -       | 8.50                                              | 17.75       | -                   | -       |
|           | L.B.Reddy                                            | -          | -       | -              | -       | 8.50                                              | 17.75       | -                   | -       |
|           | W. Rampulla Reddy                                    | -          | -       | -              | -       | 10.50                                             | -           | -                   | -       |
|           | K.Udya Bhaskara Reddy                                | -          | -       | -              | -       | 10.50                                             | -           | -                   | -       |
|           | G.C.Rekha                                            | -          | -       | -              | -       | 9.00                                              | 10.00       | -                   | -       |
| <b>19</b> | <b>Imprest paid (recovered)</b>                      |            |         |                |         |                                                   |             |                     |         |
|           | K.Narsimha Reddy                                     | -          | -       | -              | -       | (4.91)                                            | -           | -                   | -       |
|           | V.Venugopal Reddy                                    | -          | -       | -              | -       | 27.52                                             | (4.64)      | -                   | -       |
| <b>20</b> | <b>Contribution to Post-employment Benefit Plans</b> |            |         |                |         |                                                   |             |                     |         |
|           | KNR Constructions Limited                            | -          | -       | -              | -       | -                                                 | -           | 180.00              | 135.04  |
|           | Employees group gratuity fund                        |            |         |                |         |                                                   |             |                     |         |

\* As the future liabilities for gratuity is provided on actuarial basis for the group as a whole, the amount pertaining to the KMP's is not ascertainable, therefore not included above.

- Note:
- 1) All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
  - 2) The amount of outstanding balances as shown above are unsecured and will be settled/recovered in cash.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 41 DISCLOSURE MANDATED BY SCHEDULE III BY WAY OF ADDITIONAL INFORMATION

| Name of the entity in the Group                                | Net Assets, i.e., (total assets minus total liabilities) |                    | Share in profit or loss             |                  | Share in other comprehensive income             |                 | Share in total comprehensive income |                  |
|----------------------------------------------------------------|----------------------------------------------------------|--------------------|-------------------------------------|------------------|-------------------------------------------------|-----------------|-------------------------------------|------------------|
|                                                                | As % of consolidated net assets                          | Amount in Lakhs    | As % of consolidated profit or loss | Amount in Lakhs  | As % of consolidated other comprehensive income | Amount in Lakhs | As % of total comprehensive income  | Amount in Lakhs  |
| (₹ in Lakhs)                                                   |                                                          |                    |                                     |                  |                                                 |                 |                                     |                  |
| <b>Parent</b>                                                  |                                                          |                    |                                     |                  |                                                 |                 |                                     |                  |
| KNR Agrotech & Beverages Pvt Ltd.,                             | 54.64%                                                   | 2,48,123.11        | (82.11%)                            | (82,267.29)      | 100.00%                                         | 68.77           | (81.99%)                            | (82,198.52)      |
| KNR Infrastructure Projects Pvt Ltd.,                          | 0.02%                                                    | 69.61              | 0.00%                               | (2.42)           | 0.00%                                           | -               | 0.00%                               | (2.42)           |
| KNR Energy Ltd.,                                               | 0.00%                                                    | (8.33)             | 0.00%                               | (0.28)           | 0.00%                                           | -               | 0.00%                               | (0.28)           |
| KNRC Holdings and Investments Pvt. Ltd.,                       | 0.03%                                                    | 1.65               | 0.00%                               | (2.68)           | 0.00%                                           | -               | 0.00%                               | (2.68)           |
| KNR Somwarpet Infra Pvt Ltd                                    | 8.04%                                                    | 36,510.57          | 24.65%                              | 24,696.86        | 0.00%                                           | -               | 24.63%                              | 24,696.86        |
| KNR Guruvayur Infra Pvt Ltd                                    | 9.52%                                                    | 43,244.56          | 38.47%                              | 38,546.89        | 0.00%                                           | -               | 38.45%                              | 38,546.89        |
| KNR Ramanattukara Infra Pvt Ltd                                | 11.37%                                                   | 51,630.76          | 46.55%                              | 46,632.40        | 0.00%                                           | -               | 46.51%                              | 46,632.40        |
| KNR Ramagiri Infra Pvt Ltd                                     | 7.52%                                                    | 34,134.89          | 33.09%                              | 33,151.36        | 0.00%                                           | -               | 33.07%                              | 33,151.36        |
| KNR Palani Pvt Ltd                                             | 3.30%                                                    | 5,467.94           | 5.46%                               | 11,678.11        | 0.00%                                           | -               | 5.45%                               | 11,678.11        |
| KNR Ramatheertham Infra Pvt Ltd                                | 4.77%                                                    | 21,681.80          | 21.64%                              | 21,681.80        | 0.00%                                           | -               | 21.63%                              | 21,681.80        |
| Manjeri City Infrastructures and Developers LLP                | (0.09%)                                                  | (415.13)           | (0.20%)                             | (199.20)         | 0.00%                                           | -               | (0.20%)                             | (199.20)         |
| Benedire Infrastructures and Developers LLP                    | 0.00%                                                    | (11.45)            | 0.00%                               | (3.72)           | 0.00%                                           | -               | 0.00%                               | (3.72)           |
| <b>Non-controlling interest in all subsidiaries</b>            | 0.00%                                                    | -                  | 0.00%                               | -                | 0.00%                                           | -               | 0.00%                               | -                |
| <b>Indian Associates (Investment as per the equity method)</b> |                                                          |                    |                                     |                  |                                                 |                 |                                     |                  |
| Patel KNR Infrastructures Ltd.,                                | 0.28%                                                    | 1,276.56           | (1.15%)                             | (1,153.05)       | 0.00%                                           | -               | (1.15%)                             | (1,153.05)       |
| Patel KNR Heavy Infrastructures Ltd.,                          | 0.28%                                                    | 1,263.74           | (0.72%)                             | (720.97)         | 0.00%                                           | -               | (0.72%)                             | (720.97)         |
| <b>Joint ventures (Investment as per the equity method)</b>    |                                                          |                    |                                     |                  |                                                 |                 |                                     |                  |
| SEL-KNR-JV                                                     | 0.34%                                                    | 1,532.38           | 0.00%                               | -                | 0.00%                                           | -               | 0.00%                               | -                |
| <b>Total</b>                                                   | <b>100.00%</b>                                           | <b>3,49,769.39</b> | <b>100.00%</b>                      | <b>75,229.69</b> | <b>100.00%</b>                                  | <b>457.98</b>   | <b>100.00%</b>                      | <b>75,687.67</b> |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

## 42 INVESTMENT IN ASSOCIATES AND JOINT VENTURE

## Assets and liabilities statement

(₹ In Lakhs)

| Particulars                                  | Associates              |                         | Joint Venture           |                         |
|----------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Current assets                               | 32,386.52               | 47,114.24               | 7,326.98                | 7,326.98                |
| Non-current assets                           | 15,372.47               | 15,225.20               | 898.93                  | 898.93                  |
| Current liabilities                          | 23,521.87               | 19,979.21               | 1,887.03                | 1,887.03                |
| Non-current liabilities                      | 8,517.54                | 21,137.81               | 3,211.58                | 3,211.58                |
| Equity                                       | 16,125.37               | 21,222.42               | 3,127.30                | 3,127.30                |
| Proportion of the group's ownership interest | 40%                     | 40%                     | 49%                     | 49%                     |
| Carrying amount of the group's interest      | 6,450.15                | 8,488.97                | 1,532.39                | 1,532.39                |

## Statement of profit and loss

(₹ in Lakhs)

| Particulars                                                    | Associates                   |                              | Joint Venture                |                              |
|----------------------------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|                                                                | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Income                                                         | 38,093.82                    | 17,263.25                    | -                            | -                            |
| Operating & Maintenance expenses                               | 30,688.73                    | 5,913.73                     | -                            | -                            |
| Construction Expenses                                          | -                            | -                            | -                            | -                            |
| Employee benefits expense                                      | 51.37                        | 6.72                         | -                            | -                            |
| Finance costs                                                  | 2,853.97                     | 3,839.37                     | -                            | -                            |
| Depreciation and amortisation expense                          | 19.25                        | 19.66                        | -                            | -                            |
| Other expenses                                                 | 3,008.95                     | 1,674.93                     | -                            | -                            |
| Profit/(Loss) before tax                                       | 1,471.55                     | 5,808.84                     | -                            | -                            |
| Tax expense                                                    | 1,453.07                     | 1,394.12                     | -                            | -                            |
| Profit/(Loss) for the year                                     | 18.48                        | 4,414.72                     | -                            | -                            |
| Group's share of profit for the year                           | 7.39                         | 1,765.89                     | -                            | -                            |
| Group's share of other comprehensive income for the year       | 132.76                       | 86.04                        | -                            | -                            |
| Group's total comprehensive income for the year                | 140.15                       | 1851.93                      | -                            | -                            |
| Dividend received/Buy back from the associates during the year | (2,014.18)                   | -                            | -                            | -                            |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 43 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES CONSIDERED FOR CONSOLIDATION

| S.No.       | Particulars                                     | Country | Holding as at    |                  |
|-------------|-------------------------------------------------|---------|------------------|------------------|
|             |                                                 |         | March 31, 2025   | March 31, 2024   |
| <b>I)</b>   | <b>Subsidiaries</b>                             |         |                  |                  |
| 1           | KNR Agrotech & Beverages Pvt. Ltd.,             | India   | 100%             | 100%             |
| 2           | KNR Infrastructure Projects Pvt. Ltd.,          | India   | 100%             | 100%             |
| 3           | KNR Energy Ltd.,                                | India   | 100%             | 100%             |
| 4           | KNR Somwarpet Infra Project Pvt. Ltd.,          | India   | 100%             | 100%             |
| 5           | KNR Palani Infra Pvt. Ltd.,                     | India   | 100%             | 100%             |
| 6           | KNR Guruvayur Infra Pvt. Ltd.,                  | India   | 100%             | 100%             |
| 7           | KNR Ramanattukara Infra Pvt. Ltd.,              | India   | 100%             | 100%             |
| 8           | KNR Ramagiri Infra Pvt. Ltd.,                   | India   | 100%             | 100%             |
| 9           | KNR Ramateertham Infra Pvt. Ltd.,               | India   | 100%             | 100%             |
| 10          | KNR Sriranganatha Infra Pvt. Ltd.,              | India   | 100%             | 100%             |
| 11          | KNR Kaveri Infra Pvt. Ltd.,                     | India   | 100%             | 100%             |
| 12          | KNRC Holdings and Investments Pvt. Ltd.,        | India   | 100%             | 100%             |
| 13          | Manjeri City Infrastructures and Developers LLP | India   | 100%             | 100%             |
| 14          | Benedire Infrastructures and Developers LLP     | India   | 100%             | 100%             |
| <b>II)</b>  | <b>Step-down Subsidiaries</b>                   |         |                  |                  |
| 15          | Mesmeric Software Solutions Pvt. Ltd.,          | India   | 100%             | 100%             |
| 16          | Nag Talent Ventures & Infotech Pvt. Ltd.,       | India   | 100%             | 100%             |
| 17          | Gradient Estates Pvt. Ltd.,                     | India   | 100%             | 100%             |
| 18          | Asara Construction & Projects Pvt. Ltd.,        | India   | 100%             | 100%             |
| 19          | KNR Muzaffarpur Holdings Pvt. Ltd., *           | India   | Nil              | 100%             |
| 20          | KNR Muzaffarpur-Barauni Tollway Pvt. Ltd., *    | India   | 0.65%            | 51%              |
| <b>III)</b> | <b>Associates</b>                               |         |                  |                  |
| 1           | Patel KNR Infrastructures Ltd.,                 | India   | 40%              | 40%              |
| 2           | Patel KNR Heavy Infrastructures Ltd.,           | India   | 40%              | 40%              |
| <b>IV)</b>  | <b>Joint Operations</b>                         |         |                  |                  |
| 1           | KNR – Patel JV                                  | India   | 51%              | 51%              |
| 2           | Patel – KNR JV                                  | India   | 50%              | 50%              |
| 3           | KNR – SLEC JV                                   | India   | 60%              | 60%              |
| 4           | KNR-BPL JV                                      | India   | 49%              | 49%              |
| 5           | KNR-GVR JV                                      | India   | 51%              | 51%              |
| 6           | KNR-JKM-KAMALA JV                               | India   | 50%              | 50%              |
| 7           | KNR-JKM JV                                      | India   | 51%              | 51%              |
| 8           | KNR-SLMI JV                                     | India   | Project specific | Project specific |
| 9           | KNR-TBCPL JV                                    | India   | 51%              | 51%              |
| 10          | KNR-PBEPL JV                                    | India   | 75%              | 75%              |
| 11          | KNR-SEW-GVR JV                                  | India   | 51%              | 51%              |
| 12          | PSK-KNR-GVR JV                                  | India   | 51%              | 51%              |
| 13          | BSCPL-KNR JV                                    | India   | 50%              | 50%              |
| 14          | KNR-HES-ACPL JV                                 | India   | 51%              | 51%              |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

**43 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES CONSIDERED FOR CONSOLIDATION (CONTD.)**

| S.No.     | Particulars          | Country    | Holding as at  |                |
|-----------|----------------------|------------|----------------|----------------|
|           |                      |            | March 31, 2025 | March 31, 2024 |
| 15        | KNR-NAVAYUGA-NCC JV  | India      | 60%            | 60%            |
| 16        | KNR-HES JV           | India      | 60%            | 60%            |
| 17        | KNRCL-AIPPL-KCCL JV  | India      | 51%            | 51%            |
| 18        | KNR - ACPL – SVK JV  | India      | 51%            | N.A            |
| <b>V)</b> | <b>Joint Venture</b> |            |                |                |
| 1         | SEL-KNR-JV           | Bangladesh | 49%            | 49%            |

\* Ceased to be Step-down Subsidiary with effect from March 27, 2025

**44 DISCLOSURE PURSUANT TO IND AS 115 “REVENUE FROM CONTRACTS WITH CUSTOMERS”:**

The Group constructs infrastructure projects on behalf of clients. Delivering the project as per the contractual terms is the only performance obligation that has been identified. Under the terms of the contracts, the Group will perform its obligations on time to time as per the timing schedule indicated in the contract with the asset having no alternative use to the entity and the Group having an enforceable right to receive payment for the work done. Hence, Revenue is therefore recognised over time on a cost to cost method, i.e. based on the proportion of contract costs incurred for the work performed to date relative to the estimated total contract costs. The management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

**Contract balances as on:**

(₹ In Lakhs)

| Particulars                | March 31, 2025 | March 31, 2024 |
|----------------------------|----------------|----------------|
| Receivables                | 95,238.01      | 71,570.39      |
| Contract Assets            | 1,35,915.14    | 77,359.56      |
| Financial Asset Receivable | 2,75,892.20    | 1,90,873.61    |
| Contract Liabilities       | 11,998.59      | 37,342.60      |

**45 RECONCILIATION BETWEEN THE OPENING AND CLOSING BALANCES IN THE FINANCIAL STATEMENT FOR FINANCIAL LIABILITIES AND ASSETS ARISING FROM FINANCING ACTIVITIES (IND AS – 7)**

(₹ in Lakhs)

| Particulars                               | Secured Loans     | Un Secured Loans | Deferred Payment of Liability | Finance cost  | Total              |
|-------------------------------------------|-------------------|------------------|-------------------------------|---------------|--------------------|
| <b>Opening Balance</b>                    | <b>119,853.92</b> | <b>-</b>         | <b>5,968.14</b>               | <b>308.76</b> | <b>126,130.82</b>  |
| Interest/Dividend Accrued during the year | -                 | -                | -                             | 20,789.58     | 20,789.58          |
| <b>Cash flows</b>                         |                   |                  |                               |               |                    |
| Received                                  | 1,17,370.00       | 13,500.00        | -                             | -             | 1,30,870.00        |
| Repayment/Adjustment                      | (52,664.96)       | (13,500.00)      | (172.00)                      | -             | (66,336.96)        |
| Interest/Dividend paid                    |                   |                  |                               | (20,618.70)   | (20,618.70)        |
| <b>Non-Cash items</b>                     |                   |                  |                               |               |                    |
| Unwinding Interest                        | -                 | -                | -                             | (35.32)       | (35.32)            |
| Unamortised Processing fee                | 104.27            | -                | -                             | (104.27)      | -                  |
| Others                                    | -                 | -                | (5,796.14)                    |               |                    |
| <b>Closing Balance</b>                    | <b>184,663.23</b> | <b>-</b>         | <b>-</b>                      | <b>340.05</b> | <b>1,85,003.28</b> |

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 46 SEGMENT INFORMATION

The Group's operations predominantly consist of "Construction and Engineering activities". Hence there are no reportable segments. During the year under report, substantial part of the Company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary 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.

47 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 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. The re assessment proceedings has been completed by the Assessing Officer during the financial year 2023-24 for the aforesaid years and based on Assessment Orders, the Company made an additional provision of ₹ 845.34 Lakhs towards Income tax and ₹ 423.78 Lakhs towards interest on Income Tax for the above said years due to corporate additions/adjustments, 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 year ended March 31, 2024.

48 During the year ended March 31, 2025, the Company received an Arbitration Claim from one of its Associate for an amount of ₹ 3,557.12 Lakhs included in Revenue from Operations and ₹ 10,354.37 Lakhs towards interest on such claim included in the other income and also expenses related to such claims of ₹ 129.47 Lakhs included in Other expenses and the resultant tax of ₹ 3,468.66 Lakhs included in current tax in the statement of Statement of Consolidated profit and loss.

49 During the year ended March 31, 2025, the Company received an Arbitration Claim for an amount of ₹ 2,775.80 Lakhs included in Revenue from Operations and ₹ 4,307.24 Lakhs towards interest on such claim included in the other income and also expenses related to such claims of ₹ 93.67 Lakhs included in Other expenses and the resultant tax of ₹ 1,759.08 Lakhs included in current tax in the statement of Statement of Consolidated profit and loss.

50 During year ended March 31, 2025, KNR Muzaffarpur Barauni Tollway Private Limited (SPV), one of its subsidiary Company has entered in to the Settlement Agreement dated September 03, 2024 with National Highways Authority of India [NHAI] for fore closure of the project and handover of Toll operations w.e.f November 01, 2024 to NHAI.

Pursuant to the above settlement Agreement, the SPV was entitled to receive settlement amount of ₹ 96,138.00 Lakhs which is included Revenue from operations and an amount of ₹ 34,246.34 Lakhs accounted towards EPC claims which is included in Construction Cost and interest amount of ₹ 4,967.56 Lakhs included in Finance cost and an amount of ₹ 22,183.37 Lakhs of intangible asset has been amortised and included in depreciation and amortisation expenses in the Consolidated statement of profit & loss.

51 During year ended March 31, 2025, One of the Associate Company bought back its 32,71,161 shares of ₹ 10/- each held by the Company for a consideration of ₹ 892.38 Lakhs accordingly the resultant profit on such buyback of ₹ 565.26 Lakhs included in the exceptional items in the statement of Consolidated profit and loss.

52 During year ended March 31, 2025, the Company made a provision/written off of ₹ 2,066.47 Lakhs towards receivables from CUBE Highways and Infrastructure III Pte. Ltd included in the exceptional items in the statement of Consolidated profit and loss due to non fulfilment of some of the conditions of the Share Purchase Agreements executed between the Company, CUBE Highways and Infrastructure III Pte. Ltd and respective SPV's i.e. KNR Tirumala Infra Pvt Ltd, KNR Shankarampet Projects Pvt Ltd and KNR Srirangam Infra Pvt Ltd.

**Notes Forming Part of the Consolidated Financial Statements (Contd.)**

**53** During year ended March 31, 2025, the Company received following Arbitration Claim/dividend, which has been included in the statement of Consolidated profit and loss:-

- a) From one of Company's JOs, the Company received claim for an amount of ₹ 6,088.12 Lakhs which is included in Revenue from Operations and also expenses related to such claims of ₹ 441.29 Lakhs included in Other expenses and the resultant tax of ₹ 1,421.31 Lakhs included in current tax.
- b) Received an amount of ₹ 1,448.92 Lakhs as Dividend from one of its Associate Company, which is included in Other Income and the resultant tax of ₹ 364.69 Lakhs included in current tax.

**54** The trade receivables, retention amounts and unbilled amounts includes an amount of ₹ 1,28,661.28 Lakhs for the year ended March 31, 2025 (₹ 77,396.55 Lakhs for March 31, 2024) relating to Kaleswaram Package 3 and Kaleswaram Package 4 Irrigation Projects in Telangana, collections in these projects has been stalled since March 2024 and March 2023 respectively. Despite no collections, the Company is executing the projects to comply with the project execution terms and to demonstrate that the Company was not at fault in execution of the projects. Management based on internal assessments and discussions with Authority is confident of recovering it's present and future dues.

**55** During the year ended March 31, 2025, one of the Subsidiary Company i.e. KNRC Holdings and Investments Private Limited (KNRCHIPL) has entered into a Share Purchase Agreement dated October 29, 2024 for transfer of its entire equity shareholding in one of its subsidiary (step down subsidiary) i.e. KNR Muzaffarpur Holding Pvt Ltd., (KMHPL) and transferred entire shareholding on March 27, 2025 for an equity valuation of ₹ 1.00 Lakhs and accordingly KNRCHIPL has written off/impaired its investment. The Group has recognised its net off assets and liabilities including non-controlling Interest for an amount of ₹ 12,561.59 Lakhs as exceptional item, out of which an amount of ₹ 13,163.94 Lakhs belong to non- controlling interest and accordingly shown in the statement of Consolidated statement of profit & loss.

**56** During the year ended March 31, 2025, the Company entered into a Share Purchase Agreement dated October 29, 2024 for transfer of its entire shareholding in one of its stepdown subsidiary i.e. KNR Muzaffarpur Barauni Tollway Pvt Ltd for an equity valuation of ₹ 45.90 Lakhs.

**57** During the year ended March 31, 2024, the Company received following Arbitration Claims, which has been included in the statement of Consolidated profit and loss:-

- a) In one of the erstwhile Subsidiary Company i.e KNR Walayar Tollways Private Limited (now Walayar Vedakkanchery Expressway Private Limited) received claims and passed on to the Company as per Share Purchase Agreement & Claim Management Agreement for an amount of ₹ 6,106.86 Lakhs and ₹ 9,491.00 Lakhs, which was recognised as Contract Receipt included in Revenue from Operations and Interest Income included in other income respectively. Further also expenses related to such claims of ₹ 841.63 Lakhs included in Other expenses and the resultant tax of ₹ 3,713.85 Lakhs was included in current tax.
- b) In one of the Associate Company i.e Patel KNR Infrastructures Ltd., received claims and passed on to the Company for an amount of ₹ 830.87 Lakhs, which was set off against existing unbilled revenue of ₹ 2,095.53 Lakhs and the balance unbilled revenue has been written off to the tune of ₹ 1,264.66 Lakhs included in other expenses and also received ₹ 1,459.06 Lakhs towards Interest included in other income and the resultant tax of ₹ 48.93 Lakhs was included in current tax.
- c) In two of Company's JOs i.e. Patel KNR JV & KNR Patel JV, the Company received claims from the JOs for an amount of ₹ 7,411.77 Lakhs included in Revenue from Operations and also expenses related to such claims of ₹ 588.61 Lakhs included in Other expenses and the resultant tax of ₹ 1,717.39 Lakhs included in current tax.

## Notes Forming Part of the Consolidated Financial Statements (Contd.)

### 58 DISCLOSURE IN ACCORDANCE WITH IND AS - 116

#### The Group recognised in the Statement of Profit and Loss

| (₹ In Lakhs)                          |                |                |
|---------------------------------------|----------------|----------------|
| Particulars                           | March 31, 2025 | March 31, 2024 |
| Depreciation Charge on ROU Asset      | 318.59         | 368.51         |
| Interest Expense on Lease Liabilities | 35.32          | 43.60          |

#### The Group recognised following lease assets and liabilities in the Balance sheet.

| (₹ In Lakhs)                  |                |                |
|-------------------------------|----------------|----------------|
| Particulars                   | March 31, 2025 | March 31, 2024 |
| Carrying Amount of ROU Assets | 263.65         | 455.32         |
| Lease liability               | 284.25         | 421.65         |

59 The Group has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.

60 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

61 The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.

62 The Group had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

63 The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

64 There have been no events after the reporting date that require disclosure in the Consolidated financial statements.

65 Contribution to political parties by the Group during the 2024-25 is ₹ Nil (for 2023-24 is ₹ 1,000.00 Lakhs)

66 The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

67 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

**Notes Forming Part of the Consolidated Financial Statements (Contd.)****68 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the Board of Directors on May 29, 2025

**69** Previous year's figures have been regrouped/reclassified/rearranged wherever considered necessary.

**For K. P. Rao & Co.,**

Chartered Accountants  
(Firm Regn. No.003135S )

**Mohan R Lavi**

Partner  
Membership No: 029340  
UDIN: 25029340BMKTLB1079

Place : Hyderabad  
Date : May 29, 2025

**For and on behalf of the Board****K. Narsimha Reddy**

Managing Director  
DIN: 00382412

**K. Jalandhar Reddy**

Executive Director & CFO  
DIN: 00434911

**V. Haritha**

Company Secretary

## This image shows a full page of white paper with horizontal blue or grey ruling lines, typical of notebook paper. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

## NOTES

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## NOTES

[illegible]





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'KNR House', 3rd & 4th Floors, Plot No. 114  
Phase I, Kavuri Hills, Hyderabad - 500033

