

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF KEC INTERNATIONAL LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **KEC INTERNATIONAL LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") and its share of the profit of its associates for the Quarter and Six Months ended 30/09/2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:

Subsidiaries

- (i) RPG Transmission Nigeria Limited, Nigeria
- (ii) KEC Global FZ - LLC, Ras UL Khaimah
- (iii) Jay Railway Projects Private Limited
- (iv) KEC Power India Private Limited
- (v) KEC Investment Holdings, Mauritius
- (vi) KEC Global Mauritius, Mauritius
- (vii) KEC Transmission LLC, USA
- (viii) KEC US LLC, USA
- (ix) KEC International Holdings LLC, USA
- (x) KEC Brazil LLC, USA
- (xi) KEC Mexico LLC, USA
- (xii) SAE Towers Holdings, LLC, USA
- (xiii) SAE Towers Brazil Subsidiary Company LLC, USA
- (xiv) SAE Towers Mexico Subsidiary Holding Company LLC, USA
- (xv) SAE Towers Mexico S de RL de CV, Mexico

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- (xvi) SAE Towers Brazil Torres de Transmission Ltda, Brazil
- (xvii) SAE Prestadora de Servicios Mexico, S de RL de CV, Mexico
- (xviii) SAE Towers Ltd, USA
- (xix) SAE Towers Panama Holdings LLC, USA
- (xx) SAE Towers Panama S de RL, Panama
- (xxi) SAE Engenharia E Construcao Ltda, Brazil.
- (xxii) SAE Engineering & Construction Services, S de RL de CV, Mexico.
- (xxiii) KEC International (Malaysia) SDN. BHD, Malaysia.

Jointly Controlled Entities

- (i) Al-Sharif Group and KEC Ltd. Company, Saudi Arabia
- (ii) EJP KEC Joint Venture, South Africa
- (iii) KEC – ASSB JV, Malaysia
- (iv) KEC – ASIAKOM – UB JV
- (v) KEC – ASIAKOM JV
- (vi) KEC – JEI JV
- (vii) KEC – DELCO – VARAHA JV
- (viii) KEC – VARAHA – KHAZANA JV
- (ix) KEC – VALECHA – DELCO JV
- (x) KEC – SIDHARTH JV
- (xi) KEC – TRIVENI – KPIPL JV
- (xii) KEC – UNIVERSAL JV
- (xiii) KEC – DELCO – DUSTAN JV
- (xiv) KEC – ANPR – KPIPL JV
- (xv) KEC – PLR – KPIPL JV
- (xvi) KEC – BJCL JV
- (xvii) KEC – KIEL JV
- (xviii) KEC – ABEPL JV
- (xix) KEC – TNR INFRA JV
- (xx) KEC – SMC JV
- (xxi) KEC – WATERLEAU JV

Associate

RP Goenka Group of Companies Employees Welfare Association

4. We did not review the interim financial statements / results of 16 subsidiaries and 20 jointly controlled entities included in the consolidated financial results, whose interim financial statements / results reflect total assets of Rs.87,676 lacs as at 30/09/2014, total revenues of Rs.20,701 lacs and Rs.43,363 lacs for the Quarter and Six Months ended 30/09/2014, respectively, and total loss after tax of Rs.1,091 lacs (net) and Rs.1,670 lacs (net) for the Quarter and Six Months ended 30/09/2014, respectively, as considered in the consolidated financial results. These interim financial statements / results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities is based solely on the reports of the other auditors.

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5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended 30/09/2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, October 31, 2014

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KEC International Limited

Regd Office : RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai - 400 030

| PART I Statement of Consolidated Unaudited Results for the Quarter and Six Months ended 30/09/2014 | | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Particulars | Quarter ended | | | Six Months ended | | Year ended |
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| 1 Income from operations | | | | | | |
| (a) Net Sales / income from operations (Net of excise duty) | 214012 | 169412 | 174400 | 383424 | 346244 | 778663 |
| (b) Other operating income | 3256 | 2662 | 3396 | 5918 | 6195 | 11520 |
| Total income from operations (net) | 217268 | 172074 | 177796 | 389342 | 352439 | 790183 |
| 2 Expenses | | | | | | |
| (a) Cost of materials consumed | 127581 | 95577 | 103052 | 223158 | 191352 | 419914 |
| (b) Purchase of stock-in-trade | - | - | - | - | - | - |
| (c) Changes in inventories of finished goods, work-in-progress, scrap and stock-in-trade | 1609 | (9342) | (7797) | (7733) | (9360) | (10014) |
| (d) Erection & subcontracting expenses | 38551 | 41717 | 39525 | 80268 | 84174 | 186039 |
| (e) Employee benefits expense | 14921 | 14837 | 14742 | 29788 | 27877 | 56610 |
| (f) Depreciation and amortisation expense (net) | 2223 | 2097 | 1840 | 4320 | 3503 | 7052 |
| (g) Other expenses | 22524 | 19111 | 17087 | 41635 | 38401 | 88308 |
| Total expenses | 207409 | 163997 | 168449 | 371406 | 335947 | 747909 |
| 3 Profit from operations before other income, finance costs and exceptional items (1-2) | 9859 | 8077 | 9347 | 17936 | 16492 | 42274 |
| 4 Other income | | | | | | |
| 5 Profit from ordinary activities before finance costs and exceptional items (3+4) | 109 | 149 | 252 | 258 | 820 | 1379 |
| 6 Finance costs | 9968 | 8226 | 9599 | 18194 | 17312 | 43653 |
| 7 Profit from ordinary activities after finance costs but before exceptional items (5-6) | 9095 | 6596 | 6484 | 15691 | 12362 | 26327 |
| 8 Exceptional item (VRS expenditure) (Refer Note 5 below) | 873 | 1630 | 3115 | 2503 | 4950 | 17326 |
| 9 Profit from ordinary activities before tax (7-8) | - | - | - | - | - | - |
| 10 Tax expense (Refer Note 3 below) | 873 | 1630 | 3115 | 2503 | 1816 | 1816 |
| 11 Net Profit / (Loss) from ordinary activities after tax (9-10) | (1155) | 494 | 906 | (661) | 3134 | 15510 |
| 12 Extraordinary item | 2028 | 1136 | 2209 | 3164 | 1325 | 6676 |
| 13 Net Profit / (Loss) for the period (11-12) | 2028 | 1136 | 2209 | 3164 | 1325 | 6676 |
| 14 Share of profit / (loss) of associates | 2 | 0.49 | - | 3 | - | (0.49) |
| 15 Minority interest | 2030 | 1137 | 2209 | 3167 | 1325 | 6675 |
| 16 Net Profit / (Loss) after taxes, minority interest and share of profit/ (loss) of associates (13-14-15) | - | - | - | - | - | - |
| 17 Paid-up equity share capital (Face Value Rs. each) | 5142 | 5142 | 5142 | 5142 | 5142 | 5142 |
| 18 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | (2/-) | (2/-) | (2/-) | (2/-) | (2/-) | (2/-) |
| 19 Debenture Redemption Reserve | | | | | | |
| 20 Basic and diluted Earnings Per Share (Rs.) - Before and after extraordinary item (Not annualised) | 0.79 | 0.44 | 0.86 | 1.23 | 0.52 | 2.60 |
| 21 Debt Equity Ratio [Refer Note 6 (ii)] | | | | | | |
| 22 Debt Service Coverage Ratio [Refer Note 6 (ii)] | | | | 0.79 | | |
| 23 Interest Service Coverage Ratio [Refer Note 6 (ii)] | | | | 0.89 | | |
| See accompanying notes to the Consolidated financial results | | | | 1.54 | | |

| PART II. Select Information for the Quarter and Six Months ended 30/09/2014 | | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Particulars | Quarter ended | | | Six Months ended | | Year ended |
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| A PARTICULARS OF SHAREHOLDING | | | | | | |
| 1 Public shareholding | | | | | | |
| - Number of shares | 128,517,250 | 128,517,250 | 134,426,213 | 128,517,250 | 134,426,213 | 130,054,505 |
| - Percentage of shareholding | 49.99% | 49.99% | 52.29% | 49.99% | 52.29% | 50.59% |
| 2 Promoters and Promoter Group Shareholding | | | | | | |
| a) Pledged/Encumbered | | | | | | |
| - Number of shares | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total shareholding of Promoters and Promoter group) | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | | | |
| - Number of shares | 128,517,120 | 128,571,120 | 122,662,157 | 128,571,120 | 122,662,157 | 127,033,865 |
| - Percentage of shares (as a % of the total shareholding of Promoters and Promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the Company) | 50.01% | 50.01% | 47.71% | 50.01% | 47.71% | 49.41% |

| Particulars | Quarter ended 30/09/2014 |
|--|-----------------------------|
| B INVESTOR COMPLAINTS | |
| Pending at the beginning of the quarter | 2 |
| Received during the quarter | 4 |
| Disposed of during the quarter | 4 |
| Remaining unresolved at the end of the quarter | 2 |

Notes :

- The above results of the Company, its Subsidiaries and Jointly Controlled Entities (the Group) and an Associate were reviewed by the Audit Committee at its meeting held on October 30, 2014 and approved by the Board of Directors at its meeting held on October 31, 2014.
- The statutory auditors of the Company have conducted a "Limited Review" of the above Consolidated Unaudited Financial Results.
- Tax expense includes:

| Particulars | Quarter ended | | | Six Months ended | | Year ended |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| Tax adjustments pertaining to earlier years | - | - | - | - | 352 | 963 |

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- 4 The execution of the construction works under contracts of the Company with General Electric Company, Libya (a Government of Libya undertaking) is disrupted since February 2011 due to civil/political unrest in that country. The net assets (including fixed assets, trade receivables etc.) as at September 30, 2014 of the Company relating to these contracts aggregate Rs.6025 lacs. The Company is confident of completing these projects.
- 5 The production of Cables at Thane factory of the Company has been discontinued from February 11, 2013 and the Company has given voluntary retirement scheme to all the workers at a cost of Rs. 1816 lacs. The Company signed an "Agreement for Sale" dated March 29, 2014 for sale of land to M/s Ardent Properties Pvt. Ltd. (a 100% subsidiary of Tata Housing Development Company Limited) for a consideration of approx. Rs. 21234 lacs and expects to complete all formalities shortly.
- 6(i) During the quarter, the Company has allotted 750 secured, redeemable, non-convertible debentures of the face value of Rs. 10,00,000 each, aggregating Rs. 7500 lacs on private placement basis. These debentures have been listed and admitted to dealing on debt segment of BSE Limited w.e.f. 4th September 2014.
- 6(ii) The formula used for calculation of ratios is as under:
a) Debt Equity Ratio = Term loans and debentures / Shareholder's funds
b) Debt Service Coverage Ratio = Profit before Depreciation, Interest and Tax / (Interest + Principal repayment of long term loans)
c) Interest Service Coverage Ratio = Profit before Depreciation, Interest and Tax / Interest

7 Consolidated Statement of Assets and Liabilities

| Particulars | (Rs. in lacs) | |
|---|------------------------------|----------------------------|
| | As at 30/09/2014 (Unaudited) | As at 31/03/2014 (Audited) |
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' funds | | |
| (a) Share capital | 5142 | 5142 |
| (b) Reserves and surplus | 117548 | 114017 |
| (c) Money received against share warrants | - | - |
| Sub-total - Shareholders' funds | - | - |
| 2 Share application money pending allotment | 122690 | 119159 |
| 3 Minority interest | - | - |
| 4 Non-current liabilities | | |
| (a) Long-term borrowings | 80157 | 60260 |
| (b) Deferred tax liabilities (net) | 7198 | 7308 |
| (c) Other long-term liabilities | 1000 | 1000 |
| (d) Long-term provisions | 1079 | 1007 |
| Sub-total - Non-current liabilities | 89434 | 69575 |
| 5 Current liabilities | | |
| (a) Short-term borrowings | 163169 | 120687 |
| (b) Trade payables | 313156 | 321306 |
| (c) Other current liabilities | 86312 | 98904 |
| (d) Short-term provisions | 8589 | 11506 |
| Sub-total - Current liabilities | 571226 | 552403 |
| TOTAL - EQUITY AND LIABILITIES | 783350 | 741137 |
| B ASSETS | | |
| 1 Non-current assets | | |
| (a) Fixed assets | 97562 | 99221 |
| (b) Goodwill on consolidation | 38960 | 37777 |
| (c) Non-current investments | 3 | - |
| (d) Deferred tax assets (net) | 2566 | 2171 |
| (e) Long-term loans and advances | 25922 | 19766 |
| (f) Other non-current assets | 13289 | 13123 |
| Sub-total - Non-current assets | 178302 | 172058 |
| 2 Current assets | | |
| (a) Current investments | - | - |
| (b) Inventories | 57160 | 50523 |
| (c) Trade receivables | 394502 | 380780 |
| (d) Cash and cash equivalents | 16693 | 14401 |
| (e) Short-term loans and advances | 61996 | 51298 |
| (f) Other current assets | 74697 | 72077 |
| Sub-total - Current assets | 605048 | 569079 |
| TOTAL - ASSETS | 783350 | 741137 |

8 The Group is primarily engaged in the business of Engineering, Procurement and Construction (EPC). As such there is no separate reportable segment as defined by the Accounting Standard (AS) 17 - "Segment Reporting".

9 Information of standalone unaudited financial results is as under:-

| Particulars | (Rs. in lacs) | | | | | |
|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
| | Quarter ended | | | Six Months ended | | Year ended |
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| Turnover (Net of excise duty) | 163219 | 136767 | 147953 | 299986 | 290758 | 644523 |
| Profit / (Loss) before tax | (5139) | 1438 | 1094 | (3701) | 27 | 15086 |
| Profit / (Loss) after tax | (3283) | 949 | 815 | (2324) | (130) | 8559 |

10 The Company has opted to publish only Consolidated Unaudited Financial Results. The Standalone Unaudited Financial Results for the quarter and six months ended September 30, 2014 of the Company will be available on the website of the Company, BSE Limited, National Stock Exchange of India Limited and MCX Stock Exchange Limited.

11 Previous periods' figures have been regrouped / reclassified wherever necessary.

For KEC INTERNATIONAL LIMITED

R. D. CHANDAK
MANAGING DIRECTOR

Place : Mumbai
Date : October 31, 2014

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF KEC INTERNATIONAL LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **KEC INTERNATIONAL LIMITED** ("the Company") for the Quarter and Six Months ended 30/09/2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above and the limited review reports received from the Branch Auditors for the Afghanistan, Algeria, Bangladesh, Congo, Egypt, Ethiopia, Georgia, Ghana, Indonesia, Ivory Coast, Kazakhstan, Kenya, Lebanon, Libya, Malaysia, Nepal, Nigeria, Oman, Philippines, South Africa, Sri Lanka, Tanzania, Tunisia, Uganda and United Arab Emirates Branches, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended 30/09/2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, October 31, 2014

KEC International Limited

Regd Office : RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai - 400 030

PART I

Statement of Standalone Unaudited Results for Quarter and Six Months ended 30/09/2014 (Rs. in lacs)

| Particulars | Quarter ended | | | Six Months ended | | Year ended |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| 1 Income from operations | | | | | | |
| (a) Net sales / income from operations (Net of excise duty) | 163219 | 136767 | 147953 | 299986 | 290758 | 644523 |
| (b) Other operating income | 3079 | 2662 | 3110 | 5741 | 5560 | 11354 |
| Total income from Operations (net) | 166298 | 139429 | 151063 | 305727 | 296318 | 655877 |
| 2 Expenses | | | | | | |
| (a) Cost of materials consumed | | | | | | |
| (b) Purchase of stock-in-trade | 98593 | 74445 | 88603 | 173038 | 165679 | 346623 |
| (c) Changes in inventories of finished goods, work-in-progress, scrap and stock-in-trade | - | - | - | - | - | - |
| (d) Erection & Subcontracting expenses | 2950 | (3998) | (4733) | (1048) | (7969) | (5309) |
| (e) Employee benefits expense | 33601 | 37685 | 35607 | 71286 | 76116 | 166546 |
| (f) Depreciation and amortisation expense (net) | 9277 | 8770 | 8735 | 18047 | 16355 | 32151 |
| (g) Other expenses | 1793 | 1661 | 1403 | 3454 | 2734 | 5542 |
| Total expenses | 18623 | 14119 | 15359 | 32742 | 32567 | 78577 |
| 3 Profit from operations before other income, finance costs and exceptional items (1-2) | 164837 | 132682 | 144974 | 297519 | 285482 | 624130 |
| 4 Other income (Refer Note 3 below) | 442 | 117 | 663 | 559 | 1856 | 8297 |
| 5 Profit from ordinary activities before finance costs and exceptional items (3+4) | 1903 | 6864 | 6752 | 8767 | 12692 | 40044 |
| 6 Finance costs | 7042 | 5426 | 5658 | 12468 | 10849 | 23142 |
| 7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6) | (5139) | 1438 | 1094 | (3701) | 1843 | 16902 |
| 8 Exceptional item (VRS expenditure) (Refer Note 6 below) | - | - | - | - | 1816 | 1816 |
| 9 Profit / (Loss) from ordinary activities before tax (7-8) | (5139) | 1438 | 1094 | (3701) | 27 | 15086 |
| 10 Tax expense (Refer Note 4 below) | (1856) | 489 | 279 | (1367) | 157 | 6527 |
| 11 Net Profit / (Loss) from ordinary activities after tax (9-10) | (3283) | 949 | 815 | (2334) | (130) | 8559 |
| 12 Extraordinary Item | - | - | - | - | - | - |
| 13 Net Profit / (Loss) for the period (11-12) | (3283) | 949 | 815 | (2334) | (130) | 8559 |
| 14 Paid-up equity share capital (Face Value Rs. each) | 5142 | 5142 | 5142 | 5142 | 5142 | 5142 |
| 15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year | (2/-) | (2/-) | (2/-) | (2/-) | (2/-) | (2/-) |
| 16 Debenture Redemption Reserve | - | - | - | - | - | 96078 |
| 17 Basic and diluted Earnings Per Share (Rs.) - Before and after extraordinary item (Not annualised) | (1.28) | 0.37 | 0.32 | (0.91) | (0.05) | 3.33 |
| 18 Debt Equity Ratio [(Refer Note 7(ii))] | - | - | - | 0.33 | - | - |
| 19 Debt Service Coverage Ratio [(Refer Note 7(ii))] | - | - | - | 0.71 | - | - |
| 20 Interest Service Coverage Ratio [(Refer Note 7(ii))] | - | - | - | 1.00 | - | - |

See accompanying notes to the Standalone financial results

PART II. Select Information for the Quarter and Six Months ended 30/09/2014

| Particulars | Quarter ended | | | Six Months ended | | Year ended |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| A PARTICULARS OF SHAREHOLDING | | | | | | |
| 1 Public shareholding | | | | | | |
| - Number of shares | 128,517,250 | 128,517,250 | 134,426,213 | 128,517,250 | 134,426,213 | 130,054,505 |
| - Percentage of shareholding | 49.99% | 49.99% | 52.29% | 49.99% | 52.29% | 50.59% |
| 2 Promoters and Promoter Group Shareholding | | | | | | |
| a) Pledged/Encumbered | | | | | | |
| - Number of shares | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total shareholding of Promoters and Promoter group) | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | | | |
| - Number of shares | 128,571,120 | 128,571,120 | 122,662,157 | 128,571,120 | 122,662,157 | 127,033,865 |
| - Percentage of shares (as a % of the total shareholding of Promoters and Promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the Company) | 50.01% | 50.01% | 47.71% | 50.01% | 47.71% | 49.41% |
| B INVESTOR COMPLAINTS | | | | | | |
| Pending at the beginning of the quarter | 2 | | | | | |
| Received during the quarter | 4 | | | | | |
| Disposed of during the quarter | 4 | | | | | |
| Remaining unresolved at the end of the quarter | 2 | | | | | |

Notes :

- The above results of the Company were reviewed by the Audit Committee at its meeting held on October 30, 2014 and approved by the Board of Directors at its meeting held on October 31, 2014.
- The statutory auditors of the Company have conducted a "Limited Review" of the above Standalone unaudited financial results.
- Other income includes:

| Particulars | Quarter ended | | | Six Months ended | | Year ended |
|--------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| Dividend income from subsidiaries | | | | | | |
| Dividend income from a joint venture | 332 | - | 512 | 332 | 1168 | 1168 |
| Tax expense includes: | | | | | | |
| | | | | | | 5855 |

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| Particulars | Quarter ended | | | Six Months ended | | Year ended |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | 30/09/2014 (Unaudited) | 30/06/2014 (Unaudited) | 30/09/2013 (Unaudited) | 30/09/2014 (Unaudited) | 30/09/2013 (Unaudited) | 31/03/2014 (Audited) |
| Tax adjustments pertaining to earlier years | - | - | - | - | 352 | 963 |

995

- 5 The execution of the construction works under contracts of the Company with General Electric Company, Libya (a Government of Libya undertaking) is disrupted since February 2011 due to civil/political unrest in that country. The net assets (including fixed assets, trade receivables etc.) as at September 30, 2014 of the Company relating to these contracts aggregate Rs.6025 lacs. The Company is confident of completing these projects.
- 6 The production of Cables at Thane factory has been discontinued from February 11, 2013 and the Company has given voluntary retirement scheme to all the workers at a cost of Rs. 1816 lacs. The Company signed an "Agreement for Sale" dated March 29, 2014 for sale of land to M/s Ardent Properties Pvt. Ltd. (a 100% subsidiary of Tata Housing Development Company Limited) for a consideration of approx. Rs. 21234 lacs and expects to complete all formalities shortly.
- 7 (i) During the quarter, the Company has allotted 750 secured, redeemable, non-convertible debentures of the face value of Rs. 10,00,000 each, aggregating Rs. 7500 lacs on private placement basis. These debentures have been listed and admitted to dealing on debt segment of BSE Limited w.e.f. 4th September 2014.
- 7 (ii) The formula used for calculation of ratios is as under:
a) Debt Equity Ratio = Term loans and debentures / Shareholder's funds
b) Debt Service Coverage Ratio = Profit before Depreciation, Interest and Tax / (Interest + Principal repayment of long term loans)
c) Interest Service Coverage Ratio = Profit before Depreciation, Interest and Tax / Interest
- 8 Standalone Statement of Assets and Liabilities

| Particulars | (Rs. in Lacs) | |
|---|------------------------------------|----------------------------------|
| | As at 30/09/2014 (Unaudited) | As at 31/03/2014 (Audited) |
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' funds | | |
| (a) Share capital | 5142 | 5142 |
| (b) Reserves and surplus | 95387 | 98078 |
| (c) Money received against share warrants | - | - |
| Sub-total - Shareholder's funds | 100529 | 103220 |
| 2 Share application money pending allotment | | |
| 3 Non-current liabilities | | |
| (a) Long-term borrowings | 24544 | 21410 |
| (b) Deferred tax liabilities (net) | 7198 | 7308 |
| (c) Other long-term liabilities | 1000 | 1000 |
| (d) Long-term provisions | 1062 | 990 |
| Sub-total - Non-current liabilities | 33804 | 30708 |
| 4 Current liabilities | | |
| (a) Short-term borrowings | | |
| (b) Trade payables | 151373 | 110127 |
| (c) Other current liabilities | 278781 | 286015 |
| (d) Short-term provisions | 57919 | 62059 |
| Sub-total - Current liabilities | 8569 | 10969 |
| TOTAL - EQUITY AND LIABILITIES | 630975 | 603098 |
| B ASSETS | | |
| 1 Non-current assets | | |
| (a) Fixed assets | 81496 | 82592 |
| (b) Non-current investments | 638 | 638 |
| (c) Deferred tax assets (net) | - | - |
| (d) Long-term loans and advances | 25050 | 19340 |
| (e) Other non-current assets | 10652 | 10667 |
| Sub-total - Non-current assets | 117836 | 113237 |
| 2 Current assets | | |
| (a) Current investments | - | - |
| (b) Inventories | 35669 | 33334 |
| (c) Trade receivables | 341586 | 333572 |
| (d) Cash and cash equivalents | 11433 | 9024 |
| (e) Short-term loans and advances | 52443 | 44977 |
| (f) Other current assets | 72008 | 68954 |
| Sub-total - Current assets | 513139 | 489861 |
| TOTAL - ASSETS | 630975 | 603098 |

- 9 The Company is primarily engaged in the business of Engineering, Procurement and Construction (EPC). As such there is no separate reportable segment as defined by the Accounting Standard (AS) 17 - "Segment Reporting".
- 10 Previous periods' figures have been regrouped / reclassified wherever necessary.

Place : Mumbai
Date : October 31, 2014

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For KEC INTERNATIONAL LIMITED


R. D. CHANDAK
MANAGING DIRECTOR

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