



Regd. Office: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400030, India
Tel.: +91-22-66670200 • Fax +91-22-66670287
CIN No.L45200MH2005PLC152061 • Web.: www.kecrpg.com

November 08, 2016

National Stock Exchange of India Limited Exchange Plaza Bandra-Kurla Complex Bandra (East) Mumbai 400 051 Fax # 26598237/38	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 Fax No. 22723121
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Dear Sir,

Sub: Financial Results for the quarter and six months ended September 30, 2016

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Consolidated and Standalone Financial Results of the Company, for the quarter and six months ended September 30, 2016.

The meeting commenced at 10:00 a.m. and concluded at 01:15 p.m.

You are requested to take the same on record.

Thanking you,

Yours sincerely,

For **KEC International Limited**


Ch. V. Jagannadha Rao
Vice President- Legal & Company Secretary



Encl : As above.

KEC International Limited
CIN No. - L45200MH2005PLC152061

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

(Rs. in lacs)					
Statement of Consolidated Unaudited Financial Results for Quarter and Six months ended September 30, 2016					
Particulars	Quarter ended			Six Months ended	
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Note 3)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Note 3)
1 Income from operations					
(a) Net sales / income from operations	209789	176300	204189	386089	394460
(b) Other operating income	2348	2173	2368	4521	4389
Total income from Operations	212137	178473	206557	390610	398849
2 Expenses					
(a) Cost of materials consumed	101426	87013	102749	188439	192750
(b) Purchase of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	802	(4934)	(322)	(4132)	(1590)
(d) Erection & Subcontracting expenses	44099	38985	41067	83084	89992
(e) Employee benefits expense	18717	17347	16062	36064	31829
(f) Depreciation and amortisation expense	3097	2905	2852	6002	5727
(g) Excise duty on sale of goods	4720	3599	4467	8319	8963
(h) Other expenses	23840	21505	27400	45345	47704
Total expenses	196701	166420	194275	363121	375375
3 Profit from operations before other income, finance costs and exceptional items (1-2)	15436	12053	12282	27489	23474
4 Other income	550	501	369	1051	689
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	15986	12554	12651	28540	24163
6 Finance costs	5961	7200	6848	13161	13945
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	10025	5354	5803	15379	10218
8 Exceptional items	-	-	-	-	-
9 Profit from ordinary activities before tax (7-8)	10025	5354	5803	15379	10218
10 Tax expense (Refer Note 5 below)	3521	2260	2987	5781	5713
11 Net Profit from ordinary activities after tax (9-10)	6504	3094	2816	9598	4505
12 Extraordinary Items	-	-	-	-	-
13 Net Profit for the period (11-12)	6504	3094	2816	9598	4505
14 Share of profit / (loss) of associates	-	(3)	(1)	(3)	(1)
15 Minority interest	-	-	-	-	-
16 Net Profit after taxes, minority interest and share of profit / (loss) of associate (13-14-15)	6504	3091	2815	9595	4504
17 Other Comprehensive Income (net of tax)	707	1618	2545	2325	2534
18 Total Comprehensive Income	7211	4709	5360	11920	7038
19 Paid-up equity share capital (face Value Rs. 2/- each)	5142	5142	5142	5142	5142
20 Basic / Diluted Earnings Per Share (Rs. 2/- each) - Before and after extraordinary items (Not annualised)	2.53	1.20	1.09	3.73	1.75

See accompanying notes to the Consolidated financial results

Notes :

- The above results of the Company (including Joint Operations) and its Subsidiaries (the Group) and an Associate were reviewed by the Audit Committee at its meeting held on November 07, 2016 and approved by the Board of Directors at its meeting held on November 08, 2016. The statutory auditors of the Company have conducted a "Limited Review" of the above Consolidated Unaudited Financial Results for the quarter and six months ended September 30, 2016.
- The Group adopted Indian Accounting Standard ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The financial results for the quarter and six months ended September 30, 2015 have not been audited or reviewed by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Group affairs.
- Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and six months ended September 30, 2015 :

(Rs. in lacs)				
Sr. No.	Particulars	Quarter ended September 30, 2015 Unaudited (Refer Note 3)	Six Months ended September 30, 2015 Unaudited (Refer Note 3)	
	Net Profit under Previous Indian GAAP	4412	7451	
(a)	Reversal of amortisation of Intangible assets-brand	318	635	
(b)	Impact of measuring derivative financial instruments at fair value	(212)	(523)	
(c)	Actuarial gain on employees defined benefits plans recognised	16	33	
(d)	Effect on account of functional currency of subsidiaries	(1211)	(1857)	
(e)	Impact of Deferred Tax (including on undistributed earnings of joint arrangements)	(508)	(1235)	
	Net Profit under Ind AS	2815	4504	
(f)	Other Comprehensive Income (net of tax)	2545	2534	
	Total Comprehensive Income	5360	7038	



5 Tax expense includes:

(Rs. in lacs)

Particulars	Quarter ended			Six months ended	
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)
Tax adjustments pertaining to earlier years	39	-	887	39	1336

6 Consolidated Statement of Assets and Liabilities

(Rs. in lacs)

Particulars	As at September 30, 2016 (Unaudited)
ASSETS	
1 Non-Current Assets	
(a) Property, Plant and Equipment	73483
(b) Capital work-in-progress	1079
(c) Goodwill on consolidation	42,023
(d) Other Intangible Assets	13174
(e) Financial Assets	
(i) Investments	-
(ii) Trade receivables	6071
(iii) Other financial assets	19681
(f) Deferred tax assets (net)	2967
(g) Other non-current assets	36381
Total Non-Current Assets	194859
2 Current Assets	
(a) Inventories	41307
(b) Financial Assets	
(i) Investments	246
(ii) Trade receivables	423951
(iii) Cash and cash equivalents	22894
(iv) Bank balances other than (iii) above	3406
(v) Loans	11381
(vi) Other financial assets	5503
(c) Current Tax Assets (Net)	4528
(d) Other current assets	165502
Total Current Assets	678718
Total Assets	873577
EQUITY AND LIABILITIES	
Equity	
(a) Equity Share capital	5142
(b) Other Equity	149814
Total Equity	154956
LIABILITIES	
1 Non-current liabilities	
(a) Financial Liabilities	
(i) Borrowings	55136
(ii) Other financial liabilities	418
(b) Provisions	1818
(c) Deferred tax liabilities (Net)	13405
Total non-current liabilities	70777
2 Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	223527
(ii) Trade payables	256359
(iii) Other financial liabilities	23164
(b) Other current liabilities	132841
(c) Provisions	7790
(d) Current Tax Liabilities (Net)	4163
Total current liabilities	647844
Total Equity and Liabilities	873577



7 Additional disclosures as per Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Particulars	As at September 30, 2016
a)	Debt Equity Ratio [Refer Note h]	0.48
b)	Debt Service Coverage Ratio [Refer Note h]	1.36
c)	Interest Service Coverage Ratio [Refer Note h]	2.62
d)	Debt Redemption Reserve (Rs. in Lacs)	1234
e)	Net Worth [Refer Note h] (Rs. in Lacs)	154956
f)	Net Profit after Tax (for Six months ended September 30, 2016) (Rs. in Lacs)	9595
g)	Basic Earnings per Share (for Six months ended September 30, 2016) (Rs.)	3.73

h) The formula used for calculation of ratios is as under:

i) Debt Equity Ratio = Term loans and debentures / Equity

ii) Debt Service Coverage Ratio = Profit before Depreciation and Amortisation, Interest and Tax / (Interest + Principal repayment of long term loans)

iii) Interest Service Coverage Ratio = Profit before Depreciation and Amortisation, Interest and Tax / Interest

iv) Net Worth = Share capital + Reserves and Surplus

i) The payment of the coupon interest on non-convertible debentures is at annual rests. The last interest payment was made on August 19, 2016. The next payment of coupon interest is on August 19, 2017.

j) The credit rating assigned by CARE for Non-Convertible Debentures issued by the Company is re-affirmed at A+.

k) The Company continues to maintain 100% asset cover based on the valuation report for the secured Non-Convertible Debentures issued by it.

8 The Group is primarily engaged in the business of Engineering, Procurement and Construction (EPC) relating to products, projects and systems for power transmission, distribution and related activities. As such there is no separate reportable operating segment as defined by Ind AS 108 - "Operating Segments".

9 Information of Standalone Unaudited Financial Results of the Company is as under: -

Particulars	Quarter ended			Six months ended	
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)
Turnover	181939	150734	183920	332673	355980
Profit before tax	7588	4570	7961	12158	14011
Profit after tax	4889	2972	5103	7861	8509

10 The Company has opted to publish Extract of Consolidated Unaudited Financial Results for the quarter and six months ended September 30, 2016. The Consolidated and Standalone Financial Results for the quarter and six months ended September 30, 2016 of the Company prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, will be available on the website of the Company, BSE Limited and National Stock Exchange of India Limited.

11 Previous period figures have been regrouped / reclassified wherever necessary.

Place : Mumbai

Date : November 08, 2016



For KEC INTERNATIONAL LIMITED

VIMAL KEJRIWAL
MANAGING DIRECTOR & CEO
DIN - 00026981

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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 Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit / (loss) of its associate for the quarter and six months ended September 30, 2016 and the Consolidated Unaudited Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. We have not performed a review or audit, as stated in Note 3, of the figures relating to the corresponding quarter and six months ended September 30, 2015 and reconciliation of net profit for the quarter and six months ended September 30, 2015 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this statement.

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 Parent's 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.

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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, UAE
- (iii) KEC Investment Holdings, Mauritius
- (iv) KEC Global Mauritius, Mauritius
- (v) KEC Power India Private Limited
- (vi) KEC Bikaner Sikar Transmission Private Limited
- (vii) KEC International Holdings LLC, USA
- (viii) KEC Brazil LLC, USA
- (ix) KEC Mexico LLC, USA
- (x) KEC Transmission LLC, USA
- (xi) KEC US 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
- (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 Engenharia E Construco Ltda, Brazil
- (xx) SAE Engineering & Construction Services, S de RL de CV, Mexico
- (xxi) KEC International (Malaysia) SDN BHD, Malaysia

Associate

RP Goenka Group of Companies Employees Welfare Association

4. We did not review the interim financial statements / results of 21 subsidiaries and 20 joint operations included in the consolidated financial results, whose interim financial statements / results reflect total assets of Rs.142,334 lacs as at September 30, 2016, total revenues of Rs. 40,083 lacs and Rs. 70,081 lacs for the quarter and six months ended September 30, 2016, respectively, total profit after tax of Rs. 1,534 lacs and Rs. 1,541 lacs for the quarter and six months ended September 30, 2016, respectively and Total comprehensive income of Rs. 1,915 lacs and Rs. 2,944 lacs for the quarter and six months ended September 30, 2016, 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 joint operations, 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 aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, November 08, 2016

pm

(Rs. in lacs)					
Statement of Standalone Unaudited Financial Results for Quarter and Six months ended September 30, 2016					
Particulars	Quarter ended			Six Months ended	
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Note 3)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Note 3)
1 Income from operations					
(a) Net sales / income from operations	181939	150734	183920	332673	355980
(b) Other operating income	2348	2173	2361	4521	4382
Total income from Operations	184287	152907	186281	337194	360362
2 Expenses					
(a) Cost of materials consumed	85703	72391	91360	158094	170885
(b) Purchase of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2145	(4680)	(492)	(2535)	(1399)
(d) Erection & Subcontracting expenses	43338	38958	40975	82296	89900
(e) Employee benefits expense	12723	11718	11089	24441	22060
(f) Depreciation and amortisation expense	2756	2553	2606	5309	5151
(g) Excise duty on sale of goods	4720	3599	4467	8319	8963
(h) Other expenses	21109	18406	22873	39515	39589
Total expenses	172494	142945	172878	315439	335149
3 Profit from operations before other income, finance costs and exceptional items (1-2)	11793	9962	13403	21755	25213
4 Other income	713	479	632	1192	829
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	12506	10441	14035	22947	26042
6 Finance costs	4918	5871	6074	10789	12031
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	7588	4570	7961	12158	14011
8 Exceptional items	-	-	-	-	-
9 Profit from ordinary activities before tax (7-8)	7588	4570	7961	12158	14011
10 Tax expense (Refer Note 5 below)	2699	1598	2858	4297	5502
11 Net Profit from ordinary activities after tax (9-10)	4889	2972	5103	7861	8509
12 Extraordinary Items	-	-	-	-	-
13 Net Profit for the period (11-12)	4889	2972	5103	7861	8509
14 Other Comprehensive Income (net of tax)	1090	214	1489	1304	1374
15 Total Comprehensive Income (13+14)	5979	3186	6592	9165	9883
16 Paid-up equity share capital (face Value Rs. 2/- each)	5142	5142	5142	5142	5142
17 Basic / Diluted Earnings Per Share (Rs. 2/- each) - Before and after extraordinary items (Not annualised)	1.90	1.16	1.98	3.06	3.31

See accompanying notes to the Standalone financial results

Notes :

- The above results were reviewed by the Audit Committee at its meeting held on November 07, 2016 and approved by the Board of Directors at its meeting held on November 08, 2016. The statutory auditors of the Company have conducted a "Limited Review" of the above Standalone Unaudited Financial Results for the quarter and six months ended September 30, 2016.
- The Company adopted Indian Accounting Standard ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The financial results for the quarter and six months ended September 30, 2015 have not been audited or reviewed by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and six months ended September 30, 2015:

(Rs. in lacs)			
Sr. No.	Particulars	Quarter ended September 30, 2015 Unaudited (Refer Note 3)	Six Months ended September 30, 2015 Unaudited (Refer Note 3)
	Net Profit under Previous Indian GAAP	3300	4164
(a)	Effect of Ind AS 111: Joint Arrangements	2205	5469
(b)	Reversal of amortisation of Intangible assets-brand	318	635
(c)	Impact of measuring derivative financial instruments at fair value	(212)	(523)
(d)	Actuarial gain on employees defined benefits plans recognised	16	33
(e)	Others	(16)	(34)
(f)	Impact of Deferred Tax	(508)	(1,235)
	Net Profit under Ind AS	5103	8509
(g)	Other Comprehensive Income (net of tax)	1489	1,374
	Total Comprehensive income	6592	9883

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5 Tax expense includes:

(Rs. in lacs)

Particulars	Quarter ended			Six Months ended	
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)
Tax adjustments pertaining to earlier years	39	-	887	39	1336

6 Standalone Statement of Assets and Liabilities

(Rs. in lacs)

Particulars	As at September 30, 2016 (Unaudited)
ASSETS	
1 Non-Current Assets	
(a) Property, Plant and Equipment	60323
(b) Capital work-in-progress	947
(c) Other Intangible Assets	13070
(d) Financial Assets	
(i) Investments	9633
(ii) Trade receivables	6071
(iii) Other financial assets	5401
(e) Other non-current assets	36135
Total Non-Current Assets	131580
2 Current Assets	
(a) Inventories	27552
(b) Financial Assets	
(i) Trade receivables	405541
(ii) Cash and cash equivalents	19990
(iii) Bank balances other than (iii) above	2777
(iv) Loans	19875
(v) Other financial assets	5126
(c) Current Tax Assets (Net)	2941
(d) Other current assets	155817
Total Current Assets	639619
Total Assets	771199
EQUITY AND LIABILITIES	
Equity	
(a) Equity Share capital	5142
(b) Other Equity	143105
Total Equity	148247
LIABILITIES	
1 Non-current liabilities	
(a) Financial Liabilities	
(i) Borrowings	9819
(b) Provisions	1818
(c) Deferred tax liabilities (Net)	13149
Total non-current liabilities	24786
2 Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	218531
(ii) Trade payables	237967
(iii) Other financial liabilities	12884
(b) Other current liabilities	117982
(c) Provisions	7790
(d) Current Tax Liabilities (Net)	3012
Total current liabilities	598166
Total Equity and Liabilities	771199






Sr. No.	Particulars	As at September 30, 2016
a)	Debt Equity Ratio [Refer Note h]	0.13
b)	Debt Service Coverage Ratio [Refer Note h]	2.14
c)	Interest Service Coverage Ratio [Refer Note h]	2.62
d)	Debenture Redemption Reserve (Rs. in Lacs)	1234
e)	Net Worth [Refer Note h] (Rs. in Lacs)	148247
f)	Net Profit after Tax (for Six months ended September 30, 2016) (Rs. in Lacs)	7861
g)	Basic Earnings per Share (for Six months ended September 30, 2016) (Rs.)	3.06

h) The formula used for calculation of ratios is as under:

i) Debt Equity Ratio = Term loans and debentures / Equity

ii) Debt Service Coverage Ratio = Profit before Depreciation and Amortisation, Interest and Tax / (Interest + Principal repayment of long term loans)

iii) Interest Service Coverage Ratio = Profit before Depreciation and Amortisation, Interest and Tax / Interest

iv) Net Worth = Share capital + Reserves and Surplus

i) The payment of the coupon interest on non-convertible debentures is at annual rests. The last interest payment was made on August 19, 2016. The next payment of coupon interest is on August 19, 2017.

j) The credit rating assigned by CARE for Non-Convertible Debentures issued by the Company is re-affirmed at A+.

k) The Company continues to maintain 100% asset cover based on the valuation report for the secured Non-Convertible Debentures issued by it.

8 The Company is primarily engaged in the business of Engineering, Procurement and Construction (EPC) relating to products, projects and systems for power transmission, distribution and related activities. As such there is no separate reportable operating segment as defined by Ind AS 108 - "Operating Segments".

9 The Company has opted to publish Extract of Consolidated Unaudited Financial Results for the quarter and six months ended September 30, 2016. The Standalone Unaudited Financial Results for the quarter and six months ended September 30, 2016 of the Company prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, will be available on the website of the Company, BSE Limited and National Stock Exchange of India Limited.

10 Previous period figures have been regrouped / reclassified wherever necessary.

[Signature]

Place : Mumbai

Date : November 08, 2016

P.H.004



For KEC INTERNATIONAL LIMITED

[Signature]

VIMAL KEJRIWAL
MANAGING DIRECTOR & CEO
DIN - 00026981

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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"), which includes 21 Joint Operations consolidated on a proportionate basis, for the quarter and six months ended September 30, 2016 and Standalone Unaudited Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. We have not performed a review or audit, as stated in Note 3, of the figures relating to the corresponding quarter and six months ended September 30, 2015 and reconciliation of net profit for the quarter and six months ended September 30, 2015 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this statement.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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. We did not review the interim financial statements/results of 20 joint operations included in the standalone financial results, whose interim financial statements/results reflect total assets of Rs.12,871 lacs as at September 30, 2016, total revenues of Rs. 4,354 lacs and Rs. 8,663 lacs for the quarter and six months ended September 30, 2016 respectively, total loss after tax of Rs. 75 lacs and Rs. 187 lacs for the quarter and six months ended September 30, 2016 respectively and total comprehensive loss of Rs. 75 lacs and Rs. 187 lacs for the quarter and six months ended September 30, 2016 respectively, as considered in the standalone 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 joint operations is based solely on the reports of the other auditors.

4. Based on our review conducted as stated above and the limited review/audit reports received from the Branch Auditors for the Afghanistan, Algeria, Bangladesh, Congo, Egypt, Ethiopia, Georgia, Ghana, Indonesia, Ivory Coast, Kazakhstan, Kenya, Laos, Lebanon, Libya, Malaysia, Nepal, Nigeria, Oman, Philippines, South Africa, Sri Lanka, Tanzania, Tunisia, Uganda, United Arab Emirates and Zambia Branches and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, November 08, 2016

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