



**KEC INTERNATIONAL LTD.**  
RPG House  
463, Dr. Annie Besant Road  
Worli, Mumbai 400030, India  
+91 22 66670200  
www.kecrpg.com

November 04, 2020

**National Stock Exchange of India Limited**  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (East), Mumbai 400 051

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001

**Symbol: KEC**

**Equity: 532714**

Dear Sir/Madam,

**Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

**Subject: Press Release and Investor Presentation – Financial Results**

Please find enclosed herewith a copy of the Press Release and Investor Presentation on the Unaudited Financial Results of the Company for the quarter and half year ended on September 30, 2020.

The above is for your information and records.

Thanking you,

Yours sincerely,

**For KEC International Limited**

**Amit Kumar Gupta**  
**Company Secretary & Compliance Officer**

Encl: as above



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## FINANCIAL PERFORMANCE FOR QUARTER & HALF YEAR ENDED 30 SEPTEMBER 2020

### **KEC delivers robust Revenue growth of 16% in Q2FY21**

**Significant reduction in Interest cost by 80 bps for the quarter**

**Strong Order Book + L1 of ~Rs. 23,000 crore**

**Mumbai, November 04, 2020:** KEC International Ltd., a global infrastructure EPC major and an RPG Group Company, today announced its results for the second quarter (Q2 FY21) and half year (H1 FY21) ended September 30, 2020.

### Consolidated Financial Performance:

#### Q2 FY21 v/s Q2 FY20

**Revenue:** Rs. 3,258 crore against Rs. 2,809 crore

**EBITDA:** Rs. 293 crore against Rs. 294 crore

**EBITDA Margin:** 9.0% against 10.5%

**Interest as % to Revenue:** 2.1% against 2.9%

**Profit Before Tax (PBT):** Rs. 195 crore against Rs. 180 crore

**PBT Margin:** 6.0% against 6.4%

**Profit After Tax (PAT):** Rs. 143 crore against Rs. 139 crore

#### Q2 FY21 v/s Q1 FY21

**Revenue:** Rs. 3,258 crore against Rs. 2,207 crore

**EBITDA:** Rs. 293 crore against Rs. 195 crore

**EBITDA Margin:** 9.0% against 8.8%

**Interest as % to Revenue:** 2.1% against 3.0%

**Profit Before Tax (PBT):** Rs. 195 crore against Rs. 96 crore

**PBT Margin:** 6.0% against 4.4%

**Profit After Tax (PAT):** Rs. 143 crore against Rs. 71 crore



### H1 FY21 v/s H1 FY20

**Revenue:** Rs. 5,465 crore against Rs. 5,221 crore

**EBITDA:** Rs. 488 crore against Rs. 545 crore

**EBITDA Margin:** 8.9% against 10.4%

**Interest at % to Revenue:** 2.4% against 3.1%

**Profit Before Tax (PBT):** Rs. 291 crore against Rs. 318 crore

**PBT Margin:** 5.3% against 6.1%

**Profit After Tax (PAT):** Rs. 213 crore against Rs. 228 crore

**Mr. Vimal Kejriwal, MD & CEO, KEC International Ltd. commented,** *“We are pleased with the robust growth in revenues for the quarter, amidst a challenging environment. This is a result of our concerted efforts towards accelerated ramp up in execution, increasing labour strength and deployment of Mechanisation, Automation & Digitalisation initiatives to improve productivity and quality of execution. We have also delivered a growth in profitability backed by significant reduction in interest and tax cost. With operations largely normalized and order book + L1 of ~Rs 23,000 Crs, we are confident of a continued good performance in the second half of the year.”*

### About KEC International Limited

KEC International is a global infrastructure Engineering, Procurement and Construction (EPC) major. It has presence in the verticals of Power Transmission and Distribution, Railways, Civil, Solar, Smart Infrastructure and Cables. The Company is currently executing infrastructure projects in over 30 countries and has a footprint in 100+ countries (includes EPC & Supply). It is the flagship Company of the RPG Group.

### About RPG Enterprises

RPG Enterprises, established in 1979, is one of India's fastest growing business groups with a turnover of US\$ 4 Billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation led technology businesses.

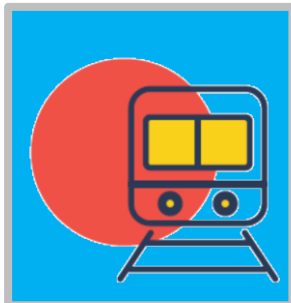
# KEC International Limited

## Investor Presentation – Q2 FY21

04<sup>th</sup> November 2020



Power T & D



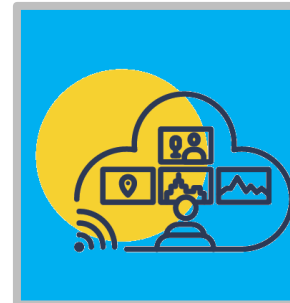
Railways



Solar



Civil



Smart Infra



Cables

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This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events and involves known and unknown risks, uncertainties and other factors. The Company cannot guarantee that these assumptions and expectations are accurate or exhaustive or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. No obligation is assumed by the Company to update the forward-looking statements contained herein.

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## Key Financial Highlights – Q2 & H1 FY21

### ☐ Highlights for Q2 FY21 v/s Q2 FY20

- **Revenue** for Q2 FY21 stands at Rs. 3,258 Cr – **Growth of 16%**
- **EBITDA Margin** at 9.0% against 10.5%
- **Interest cost** as % to sales improves to 2.1% from 2.9%
- **PBT Margin** at 6.0% against 6.4%
- **PAT Margin** at 4.4% against 5.0%

### ☐ Highlights for H1 FY21 v/s H1 FY20

- **Revenue** for H1 FY21 stands at Rs. 5,465 Cr – **Growth of 5%**
- **EBITDA Margin** at 8.9% against 10.4% in H1 FY20
- **Interest cost** as % to sales improves to 2.4% from 3.1%
- **PBT Margin** at 5.3% against 6.1%
- **PAT Margin** at 3.9% against 4.4%

### ☐ YTD Order Intake stands at Rs. 4,366 Cr – **Growth of 16%**

- **Strengthened order book in International T&D** with large orders in Middle East and Africa
- **Railways expanded its presence** in the technologically enabled areas of urban infra with an order of metro electrification works
- **Civil secured breakthrough orders** in the Flue Gas Desulfurization (FGD) and Warehouse space
- **Smart Infra** forayed in Defence segment

### ☐ **Robust Order book + L1 Pipeline of ~Rs. 23,000 Cr**

## COVID-19 Impact

- ❑ **Operations normalized**
  - All 220+ projects under operation barring intermittent localized issues
  - Labour strength back to pre COVID levels
  - All Tower and Cable manufacturing facilities operating at pre COVID levels
  
- ❑ **Strong tender pipeline** across most businesses
  
- ❑ **Strong recovery in Revenues** across businesses
  
- ❑ **Significantly strong operating cash flows**
  
- ❑ Sharp increase in **commodity prices** Q2 FY21 onwards
  
- ❑ **Driving Digitalisation, Mechanisation and Automation** initiatives across businesses

## Profit & Loss Highlights (Consolidated)

(₹ crore)

Particulars	Q2		Growth
	FY21	FY20	(Y-o-Y)
Revenues	3,258	2,809	16%
EBITDA	293	294	0%
<i>EBITDA Margins</i>	<i>9.0%</i>	<i>10.5%</i>	
(+) Other Income	7	4	
(-) Depreciation	37	35	
(-) Interest	67	82	-18%
<i>Interest as % to sales</i>	<i>2.1%</i>	<i>2.9%</i>	
PBT	195	180	8%
<i>PBT Margins</i>	<i>6.0%</i>	<i>6.4%</i>	
Tax	52	41	
<i>Tax Rate %</i>	<i>26.9%</i>	<i>22.9%*</i>	
PAT	143	139	2%
<i>PAT Margins</i>	<i>4.4%</i>	<i>5.0%</i>	

H1		Growth
FY21	FY20	(Y-o-Y)
5,465	5,221	5%
488	545	-10%
<i>8.9%</i>	<i>10.4%</i>	
14	6	
76	71	
134	162	-17%
<i>2.4%</i>	<i>3.1%</i>	
291	318	-8%
<i>5.3%</i>	<i>6.1%</i>	
78	91	
<i>26.8%</i>	<i>28.5%</i>	
213	228	-6%
<i>3.9%</i>	<i>4.4%</i>	

\*Q2FY20 Tax includes benefit of reversal of provision done in Q1 at 35.7% post reduction of corporate tax rates averaging H1FY20 at 28.5%



## Businesswise Revenue Performance

(₹ crore)

Business Verticals	Q2		Growth (Y-o-Y)
	FY21	FY20	
<b>T&amp;D:</b>	<b>1,977</b>	<b>1,978</b>	<b>0%</b>
- T&D (KEC)	1,621	1,621	0%
- SAE Towers	356	356	0%
<b>Non T&amp;D:</b>	<b>1,349</b>	<b>888</b>	<b>52%</b>
- Railways	821	568	45%
- Civil	212	52	306%
- Cables	249	249	0%
- Others #	67	19	253%
<b>Inter SBU:</b>	<b>(68)</b>	<b>(57)</b>	<b>19%</b>
<b>Total Net Sales</b>	<b>3,258</b>	<b>2,809</b>	<b>16%</b>
<b>T&amp;D Share</b>	59%	68%	
<b>Non T&amp;D Share</b>	41%	32%	

H1		Growth (Y-o-Y)
FY21	FY20	
<b>3,431</b>	<b>3,577</b>	<b>-4%</b>
2,796	2,916	-4%
635	662	-4%
<b>2,152</b>	<b>1,772</b>	<b>21%</b>
1,342	1,089	23%
315	117	169%
408	512	-20%
85	53	61%
<b>(118)</b>	<b>(128)</b>	<b>-8%</b>
<b>5,465</b>	<b>5,221</b>	<b>5%</b>
61%	66%	
39%	34%	

#Others include Solar and Smart Infra

## Borrowings & Working Capital

(₹ crore)

Particulars	30-Sep-20	30-Sep-19	Increase/ (Decrease)	30-Jun-20	Increase/ (Decrease)
I) Net Debt	2,425	2,459	(34)	2,388	37
II) Interest Bearing Acceptances	1,059	1,021	38	936	123
<b>Total (I + II)</b>	<b>3,484</b>	<b>3,480</b>	<b>4</b>	<b>3,324</b>	<b>160</b>

- ❑ **Average Borrowing level** continues to be in line with the target of ~Rs 2,500 Cr
- ❑ **Overall net debt and interest-bearing acceptances has been maintained at the same level as last year despite a growth in Revenue**

Key initiatives contributing to the same include:

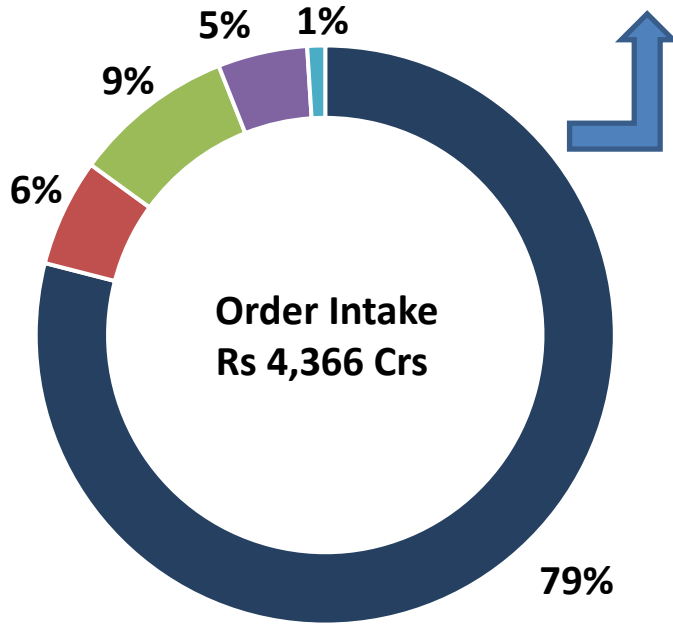
- Judicious monitoring of cash flows and focus on collection of receivables especially Retention
  - Concerted efforts for expediting commercial closure of projects
- ❑ **Net Working Capital (NWC)** stands at 132 days as on 30<sup>th</sup> September'20

# Order Intake & Order Book

## Order Intake YTD FY21

T&D : 74%

SAE : 5%



■ T&D ■ Civil ■ Cables ■ Railways ■ Others

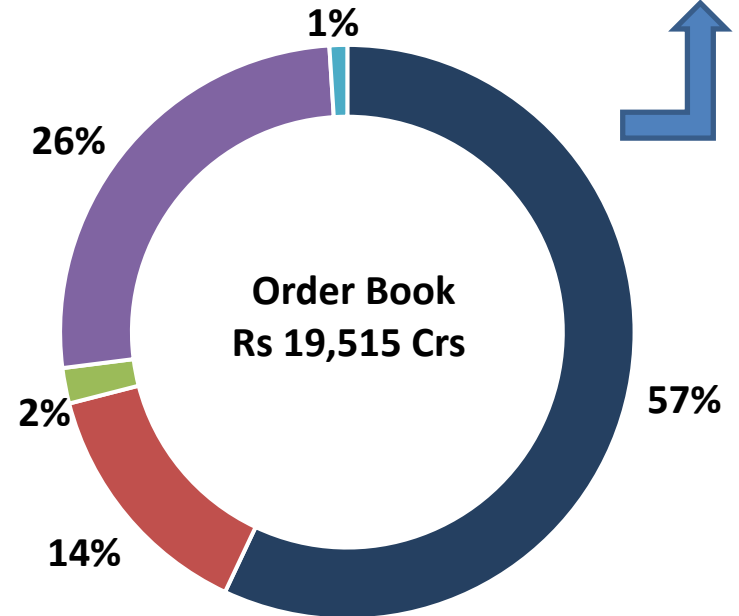
Domestic : 41%

International : 59%

## Order Book as on 30 September '20

T&D : 54%

SAE : 3%



■ T&D ■ Civil ■ Cables ■ Railways ■ Others

Domestic : 61%

International : 39%

Order Book + L1 of ~Rs 23,000 Crs

# THANK YOU



\*Includes EPC and Supply



Follow us on:



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