

KEC International Limited

Regd Office: RGV House, 403, Dr. Ambedkar Road, Worli, Mumbai - 400 030

Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2011

(Rs. in lacs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2011 (Unaudited)	30.09.2011 (Unaudited)	31.12.2010 (Unaudited)	31.12.2011 (Unaudited)	31.12.2010 (Unaudited)	31.03.2011 (Audited)
1. Gross Sales/Income from Operations	148445	128697	109240	381677	297806	456884
Less: Excise Duty	2564	2396	2172	7242	6126	9468
a) Net Sales/Income from Operations	145881	126301	107068	374435	291680	447416
b) Other Operating Income	83	19	32	140	98	258
2. Expenditure						
a) (Increase)/Decrease in Stock in Trade and Work in Progress	(335)	(2162)	(1976)	(5473)	(12529)	(5482)
b) Consumption of Raw Materials and Components	76948	69903	55305	197404	159317	231005
c) Purchase of Traded Goods	-	-	-	-	-	-
d) Erection & Subcontracting Expenses	31710	23083	21124	78986	60978	98057
e) Employees Cost	11104	10779	8630	31599	19273	27479
f) Depreciation/ Amortisation (net)	1256	1214	1132	3638	2894	4081
g) Other Expenditure	15310	15660	11555	42174	33744	49262
h) Total	135993	118477	95770	348328	263677	404402
3. Profit from Operations before Other Income, Interest and Exceptional Item (1-2)	9971	7843	11330	26247	28101	43272
4. Other Income (Refer Note 3 below)	5375	-	-	5375	-	-
5. Profit before Interest and Exceptional Item (3 + 4)	15346	7843	11330	31622	28101	43272
6. Interest (Net)	3720	3762	2868	10803	7549	10750
7. Profit after Interest but before Exceptional Item (5-6)	11626	4081	8462	20819	20552	32522
8. Exceptional Item (VRS Expenditure)	-	98	-	98	849	849
9. Profit from Ordinary Activities before Tax (7-8)	11626	3983	8462	20721	19703	31673
10. Tax expense (previous year nine months includes Rs. 960 lacs relating to earlier years)	3566	1862	2665	7233	6996	11108
11. Net Profit from Ordinary Activities after Tax (9-10)	8060	2121	5797	13488	12707	20565
12. Extraordinary Item	-	-	-	-	-	-
13. Net Profit for the period (11-12)	8060	2121	5797	13488	12707	20565
14. Paid up Equity Share Capital	5142	5142	5142	5142	5142	5142
(Face Value Rs. each)	(2/-)	(2/-)	(2/-)	(2/-)	(2/-)	(2/-)
15. Reserves Excluding Revaluation Reserve as per Balance Sheet of the previous accounting year	-	-	-	-	-	89517
16. Basic and Diluted Earnings Per Share (Rs.) - Before and after Extraordinary Item (Not annualised)	3.13	0.83	2.25	5.25	4.94	8.00
17. Public Shareholding						
- Number of shares	149,139,115	149,598,115	150,016,225	149,139,115	150,016,225	150,000,225
- Percentage of shareholding	58.01%	58.19%	58.35%	58.01%	58.35%	58.35%
18. 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 promoter 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	107,949,255	107,490,255	107,072,145	107,949,255	107,072,145	107,088,145
- Percentage of shares (as a % of the total shareholding of promoter 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)	41.99%	41.81%	41.65%	41.99%	41.65%	41.65%
Standalone information						
Revenue (Net Sales/Income from Operations)	114166	95745	86909	289066	264307	396178
Profit before tax	9455	2862	5155	15426	14483	23879
Profit after tax	7130	2251	3511	11481	8712	14709

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Notes :

- 1 The above results of the Company and its Subsidiaries and Jointly Controlled Entities (the Group) were reviewed by the Audit Committee and approved by the Board of Directors.
- 2 The statutory auditors of the Company have conducted a "Limited Review" of the above Unaudited Consolidated Financial Results.
- 3 Other Income for the quarter and nine months ended December 31, 2011 includes Rs. 5318 lacs being profit on assignment of leasehold rights in the land at Vashi alongwith structures thereon.
- 4 Figures for the corresponding nine months in the previous year are not directly comparable for the following reasons:
 - (i) On September 14, 2010, the Company has acquired 100% equity in Jay Railway Signaling Private Limited (now known as Jay Railway Projects Private Limited), a Railway signaling automation systems and technology company.
 - (ii) On September 22, 2010 the Company has acquired through the Special Purpose Vehicles floated in Mauritius and United States of America 100% membership interest in SAE Towers Holdings LLC, USA (SAE Towers), the holding company of wholly owned subsidiaries having manufacturing facilities in Mexico and Brazil. Net Profit of the Group for nine months ended December 31, 2011 includes Rs.5038 lacs (net) (previous nine months Rs. 1798 lacs (net)) on account of SAE Towers and the Special Purpose Vehicles referred to above.
- 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, debtors etc.) as at December 31, 2011 of the Company relating to these contracts aggregate Rs. 7457 lacs. The situation in Libya is returning to normal and the Company is confident of completing the projects.
- 6 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" notified under the Companies (Accounting Standards) Rules, 2006.
- 7 There was no investor complaint pending at the beginning of the quarter. No complaint was received during the quarter ended December 31, 2011 and no complaint was pending as at the quarter end.
- 8 The Company has opted to publish only Unaudited Consolidated Financial Results. The Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2011 of the Company will be available on the websites of the Company, Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
- 9 Previous period's figures have been regrouped wherever necessary.

For KEC INTERNATIONAL LIMITED




R. D. CHANDAK
MANAGING DIRECTOR

Place : Mumbai
Date : January 31, 2012

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In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(ICAI Reg. No. 117365W)


U. M. Neogi
Partner
(Membership No. 30235)

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

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results ("the Statement") of **KEC INTERNATIONAL LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") for the quarter and nine months ended December 31, 2011. 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 these financial results 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 misstatements. 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 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 Investment Holdings, Mauritius
- (v) KEC Global Mauritius, Mauritius
- (vi) KEC Transmission LLC, USA
- (vii) KEC US LLC, USA
- (viii) KEC International Holdings LLC, USA
- (ix) KEC Brazil LLC, USA
- (x) KEC Mexico LLC, USA
- (xi) SAE Towers Holdings, LLC, USA
- (xii) SAE Towers Brazil Subsidiary Company LLC, USA
- (xiii) SAE Towers Mexico Subsidiary Holding Company LLC, USA
- (xiv) SAE Towers Mexico S de RL de CV, Mexico
- (xv) SAE Towers Brazil Torres de Transmission Ltda, Brazil
- (xvi) SAE Prestadora de Servicios Mexico, S de RL de CV, Mexico
- (xvii) SAE Towers Ltd, USA
- (xviii) SAE Towers Panama Holdings LLC, USA
- (xix) SAE Towers Panama S de RL, Panama

Jointly Controlled Entities

- (i) Al-Sharif Group and KEC Ltd. Company, Saudi Arabia
- (ii) KEC Power India Private Limited

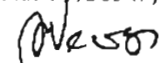
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- (iii) EJP KEC Joint Venture, South Africa
- (iv) KEC – ASSB JV, Malaysia
- (v) KEC – ASIACOM – UB JV
- (vi) KEC – ASIACOM JV
- (vii) KEC – JEI JV
- (viii) KEC – DELCO – VARAHA JV
- (ix) KEC – VARAHA – KHAZANA JV
- (x) KEC – VALECHA – DELCO JV
- (xi) KEC – SIDHARTH JV
- (xii) KEC – TRIVENI – KPIPL JV
- (xiii) KEC – UNIVERSAL JV
- (xiv) KEC – DELCO – DUSTAN JV
- (xv) KEC – ANPP – KPIPL JV
- (xvi) KEC – PLR – KPIPL JV
- (xvii) KEC – BJCL JV

4. The Statement reflects the Group's share of Revenues for the quarter and nine months ended December 31, 2011 of Rs. 24,910 Lacs and Rs. 70,578 Lacs respectively, Profit after Tax for the quarter and nine months ended December 31, 2011 of Rs. 2,312 Lacs and Rs. 7,496 Lacs respectively, relating to 11 subsidiaries whose results have been reviewed/audited by the other auditors. The statement also reflects the Group's share of Revenues for the quarter and nine months ended December 31, 2011 of Rs. 3,692 Lacs and Rs. 12,291 respectively, Loss after Tax for the quarter and nine months ended December 31, 2011 of Rs. 1,333 Lacs (net) and Rs. 2,971 Lacs (net) respectively relating to 16 joint ventures whose results have been reviewed/audited by the other auditors. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures is based solely on the reports of such other auditors which have been furnished to us.
5. Based on our review and read with our comments 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 referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, 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 shareholdings in respect of the aggregate amount of public shareholdings and the number of shares as well as the percentage of shares pledged/encumbered in respect of the aggregate amount of promoter and promoter group in terms of Clause 55 of the Listing Agreements and the particulars relating to the undisputed investor complaints from the details furnished by the Management.

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



U.M. Neogi
Partner

(Membership No. 30235)

MUMBAI, January 31, 2012



KEC International Limited

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

Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2011

(Rs. in lacs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2011 (Unaudited)	30.09.2011 (Unaudited)	31.12.2010 (Unaudited)	31.12.2011 (Unaudited)	31.12.2010 (Unaudited)	31.03.2011 (Audited)
1. Gross Sales/Income from Operations	116730	98141	89081	296308	270433	405746
Less: Excise Duty	2564	2396	2172	7242	6126	9468
a) Net Sales/Income from Operations	114166	95745	86909	289066	264307	396278
b) Other Operating Income	79	4	27	118	91	254
2. Expenditure						
a) (Increase)/Decrease in Stock in Trade and Work in Progress	(113)	(2374)	(2866)	(6696)	(4573)	998
b) Consumption of Raw Materials and Components	59232	53932	46677	155185	139712	202762
c) Purchase of Traded Goods	-	-	-	-	-	-
d) Erection & Subcontracting Expenses	29539	21610	19488	72701	57754	91678
e) Employees Cost	6267	6048	5262	17614	15314	20028
f) Depreciation/ Amortisation (net)	926	888	860	2674	2546	3449
g) Other Expenditure	11161	11364	9896	30276	31221	43023
h) Total	107012	91468	79317	271754	241974	361938
3. Profit from Operations before Other Income, Interest and Exceptional Item (1-2)	7233	4281	7619	17430	22424	34594
4. Other Income (Refer Note 3 below)	5375	1955	-	7330	-	-
5. Profit before Interest and Exceptional Item (3 + 4)	12608	6236	7619	24760	22424	34594
6. Interest (Net)	3153	3276	2464	9236	7092	9866
7. Profit after Interest but before Exceptional Item (5-6)	9455	2960	5155	15524	15332	24728
8. Exceptional Item (VRS Expenditure)	-	98	-	98	849	849
9. Profit from Ordinary Activities before Tax (7-8)	9455	2862	5155	15426	14483	23879
10. Tax Expense (previous nine months include Rs. 960 lacs relating to earlier years)	2325	611	1644	3945	5771	9170
11. Net Profit from Ordinary Activities after Tax (9-10)	7130	2251	3511	11481	8712	14709
12. Extraordinary Item	-	-	-	-	-	-
13. Net Profit for the period (11-12)	7130	2251	3511	11481	8712	14709
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 the previous accounting year	(2/-)	(2/-)	(2/-)	(2/-)	(2/-)	(2/-)
16. Basic and diluted Earnings Per Share (Rs.) - Before and after Extraordinary Item (Not annualised)	2.77	0.88	1.37	4.47	3.39	5.72
17. Public Shareholding						
- Number of shares	149,139,115	149,598,115	150,016,225	149,139,115	150,016,225	150,000,225
- Percentage of shareholding	58.01%	58.19%	58.35%	58.01%	58.35%	58.35%
18. 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 promoter 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	107,949,255	107,490,255	107,072,145	107,949,255	107,072,145	107,088,145
- Percentage of shares (as a % of the total shareholding of promoter 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)	41.99%	41.81%	41.65%	41.99%	41.65%	41.65%

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Notes :

- 1 The above results of the Company were reviewed by the Audit Committee and approved by the Board of Directors.
- 2 The statutory auditors of the Company have conducted a "Limited Review" of the above unaudited financial results.
- 3 Other Income for the quarter and nine months ended December 31, 2011 includes Rs. 5318 lacs being profit on assignment of leasehold rights in the land at Vashi alongwith structures thereon. Other Income for the quarter ended September 30, 2011 and for the nine months ended December 31, 2011 includes Rs. 1955 lacs being dividend income from an overseas subsidiary.
- 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, debtors etc.) as at December 31, 2011 of the Company relating to these contracts aggregate Rs. 7457 lacs. The situation in Libya is returning to normal and the Company is confident of completing the projects.
- 5 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" notified under the Companies (Accounting Standards) Rules, 2006.
- 6 There was no investor complaint pending at the beginning of the quarter. No complaint was received during the quarter ended December 31, 2011 and no complaint was pending as at the quarter end.
- 7 Previous period's figures have been regrouped wherever necessary.

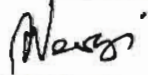
For KEC INTERNATIONAL LIMITED


R. D. CHANDAK
MANAGING DIRECTOR

Place : Mumbai
Date : January 31, 2012

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In terms of our report attached
for Deloitte Haskins & Sells
Chartered Accountants
(ICAI Reg. No. 117365W)


U. M. Neogi
Partner
(Membership No. 30235)

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

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **KEC INTERNATIONAL LIMITED** ("the Company") for the quarter and nine months ended December 31, 2011 ("the Statement"). 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 misstatements. 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 opinion.
3. The Statement includes the financial results of Libya Branch referred to in Note 4 of the Statement which reflect Profit after tax for the quarter and nine months ended December 31, 2011 of Rs. 53 lacs and Rs. 98 lacs respectively have not been reviewed by its auditors.
4. Based on our review conducted as stated above and the limited review reports / audit reports received from the Branch Auditors for Afghanistan, Algeria, Bangladesh, Egypt, Ethiopia, Ghana, Georgia, Kazakhstan, Kenya, Lebanon, Malaysia, Nepal, Nigeria, Oman, Philippines, South Africa, Srilanka, Tajikistan, Tunisia and United Arab Emirates Branches; and subject to our comments in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, 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.

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5. 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 and the particulars relating to undisputed investor complaints from the details furnished by the Management.

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



U.M. Neogi
Partner
(Membership No.30235)

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MUMBAI, January 31, 2012
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