



# KEI INDUSTRIES LIMITED

D-90 OKHLA INDUSTRIAL AREA PHASE - I, NEW DELHI-110 020  
 Phone: 91-11-26818840/26818642 Fax: 91-11-26811959/26817225 Web: www.kei-ind.com  
**UNAUDITED FINANCIAL RESULTS FOR THE  
 QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2008**

(Rs. in Lakhs)

Particulars	Unaudited Results for		Unaudited Results for		Audited
	Quarter ended on 31-12-2008	Quarter ended on 31-12-2007	9 Month ended on 31-12-2008	9 Month ended on 31-12-2007	Year ended on 31-03-2008
1 a) Gross Sales	27048.70	26459.42	80569.75	69469.57	98064.84
Less: Excise Duty	2089.06	3118.39	6995.13	7895.80	10702.28
Net Sales	<b>24959.64</b>	<b>23341.03</b>	<b>73574.62</b>	<b>61573.77</b>	<b>87362.56</b>
b) Jobwork	5.70	10.05	32.90	48.34	63.25
c) Income from Turnkey Projects	40.43	-----	161.16	-----	43.29
d) Other Operating Income	(36.83)	(19.23)	299.49	(141.86)	424.70
e) Total Income	<b>24968.94</b>	<b>23331.85</b>	<b>74068.17</b>	<b>61480.25</b>	<b>87893.80</b>
2. Total Expenditure					
a) (Increase)/Decrease in stock in trade & WIP	3177.98	327.58	18.43	(3852.91)	(4750.49)
b) Consumption of raw materials/Project Materials	18970.25	17273.90	60307.15	50221.12	70453.91
c) Purchase of Traded goods	109.29	-----	117.21	-----	14.70
d) Employees cost	154.91	378.05	1246.04	1035.63	1886.45
e) Depreciation	281.57	192.18	840.34	568.22	811.92
f) Other Expenditure	2882.82	2360.67	8325.64	5996.98	8939.87
g) Total Expenditure	<b>25576.82</b>	<b>20532.38</b>	<b>70854.81</b>	<b>53969.04</b>	<b>77356.36</b>
3. Profit from Operations before Other Income, Interest & Exceptional Items(1-2)	<b>(607.88)</b>	<b>2799.47</b>	<b>3213.36</b>	<b>7511.21</b>	<b>10537.44</b>
4. Other Income	(24.60)	0.01	(24.15)	461.33	1.69
5. Profit before Interest & Exceptional Items (3+4)	<b>(632.48)</b>	<b>2799.48</b>	<b>3189.21</b>	<b>7972.54</b>	<b>10539.13</b>
6. Interest & Finance Charges	1615.59	1040.86	3966.31	2870.06	3690.86
7. Profit after Interest but before Exceptional Items (5-6)	<b>(2248.07)</b>	<b>1758.62</b>	<b>(777.10)</b>	<b>5102.48</b>	<b>6848.27</b>
8. Exceptional Items	(347.85)	-----	(640.62)	-----	(367.38)
9. Profit (+) Loss (-) from Ordinary activities Before Tax (7+8)	<b>(2595.92)</b>	<b>1758.62</b>	<b>(1417.72)</b>	<b>5102.48</b>	<b>6480.89</b>
10. Tax Expenses	(149.00)	409.00	135.21	1399.00	2129.15
11. Net Profit(+)/ Loss (-) from Ordinary activities After Tax (9-10)	<b>(2446.92)</b>	<b>1349.62</b>	<b>(1552.93)</b>	<b>3703.48</b>	<b>4351.74</b>
12. Extraordinary items (net of tax expenses)	-----	-----	-----	-----	-----
13. Net Profit (+) /Loss (-) for the period	<b>(2446.92)</b>	<b>1349.62</b>	<b>(1552.93)</b>	<b>3703.48</b>	<b>4351.74</b>
14. Paid-Up Equity Share Capital (Face Value of Rs. 2/- each)	1218.75	1181.99	1218.75	1181.99	1216.17
15. Reserves excluding Revaluation Reserves	-----	-----	-----	-----	19491.27
16. Earning Per Share (Rs)					
a) Basic	(4.02)	2.28	(2.55)	6.27	7.33
b) Diluted	(3.00)	1.64	(1.91)	4.51	5.40
17. Public Shareholding					
- Number of Shares	39088472	37930191	39088472	37930191	39639018
- Percentage of Shareholding	64.15%	64.18%	64.15%	64.18%	65.19%

### Segment-wise Revenue, Results and Capital Employed

1. Segment Revenue ( net sales/ income from )					
a) Segment - Cables	23609.01	20864.16	67832.39	53932.59	77169.04
b) Segment - Stainless Steel Wire	1304.22	2467.69	6056.32	7547.66	10289.04
c) Segment - Others	49.62	-----	179.46	-----	43.41
d) Unallocated Segment	(18.51)	0.01	(24.15)	461.33	394.00
Total	<b>24944.34</b>	<b>23331.86</b>	<b>74044.02</b>	<b>61941.58</b>	<b>87895.49</b>
Less: Inter segment revenue	-----	-----	-----	-----	-----
Net Sales / income from operations	<b>24944.34</b>	<b>23331.86</b>	<b>74044.02</b>	<b>61941.58</b>	<b>87895.49</b>
2. Segment Results Profit (+)/ Loss (- ) before tax and interest from segment					
a) Segment - Cables	(21.81)	3257.52	4793.67	8405.88	12019.07
b) Segment - Stainless Steel Wire	(280.96)	26.50	(70.86)	254.37	276.60
c) Segment - Others	(1.71)	-----	(8.21)	0.00	2.51
Total	<b>(304.48)</b>	<b>3284.02</b>	<b>4714.60</b>	<b>8660.25</b>	<b>12298.18</b>
Less: l) Interest	1615.59	1040.86	3966.31	2870.06	3690.86
l) Other un- allocable expenditure net off un- allocable income	675.85	484.54	2166.01	687.71	2126.43
Total Profit Before Tax	<b>(2595.92)</b>	<b>1758.62</b>	<b>(1417.72)</b>	<b>5102.48</b>	<b>6480.89</b>
3. Capital Employed ( Segment Assets - Segment Liabilities )					
a) Segment - Cables	52205.71	54279.59	52205.71	54279.59	47003.54
b) Segment- Stainless Steel Wire	2877.80	4181.45	2877.80	4181.45	3968.34
c) Segment - Others	191.29	-----	191.29	-----	41.08
d) Unallocated Segment	(19053.98)	(20889.64)	(19053.98)	(20889.64)	(13478.94)
Total	<b>36220.82</b>	<b>37571.40</b>	<b>36220.82</b>	<b>37571.40</b>	<b>37534.02</b>

### Notes;

- The above results reviewed by the Audit Committee on January 29, 2009, have been approved and taken on record by the Board of Directors at their meeting held on January 31, 2009.
- The above results have been reviewed by the Statutory Auditors of the Company pursuant to Clause 41 of the listing agreement.
- During the quarter the Company has started Commercial Production at its manufacturing facilities at SP-922 RIICO Industrial Area, Phase-III, Bhiwadi, Dist. Alwar (Rajasthan).
- Land allotted by RIICO at Pathredi (Near Bhiwadi, Rajasthan) has been surrendered back to RIICO. Consequently out of the funds raised through Foreign Currency Convertible Bonds (FCCB) the unutilized balance of Rs.1812.40 Lacs will be utilized in the subsequent periods.
- Pursuant to AS-11 on "The Effect of Change in Foreign Exchange Rates", there is a notional loss for the quarter ended due to exchange rate difference in the Foreign Currency Convertible Bonds (FCCB) which has not been recognised in the above results and would be recognised at the end of the accounting year. Till last year this was being accounted on quarterly basis. Had the company accounted this loss on quarterly basis the loss would have been higher by Rs 512.61 Lac for this quarter (Rs. 2778.52 Lac for Nine Months). This is a matter of reference in the Limited Review Report of statutory auditors.
- Unexercised Options under KEI ESOS 2006 have been cancelled. Due to this, Employee cost for the quarter reduced by Rs. (-)262.99 Lacs (Rs. -139.88 for Nine month) on account of write back of employee compensation outstanding in accordance with SEBI (ESOS & ESPS) Guidelines. No fresh Options have been granted under KEI ESOS 2006.
- The number of investor complaints pending at the beginning of the quarter were NIL. During this quarter 2 complaints were received and resolved. The balance NIL pending at the end of the quarter.
- Tax Expense includes provision for the Current Tax, Deferred tax, Fringe benefit tax and Taxation for earlier years.
- In the quarter ended December 2008, Deferred Tax Asset on Unabsorbed Depreciation has been recognised to the extent of Deferred Tax liability for the period ended 31st December 2008. Deferred Tax Asset on business loss and balance Unabsorbed Depreciation will be accounted at the year end.
- Exceptional items contains Loss on account of Derivative transactions Rs.347.85 Lacs for the current quarter and Rs 640.62 Lacs during Nine Month.
- During the quarter conversion price of FCCB's has been reset at Rs 71/- per share. Accordingly "EPS" for all periods given above has been calculated assuming same conversion price to make them comparable. The premium on FCCB, if paid would be accounted for at the time of redemption.
- The figures of the previous quarter / year have been re-grouped / re-classified to confirm to current quarter / year's classification.

For KEI INDUSTRIES LIMITED

  
 (ANIL GUPTA)  
 Chairman-cum-Managing Director

Place : Bhiwadi (Rajasthan)  
 Date: January 31, 2009