



TOWERING GROWTH

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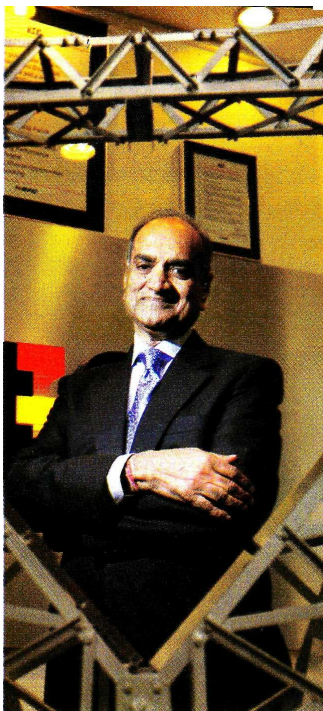
Middle East, Africa, Central Asia and the Americas. With proven technical capability and superior project management expertise, the company is executing complex projects in different international locations. It generates more than 50 per cent of its business from overseas and 23 per cent of its workforce of 5,000 people is not of Indian origin.

"Over the years, KEC as a company has come a long way and grown as a truly global entity with strong presence in the power transmission space," says D.R. Dogra, managing director. Care Ratings. "Its recent diversification into other infrastructure verticals is a strategic move on its part to scale up its overall operations and also de-risk its business model from cyclical downturns."

"KEC's geographical and business diversifications are weD-backed up by a robust execution capability and strong management bandwidth," states LS. Jha, director, projects, Power Grid Corporation of India. "In the market, the company has been able to differentiate itself through its commitments and timely execution of projects and supply orders. It is a reliable set-up one can bank on". Power Grid Corporation of India is one of the biggest customers for KEC in the power transmission and distribution space.

Growing customer list

Traditionally, KEC has secured most of its orders from the government agencies across the globe. However, in recent years, the company has begun diversifying its customer base in the private sector as well. In fact, about



Chandak: a balanced business portfolio

23 per cent of the company's order backlog is currently from the private players, such as DB power, CESE, Daewoo, Steriite Energy, SNC Lavalin and Alston, amongst others. In the government sector, apart from Power Grid, state power utilities and Indian Railways are KEC's major clients on the domestic front. Its overseas customers include Kenyan Electricity Transmission Co; Ethiopian Electric Power Corp; Saudi Electricity Co; Power Holding Co, Nigeria; Power Grid Co, Bangladesh, etc.

"We are planning to leverage our management and project execution capabilities by diversifying into

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newer business verticals in order to achieve a balanced business portfolio," says Ramesh Chandak, 66, managing director & CEO, KEC. "This will help us sustain our growth momentum as also derive desired traction going forward".

A chartered accountant by profession, Chandak joined KEC in June 1989 as vice-president, finance, after being with an edible oil company in Kuala Lumpur. Later, he was elevated to the role of operation head (vice-president, commercial) in 1991. In 1994, he became president & CFG of one of the group companies, Ray-chem RPG Ltd, a 50:50 joint venture between Tyco Electronics, US, and RPG group. This company was engaged in offering engineering products and services to the infrastructure segments. However, in 2000, Chandak was recalled to KEC to assume duties as managing director & CEO, where he led a remarkable turnaround of the company.

"While the revival of KEC was a challenge, taking it to the next level of growth has always been our aim," states Goenka, who is known for his HR ability. "And, to a large extent, we feel we have been able to achieve that. Going forward, we would like to leverage our base to sustain our momentum". He took a conscious decision to put Chandak at the helm of affairs of a difficult entity, reposing full faith in his abilities. It was he who decided to elevate Chandak, a finance guy to head KEC, as he believed that, more than a technical issue, it was financial problems that needed to be taken care of, while turning KEC around.

Later, he restructured the company into focussed strategic business units, led by business heads - a move that has been quite fruitful. Goenka, a well-known art connoisseur and collector, reposes his full trust on his men, even as he actively participates in most of the strategic decision-making process. So much so, that he makes it a point to meet the KEC top management team led by Chandak and business heads at least once a month.

In the last five years, the company has invested about Rs 1,000 crore in

