

03 Sep 2021

To

The National Stock Exchange of India Limited
Exchange Plaza, Plot No: C1,
G Block, Bandra Kurla Complex, Bandra (East),
Mumbai – 400051

SCRIP CODE: RKEC

**SUBMISSION OF ANNUAL REPORT OF THE COMPANY FOR THE
FINANCIAL YEAR ENDED 31 MARCH 2021**

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, herewith enclosing the Annual Report for the year 2020-21 of the Company for the Financial Year ended 31 March 2021.

You are requested to kindly take the same on record.

Sincerely Yours

For **RKEC Projects Limited**

Deepika Rathi

Deepika Rathi

Company Secretary & Compliance Officer



RKEC Projects Limited

GST No. : 37AACCR9682A1Z8

Regd. Office : # 10-12-1, 3rd Floor, Rednam Alcazar, Rednam Gardens, Opp. SBI Main Branch, Visakhapatnam-530 002
M: 0891-2574517 Tele Fax: 0891-2574703 Email: info@rkecprojects.com, Website: www.rkecprojects.com



RKEC Projects Limited

Specialists in Construction Of Bridges and Marine Works
ISO 9001,14001 and OHSAS 18001 Certified Company

16th ANNUAL REPORT
FY 2020-2021

RKEC Projects Limited

16th ANNUAL GENERAL MEETING

to be held on

27th September, 2021 at 11:00 A.M.IST

Through

Video Conferencing (“VC”) / Other Audio

Visual Means (“OVAM”)



Reg. Office.:

RKEC Projects Limited

**#10-12-1, 3rd Floor, Rednam Alcazar Rednam Gardens Opp. SBI
Main Branch, Visakhapatnam - 530002**

Ph: 0891-2574517, Tele Fax : 0891-2574703

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We are RKEC Projects Limited

M/s RKEC projects Ltd is an engineering construction company with a track record of 35 years. specialized in the business of Civil and Defence Construction such as construction of Buildings, Highways, Marine Works and Bridges. During the last decade, the Company has undertaken and successfully completed many construction projects across India such as Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Kerala, Pudducherry, Manipur, Uttar Pradesh, West Bengal and Karnataka with ongoing projects. The USPs of the company does include In-house capability of making cost affective designs without compromising on quality .

- High ranking position with respect to quality of its work.
- Track record of timely delivery.
- The strong and experienced project implementation team.
- It is a low debt company.
- It has got a stable and steady growth pattern and plans.
- The Company went public, wherein there was an over subscription of 18 times the issue size.
- Listed on NSE- Main Board platform.
- Low break even sales of Rs 120 cr p.a

RKEC Projects Limited is ranked amongst the top five companies for designing and executing Marine Works in the country. The Company has been executing onshore and infrastructure projects since 1985 and offshore works since 1994. The Company is “Super Special Class” registered contractors with Ministry of Defence which gives unlimited tendering capability.

OUR JOURNEY



OUR CLIENTELE



OUR STRENGTHS

- RKEC Projects Limited gets its core strength from the Founder Chairman and Managing Director Shri Garapati Radhakrishna, whose integrity, astute, mature and professional leadership, intrinsic mental, moral and spiritual values, and spirit of entrepreneurship allows everyone in the Company to go beyond their brief, and excel in every endeavor.
- The Company has only earned laurels and plaudits in every project undertaken since inception without exception. The Managing Director is personally involved in every stage of the project from the planning, execution and post execution of any project which is certainly a key reason behind RKEC's growth.
- Experienced In-house Design Team Technical staff with experience of more than 20 years particularly in Marine Works.
- Possess Marine Equipment worth Rs. 30 Crore which is capable of executing major offshore piling works. Advantage of having own ancillary services cannot be understated.
- One amongst very few contractors in the Country to possess Jack Up Barge of capacity 500 MT.

VISION

- To be the most admired and responsible DIVERSIFIED company dealing in Integrated Marine and all- purpose construction and also to diversify into areas such as Rural Electrification, National Highways, Smart City Projects, Firefighting system and Pipeline projects with a National and International footprint, delivering sustainable value to all stakeholders

OUR VALUES

We enjoy what we do, work with passion using innovative and 'out of box' solutions and our ambition will enthuse our clients to excel.

Irreproachable, even if required to present hard truths

Safety is a core value

Do everything planning, preparation, deployment of assets, analysis, execution, review, mitigating risks etc with a thoroughness that delivers quality and excellence on time

Care for Stakeholders, the Environment, Customers & Shareholders and our employees and partners

Do everything planning, preparation, deployment of assets, analysis, execution, review, mitigating

Speed, Responsiveness and Proactive approach, multidimensional and non linearity of leadership, thought and action.

CHAIRMAN'S MESSAGE

Charting out a disciplined growth path



Dear Shareholders,

It is with mixed feelings that I am doing this address to the shareholders. The entire year 2020-21 was a year of struggle and loss of human life's not only for your company but also for the whole world. This was 35th year of your company. We have taken all due care whatever is possible to support of its employees, officials for the protecting from them from the pandemic. Despite all due care we have lost number of lives of RKEC family. We pay homage to all of them and observe one minute silence before I further proceed. Your employees raised to the occasion and supported smooth functioning of the company and for achieving the productivity facing all the adversities.

In addition to the pandemic, the company was facing slowdown in one of its projects due to an Accident and an abnormally low level of working capital sanctions.

I have pleasure to inform you that the despite all the above, the company has neither retrenched, laid off any of its employee nor had imposed any reduction in their salaries & wages.

Your company has recorded a sustained growth in order booking with a cumulative order book of Rs.1573 Cr as on 31.03.2021. The orders on hand and to be executed is Rs.909 Cr i.e. a comfortable order book position for the next two years.

- Your company did book orders worth of Rs.293.9 Cr during FY 2021-22 and thereby will be regaining and improving upon the process of growth.
- Your company had completed two projects amounting to Rs 284.06 Cr successfully during FY 2020-21, the company is further poised for successful completion nine projects and amounting Rs. 308.29 Cr during FY 2021-22.
- The company achieved at EBIDTA of Rs.32.94 Cr as against 69.61 Cr of the previous year and the corresponding PAT was 12.76 Cr as against 30.27 Cr of the previous year.
- Happy to inform you that the board had recommended a dividend @12% to the shareholders for the FY 2020-21.
- I would like to inform the shareholders that your company have been successful in taking two out of three major challenges faced by it during the FY 2020-21. The first one was addressed to by getting a contract revalidated which was terminated in the year was 2018. Thereafter, a successful completion of the project followed by realization of the dues to the tune of Rs.53 Cr. The balance Rs.26 Cr is also under process for realization. The second was unfortunate accident in a project site during Feb 2020 we have successfully facilitated all the investigations, reviews and revalidations and proactively concluded the issues to facilitate a smooth takeoff of the project by Oct2021.
- We could partly resolve third issue of stressed working capital position being faced by the company for the last three financial years. The company could break through by the

realization of long outstanding debts to the tune of Rs.60 Cr during Q-I of FY 2021-22. We are also exploring other avenues to further bridge the working capital gap and in confident that your company will be able to achieve the same during the current financial year.

The management team of your company considers the lower performance of FY 2020-21 as a stray one and unprecedented we are confident to take the company to more heights.

The company's future outlook is to further concentrate on the core competent areas of marine structure and bridges and also to enter into specialized fields like Defence, DROD, Electrification, Fire Fighting, Pipelines, Tank farms etc.,

Finally I thank all the shareholders and directors also have supported us with guidance and patience. **Jai Hind !**

Thank You

G Radhakrishna

Chairman & Managing Director

CORPORATE INFORMATION

Board of Directors



CHAIRMAN & MANAGING DIRECTOR
Shri Garapati Radhakrishna



WHOLE TIME DIRECTOR
Smt Parvathi Devi



WHOLE TIME DIRECTOR
Shri G V Rama Mohan



INDEPENDENT DIRECTOR
Vice Admiral Satish Soni, *PVSM, AVSM, NM (Retd.)*



INDEPENDENT DIRECTOR
Shri T Lucas Peter(*IRS*) (*Retd.*)



INDEPENDENT DIRECTOR
Brig. J K Rao, *VSM*



INDEPENDENT DIRECTOR
Lt Gen P R Kumar,*PVSM, AVSM, VSM (Retd.)*



DIRECTOR
Dr. G Sita Ratnam

Key Managerial Personnel

Shri G Radhakrishna	Chairman & Managing Director
Shri R Jayachandran	Chief Financial Officer
CS Deepika Rathi	Company Secretary & Compliance Officer

*Brig G S Narayana was the CFO of the Company till 19 Nov 2020 and Shri R Jayachandran was appointed as CFO w.e.f. 19 Nov 2020.

Statutory Auditors

M/s SARC & Associates., Chartered Accountants

Secretarial Auditor

M/s P N Rao & Co., Practicing Company Secretaries(upto 2020)

M/s Mehta and Mehta (for the year 2021-22)

Cost Auditor

M/s Uppalapati & Associates, Cost Auditors

Internal Auditors

M/s Rao & Kumar, Chartered Accountants

COMPOSITION OF COMMITTEES

Audit Committee

Name of the Director	Status in Committee	Nature of Directorship
Shri T Lucas Peter (IRS) (Retd.)	Chairman	Independent Director
Vice Admiral Satish Soni, PVSM, AVSM, NM (Retd.)	Member	Independent Director
Shri G Radhakrishna	Member	Chairman & Managing Director

Nomination and Remuneration Committee

Name of the Director	Status in Committee	Nature of Directorship
Shri T Lucas Peter (IRS) (Retd.)	Chairman	Independent Director
Vice Admiral Satish Soni, PVSM, AVSM, NM (Retd.)	Member	Independent Director
Lt Gen P R Kumar	Member	Independent Director

Stakeholders Relationship Committee

Name of the Director	Status in Committee	Nature of Directorship
Shri T Lucas Peter (IRS) (Retd.)	Chairman	Independent Director
Vice Admiral Satish Soni, PVSM, AVSM, NM (Retd.)	Member	Independent Director
Shri G Radhakrishna	Member	Chairman & Managing Director

Corporate Social Responsibility Committee

Name of the Director	Status in Committee	Nature of Directorship
Shri G Radhakrishna	Chairman	Chairman & Managing Director
Shri G V Rammohan	Member	Whole Time Director
Brig. J K Rao, VSM	Member	Independent Director

Banks	Bank of Baroda
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Share Transfer Agent

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai 400059, Maharashtra

Registered Office

CIN: L45200AP2005PLC045795

10-12-1, Rednam Alcazar, Rednam Gardens
Opp SBI Main Branch, Visakhapatnam-530002,
Andhra Pradesh, India

NOTICE OF THE 16th ANNUAL GENERAL MEETING

.....

Notice is hereby given that the Sixteenth Annual General Meeting of the members of RKEC Projects Limited (CIN: L45200AP2005PLC045795) will be held on Monday, the 27th September 2021 at 11:00 A.M through Video Conferencing (“VC”) / Other Audio Visuals Means (“OVAM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

- a) The Audited Financial Statements of the Company for the Financial Year ended 31st March 2021 together with the Reports of the Board of the Directors and Auditors thereon; and
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year-end 31st March 2021 together with the Report of the Auditors thereon to pass the following resolution as Ordinary Resolution:

“**RESOLVED THAT** the Audited Financial Statements (both Standalone & Consolidated Financial Statements) of the Company for the Financial Year ended 31st March 2021, consisting of Balance Sheet as at 31st March 2021 together with the Notes to Financial Statements and Reports of the Board of Directors and Auditors including Annexure thereof laid before this meeting be and are hereby considered and adopted.”

2. To declare Dividend for the Financial Year 2020-21

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** a Dividend @12% i.e. Rs. 1.20 (Rupee One and Twenty Paise only) per equity share of the company recommended by the Board of Directors of the Company in the Board Meeting held on 14 August 2021, be and is hereby declared and approved.”

3. To re-appoint Gudapati Venkata Rama Mohan (DIN: 06602693), who retires by rotation and being eligible, offer himself for re-appointment as a Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT**” Gudapati Venkata Rama Mohan (DIN; 06602693), who retires by rotation at this meeting pursuant Section 152 of Companies Act 2013, being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS:

4. Ratification of Recommendation of Cost Auditors of the Company

To Consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**“**RESOLVED THAT**”pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s thereof, for the time being in force) M/s Uppalapati& Associates LLP, Cost Accountants, Visakhapatnam (Firm Registration No. 100506) whose appointment as the Cost Auditors of the Company, for the FY 2021-22 ending 31st March 2022, has been duly approved by the Board of Directors based on the recommendations of Audit Committee of the Company, be paid a sum Rs.80,000/-(Rupees Eighty Thousand) only plus applicable tax(GST) and reimbursement of actual out of pocket expenses, if any, as a remuneration for audit of cost records of the Company for the FY 2021-22 ending 31st March 2022, as recommended by the Board of Directors based on the recommendation of the Audit Committee of the Company , be and hereby ratified.” By the Order of the Board of the Directors for RKEC Projects Limited.

5. Re-appointment of Vice Admiral Satish Soni (DIN: 0766074) Independent Non-Executive Director of the company for 2nd Term of five consecutive years in terms of Section 149 of Companies Act 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to provisions of section 149, 152 & Schedule IV and other applicable provisions of the Companies Act, 2013, and Companies (Appointment and Qualifications of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force) and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Vice Admiral Satish Soni, (DIN 07664074) who was appointed as an Independent Director of the Company for a term of five years up to 25 Nov 2021 by the members at the Meeting of members of the Company held on the 1st December 2016, and whose appointment is to be approved by the Company in general meeting as per section 150 (2) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 24 November 2021 up to 25 Nov 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient for giving effect to this Resolution."

6. Re-appointment of Shri Lucas Peter Thalakala (DIN: 07664071) Independent Non-Executive Director of the company for 2nd Term of five consecutive years in terms of Section 149 of Companies Act 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to provisions of section 149, 152 & Schedule IV and other

applicable provisions of the Companies Act, 2013, and Companies (Appointment and Qualifications

of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force) and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Shri Lucas Peter Thalakala, (DIN 07664071) who was appointed as an Independent Director of the Company for a term of five years up to 25 Nov 2021 by the members at the Meeting of members of the Company held on the 1st December 2016, and whose appointment is to be approved by the Company in general meeting as per section 150 (2) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 24 November 2021 up to 25 November 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient for giving effect to this Resolution."

7. Re Appointment of Shri Garapati Radhakrishna (Din: 00073080) as Chairman and Managing Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or any re-enactment(s) thereof for the time being in force (the "Act") and Article No.131 of the Articles of Association of the Company, the consent of the members be and is hereby accorded for the re appointment of Shri Garapati Radhakrishna (Din: 00073080) as Chairman and Managing Director of the Company for a period of 5 (Five) consecutive years with effect from 1st December 2021 to 30th November 2026 at a remuneration of Rs.1,60,00,000/- per annum (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) including other benefits, allowances, perquisites as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient for giving effect to this Resolution."

8. Re Appointment of Smt Garapati Parvathi Devi (Din: 00094961) as Whole Time Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or any re-enactment(s) thereof for the time being in force (the "Act") and Article No.131 of the Articles of

Association of the Company, the consent of the members be and is hereby accorded for the re appointment of Smt Garapati Parvathi Devi (Din: 00094961) as Whole Time Director of the Company for a period of 5 (Five) consecutive years with effect from 1st December 2021 to 30th November 2026 at a remuneration of Rs.1,60,00,000/- per annum (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) including other benefits, allowances, perquisites as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient for giving effect to this Resolution."

9. To increase the Authorised Share Capital of the Company and consequential amemndment in Memorandum of Association of the Company

To consider and if thought fit to pass with or without modifications the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 61 and all other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules made thereunder, including any statutory modification(s) or any re-enactment(s) thereof enabling provisions of the Memorandum and Articles of Association of RKEC Projects Limited ("the Company") and other laws, notifications and regulations as may be applicable the authorized share capital of the Company is hereby increased from Rs. 25,00,00,000 Crores (Rupees Twenty Five Crores only) divided into 2,50,00,000(Two Crore Fifty Lakh) equity shares of face value of Rs. 10 each to Rs.50,00,00,000(Rupees fifty crore only) divided into 5,00,00,000(Five Crore) equity shares of face value of Rs. 10 each ranking pari-passu in all respects with the existing equity shares of the Company.

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 13 and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members of the Company be and is hereby accorded for substituting the existing clause V of Memorandum of Association of the Company relating to Authorised Share Capital of the Company with the following new clause in it's place:

‘V. The Authorised Share Capital of the Company is Rs.50,00,00,000 (Rupees fifty crore only) divided into 5,00,00,000(Five Crore only) equity shares of Rs. 10 (Rs. Ten only) each. The Company shall have the power from time to time, to increase or reduce the share capital, to issue any shares with special rights or privileges as to voting, dividend, repayments of capital or otherwise or to subject the shares to any restrictions, limitations, and conditions and to vary, modify or abrogate any such rights, privileges, restrictions or conditions. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified,affected, varied, extended or surrendered.’

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to sign and submit necessary form with the Registrar of the Companies and to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient for giving effect to this Resolution."

**By the Order of the Board of the Directors
For RKEC Projects Limited
Sd/-**

**Date: 4th September, 2020
Place: Visakhapatnam**

**Deepika Rathi
Company Secretary & Compliance Officer**

NOTES

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, and SEBI Circulars dated 15th January, 2021 read with 12th May, 2020 (SEBI Circulars), the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting

through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rkecproject.com. The Notice can also be accessed from the websites of the Stock Exchange National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
9. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015 the Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 20th day of September 2021 to Monday, the 27th day of September, 2021 (both days inclusive).
10. The Company has appointed M/s Big share Services Private Limited, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly quoting Folio No., full name and name of the Company as RKEC Projects Limited.
11. Members desiring any information on accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready for reply.
12. Electronic copy of the Notice of the Annual General Meeting along with Annual Report is being sent to all the shareholders whose name appears in the prelist furnished by NSDL and CDSL as Beneficial Owner as on 27th August, 2021 at the email ID's registered with the Company/ RTA / DP for communication purposes. We request you to update, your email address with your depository participant to ensure that the annual report and other documents reach you in permitted mode.
13. The details of Director's appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India is as below:

PARTICULARS	
Name	Gudapati Venkata Rama Mohan
Date of Birth	10.06.1988
Date of Appointment as Director	29.05.2019
No. of shares held in the Company	Nil

14. Since AGM will be held through VC/OVAM, the route map and attendance slips are not annexed to this notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-

The remote e-voting period begins on Friday, 24th September, 2021 at 9:00 A.M. and ends on Sunday, 26th September, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 18th September 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 18 September 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ Beneficial Owner ” icon under “Login” which is available under “ IDeAS ” section. A new screen

	<p>will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL

	<p>to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to admin@mehta-mehta.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@rkecprojects.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@rkecprojects.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

4. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@rkecprojects.com. The same will be replied by the company suitably.

Explanatory Statement Pursuant to the Provisions of Section 102 of the Companies Act, 2013:

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Item No. 4

Ratification of Remuneration of Cost Auditors of the Company

On recommendations of the Audit Committee, the Board of Directors of the Company, at its meeting held on 29 June 2021, approved and appointed, M/s Uppalapati & Associates LLP, Cost Accountants, Visakhapatnam (Firm Registration No. 100506) as the Cost Auditors of the Company for the FY 2021- 22 ending 31st March 2022 to audit the cost records of the Company at a remuneration of Rs. 80,000/- Only, plus applicable tax (GST) and reimbursement of actual out of pocket expenses, if any.

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration as recommended by the Board of Directors, is subject to ratification by the Shareholders (Members) of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Accordingly, the Board of Directors of the Company recommends the Ordinary Resolution for ratification of the Shareholders (Members) in the interest of the Company.

Item No. 5

Re-appointment of Vice Admiral Satish Soni (DIN: 0766074) Independent Non-Executive Director of the company for 2nd Term of five consecutive years in terms of Section 149 of Companies Act 2013

Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, is applicable to the company. In order to comply with the provisions of Section 149(4) of Companies Act, 2013, it is proposed to appoint Vice Admiral Satish Soni (DIN 07664074) Company. The Company has received from Vice Admiral Satish Soni (i) consent in writing to act as director in Form DIR -2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, to the effect, that he

is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013 confirming his eligibility for such appointment, and (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Brief Profile of Vice Admiral Satish Soni

Particulars

Brief Resume	Vice Admiral Satish Soni, Independent Director of the Company, has served Indian Navy for 4 decades. He has held the appointments of Flag officer commanding in Chief Southern Naval Command, Deputy Chief of naval Staff, Commandant National Defence Academy and Chief of Staff Eastern Naval Command in the rank of Vice Admiral. A Sword of honour of his batch, he has been commended by the chief of Naval Staff and is recipient of Param Ati Visisth Seva Medal, Ati Visisth Seva Medal, and Nau Sena Medal,.
Nature of expertise in the specific functional area.	He posses a vast skill set amid his services rendered in Indian Navy. He is a person who posses versatile qualities.
Disclosure of relationship between directors	None
Chairmanship/Membership of committees of other Public Companies	None
Share Holding	None

In the opinion of the Board, Vice Admiral Satish Soni fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act. The appointment of Vice Admiral Satish Soni as Independent Director is now being placed before the Members for their approval. A copy of the draft letter for the appointment of Vice Admiral Satish Soni as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

None of the Directors, promoters, Key managerial are interested or concerned in passing of the said resolution. The Board of Directors recommends the resolution as set out at Item No: 5 for approval of the members as an ordinary resolution.

Item No.6

Re-appointment of Shri Lucas Peter Thalakala (DIN: 07664071) Independent Non-Executive Director of the company for 2nd Term of five consecutive years in terms of Section 149 of Companies Act 2013

Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, is applicable to the company. In order to comply with the provisions of Section 149(4) of Companies Act, 2013, it is proposed to appoint Shri Lucas Peter Thalakala (DIN 07664071) Company. The Company has received from Vice Admiral Satish Soni (i) consent in writing to act as director in Form DIR -2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, to the effect, that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013 confirming his eligibility for such appointment, and (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Brief Profile of Shri Lucas Peter Thalakala

Particulars

Brief Resume

Shri Lucas Peter Thalakala, Independent Director of the Company is a Post Graduate in Economics from Andhra University and has recently been awarded with the Degree “Doctor of Philosophy in Economics. He has joined the Income Tax Department, Ministry of Finance, GOI in 1987. He has worked in different wings of Income tax department and retired on April 30, 2016 from the post of Commissioner of Income Tax.

Nature of expertise in the specific functional area.

He has rich experience to add value to the Company specially in Income Tax matters.

Disclosure of relationship between directors

None

Chairmanship/Membership of committees of other Public Companies

None

Share Holding

None

In the opinion of the Board, Shri Lucas Peter Thalakala fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent of the management. In compliance with

the provisions of section 149 read with Schedule IV of the Act. The appointment of Shri Lucas Peter Thalakala as Independent Director is now being placed before the Members for their approval. A copy of the draft letter for the appointment of Shri Lucas Peter Thalakala as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

None of the Directors, promoters, Key managerial are interested or concerned in passing of the said resolution. The Board of Directors recommends the resolution as set out at Item No: 6 for approval of the members as an ordinary resolution.

Item No.7

Re Appointment of Shri Garapati Radhakrishna (Din: 00073080) as Chairman and Managing Director of the Company

Pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board and subject to the approval of the shareholders at the ensuing Annual General Meeting, your Directors recommend the re appointment of Shri Garapati Radhakrishna (DIN: 00073080) as Chairman and Managing Director of the Company for a further period of 5 (Five) years w.e.f. 1 December 2021. Brief Profile of Shri Garapati Radhakrishna is as under:

Shri Garapati Radhakrishna, Chairman and Managing Director of the Company, holds a degree of Bachelor of Engineering (Mechanical) from Andhra University and was awarded a Gold Medal from Government of India for having been adjudged as best Cadet in All India Sainik School's meet at Poona in 1980 and also has represented Andhra Pradesh in Republic Day Parade at Delhi. He possesses an experience of over 35 years, specialization in Marine and Bridge Works. He started his career in 1985 and established M/s R K Engineers and Contractors, his sole proprietor concern, which was taken over by the present Company in the year 2005. He is instrumental in taking major policy decisions for the Company and plays a vital role in identifying, developing and formulating business strategies and effective Implementation of all projects. Under his able guidance, the company has so far executed 94 Projects successfully worth over 1721 Crores.

Name	Garapati Radhakrishna
Designation	Chairman and Managing Director
DIN	00073080
Address	7-17-9/1, Kirlampudi Layout, Siva Sivani Public School, China Waltair, Visakhapatnam LB Colony 530017 AP IN
Salary inclusive of all allowances	Not exceeding to Rs. 1,60,00,000 or as may be decided by the board of directors
Perquisites in addition to salary	Free use of Company's car for the business of the Company.
Retirement Benefits	Company's Contribution towards Provident Fund, Gratuity as per the rules of the Company.

Other benefits	Free use of mobile facility. Reimbursement of expenses incurred for travelling boarding and lodging during business trips and all other expenses actually and properly incurred by them for the business of the Company. Bonus payable as per rules of the company
Minimum Remuneration	Where in any financial year during the currency of tenure of the Garapati Radhakrishna, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.
Nature of expertise in the specific functional area.	He possesses an experience of over 35 years, specialization in Marine and Bridge Works. He is instrumental in taking major policy decisions for the Company and plays a vital role in identifying, developing and formulating business strategies and effective Implementation of all projects. Under his able guidance, the company has so far executed 94 Projects successfully worth over 1721 Crores.
Chairmanship/ Membership of committees of other Public Companies	None

In accordance with the provisions of the Companies act 2013 read with Schedule V to the Act, the appointment and remuneration is to be approved by members in General Meeting.

Your Directors therefore, recommend for your approval the above proposed resolution in the best interest of the Company.

Except Shri Garapati Radhakrishna, being appointee, Smt Garapati Parvathi Devi, his wife and Shri G V Rama Mohan, Son in Law, none of Directors and KMPs are concerned or interested in the aforesaid resolution.

Item No.8

Re Appointment of Smt Garapati Parvathi Devi (Din: 00094961) as Whole Time Director of the Company

Pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board and subject to the approval of the shareholders at the ensuing Annual General Meeting, your Directors recommend the re appointment of Smt Garapati Parvathi Devi (DIN: 00094961) as Whole Time Director of the Company for a further period of 5 (Five) years

w.e.f. 1 December 2021. Brief Profile of Smt Garapati is as under:

Smt. G Parvathi Devi, Whole Time Director, holds a degree of Bachelor of Science from Andhra University. She monitors the Departmental Heads of Finance, Accounts and Stores. Conducts review

meetings, Board Meetings on regular basis, and has rapport with Financial Institutions like public sector and other financial undertakings.

Name	Garapati Parvathi Devi
Designation	Whole Time Director
DIN	00094961
Address	7-17-9/1, Kirlampudi Layout ,Siva Sivani Public School, China Waltair, Visakhapatnam LB Colony 530017 AP IN
Salary inclusive of all allowances	Not exceeding to Rs. 1,60,00,000 or as may be decided by the board of directors
Perquisites in addition to salary	Free use of Company's car for the business of the Company.
Retirement Benefits	Company's Contribution towards Provident Fund, Gratuity as per the rules of the Company.
Other benefits	Free use of mobile facility. Reimbursement of expenses incurred for travelling boarding and lodging during business trips and all other expenses actually and properly incurred by them for the business of the Company. Bonus payable as per rules of the company
Minimum Remuneration	Where in any financial year during the currency of tenure of the Garapati Radhakrishna, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above.
Nature of expertise in the specific functional area.	She possesses an experience of over 30 years, specialization in Marine and Bridge Works. She is instrumental in taking major policy decisions for the Company and plays a vital role in identifying, developing and formulating business strategies and effective Implementation of all projects.
Chairmanship/ Membership of committees of other Public Companies	None

In accordance with the provisions of the Companies act 2013 read with Schedule V to the Act, the appointment and remuneration is to be approved by members in General Meeting.

Your Directors therefore, recommend for your approval the above proposed resolution in the best interest of the Company.

Except Smt Garapati Parvathi Devi, being appointee, , Shri Garapati Radhakrishna her husband and Shri G V Rama Mohan, Son in Law, none of Directors and KMPs are concerned or interested in the aforesaid resolution.

Item No.9

To increase the Authorised Share Capital of the Company and consequential amemndment in Memorandum of Association of the Company

The present authorized share capital of the Company is Rs. 25,00,00,000 Crores (Rupees Twenty Five Crores only) divided into 2,50,00,000(Two Crore Fifty Lakh) equity shares of face value of Rs. 10 each.

Considering the increased fund requirements of the Company, the Board at it's Meeting held on 14 Aug 2021, has accorded it's approval for increasing the Authorised Share capital from Rs. 25,00,00,000 Crores (Rupees Twenty Five Crores only) divided into 2,50,00,000(Two Crore Fifty Lakh) of face value equity shares of Rs. 10 each to Rs.50,00,00,000(Rupees fifty crore only) divided into 5,00,00,000(Five Crore) equity shares of face value of Rs. 10 each, subject to the approval of the shareholders.

It is therefore proposed to increase the Authorised Share capital from Rs. 25,00,00,000 Crores (Rupees Twenty Five Crores only) divided into 2,50,00,000(Two Crore Fifty Lakh) equity shares of face value of Rs. 10 each to Rs.50,00,00,000(Rupees fifty crore only) divided into 5,00,00,000(Five Crore) equity shares of face value of Rs. 10 each ranking pari-passu in all respects with the existing equity shares of the Company.

Consequently, Clause 'V' of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association requires approval of members at general meeting.

None of the Directors, promoters, Key managerial are interested or concerned in passing of the said resolution. The Board of Directors recommends the resolution as set out at Item No: 9 for approval of the members as an ordinary resolution.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting to you the Sixteenth Annual Report on Business and Operations of the Company along with audited Annual Financial Statements for the year ended 31st March, 2021.

1. PRESENTATION OF FINANCIAL STATEMENTS:

The financial highlights for the year under report are as under:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from orations	20231.30	29,793.41	20786.63	30,398.24
Other Income	345.74	257.89	345.74	294.71
Total Income	20577.04	30051.30	21132.37	30,692.56
Less: Expenditure	17283.18	23089.93	17837.60	23,893.37
Profit/(loss) before Interest, Depreciation and Tax	3294.86	6961.37	3294.77	6799.59
Less: Finance Cost	1150.50	1132.56	1150.50	1132.56
Less: Depreciation & Amortization Cost	398.80	414.46	398.80	414.46
Prior Period Items	-	-	-	-
Less: Extraordinary items	-	1332.89	-	1332.89
Profit/(loss)Before Tax	1745.56	4081.46	1745.46	3919.28
Less: Tax Expenses	487.73	1087.55	487.76	1087.55
Less: Deferred Tax	-18.66	-33.29	-18.66	-33.29
Profit/(loss)after Tax	1276.49	3027.21	1276.36	2865.02

During the year under review, the Company has earned net profit of Rs. 12,76,48,659.49/- There is decrease in profit after tax during the financial year 2020-21

when compared to the net profit after tax of the previous year. This was due to the sudden outburst of Pandemic, Covid-19, the slowdown on Farakka Project and stressed working capital condition. Your Directors are confident that the performance of the Company will be improved on all fronts in the current Financial Year.

2. DIVIDEND:

The Board of Directors aim to grow the business lines of the Company and enhance the rate of return on investments of the shareholders. Your Directors recommends a Dividend of Rs.1.20 (12%) per share equity share of Rs. 10 each for the FY 2020-21.

3. CAPITAL STRUCTURE

The paid up share capital of the Company is Rs.23,99,06,000/- (Rupees Twenty Three Crores Ninety Nine Lakhs Six Thousand only) divided into 2,39,90,600 (Two Crore Thirty Nine Lakh Ninety Thousand and Six Hundred) equity shares of Rs.10/- each. The aforesaid Equity Shares is listed on National Stock Exchange of India.

Further, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

4. CONSOLIDATED FINANCIAL STATEMENTS

The Financial Statement of the Company for the Financial Year 2020-21 are prepared in compliance with the applicable provisions of the Companies Act 2013, Accounting Standards and as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. The consolidated Financial Statement has been prepared on the basis of the audited Financial Statements of the Company, RKEC Projects Limited and its JV Firms as approved by the respective Board of Directors/Management. Pursuant to the provisions of Section 136 of the Act, applicable rules relating to Accounting Standards, the Financial Statements of the Company and the Consolidated Financial Statements along with all relevant documents and Auditors Report thereon form part of this Annual Report.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

6. CHANGE IN THE NATURE OF THE BUSINESS OF THE COMPANY

During the year, there is no change in the nature of the business of the Company.

7. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

8. AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The Directors have decided to transfer the balance amount in the retained earnings after distribution of proposed dividend, to be approved by the shareholders in the ensuing AGM.

9. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

There have been no material changes and commitments which affect the financial position of the Company, that have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report. However the revalidation of contract by PuVNNL and successful completion of the revalidated contract shows the commitment of both the client and RKEC.

Impact of Covid on the Business

The World Health Organization declared the novel coronavirus disease (“COVID-19”) outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown on March 24, 2020.

On account of the nationwide lockdown, operations at all of our places were suspended. With the aim of continuity in critical interfaces and preventing any disruption of services, the Company had adopted work from home policy, provided adequate IT infrastructure and has taken various measures to ensure the safety and wellbeing of all employees and has ensured compliance with the directives issued by the Central Government, State Government and local administration in this regard from time to time.

We restarted operations with the progressive relaxation of the lockdown in 2020. We have implemented additional safety measures, such as, regular temperature checks, regular premises sanitization, compulsory use of masks and hand sanitization, and staggered workforce.

10. STATEMENT ON FORMAL ANNUAL EVALUATION OF BOARD

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their

meeting held for various purposes evaluates the performance of all the Directors, Committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of Board Members and also tries to discharge its duties more effectively. Each Board Members contribution, their participation was evaluated and the domain knowledge they bring. They also evaluate the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

11. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company’s operations in future.

12. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has developed and implemented risk management policy, wherein all material risks faced by the Company are identified and assessed. The Risk Management Policy is uploaded on the website of the Company and can be accessed on Company's website www.rkecprojects.com.

13. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT-GO:

A. Conservation of Energy:

The steps taken or impact on conservation of energy.

- i. The steps taken by the company for utilizing alternate sources of energy.
- ii. The capital investment on energy conservation equipment.

B. Technology Absorption:

- i. The efforts made towards technology absorption.
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution.
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –
 - a) The details of technology imported.
 - b) The year of import.
 - c) Whether the technology was fully absorbed.
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.
 - e) The expenditure incurred on Research and Development.

REMARKS:

The provisions of Section 134(3) (m) of the Act relating to conservation of energy and technology absorption do not apply to the Company. The Company has, however, used information technology in its operations and continuously invests in energy-efficient office equipment at all office locations.

C. Foreign Exchange Earning & Out-Go:

Foreign Exchange Earning: NIL

Foreign Exchange Outgo: NIL

14. CORPORATE SOCIAL RESPONSIBILITY

A detailed outline of the Corporate Social Responsibility (CSR) policy of the Company on CSR activities during the Financial Year 2020-21 are set out in “Annexure–1A” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time

to time. The CSR Policy is available on the website of the Company www.rkecprojects.com.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year, the Company has made no investment falling under the provision of Section 186 of the Companies Act, 2013 read with rules made there under. The Company has not given loan, guarantee or provided security in connection with the loan to any other body corporate or person. The members are requested to refer the notes to the Financial Statement which are forms the part of the Annual Report for detailed information.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of Contracts or Arrangements made with related parties referred to in section 188 (1) of the Companies Act, 2013, in the prescribed form (Form AOC-2) is appended as Annexure- 1B” to the Board’s Report.

In accordance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) 2015, your Company has a Policy on Related-Party Transactions which can be accessed on the website of the Company www.rkecprojects.com.

DIRECTORS

a. Composition

As on March 31, 2021, the Board of your Company consists of Eight Directors. Their details are as follows:

Category	Name of Director
Executive Director	Shri Garapati Radhakrishna, Chairman and Managing Director Smt Parvathi Devi Garapati, Whole Time Director
Non Executive Independent Directors	Shri Venkata Rama Mohan Gudapati, Whole Time Director Vice Admiral Satish Soni PVSM, AVSM, NM (Retd) Lt Gen Kumar Peruvemba Ramachandran Shri Lucas Peter Thalakala, IRS (Retd) Brig Kameswara Jagabathula Rao
Non Executive Directors	Dr. Gudapati Sita Ratnam

The composition of the Board is in line with the requirements of the Act and

Listing Regulations. All the Directors have vast knowledge and experience in their relevant fields and the Company has benefitted immensely by their presence on the Board.

b. Changes in Directors and Key Managerial Personnel (KMP) during the FY2021

- Lt Gen P R Kumar was appointed as an Additional director and Independent Director considering his integrity, expertise and experience effective from July, 30, 2020 for a period of five years and the appointment was approved by the shareholders at the 15th AGM held on 29 Sep 2020.
- Shri R Jayachandran was appointed as Chief Financial Officer in place of Brig G S Narayana w.e.f 19 Nov 2020.

c. Director retiring by Rotation.

As per the provisions of Companies Act, 2013, Shri Venkata Rama Mohan Gudapati (DIN: 06602693) retires by rotation at the ensuing Annual General Meeting and being eligible seeks reappointment. Based on the recommendation of the nomination and remuneration committee, the Board recommends his reappointment.

His details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of your Company.

An appropriate resolution seeking your approval to his re-appointment as Director is included in the Notice.

d. Woman Director

In terms of the provisions of Section 149 of the Act and Regulation 17(1)(a) of Listing Regulations, the Company needs to have at least one woman director on the Board. The Company has Smt Garapati Parvathi Devi and Dr. G Sitaratnam as Woman Directors on the Board.

e. Declaration by Independent Director(s) and re-appointment, if any

The Company has four Independent Directors on the Board. The Company has

received declaration from each Independent Director of the Company under Section 149(7) of the Act that they meet the criteria of independence as laid down in Section 149(6) of the Act and subsequently the same was placed at the

Board Meeting held on June 12, 2021.

Further, in terms of the recently introduced regulatory requirements, name of every Independent Director should be added in the online database of Independent Directors by Indian Institute of Corporate Affairs, Manesar ("IICA"). Accordingly, Independent Directors of the Company have registered themselves with the IICA for the said purpose.

A declaration by Managing Director confirming the receipt of this declaration from Independent Directors is annexed to this report as Annexure II.

It is proposed to reappoint Vice Admiral Satish Soni and Shri Lucas Peter Thalakala for 2nd term as Independent Directors on Board considering their expertise and eligibility, whose 1st term is concluding on 25 Nov 2021.(Reappointment is subject to the approval

of the Members)

17. KEY MANAGERIAL PERSONNEL

Shri. G Radhakrishna-Managing Director, Shri R Jayachandran- Chief Financial Officer and CS Deepika Rathi- Company Secretary & Compliance Officer are Key Managerial Personnel of the Company in accordance with the provisions of section 2 (51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. MEETINGS OF THE BOARD OF DIRECTORS

The Board met 5 times in the Financial Year 2020-21 viz, 27 June 2020, 30 July 2020, 4 Sep 2020, 11 Nov 2020 and 12 Feb 2021. Details of Directors as on 31 Mar 2021 and their attendance at the Board Meetings and Annual General Meeting (AGM) during the Financial Year 2020-21 are given below:

Name of Directors	Designation	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM
Shri G Radhakrishna	Chairman & Managing Director	5	5	Yes
Smt G Parvathi Devi	Whole Time Director	5	4	Yes
Shri G V Rama Mohan	Whole Time Director	5	4	Yes
Vice Admiral Satish Soni PVSM, AVSM, NM (Retd)	Independent Director	5	5	Yes
Shri T Lucas Peter, IRS (Retd)	Independent Director	5	5	Yes
Brig JK Rao	Independent Director	5	5	Yes
Lt Gen P R Kumar	Independent Director	5	4	Yes
Smt G Sita Ratnam	Director	5	4	Yes

19. COMMITTEE MEETINGS

The Board of Directors of your Company have formed various Committees, as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements), 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of those Committees is in compliance with the applicable laws. Further there are no instances where the Board has not accepted recommendations of Audit Committee. Policy framed by Nomination and Remuneration committee is available on website-Link: <http://www.rkecprojects.com/images/pdf/4remunerationpolicy.pdf>. In order to ensure focused attention on business and for better governance and accountability, the Board

comprises of following four committees:

Audit Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri T Lucas Peter, IRS (Retd)	4	4
Vice Admiral Satish SoniPVSM, AVSM, NM (Retd)	4	4
Shri G Radhakrishna	4	4

Nomination & Remuneration Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri T Lucas Peter, IRS (Retd)	3	3
Vice Admiral Satish SoniPVSM, AVSM, NM (Retd)	3	3
Lt Gen P R Kumar	3	2

Corporate Social Responsibility (CSR) Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri G Radhakrishna	2	2
Brig J K Rao	2	2
Shri G V Rama Mohan	2	2

Stakeholders Relationship Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri G Radhakrishna	1	1
Vice Admiral Satish Soni	1	1
Shri Lucas Peter Thalakala	1	1

20. DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Act:

(a) in preparation of Annual Accounts for the financial year ended 31st March, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

(b) that such accounting policies as mentioned in the Notes to the Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and the profit of the Company for the year ended on that date;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual accounts have been prepared on a going concern basis;

(e) that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and

(f) that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

21. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established Vigil Mechanism/Whistle Blower Policy for Directors and employees of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The said mechanism also provides for direct access to the Chairperson

of the Audit Committee in appropriate or exceptional cases. The Board of Directors of

the Company frequently reviews the Vigil Mechanism/Whistle Blower Policy in order to ensure adequate safeguards to employees and Directors against victimization. The said policy is also available on the website of the Company at www.rkecprojects.com.

22. DETAILS OF INVESTOR'S GRIEVANCES/ COMPLAINTS:

The Company has not received any complaints during the year. The pending complaints of the Shareholders/ Investors registered with SEBI at the end of the current Financial Year ended on 31st March, 2021 are NIL.

There were no pending requests for share transfer/dematerialization of shares as of 31st March 2021.

23. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has placed an adequate Internal Financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's Internal Financial Controls relating to its Financial Statements.

In addition, the Internal Auditor performs periodic audits in accordance with the pre-approved plan. They report on the adequacy and effectiveness of the internal control systems and provide recommendations for improvements.

During the year, such Controls were tested and no reportable material weakness was observed.

24. COMPLIANCE WITH THE SECRETARIAL STANDARDS

The company has complied with applicable provisions of Secretarial standards issued by the Institute of Company Secretaries of India and approved by Government of India under section 118 (10) of the Companies Act, 2013.

25. STATEMENT UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The company has formulated a policy on prevention of sexual harassment of women at workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year ended 31st March, 2021, the Company has not received any complaints pertaining to sexual harassment.

26. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

There are no subsidiary and associate companies which have become so and ceased as such during the financial year under review. The Company has entered into Joint Venture with M/s Suryadevara Engineers & Contractors, Vijayawada, M/s Qingdao Construction Engineering Group Co. Ltd, M/s Rapid Net Sports System and M/s N.G. BHOIR & M/s Samudra Dredging Private Limited. The statement containing the salient feature of the JVs is given in "Annexure - 1C".

27. AUDITORS

Statutory Auditors

The present Auditors of the Company, M/s. SARC & Associates, Chartered Accountants (FRN: 006085N), were appointed as Statutory Auditors for a

period of 5 year(s) at the Annual General Meeting held on 29th Sept, 2020 to hold the office till the conclusion of 20th Annual General Meeting of the Company to be held in the year 2025.

In pursuant to Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditor is not required to be ratified at every Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by M/s SARC & Associates, Chartered Accountants, the Statutory Auditors of the Company, in their report.

Secretarial Auditor

M/s Mehta & Mehta, Company Secretaries, Mumbai are appointed as Secretarial Auditors of the Company to conduct Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 for FY 2021-22 in the Board Meeting held on 12 June 2021. M/s P N Rao & Co., Practicing Company Secretaries, Visakhapatnam were appointed as Secretarial Auditors of the Company to conduct Secretarial Audit for FY 2020-21. The Secretarial Audit was entrusted to M/s Mehta & Mehta, Company Secretaries for the FY 2020-21 after obtaining NOC by M/s P N Rao & Co, Visakhapatnam which forms part of this report and is marked as “Annexure-1D”

Board noted the observations/qualifications made in the report by the Secretarial auditor and desired to strictly adhere to the compliance requirements under the Companies Act, 2013 and filing of various documents within the stipulated time. Following are the observations made by the Secretarial Auditor along with Management replies:

Management Responses to the observations made in Secretarial Audit Report:

(i) The Building and other construction workers (Regulation of employment and conditions of service) Act, 1956.*

(j) Inter-State Migrant workmen ((Regulation of employment and conditions of service) Act, 1979.*

Observation:

*The documents/ returns/ reports with respect to sector specific laws as stated in (i) and (j) above were not made available to us for inspection and hence we cannot comment on the compliances done, if any by the Company.

Management Reply: It is to mention that a composite return has been filled as per applicable laws.

Observation:

1.The Company has not noted the budget, annual action plan and annual report on CSR.

Management Response: Noting of Budget, annual action plan and annual report on CSR became applicable vide circular dated 22 Jan 2021. The compliance shall be done in the current financial Year.

Observation:

2.We have not checked the statutory registers of the Company as they were not made available to us for inspection and so we cannot comment on the same.

Management Response: There was delay in providing information as the registers are manually maintained. Same shall be furnished soon after completion and conversion to electronic form.

Observation:

3.MGT 15 not filed by the Company post the completion of AGM for the year 2020.

Management Response: It was missed out inadvertently. The Company shall comply with the provision with initiation of any Companies Fresh Start Scheme by MCA or with any suitable mean.

Observation:

4.Effective date of appointment of CFO is not mentioned in the resolution appointing CFO (BM-11.11.2020)

Management Response: In the resolution it was mentioned “ His appointment shall take effect from the date of assuming charge as CFO”. Date of Board Meeting was 11 Nov 2021, whereas CFO joined from 19 Nov 2021 and the same was intimated and mentioned in the e-form DIR-12 filed with ROC to effect his appointment.

Observation:

5.& 6. Agenda for regularization and recommendation of Mr. P R as Independent Director, subject to approval of shareholders has not been taken up in the BM held on 04-09-2020.

Management Response: Resolution passed in the Board Meeting held on 30 July 2020, where Lt Gen P R Kumar was appointed as additional Director, Category Non Executive Independent Director, it was stated 'Lieutenant General PR Kumar, PVSM, AVSM, VSM (DIN: 07352541) be and is hereby appointed as an Additional Director of the Company with immediate effect from 30th July 2020 who shall hold the office as such till the ensuing Annual General Meeting and is be and hereby appointed as Independent Director for a term of five years with effect from 30th July 2020 subject to his Regularization from Additional Director to Regular Director.'

There by, separate agenda was note taken for his regularization. However the point is noted for future.

Observation:

7.Circular resolution has been deemed to be passed on 29-01-2021 whereas draft has been circulated on 30-01-2021 (as per the proof provided) and consent from some of directors have been received on 30-01-2021. There is a mismatch of dates.

Management Response: The resolution was circulated on 29 Jan 2021, but due to some technical issues the mail couldn't be sent. It came into notice on 30 Jan 2021 and the same was re sent. Later it was ratified by the Board.

Observation:

8.Avaling of credit facility under BCECL Scheme from Bank of Baroda has been passed through circular resolution instead of Board resolution as required under Section 179 of the Companies Act, 2013.

Management Response: This was in the midst of Covid Pndemic wherin a covid loan of Rs. 3.75 Cr was availed under the scheme ny BOB, which was later ratified by the Board.

Observation:

9.The NRC committee shall consist of all non-executive directors as per Reg 19, but the Company appointed one of its Executive directors as a member of the Committee. As per the Company the reconstitution of the Committee is done however no noting found in either NRC meeting or Board meeting for the same.

Management Response: The Company has reconstituted NRC committee as per Reg 19 and a note is there in the minutes of NRC Meeting held on 30 July 2020 to induct Lt Gen PR Kumar as a member in NRC Committee. However the same shall be reconsidered and properly executed.

Observation:

10.Presence of NRC Chairman and SRC Chairman in the AGM not recorded in AGM Minutes.

Management Response: Presence of all the Directors who attended the Annual General Meeting is recorded in the AGM minutes, which includes NRC Chairman and SRC Chairman. However separate mention is not there. Noted for future.

Cost Auditors

The Company has appointed M/s Uppalapati & Associates LLP, Cost & Management Accountants, as Cost Auditors as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 for the FY 2021-22.

Internal Auditors

The Company has appointed M/s Kumar Vadisala and Associates as Internal Auditor for the year 2021-20. M/s Rao and Kumar, who were Internal Auditors of the Company for the year 2020-21 has expressed their inability for reappointment due to pre-occupation.

28. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1)

of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as “Annexure - 1E”. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

29. EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section (3)(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as at March 31, 2021 is available at www.rkecprojects.com.

30. CORPORATE GOVERNANCE

Pursuant to the Listing Regulations, a separate section titled ‘Corporate Governance’ has been included in this Annual Report, along with the Report on ‘Management Discussion and Analysis’. All Board members and Senior Management personnel have affirmed compliance with the code of conduct for FY2021. A declaration to this effect signed by the Managing Director of the Company is included in this Annual Report. The Managing Director and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as specified in the Listing Regulations. A certificate from a Practising Company Secretary regarding compliance of conditions of corporate governance is attached to the Corporate Governance Report.

31. EVENT BASED DISCLOSURES

The Company has not issued any shares with differential Voting Rights or Sweat Equity shares or shares under Employee Stock Option Plan (“ESOP”). The Company has not provided any money to its employees for purchase of its own shares. Hence, the Company has nothing to report in respect of Rule 4(4), Rule (13), Rule 12(9) and Rule 16 of the Companies (Share Capital & Debentures) Rules, 2014.

32. LISTING

The equity shares of the company got listed on Main Board of NSE on 18 Dec 2020 from SME platform of NSE and the Company has paid annual listing fees for the year 2020-21.

33. MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) of the (Listing Obligations Disclosures Requirements) Regulations, 2015 is given as an annexure to this Annual Report.

34. HUMAN RESOURCE AND EMPLOYEE RELATIONS

Your people are your greatest resource. Your Company encourages and provides regular training to employees to improve skills. Your Company has performance appraisal system for senior employees and junior management staff. Rewarding individuals for their contribution is part of motivation towards Excellence. More details on this section are forming part of Management Discussion and Analysis Report.

35. PREVENTION OF INSIDER TRADING

"Insider Trading" is an unethical practice resorted to by those privy to certain unpublished information relating to the Company to profit at the expense of the general investors who do not have access to such information. The objective of the current Regulations is to prevent "insider trading" by prohibiting dealing, communicating, counseling or procuring "unpublished price sensitive information".

The Company has framed "The Code for Prevention of Insider Trading" as required under

regulation 9 of the Securities and Exchange Board of India (Prohibition Of Insider Trading) Regulations, 2015 to be observed by the Directors and Designated Employees in the performance of their duties. The Board of Directors have also adopted the Code of Fair Disclosure for the Company and would ensure that the Management adheres to this code to make the Unpublished Price Sensitive Information of the Company would be made available to the general public as soon as it is possible for the Company to do so. The Company recognizes that strict observance of the Code is a basic pre-requisite for ensuring full confidentiality of

all "unpublished price sensitive information" and to build general investor confidence and stakeholder credibility.

36. OTHER DISCLOSURES

- a. During the year under review, the Company has not allotted any equity shares with differential voting rights.
- b. No frauds were reported by the auditors under sub-section (12) of section 143 of the Act.
- c. The Company has complied with applicable Secretarial Standards for Board and General Meetings held during the year under review.
- d. The Company has not revised Financial Statements as mentioned under section 131 of the Act.

37. ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation and sincerely acknowledge the contribution and support from valuable Stakeholders, Bankers, Central and State Government Departments, Dealers, Vendors and other Statutory and Regulatory Authorities for their excellent support and help rendered during the year.. The Directors also extend their special appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance and also for their continued commitment, dedication and cooperation.

Annexure-“1A”

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

At RKEC, we are committed to the ‘Good & Green’ vision of creating a more inclusive and greener India. We never lose sight of our responsibility to the environment and society. Our commitments towards Corporate Social Responsibility include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably. The main objective of the CSR Policy is to lay down guidelines for RKEC Projects Limited to make CSR as one of the key focus areas to adhere to the Companies global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs. This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr G Radhakrishna	Chairman (Managing Director)	2	2
2	Mr G V Rammohan	Member (Whole Time Director)	2	2
3	Brig J K Rao, VSM	Member (Independent Director)	2	2

- Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: www.rkecprojects.com
- Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL
- Average Net profit of the Company as per Section 135(5): Rs.2965.92 Lakhs
- Two percent of average net profit of the Company as per section 135(5):- Rs. 59.32 Lakhs
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 - Amount required to be set off for the financial year, if any :- NIL

(d) Total CSR obligation for the financial year (7a+7b- 7c) :- Rs. 59.32 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (in Rs.(lakhs))				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
23.8	33	30.04.2021	NA	NA	NA

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Name/ CSR Registration No.
				State	District						
1.	Covid Support		Yes	Andhra Pradesh	Visakhapatnam		3300000		3300000	No	NA

(c) Details of CSR amount spent against, **other than ongoing projects**, for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct	Name/ CSR Registration No.
				State	District			

							(Yes/ No)	
1.	Covid Support	Relief to the needy during Covid	Yes	Andhra Pradesh	Visakhapatnam,	169260	Yes	NA
2.	Covid Support	Relief to the needy during Covid	Yes	Andhra Pradesh	Visakhapatnam,	78000	Yes	NA
3.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam,	84960	No	Sri Sai Samsthan Charitable Trust/ CSR00013439
4.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam,	167500	No	Sri Sai Samsthan Charitable Trust/ CSR00013439
5.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam,	97540	No	Sri Sai Samsthan Charitable Trust/ CSR00013439
6.	Covid Support	Relief to the needy during Covid	Yes	Andhra Pradesh	Visakhapatnam	216000	No	Sri Sai Samsthan Charitable Trust/ CSR00013439
7.	Covid Support	Relief to the needy during Covid	Yes	Andhra Pradesh	Visakhapatnam	108000	No	Sri Sai Samsthan Charitable Trust/ CSR00013439
8.	Covid Support	Relief to the needy during Covid	Yes	Andhra Pradesh	Visakhapatnam	216000	No	Sri Sai Samsthan Charitable Trust/ CSR00013439
9.	Hygiene	Health and Sanitation	Yes	Andhra Pradesh	Visakhapatnam	330000	Yes	NA
10.	Covid Support	Relief and Support to Needy During Covid	Yes	Andhra Pradesh	Visakhapatnam	900000	No	Vijjis Foundation
TOTAL						2367260		

- (d) Amount spent in Administrative Overheads : Rs. 10,000
- (e) Amount spent on Impact Assessment, if applicable : NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 23.8 Lakhs
- (g) Excess Amount of Set-off, if any : NIL

Sr. No.	Particulars	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5)	59.32
(ii)	Total amount spent for the financial year	23.8
(iii)	Excess amount spent for the financial year[(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

The Company's total CSR expenditure during the year was Rs. 23,77,260. The Company's CSR projects primarily focused on the Quality of Education & Water, Sanitation, Health & Hygiene and activities on Social Cause which pertained to Schedule VII of the Companies Act, 2013.

9. (a) details of Unspent CSR Amount for the preceding three financial years:

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial year (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2017-18		175000				
2	2018-19		2010000				
3	2019-20		2817160				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl No.	(2) Project ID	(3) Name of The project	(4) Project Duration	(5) Total amount allocated for the project (in Rs.)	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in the reporting Financial year (in Rs.)	(8) Cumulative amount spent at the end of the reporting Financial	(9) Status of the project- Completed / Ongoing
---------------	-------------------	----------------------------	-------------------------	--	--	---	--	---

							Year (in Rs)	
NA								

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year: Not Applicable (asset-wise details)

- Date of acquisition of the capital asset(s): N.A.
- Amount of CSR spent for creation or acquisition of capital assets: N.A.
- Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: N.A.
- Provide details of the capital assets(s) created or acquired (including complete address and location of the capital assets): N.A.

11. Specify the reason(s), if the Company has failed to spend two percent of the net profit as per Section 135(5):

Due to Covid-19, a few activities have been deferred and will be executed during FY 2021-22 as per the amended circular of the MCA.

By Order of the Board of Directors
For RKEC Projects Limited
Sd/

Date: 14th August, 2021
Place: Visakhapatnam

G Radhakrishna
Chairman & Managing Director
DIN : 00073080

Annexure-“1B”

FORM NO . AOC-2

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto during the FY 2020-21.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)

1. Details of Contracts or arrangements or transactions not at arm's Length basis :

Sr. No	Name(s) of the related party and nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	NIL							

2. Details of contracts or arrangements or transactions at Arm's length basis:

Sr. No	Name(s) of the related party and nature of relationshipT	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any:
1	G Naga Pushyami Relative of Managing Director	Payment of Lease rentals on Building and commission on guarantee given to Bank	One year	4.77	Nil
2	G.Radhakrishna Managing Director	Payment of lease rentals on Building and commission on guarantee given to Bank	One Year	12.00 32.31	Nil
3	G. Parvathi Devi Whole Time Director	Commission on guarantee given to Bank	One year	31.03	Nil

4	G. V. Rammohan Whole Time Director	Payment of Remuneration	One year	42	Nil
5	G. Hima Bindu Sree Relative of Managing Director	Commission on guarantee given to Bank	One year	5.90	Nil
6	G Sita Ratnam Director	Payment of Lease rentals on Building	One year	6.00	Nil
7	CQCE and RKEC JV	Contract Revenue	One year	2692.65	Nil
8	RKEC NG BHOIR &Samudra JV	Contract Revenue	One year	1057.45	Nil
9	RKEC-RANSS CONSORTIUM JV	Contract Revenue	One year	13.52	Nil

By Order Of The Board Of Directors

For RKEC Projects Limited

Sd/-

G Radhakrishna

Chairman & Managing Director

DIN : 00073080

Date: 14th August, 2021

Place: Visakhapatnam

Annexure-“1C”

Form AOC-I

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures for the year ending 31.03.2021 (FY 2020-21)

Sr. No	Name of Associates/ Joint Ventures	RKEC and Suryadevara JV	CQCE-RKEC JV	RKEC-RANSS CONSORTIUM	RKEC, N.G.BHOIR and Samudra JV
1	Latest audited Balance Sheet Date	29-06-2021	29-06-2021	29-06-2021	29-06-2021
2	Shares of Associate/ Joint Ventures held by the company on the year end	51%	99%	7.2%	51%
	Amount of Investment in Associates/Joint Venture	Rs 647285	-	-	-
	Extend of Holding %	51%	99%	7.2%	51%
3	Description of how there is significant influence	No	No	No	No
4	Reason why the associate/ joint venture is not Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5	Networth attributable to Shareholding as per latest audited Balance Sheet	Rs (1438629)	-	-	-
6	Profit / Loss for the year				
6(i)	Considered in Consolidation Considered in Consolidation	Rs (1438629)	-	-	-
6(ii)	Not Considered in Consolidation	-	-	-	-

By Order Of The Board Of Directors

For RKEC Projects Limited

Sd/-

G Radhakrishna

Chairman & Managing Director

DIN : 00073080

Date: 14th August, 2021

Place: Visakhapatnam

Annexure-“1D”

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
RKEC Projects Limited,
Door No.10-12-1, RednamAlcazar,
3rd Floor, Opp:SBI Main Branch, Old Jail Road,
Rednam Gardens Visakhapatnam
AP 530020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RKEC Projects Limited** (CIN:L45200AP2005PLC045795) having its registered office at D.No.10-12-1, RednamAlcazar, 3rd Floor, Opp: SBI Main Branch, Rednam Gardens, Visakhapatnam-530 002 (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, ~~Overseas Direct Investment and External Commercial Borrowings~~;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (during the period under review not applicable to the Company)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (during the period under review not applicable to the Company)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

The Company has identified the following Industry specific laws, Regulations, Guidelines, Rules Etc., as applicable to the Company:

- (i) The Building and other construction workers (Regulation of employment and conditions of service) Act, 1956.*
- (j) Inter-State Migrant workmen ((Regulation of employment and conditions of service) Act, 1979.*

*The documents/ returns/ reports with respect to sector specific laws as stated in (i) and (j) above were not made available to us for inspection and hence we cannot comment on the compliances done, if any by the Company.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has not noted the budget, annual action plan and annual report on CSR
2. We have not checked the statutory registers of the Company as they were not made available to us for inspection and so we cannot comment on the same.
3. MGT 15 not filed by the Company post the completion of AGM for the year 2020.
4. Effective date of appointment of CFO is not mentioned in the resolution appointing CFO (BM-11.11.2020)
5. Agenda for regularisation of Mr. P R as Independent Director, subject to approval of shareholders has not been taken up in the BM held on 04-09-2020.
6. Agenda of recommending the appointment of Mr. PR as Independent director in the AGM has not been taken up in the BM held on 04-9-2020.
7. Circular resolution has been deemed to be passed on 29-01-2021 whereas draft has been circulated on 30-01-2021 (as per the proof provided) and consent from some of directors have been received on 30-01-2021. There is a mismatch of dates.
8. Availing of credit facility under BCECL Scheme from Bank of Baroda has been passed through circular resolution instead of Board resolution as required under Section 179 of the Companies Act, 2013.

9. The NRC committee shall consist of all non-executive directors as per Reg 19, but the Company appointed one of its Executive directors as a member of the Committee. As per the Company the reconstitution of the Committee is done however no noting found in either NRC meeting or Board meeting for the same.
10. Presence of NRC Chairman and SRC Chairman in the AGM not recorded in AGM Minutes.

It was further noted that the website of the Company was mostly under maintenance during our audit period and hence much of the details could not be checked.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had the following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- 1) Members of the Company via Postal Ballot dated 4th September 2020, have approved the migration of the Company from SME platform to Main Board listing on National Stock Exchange (NSE).
- 2) The Company has appointed Lieutenant General PR Kumar, PVSM, AVSM, VSM as an additional director of the Company {Category: Independent Director}.
- 3) M/s. Brahmananda Reddy & Associates, Statutory Auditors resigned as the Auditors of the Company and the Company then appointed M/s. SARC & Associates as Statutory Auditors of the Company in the Board Meeting of the Company held on 4th September, 2020.
- 4) Brig G S Narayana, VSM resigned as the Chief Financial Officer of the Company and Shri R Jayachandran was appointed as Director Finance/CFO in the Board Meeting of the Company held on 11th September, 2020.

Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on the basis of documents made available to us in electronic form by the Secretarial Team of the Company.

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)

Ashwini Inamdar

Partner

PCS No: F 9409

Place: Mumbai

CP No: 11226

Date: 14th August, 2021

UDIN: F009409C000787923

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Form No. MR 3 ("Annexure-A")

To,

The Members,

RKEC Projects Limited,

Door No.10-12-1, Rednam Alcazar,

3rd Floor, Opp:SBI Main Branch, Old Jail Road,

Rednam Gardens Visakhapatnam

AP 530020

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points vi and vii of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited

- 7) to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 8) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)

Ashwini Inamdar

Partner

PCS No: F 9409

Place: Mumbai

UDIN: F009409C000787923

CP No: 11226

Date: 14th August, 2021

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
RKEC PROJECTS LIMITED

We have examined the compliance of conditions of Corporate Governance by **RKEC PROJECTS LIMITED** (hereinafter referred as “Company”) for the Financial year ended March 31, 2021 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”).

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations except for the below mentioned observations:

1. The NRC committee shall consist of all non-executive directors as per Reg 19, but the Company appointed one of its Executive directors as a member of the Committee. As per the Company the reconstitution of the Committee is done however no noting found in either NRC meeting or Board meeting for the same.
2. Presence of NRC Chairman and SRC Chairman in the AGM not recorded in AGM Minutes.

It was further noted that the website of the Company was mostly under maintenance during our audit period and hence much of the details could not be checked.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

Note: Due to lockdown under COVID-19, Certification on this Corporate Governance Certificate is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)
Ashwini Inamdar
Partner

FCS No :9409
CP No. :11226

Place: Mumbai
Date: August 14, 2021

UDIN: F009409C000787945

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

RKEC Projects Limited
Door No. 10-12-1, RednamAlcazar,
3rd Floor, Opp. SBI Main Branch,
Old Jail Road, Rednam Gardens,
Visakhapatnam-530020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of RKEC Projects Limited having CIN L45200AP2005PLC045795 and having registered office at 3rd Floor, Opp. SBI Main Branch, Old Jail Road, Rednam Gardens, Visakhapatnam-530020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Radhakrishna Garapti	00073080	01/04/2005
2.	Parvathi Devi Garapti	00094961	01/04/2005
3.	Venkata Rama Mohan Gudapati	06602693	29/05/2019
4.	Kumar Peruvemba Ramachandran	07352541	30/07/2020
5.	Lucas Peter Thalakala	07664071	25/11/2016
6.	Kameswara Jagabathula Rao	07813296	14/12/2017
7.	Gudapati Sita Ram	07344104	19/11/2015
8.	Satish Soni	07664074	25/11/2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our



verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Note: Due to lockdown under COVID-19, Certification on this Certificate of Non-Disqualification is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)

Ashwini Inamdar

Partner

PCS No: F 9409 Place: Mumbai
CP No: 11226 Date: 14th August, 2021

UDIN: F009409C000787912

DECLARATION REGARDING RECEIPT OF CERTIFICATE OF INDEPENDENCE FROM ALL INDEPENDENT DIRECTORS

I hereby confirm that the Company has received from all the Independent Directors a certificate stating their independence as required under Section 149 (6) of the Companies Act, 2013.

Garapati Radhakrishna
Chairman and Managing Director
DIN: 00073080

Annexure-“1E”

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Sub Section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No	Requirements	Requirements Disclosure	
1	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	MD	NIL*
		WTD	NIL*
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD & WTD	NIL
		CFO	NIL
		CS	NIL
3	The percentage increase in the median remuneration of employees in the financial year	NIL	
4	The number of permanent employees on the rolls of the Company as on 31st March, 2021	516	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NIL	
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

* It is to mention that no remuneration was drawn by Shri G Radhakrishna and Smt Parvathi Devi Garapati during FY 2020-21.

BY ORDER OF THE BOARD OF DIRECTORS

For RKEC Projects Limited

Sd/-

G Radhakrishna

Chairman & Managing Director

DIN : 00073080

Date: 14th August 2021

Place: Visakhapatnam

Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole time Directors and/or Manager

Particulars of Remuneration				
Name		G Radhakrishna*	G Parvathi * Devi	GV Rama Mohan
Designation		Chairman and Managing Director	Whole Time Director	Whole Time Director
Gross Salary		NIL	NIL	33,57,968
Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
Value of perquisites u/s 17(2) Income Tax Act, 1961		-		
Profit in lieu of salary u/s 17(3) Income Tax Act, 1961		-	-	-
Stock Option		-	-	-
Sweat Equity		-	-	-
Commission		-	-	-
-as% of profit		-	-	-
-others		-	-	-
Others		-	-	-
Total	Total	NIL	NIL	33,57,968

*It is to mention that no remuneration was drawn by Shri G Radhakrishna and Smt Parvathi Devi Garapati during FY 2020-21.

B. Remuneration to other Directors

Particulars of Remuneration		Name of Directors			
	Name	Vice Admiral Satish Soni	Shri Lucas Peter Thalakala	Brig J K Rao	Lt Gen P R Kumar
1.	Independent Directors				
	Fee for attending Board/Committee Meetings	125000	125000	125000	75000*
	Commission	-	-	-	-
	Others	-	-	-	-
	Total(1)	125000	125000	125000	75000
	Other Non Executive Directors			-	-
	Fee for attending Board/Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others	-	-	-	-
	Total(2)	-	-	-	-
	Total Managerial Remuneration(1)+(2)	125000	125000	125000	75000

*Lt Gen PR Kumar was appointed in the Board Meeting held on 30 July 2020.

C. Remuneration to Key Managerial Personnel other then MD/WTM/Manager

Particulars of Remuneration		Name of Key Managerial Personnel		
	Name	Brig G S Narayana	R Jayachandran	Deepika Rathi
	Designation	CFO(upto 19 Nov 2020)	CFO(from 19 Nov 2020)	From Apr to Mar 21
	Basic Salary	904840	11,00,000	407478
	Salary as per provisions contained in section 17(1) of the Income Tax Act,1961			
	Value of perquisites u/s 17(2) Income Tax Act,1961			
	Profit in lieu of salary u/s 17(3) Income Tax Act,1961			
	Stock Option			
	Sweat Equity			
	Commission as% of profit -others			
	Others			
	Total	904840	11,00,000	407478

BY ORDER OF THE BOARD OF DIRECTORS

For RKEC Projects Limited

Sd/-

G Radhakrishna

Chairman & Managing Director

DIN : 00073080

Date: 14th August 2021

Place: Visakhapatnam

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

World Outlook

In 2020, Covid-19 pushed the global economy into a deep recession. With the recent vaccine announcement, we expect a progressive recovery in 2021, but risks are skewed to the downside. The global economy today appears in a more precarious position than it was twelve months ago and the economic effects of Covid-19 may take time to fully emerge. We saw an unprecedented fiscal and monetary stimulus in support of the economy during the pandemic. Higher leverage and near-zero interest rates are likely to shape the long-term investment environment well beyond 2021 and probably point to a sluggish growth environment ahead of us. Despite the negative economic impact of Covid-19, in 2020, infrastructure has proven comparatively resilient. Power demand and prices have largely recovered following the initial downturn, with energy networks and utilities supported by the regulated or contracted nature of their cash flows. Digital infrastructure has demonstrated its essential nature, supported by rising data traffic. Trade has continued to support ports and rail freight operations, with global supply chains and industry operating through the pandemic, albeit at lower capacity. Nevertheless, the weaker economic environment should still weigh on global trade volumes, with an expected contraction of 20% in 2020.

Indian economy

The economic impact of the 2020 coronavirus pandemic in India has been largely disruptive. First half of financial year 2020 was a challenging period with the uncertainties and complexities brought on by the COVID-19 pandemic. The Indian economy, after subdued growth in 2019, had begun to regain momentum from January 2020 onwards, only to be stalled by the once-in-a-century black swan COVID-19 outbreak which induced lockdown and disruption in economic activity. India adopted a four-pillar strategy of containment, fiscal, financial, and long-term structural reforms. Calibrated fiscal and monetary support was provided, cushioning the vulnerability in the lockdown and boosting consumption and investment while unlocking. A favourable monetary policy ensured abundant liquidity and immediate relief to debtors while unclogging monetary policy transmission. As the economy went into a freefall, the government was quick to introduce a stimulus economic package, 'Atmanirbhar Bharat Abhiyan, approximately worth Rs. 20 lakh crores to jumpstart the economy. In addition, it took fresh measures to improve infrastructure, regulations and job opportunities to sustain economic recovery and rebuilding. Under the aegis of the 'Aatmanirbhar Bharat Abhiyaan, the Government has also announced a host of bold reforms to attract investment, enhance the ease of doing business and strengthen the Make in India initiative. RBI undertook various conventional and unconventional measures to manage liquidity situation in the economy. Given the unprecedented shock of COVID-19 pandemic, monetary policy was significantly eased from March 2020 onwards. RBI's interventions in forex markets ensured financial stability and orderly conditions, controlling the volatility and one-sided appreciation of the rupee. Monetary policy remained accommodative in 2020.

Sector Outlook

India is expected to become the world's third largest construction by 2022. India will require investment worth Rs. 50 trillion (US\$ 777.73 billion) across infrastructure by 2022 for a sustainable development in the Country. Favourable valuations make the sector an attractive opportunity. Only 24% of the National Highway network in India is four lane, therefore presents an immense scope for improvement. The Regional Connectivity Scheme (RCS) gives opportunity for development of airports.

In Union Budget 2021, to support initiatives such as ‘Housing for All’ and the ‘Smart Cities Mission’ the Government allocated Rs. 13.75 Crores(US\$ 1.89 billion) to AMRUT and Smart Cities Mission. In March 2021, the Parliament passed a bill to set up the National Bank for Financing Infrastructure and Development (NaBFID) to fund infrastructure project in India.

Huge investment in Infrastructure (e.g. Reliance Digital Fibre Infrastructure Trust investment of US\$ 1 billion) have provided momentum to overall PE/VC investment in India. The construction development and infrastructure activity sectors received FDI inflow amounting to US \$ 25.93 billion and US\$ 26.08 billion respectively, between April 2000 and March 2021. In FY 21 infrastructure activities accounted for 13% share of the total FDI inflows of US \$ 81.72 billions.

Company's Operational & Financial Overview

RKEC Projects' core business is designing and undertaking construction projects such as Bridges, Ports, Dams, high-rise structures, Airports, cross water, roads, Highways, Oil and Gas Pipelines, complexes and environmental structures across India.

On Standalone basis Revenue for financial year 2021 stood at Rs. 202.31 Crores, EBITDA of Rs 32.94 crore . PAT of the Company is Rs 12.76crores. The Company was able to achieve such profitability by better execution of projects and focus on operational efficiencies even during the outburst of Pandemic.

The Company has been able to maintain an efficient capital structure and has a healthy interest coverage ratio. The Company's net worth as on 31st March 2021 on standalone basis is Rs.132.86 crores. The Company's balance sheet also remains healthy with Debt/Equity at 0.05 in FY 20-21.

During the year under review, the Company was awarded three projects worth Rs. 293.90 crore. It is currently working on total thirteen projects amounting to Rs. 1399.73 crore. The unexecuted order book as on 31 Mar 2021 stands at Rs 859.12 crore.

With the unexecuted order-book of Rs.859.12 crore, the Company has a strong revenue visibility for the coming years. Moreover, the Company has been exploring bids for projects and expected to add good amount of fresh orders going ahead. This makes the Company well placed to better execute its projects and further look for opportunities in this space leading to increase in profitability.

The Company has attained good reputation among our clients because of track record, experienced members and a proven strength on delivery norms across its all spectrum of services. RKEC Projects has marked its presence into states like Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Kerala, Karnataka, West

Bengal and Manipur. The Company has successful completion of 95 projects in total till now.

Key Competitive Advantage

RKEC has an experience of more than 3 decades in the industry and has emerged one of leading construction company engaged in the construction of Bridges, Ports, Dams, high-rise structures, Airports, cross water, roads, Highways, Oil and Gas Pipelines, complexes and environmental structures across India. Our strong execution, timely completion capabilities and long-term relations with the stakeholders have been the main growth riders. We have proven

track record of completing all projects within in timeline along with strong financial track record; healthy relationships with leading banks/financial institutions . We posses integrated and efficient project execution skills, supported by a comprehensive equipment pool

Opportunities

There is a huge scope with increasing Government focus on increasing reforms in the infrastructural and industrial sector. The industry is at the verge of expansion of key industry sector like power, steel, petrochemicals, telecom and others. The Country being on faster pace of development , Infrastructural development is the core area of development in the Country.

Risk – Mitigation Strategy

1. **Competition risks** - competing with several other companies for the acquisition of concessions for projects.

Mitigation: We continuously evaluate our policies and processes in accordance with the trends so as to ensure that we have our business plan in place. We make efforts to complete the project considering the time and budget constrain. This helps us in maintaining our income and adds to the margins.

2. **Project Completion risk** - On-time completion of the project is very necessary for maintaining the reputation and financial viability.

Mitigation: On time completion of the projects is the top priority of the company. Proper steps are undertaken at each stage of the projects to meet the completion deadlines.

3. **Capital-intensive business risk** - The infrastructure sector depends heavily on capital investment.

Mitigation: We enjoy good credit ratings in the Industry, which helps us in obtaining better terms on various loans for financing our construction equipment, term debt for projects and working capital facilities. We also endeavor to keep our debt-equity ratio low (0.55x for FY2020) by utilizing our internal accruals in an efficient manner which has enabled us to maintain better profitability from project

4. **Input cost risk** Acquisition of the right material with the required quantity at the project site is very important for the timely completion of the projects.

Mitigation: Raw materials are purchased directly for the company nominated vendors which have been tested over time which leads the right quality, price, and on-time supply.

Internal Control System and their Adequacy

The Company has adequate system of internal control commensurate with its size and operations to ensure orderly and efficient conduct of the business. These controls ensure safeguard of assets, reduction and detection of frauds and error, adequacy and completeness of the accounting record and timely preparation of reliable financial information.

Material Developments in Human Resources/Industrial Relations Front, including the Number of People Employed

During the year under review, no such initiatives and/or developments in Human Resources/Industrial Relations front has been taken by the Company.

Cautionary Statement

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimated and expectations are "forward looking statements". Actual results might differ, materially from those anticipated because of changing ground realities. Forward-looking statements are based on certain assumptions and expectations of future events. The achievement of such results is subject to risks, uncertainties and even less than assumptions. Market data and information gathered from various published and unpublished reports and sources, their accuracy, reliability and completeness cannot be assured. We do not undertake to make any announcement in case any of economic scenarios, industry developments and the forward-looking statements become materially incorrect in future or update any development and forward-looking statements made from time to time by or on behalf of the Company.

BY ORDER OF THE BOARD OF DIRECTORS

For RKEC Projects Limited

Sd/-

G Radhakrishna

Chairman & Managing Director

DIN : 00073080

Date: 14th August 2021

Place: Visakhapatnam

INDEPENDENT AUDITOR'S REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS

To the members of RKEC Projects Limited

Report on Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of M/s. RKEC Projects Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended 31st March, 2021 and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2020 and the transition date opening Balance Sheet as at 1st April, 2019 included in these Standalone Ind AS Financial Statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 duly audited whose report for the year ended 31st March, 2019 audited by other auditors vide report dated 29th May, 2019 and for the year ended 31st March, 2020 audited by Other auditor vide report dated 27th Jun, 2020 expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion on the Standalone Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Legal and other Regulatory Framework

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on June 12th¹, 2021 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being reappointed as a Director in terms of Section 164(2) of the Act except the one director retiring by rotation at the ensuing Annual General Meeting of the Company render themselves ineligible for reappointment in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 06 Additional Information to the Standalone Ind AS Financial Statements);
- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2021 for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

For SARC and Associates

Chartered Accountants

Firm Registration No.: 006085N

UDIN:21206704AAAADU1811

(Chandra Sekhar Akula)

Partner

M. No.: 206704

Place: Visakhapatnam

Date: 29 June 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 1 under ‘Report on Legal and Regulatory Requirements’ section of our report of even date)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets
- b. According to the information and explanations given to us, physical verification of major portion of fixed assets was conducted by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of mortgage deeds provided to us, we report that, the title deeds of all immovable properties of land and buildings which are freehold are held in the name of the Company as at balance sheet date.
- ii. The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with the third parties at the year end, written confirmations were subsequently available. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- iii. According to the information and explanations given to us, the Company has not granted unsecured loans to its subsidiaries covered under Section 189 of the Act.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and securities.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of Clause 3(v) of the Order is not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- vi. According to the information and explanations given to us, the Company has maintained books of account and other records pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act relating to manufacture of Woven graige fabric, woven processed fabric, spinning and polyester. We have broadly reviewed the cost records maintained by the Company and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there have been several delays during the year in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, duty of customs, duty of excise and Value Added tax and other statutory dues with the appropriate authorities.
- b. According to the information and explanations given to us the undisputed amounts payable in respect of Income-tax, and other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as under:

Name of Statute	Nature of dues	Amount Involved	Period to which amount relates	Due Date
Under ESI Act		7,17,955	Jul-20 to Mar 21	15 th of following month
Under PF Act		73,14,552	Jul-20 to Mar 21	5 th of following month
Under Gratuity	Gratuity	32,43,439	FY 2020-21	31-03-2020
GST Payable	GST	7,73,85,222	FY 2020-21	20-10-2021

c. According to the records of the Company, there are no dues in respect of Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise and Value Added Tax that have not been deposited as on March 31, 2021 on account of disputes, other than as follows:

Name of Statute	Nature of dues	Amount Involved	Period to which amount relates	Sum where dispute is pending
		NIL		
		NIL		

- viii. According to the information and explanations given to us and based on records examined by us we are of the opinion that the moneys raised by way of term loans by the Company during the year were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- ix. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- x. According to the information and explanations given to us and based on our examination of the records, we report that the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xi. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of Clause 3(xii) of the Order is not applicable to the Company.
- xii. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, 'Related Party Disclosures' specified under Section 133 of the Act.
- xiii. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order is not applicable to the Company.

- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with them as prescribed under section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order is not applicable to the Company
- xv. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **SARC Associates**
Chartered Accountants
Firm Registration No.: 006085N

UDIN:21206704AAAADU1811
(Chandra Sekhar Akula)
Partner
M No.: 206704
Place: Visakhapatnam
Date:29 June 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF RKEC PROJECTS LIMITED

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE(I) OF SUB SECTION 3 OF SEC 143 OF THE COMPANIES ACT 2013 (THE "ACT")

We have audited the internal financial controls over financial reporting of RKEC Projects Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SARC Associates**

Chartered Accountants

FRN :006085N

UDIN:21206704AAAADU1811

Chandra Sekhar Akula

Partner

M No.: 206704

Place: Visakhapatnam

Date: 29 June 2021

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

RKEC PROJECTS LTD STANDALONE BALANCE SHEET AS AT 31 March 2021				
Amount in Rupees				
Particulars	Note. No.	Figures as at 31-03-2021	Figures as at 31-03-2020	Figures as at 01-04-2019
ASSETS				
Non- Current Assets				
a) Property, Plant and Equipment	2	54,72,30,988.38	32,94,73,373.00	19,18,08,234.00
b) Capital Work-in-Progress		4,87,072.00	22,53,28,880.46	9,97,18,191.00
c) Investment Property				
d) Goodwill				
e) Other Intangible Assets	3	1,10,172.00	2,67,506.00	1,97,968.00
f) Intangible Assets under Development				
e) Biological Assets other than Bearer Plants				
h) Financial Assets				
i) Investments	4	6,47,285.00	72,850.00	13,41,227.00
ii) Trade Receivables				
iii) Loans				
iv) Others (to be specified)				
i) Deferred tax Assets	5	1,49,58,359.84	1,30,92,431.60	97,63,314.00
j) Other Non- Current Assets				
		56,34,33,877.22	56,82,35,041.06	30,28,28,934.00
Current Assets				
a) Inventories	6	71,52,85,446.00	71,98,66,947.00	44,51,79,377.00
b) Financial Assets				
i) Investments				
ii) Trade Receivables	7	1,68,96,18,200.95	1,06,52,74,432.00	82,15,33,403.00
iii) Cash and cash equivalents	8	1,18,54,483.66	3,01,97,537.51	70,45,657.62
iv) Bank balances other than (iii)	9	36,25,73,450.35	41,41,39,015.75	32,34,45,670.00
v) Loans	10	1,06,80,426.00	16,99,75,732.00	16,98,95,885.00
vi) Others (to be specified)				
c) Current tax Assets (Net)				
d) Other Current Assets	11	23,63,92,190.00	25,68,00,037.00	27,24,21,023.00
		3,02,64,04,196.96	2,65,62,53,701.26	2,03,95,21,015.62
Total Assets		3,58,98,38,075.18	3,22,44,88,742.32	2,34,23,49,949.62

EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	12	23,99,06,000.00	23,99,06,000.00	23,99,06,000.00
b) Other Equity	13	1,08,86,66,776.09	96,10,18,116.60	71,61,43,534.00
Liabilities		1,32,85,72,776.09	1,20,09,24,116.60	95,60,49,534.00
Non- Current Liabilities				
a) Financial Liabilities				
i) Borrowings	14	6,05,77,798.00	3,92,02,895.00	1,50,75,160.00
ii) Trade Payables				
iii) Other Financial Liabilities (other than those specified in item (b) above, to be specified)				
b) Provisions	15	1,04,90,025.00	70,83,378.00	61,82,101.00
c) Deferred tax Liabilities (Net)				
d) Other Non- Current Liabilities				
		7,10,67,823.00	4,62,86,273.00	2,12,57,261.00
Current Liabilities				
a) Financial Liabilities				
i) Borrowings	16	1,01,00,48,185.00	61,45,02,552.00	46,64,42,112.00
ii) Trade Payables	17	66,56,38,014.00	93,80,33,459.00	75,06,95,616.00
iii) Other Financial Liabilities (other than those specified in item (C))	18	3,44,69,133.00	4,19,84,834.00	1,41,76,224.00
b) Other Current Liabilities	19	42,05,83,511.00	28,65,06,423.00	10,93,03,235.00
c) Provisions	20	5,94,58,635.90	9,62,51,084.00	2,44,25,969.00
d) Current tax Liabilities (Net)				
		2,19,01,97,478.90	1,97,72,78,352.00	1,36,50,43,156.00
Total Equity and Liabilities		3,58,98,38,075.18	3,22,44,88,742.32	2,34,23,49,949.62
See accompanying notes to financial statements				
In Terms of our report of even date annexed				
for SARC & Associates Chartered Accountants FRN : 006085N		for and on behalf of board of directors of RKEC Projects Ltd		
Chandra Sekhar Akula Partner Membership No. 206704 UDIN: 21206704AAAADT3486		(G. Radhakrishna) Managing Director DIN: 00073080	G.Parvathi Devi Whole Time Director DIN: 00094961	
Dt: 29-06-2021 Visakhapatnam		R. Jaychandran CFO	Deepika Rathi Company Secretary	

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March, 2021

RKEC PROJECTS LTD STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR 31 March 2021				
			Amount in Rupees	
	Particulars	Note. No.	Figures as at 31.03.2021	Figures as at 31.03.2020
I	Revenue From Operations	21	2,02,31,29,954.00	2,97,93,41,033.00
II	Other Income	22	3,45,73,962.00	2,57,89,237.00
III	Total Income (I+II)		2,05,77,03,916.00	3,00,51,30,270.00
IV	Expenses			
	Cost of Materials Consumed	23	92,83,51,481.00	1,04,41,49,595.00
	Operational Expenses	24	67,53,30,876.00	90,09,76,790.00
	Purchases of Stock-in-Trade			
	Changes in Inventories of Work-in-Progress	25	-15,48,17,094.00	5,53,78,201.00
	Employee Benefits Expenses	26	14,19,84,882.00	18,34,91,254.00
	Finance Costs	27	11,50,50,457.00	11,32,56,378.00
	Depreciation and Amortisation Expense	2	3,98,79,694.97	4,14,46,277.00
	Other Expenses	28	13,73,67,604.78	12,49,96,755.00
	Total Expenses (IV)		1,88,31,47,901.75	2,46,36,95,251.00
V	Profit/(Loss) before exceptional items and tax (I-IV)		17,45,56,014.25	54,14,35,019.00
VI	Exceptional Items		-	13,32,88,620.00
VII	Profit/(Loss) before tax (V-VI)		17,45,56,014.25	40,81,46,399.00
VIII	Tax expense			
	(1) Current Tax		4,49,02,795.16	10,72,96,221.00
	(2) Tax Expense for earlier years		38,70,487.84	14,58,578.00
	(3) Deferred Tax		-18,65,928.24	-33,29,117.60
	Total Tax Expense		4,69,07,354.76	10,54,25,681.40
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		12,76,48,659.49	30,27,20,717.60
X	Profit/(Loss) from discontinued operations			
XI	Tax expense of discontinued operations			
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)			
XIII	Profit/(Loss) for the period (IX+XII)		12,76,48,659.49	30,27,20,717.60
XVI	Earnings per share (for continuing operations)	29		
	(i) Basic		5.32	12.62
	(ii) Diluted		5.32	12.62
See accompanying notes to financial statements				
In Terms of our report of even date annexed				

for SARC & Associates Chartered Accountants FRN : 006085N	for and on behalf of board of directors of RKEC Projects Ltd	
Chandra Sekhar Akula Partner Membership No. 206704 UDIN: 21206704AAAADT3486	(G. Radhakrishna) Managing Director DIN: 00073080	G.Parvathi Devi Whole Time Director DIN: 00094961
Dt: 29-06-2021 Visakhapatnam	R. Jaychandran CFO	Deepika Rathi Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2021		
	Amount in Rupees	
Particulars	Figures as at 31-03-2021	Figures as at 31-03-2020
Cash flow from Operating Activities		
Profit before Tax	17,45,56,014.25	40,81,46,399.00
Adjustments for		
Depreciation	3,98,79,694.97	4,14,46,277.00
Loss/(Profit) from Joint Venture	7,01,518.00	-5,20,203.84
Loss/(Profit) on Sale of Fixed Assets	-35,872.00	-6,71,803.00
Interest Expense	11,50,50,456.81	11,32,56,378.00
Interest Income	-2,15,00,033.65	-2,43,68,830.00
Operating Profit before Working Capital changes	30,86,51,778.38	53,72,88,217.16
Adjustments for		
Increase/(Decrease) in Trade Payables	-27,23,95,445.00	18,73,37,842.19
Increase/(Decrease) in Long Term Provisions	34,06,647.00	9,01,277.00
Increase/(Decrease) in Short Term Provisions	-3,67,92,448.10	7,18,25,115.36
Increase/(Decrease) in Other Financial Liabilities	-75,15,701.00	2,78,08,610.00
Increase/(Decrease) in Other Current Liabilities	13,40,77,088.00	17,72,03,188.00
(Increase)/Decrease in Trade Receivables	-62,43,43,768.95	-24,37,41,029.06
(Increase)/Decrease in Inventories	45,81,501.00	-27,46,87,570.00
(Increase)/Decrease in Short Term Loans and Advances	15,92,95,306.00	-79,847.00
(Increase)/Decrease in Other Current Assets	2,04,07,847.00	1,56,20,986.00
(Increase)/Decrease in Deferred Tax Assets	-18,65,928.24	-33,29,117.60
Cash (used) in/generated from Operations	-31,24,93,123.91	49,61,47,672.05
Income Taxes paid	-4,69,07,354.76	-10,54,25,681.40
Net Cash from Operating Activities	-35,94,00,478.67	39,07,21,990.65
Cash Flow from Investing Activities		
Purchase of Fixed Assets, including Intangible Assets, CWIP and Capital Advances	-26,38,63,054.50	-17,93,92,030.47
CWIP	22,48,41,808.46	-12,56,10,689.46
Investment in Joint Venture	-5,74,435.00	12,68,377.32
Profit/(Loss) from Joint Venture	-7,01,518.00	5,20,203.84
Proceeds from Sale of Fixed Assets	64,18,946.00	8,82,882.00
Bank Balances not considered as Cash and Cash Equivalents	5,14,93,425.00	-8,77,07,019.40
Interest Received	2,15,00,033.65	2,43,68,830.40
Net Cash from Investing Activities	3,91,15,205.61	-36,56,69,445.77
Cash Flow from Financing Activities		
Proceeds from (Repayment of) Long Term Borrowings	2,13,74,901.60	2,41,27,735.47
Proceeds from (Repayment of) Short Term Borrowings	39,55,45,632.93	14,80,60,439.71
Dividend (Interim) paid during the year (including Dividend Distribution Tax)		-5,78,46,135.00
Interest Paid	-11,50,50,456.81	-11,32,56,378.14
Net Cash from Financing Activities	30,18,70,077.72	10,85,662.04
Net Increase/(Decrease) in Cash and Cash Equivalents	-1,84,15,195.34	2,61,38,206.92
Cash and Cash Equivalents at the beginning of the year	3,02,69,679.00	41,31,472.08
Cash and Cash Equivalents at the end of the year	1,18,54,483.66	3,02,69,679.00

NOTES FORMING PART OF FINANCIAL STATEMENTS

2 Property, Plant and Equipment

Property, Plant and Equipment as at 31 March 2021

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2021	As At	As At
	01 April 2020			31 March 2021	01 April 2020				31 March 2020	31 March 2021
Freehold Land	50,00,000.00	-	-	50,00,000.00	-	-	-	-	50,00,000.00	50,00,000.00
Plant and Equipment	27,69,39,847.24	25,68,37,110.00	-	53,37,76,957.24	2,70,88,448	2,63,95,998.44	-	5,34,84,446.44	24,98,51,399.24	48,02,92,510.80
Furniture and Fixtures	19,61,863.00	14,44,727.00	-	34,06,590.00	9,89,711	8,14,904.00	-	18,04,615.00	9,72,152.00	16,01,975.00
Vehicles	7,68,41,691.70	40,33,630.00	71,78,059.68	7,36,97,262.02	1,04,20,901	99,00,711.53	7,94,985.74	1,95,26,626.79	6,64,20,790.70	5,41,70,635.23
Office Equipment	1,01,21,229.35	15,47,587.00	-	1,16,68,816.35	28,92,202	26,10,747.00	-	55,02,949.00	72,29,027.35	61,65,867.35
TOTAL	37,08,64,631.29	26,38,63,054.00	71,78,059.68	62,75,49,625.61	4,13,91,262.00	3,97,22,360.97	7,94,985.74	8,03,18,637.23	32,94,73,369.29	54,72,30,988.38

3 Other Intangible Assets

Intangible Assets as at 31 March 2021

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2021	As At	As At
	01 April 2020			31 March 2021	01 April 2020				31 March 2020	31 March 2021
Software	3,12,308.00	-	-	3,12,308.00	44,802.00	1,57,334.00	-	2,02,136.00	As At	1,10,172.00
TOTAL	3,12,308.00	-	-	3,12,308.00	44,802.00	1,57,334.00	-	2,02,136.00	As At	1,10,172.00

2 Property, Plant and Equipment as at 31 March 2020

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2020	As At	As At
	01 April 2019			31 March 2020	01 April 2019				31 March 2019	31 March 2020
Freehold Land	50,00,000.00	-	-	50,00,000.00	-	-	-	-	50,00,000.00	50,00,000.00
Plant and Equipment	10,32,20,155.77	17,39,11,111.47	1,91,420.00	27,69,39,847.24	-	2,70,88,448.00	-	2,70,88,448.00	10,32,20,155.77	24,98,51,399.24
Furniture and Fixtures	11,85,509.00	7,76,354.00	-	19,61,863.00	-	9,89,711.00	-	9,89,711.00	11,85,509.00	9,72,152.00
Vehicles	7,59,37,274.70	9,14,417.00	10,000.00	7,68,41,691.70	-	1,04,20,901.00	-	1,04,20,901.00	7,59,37,274.70	6,64,20,790.70
Office Equipment	64,65,294.35	36,75,807.00	19,872.00	1,01,21,229.35	-	29,02,415.00	10,213.00	28,92,202.00	64,65,294.35	72,29,027.35
TOTAL	19,18,08,233.82	17,92,77,689.47	2,21,292.00	37,08,64,631.29	-	4,14,01,475.00	10,213.00	4,13,91,262.00	19,18,08,233.82	32,94,73,369.29

3 Intangible Assets as at 31 March 2020

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2020	As At	As At
	01 April 2019			31 March 2020	01 April 2019				31 March 2019	31 March 2020
Software	1,97,968.00	1,14,340.00	-	3,12,308.00	-	44,802.00	-	44,802.00	1,97,968.00	2,67,506.00
TOTAL	1,97,968.00	1,14,340.00	-	3,12,308.00	-	44,802.00	-	44,802.00	1,97,968.00	2,67,506.00

9 Other Balances With Banks

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
In Earmarked Accounts			-
Unclaimed Dividend Accounts	4,02,133	2,22,633	2,54,000
Balances/ Deposits held as margin money or security against borrowings, guarantee and other	36,21,71,317	41,39,16,382	32,31,91,670
Total	36,25,73,450.35	41,41,39,015.75	32,34,45,670.00

10 Loans

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Unsecured and considered good			
Security Deposit	1,06,80,426.00	16,99,75,732.00	16,98,95,885.00
Total	1,06,80,426.00	16,99,75,732.00	16,98,95,885.00

11 Other Current Assets

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Unsecured and considered good			
Advances other than Capital Advances			
Advances to material suppliers	10,37,57,780.00	11,47,68,355.00	11,95,61,226.00
Others			
Deposits for enlistment	58,41,783.00	1,09,79,578.00	50,69,017.00
Earnest money and other deposits	69,16,560.00	1,49,71,597.00	1,49,19,811.00
VAT Input Credit receivable	57,84,869.00	57,84,869.00	57,84,869.00
GST Receivable	6,88,11,219.00	6,53,34,913.00	9,41,48,102.00
Service tax receivable	70,30,500.00	70,30,500.00	70,30,500.00
TDS Receivable	1,31,84,869.00	1,32,09,064.00	1,19,45,243.00
Prepaid Expenses	1,44,27,975.00	2,04,25,439.00	91,25,050.00
Other advances	1,06,36,635.00	42,95,722.00	48,37,205.00
Total	23,63,92,190.00	25,68,00,037.00	27,24,21,023.00

12 Share Capital

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Authorised			
2,50,00,000 Equity shares of Rs.10 each	25,00,00,000.00	25,00,00,000.00	25,00,00,000.00
Issued and Subscribed			
2,39,90,600 Equity shares of Rs.10 each	23,99,06,000.00	23,99,06,000.00	23,99,06,000.00
Total	23,99,06,000.00	23,99,06,000.00	23,99,06,000.00

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of the period

Particulars	As At 31 March 2021		As At 31 March 2020		As At 1 April 2019	
	No. of Shares	Rupees	No. of Shares	Rupees	No. of Shares	Rupees
Equity shares of Rs.10 each						
At the beginning of the period	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00
Add: Shares issued						
At the end of the period	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00

(ii) Shareholders holding more than 5 percent shares in the Company

Name of Shareholders	As At 31 March 2021		As At 31 March 2020		As At 1 April 2019	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
G Radha Krishna	1,76,37,700	73.52%	1,76,01,700	73.37%	1,76,01,700	73.37%

13 Other Equity

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Securities Premium Account			
Balance as per Balance Sheet	16,37,30,000.00	16,37,30,000.00	16,37,30,000.00
Note: Securities Premium Account is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of Companies Act, 2013.			
Surplus in Statement of Profit and Loss			
Balance as per Balance Sheet	79,72,88,116.60	55,24,13,534.00	34,36,99,551.00
Profit/(Loss) for the period	12,76,48,659.49	30,27,20,717.60	24,13,37,643.00
Less: Appropriations			
(i) Impairment Loss	-	-	-37,01,722.00
(ii) Proposed Dividend- Equity Shares	-	-4,79,81,200.00	-2,39,90,600.00
(iii) Corporate Dividend Tax thereon	-	-98,64,935.00	-49,31,338.00
Total	1,08,86,66,776.09	96,10,18,116.60	71,61,43,534.00

14 Non Current Borrowings

Particulars	As At 31 March 2021		As At 31 March 2020		As At 1 April 2019	
	Current Maturities	Non- Current	Current Maturities	Non- Current	Current Maturities	Non- Current
Term Loans (Secured)						
(a) From Banks						
Rupee Loans	3,09,49,978.00	4,88,32,800.00	3,16,51,944.00	3,64,11,207.00	66,48,120.00	1,13,38,384.00
(b) From Financial Institutions						
Rupee Loans	35,19,155.00	1,17,44,998.00	1,03,35,890.00	27,91,688.00	75,28,104.00	37,36,776.00
Total	3,44,69,133.00	6,05,77,798.00	4,19,87,834.00	3,92,02,895.00	1,41,76,224.00	1,50,75,160.00

Additional Information
(i) Security for Term Loans

Nature of Security	Banks	Financial Institutions	Total
Exclusive charge on Plant & Machinery and specific assets financed	4,88,72,918	1,17,44,998	6,06,17,916
Pari passu first charge created on the entire fixed assets of the Company	15,64,00,000	7,11,66,896	22,75,66,896
Subservient charge on all moveable and current assets of the Company	-	-	-
Total	20,52,72,918	8,29,11,894	28,81,84,812

(ii) Terms of Repayment of Secured Term Loan

Particulars	Rate of Interest	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loans From Banks	7%-10.5%	5,67,36,684.00	3,86,05,418.00	2,61,21,676.00	1,04,65,623.00	13,19,29,401.00
Rupee Term Loans From Financial Institutions	11%-27.4%	2,38,47,816.00	1,21,82,608.00	1,69,576.00		3,62,00,000.00
Total		8,05,84,500.00	5,07,88,026.00	2,62,91,252.00	1,04,65,623.00	16,81,29,401.00

15 Provisions

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Provision for Employee Benefits			
Provision for Gratuity	1,04,90,025.00	70,83,378.00	61,82,101.00
Total	1,04,90,025.00	70,83,378.00	61,82,101.00

16 Current Borrowings

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Working Capital Loans			
Secured			
Cash Credit Accounts, Working Capital Demand Loan	49,95,24,370.00	47,91,61,864.00	46,17,38,922.00
Other than Cash Credit	36,07,12,133.00		
Unsecured			
From Financial Institutions/ Others	26,22,880.00	1,09,18,725.00	47,03,190.00
From Others (Directors)	14,71,88,802.00	12,44,21,963.00	
Total	1,01,00,48,185.00	61,45,02,552.00	46,64,42,112.00

Additional Information			
(i) Security for Term Loans			
Nature of Security	Banks	Financial Institutions	Total
Security for Working Capital Loans			
(a) Hypothecation of Company's Current Assets and Mortgage of certain immovable properties belonging to the Company/ Guarantor	2,01,50,00,000	-	2,01,50,00,000
(b) Second Charge created/ to be created on all fixed assets (excluding Land and Building) of the Company	15,64,00,000		15,64,00,000
Fixed and Floating charge over the assets of the Company and personal guarantee of the Directors	11,70,00,000		11,70,00,000
Pledge of certain Immovable Assets	97,67,00,000		97,67,00,000
Total	3,26,51,00,000		3,26,51,00,000
Trade Payables			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Total Outstanding dues to Micro & Small Enterprises	1,14,50,381.00	4,02,29,523.00	40,22,041.00
Total Outstanding dues to creditors other than Micro & Small Enterprises			
Acceptances	41,71,76,141.00	37,02,93,824.00	40,86,32,917.00
Other than Acceptances	23,70,11,492.00	52,75,10,112.00	33,80,40,658.00
Total	66,56,38,014.00	93,80,33,459.00	75,06,95,616.00
Information as per MSME Act			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Principal amount remaining unpaid to any supplier at the end of the accounting period	1,11,70,442.00	4,02,29,523.36	40,22,041.00
Interest due thereon remaining unpaid to any supplier at the end of the accounting period	5,23,614.00	13,54,145.00	-
The amount of interest paid along with the amounts of payment made to the supplier beyond the appointed date	-	-	-
The amount of interest due and payable for the period	5,23,614.00	13,54,145.00	-
The amount of interest accrued and remaining unpaid at the end of the accounting period	5,23,614.00	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
Total	1,16,94,056.00	4,02,29,523.36	40,22,041.00
The above information has been determined on the basis of information available with the Company.			

18 Other Financial Liabilities

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Current Maturities of Long term Borrowings	3,44,69,133.00	4,19,84,834.00	1,41,76,224.00
Total	3,44,69,133.00	4,19,84,834.00	1,41,76,224.00

19 Other Current Liabilities

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Revenue received in Advance	29,35,96,618.00	23,12,19,636.00	5,81,88,466.00
Others	12,69,86,893.00	5,52,86,787.00	5,11,14,769.00
Total	42,05,83,511.00	28,65,06,423.00	10,93,03,235.00

20 Provisions

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Provision for Employee Benefits			
Provision for Gratuity	32,43,439.00	34,06,647.00	11,68,335.00
Other Provisions			
Provision for Taxation	1,40,75,777.90	2,21,54,638.00	1,23,53,560.00
Others	4,21,39,419.00	7,06,89,799.00	1,09,04,074.00
Total	5,94,58,635.90	9,62,51,084.00	2,44,25,969.00

21 Revenue from Operations

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Sale of Services		
Contract Revenue	2,01,81,80,637.00	2,96,27,97,000.00
Other Operating Revenue		
Work Receipts on Technical Services	16,29,490.00	1,39,71,675.00
Insurance Claim received	29,55,827.00	25,72,358.00
Others	3,64,000.00	-
Total	2,02,31,29,954.00	2,97,93,41,033.00

22 Other Income

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Profit on Sale of Assets	35,872.00	6,71,803.00
Miscellaneous Income	1,23,36,538.00	2,28,400.00
Share of Profit from Joint Venture	7,01,518.00	5,20,204.00
Interest recovered on Mobilisation Advance	-	-
Interest on IT Refund	-	-
Interest Income		
On Long Term Investments		
Bank Fixed Deposits	2,15,00,034.00	2,43,68,830.00
Inter Corporate Deposits		
Interest on Investments		
Others		
Total	3,45,73,962.00	2,57,89,237.00

23 Cost of Materials Consumed

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Construction Materials, Stores and Spares		
Opening Stock	47,14,57,531.00	14,13,91,760.00
Add: Purchases	76,89,52,886.00	1,37,42,15,366.00
Less: Closing Stock	-31,20,58,936.00	-47,14,57,531.00
Total	92,83,51,481.00	1,04,41,49,595.00

24 Operational Expenses

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Repairs and Maintenance		
Plant and Machinery, Vehicles	13,23,502.00	60,13,308.00
Power and Fuel		
Diesel and Petrol Expenses	5,10,38,648.00	9,29,00,244.00
Electricity Expenses	30,23,431.00	39,07,942.00
Others		
Project Work Expenses	44,13,44,949.00	48,76,90,684.00
Hire Charges for Machinery and others	5,60,00,251.00	7,17,55,720.00
Transport Charges	6,94,07,948.00	12,40,00,242.00
Technical and Engineering Consultancy Services	2,08,62,412.00	2,98,50,140.00
Testing Charges	38,62,983.00	33,00,037.00
Labour Cess (Recoveries)	89,57,145.00	2,19,99,284.00
Other Recoveries (By Contractees)	90,22,088.00	4,40,38,023.00
Loading and Unloading Charges	90,01,678.00	1,05,52,626.00
Water Charges	10,88,635.00	45,93,802.00
Other Project Expenses	3,97,206.00	3,74,738.00
Total	67,53,30,876.00	90,09,76,790.00

25 Changes in Inventories of Work-in-Progress

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Opening Stock	24,84,09,416.00	30,37,87,617.00
Less: Closing Stock	-40,32,26,510.00	-24,84,09,416.00
Total	-15,48,17,094.00	5,53,78,201.00

26 Employee Benefit Expenses

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Salaries and Wages	12,53,80,257.00	15,73,61,959.00
Contribution to Provident Funds and Other Funds	1,08,51,840.00	1,08,04,154.00
Staff Welfare Expenses	57,52,785.00	1,53,25,141.00
Total	14,19,84,882.00	18,34,91,254.00

27 Finance Costs

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Interest Expense on		
Term Loans	3,57,65,463.00	1,06,90,892.00
Working Capital Demand Loans & Cash Credit	3,05,83,666.00	6,16,58,143.00
Mobilisation Advance	21,38,653.00	2,49,73,700.00
Others	21,88,684.00	2,18,082.00
Other Borrowing Costs	4,43,73,991.00	1,57,15,561.00
Less: Interest Received	-	-
Total	11,50,50,457.00	11,32,56,378.00

28 Other Expenses

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Auditor's Fee		
Statutory Audit Fee	5,00,000.00	5,00,000.00
Tax Audit Fee	1,50,000.00	1,80,000.00
Other Services	50,000.00	40,000.00
Cost Audit	75,000.00	75,000.00
Internal Audit	4,00,000.00	2,00,000.00
Secretarial Audit	2,00,000.00	2,00,000.00
Others		
Bank Charges	1,59,24,151.00	84,17,976.00
LC & BG Issue Charges	1,37,56,879.00	2,45,33,736.00
Commission on Bank Guarantees	2,04,60,518.00	74,03,290.00
Rent	62,40,301.00	89,40,188.00
Travelling and Conveyance Expenses	36,23,140.00	73,51,296.00
Repairs and Maintenance of Computers and others	38,84,022.00	42,13,346.00
Office Maintenance	9,22,129.00	86,24,696.00
Security Services	12,03,863.00	23,82,222.00
Rates and Taxes	7,13,105.00	27,44,906.00
Communication Expenses (Postage and Telephone)	6,18,558.78	7,25,930.00
Insurance	51,66,338.00	50,37,631.00
Printing and Stationery	5,10,960.00	8,01,175.00
Professional Charges	1,76,95,313.00	1,89,31,381.00
CSR Expenses	23,77,260.00	28,17,130.00
Foreign Exchange Gain/Loss	3,81,858.00	23,94,384.00
Sitting Fees to Directors	4,25,000.00	2,25,000.00
Project Site Admin Expenses	6,59,733.00	-
Tender Expenses	1,10,325.00	2,45,695.00
Donations	74,127.00	12,75,056.00
Bad Debts Written Off	3,41,49,065.00	68,47,744.00
Business Promotion Expenses	21,57,836.00	14,29,413.00
ROC Charges	37,590.00	50,749.00
Interest on Statutory Dues	48,84,447.00	57,15,815.00
Prior Period Expenses	-	24,63,922.00
Miscellaneous Expenses	16,086.00	2,29,074.00
Total	13,73,67,604.78	12,49,96,755.00

29 Earnings Per Share

Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Face Value of Shares (in Rupees)	10	10
Basic and Diluted EPS		
Surplus available to Equity Shareholders (In Rupees)	12,76,48,659.49	30,27,20,717.60
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
Basic EPS	5.32	12.62
Add: Effect of dilutive stock options		
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
Diluted EPS	5.32	12.62
Calculation of Weighted Average Number of Shares		
Opening Number of Shares	2,39,90,600.00	2,39,90,600.00
Issued during the year		
Weighted Average Number of Shares	2,39,90,600.00	2,39,90,600.00

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

To the members of RKEC Projects Limited

Report on Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of RKEC PROJECTS Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries constitute "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statements of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (the "Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and presentation of the Consolidated Ind AS Financial

Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

- i. We did not audit the financial statements of RKEC & SURYADEVARA JV whose financial statements reflect total assets of Rs. 19,72,397/- as at 31st March, 2021, total revenues of Rs. 1,18,76,184 /- and net cash inflows amounting to Rs. 7,63,521/-, net loss of Rs. 41,92,934/-, and total comprehensive income amounting to Rs. 0 for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- ii. The comparative financial information for the year ended 31st March, 2020 and the transition date opening Balance Sheet as at 1st April, 2019 included in these Consolidated Ind AS Financial Statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements of Holding Company have been audited by us and report for the year ended 31st March, 2019 issued by other auditors vide report dated 29th May, 2019 and for the year ended 31st March, 2020 have been audited by the other auditor vide report dated 27th Jun, 2020 expressed an unqualified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group and its associates and jointly controlled entities on transition to the Ind AS, which have been audited by us. Our opinion on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Legal and other Regulatory Framework

3. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - h. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- i. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books.
 - j. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
 - k. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - l. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company and jointly controlled company incorporated in India none of the directors of the Group, associates and its Jointly Controlled entities incorporated in India are disqualified as on 31st March, 2021 from being reappointed as a director in terms of Section 164(2) of the Act except the two directors of Holding company retiring by rotation at the ensuing Annual General Meeting of the Holding Company render themselves ineligible for reappointment in terms of Section 164(2) of the Act.
 - m. With respect to the adequacy of the internal financial controls over financial reporting and operating effectiveness of such controls, refer to our separate report in “Annexure B”; which is based on the reports of the auditors of Holding company, subsidiary companies, its associates and jointly controlled entities incorporated in India; and
 - n. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- iv. The Consolidated Ind AS Financial Statements disclose the impact of pending litigation on the consolidated financial position of the Group, its associates and jointly controlled entities. (Refer Note XX to the Consolidated Ind AS Financial Statements)
 - v. The Group, its associates and jointly controlled entities did not have any outstanding long-term contract including derivative contract as at 31st March, 2021 for which there were any material foreseeable losses.
 - vi. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries, Associate companies and jointly controlled companies incorporated in India.

For **SARC Associates**
Chartered Accountants
FRN: 006085N

UDIN: 21206704AAAADS3070
(**Chandra Sekhar Akula**)
Partner
M. No.: 206704
Place: Visakhapatnam
Date: 29 June 2021

ANNEXURE” B” TO THE INDEPENDENT AUDITORS’ REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RKEC PROJECTS LIMITED

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE “ACT”)

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of RKEC Projects Limited (“the Holding Company”), and that of its subsidiary company (the Holding Company and its subsidiary constitute “the Group”), its associate companies and jointly controlled entities which are companies incorporated in India, audited by the respective auditors of those companies as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, associate companies and jointly controlled entities all incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. (the “Guidance Note”) These responsibilities include the design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit and that of the respective auditors of subsidiary, associate companies and jointly controlled entities in relation to companies audited by them. We and respective auditors have conducted the audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that the auditors comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s, its associates and its jointly controlled entities, incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanation given to us and based on the consideration of reports of other auditors, as referred to in the Other Matters paragraph, the Holding Company, its subsidiary company, associate companies and jointly controlled entities, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note.

For **SARC Associates**
Chartered Accountants
FRN: 006085N
UDIN: 21206704AAAADV7159

(**Chandra Sekhar Akula**)
Partner
M No.: 206704
Place: Visakapatnam
Date: 29 June 2021

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

CONSOLIDATED BALANCE SHEET AS AT 31 March 2021				
				Amount in Rupees
Particulars	Note. No.	Figures as at 31-03-2021	Figures as at 31-03-2020	Figures as at 01-04-2019
ASSETS				
Non- Current Assets				
a) Property, Plant and Equipment	2	54,72,30,988.38	32,94,73,369.29	19,18,08,233.82
b) Capital Work-in-Progress		4,87,072.00	22,53,28,880.46	9,97,18,191.00
c) Investment Property				
d) Goodwill				
e) Other Intangible Assets	3	1,10,172.00	2,67,506.00	1,97,968.00
f) Intangible Assets under Development				
e) Biological Assets other than Bearer Plants				
h) Financial Assets				
i) Investments				
ii) Trade Receivables				
iii) Loans				
iv) Others (to be specified)				
i) Deferred tax Assets	4	1,49,58,359.84	1,30,92,431.60	97,63,314.00
j) Other Non- Current Assets				
		56,27,86,592.22	56,81,62,187.35	30,14,87,706.82
Current Assets				
a) Inventories	5	94,58,74,827.55	91,27,21,182.00	65,84,39,317.00
b) Financial Assets				
i) Investments				
ii) Trade Receivables	6	1,42,77,80,350.65	84,64,79,952.00	80,54,61,341.00
iii) Cash and cash equivalents	7	84,34,756.10	4,24,38,756.25	70,75,084.00
iv) Bank balances other than (iii) above	8	37,04,26,800.00	41,40,66,873.40	32,63,59,854.00
v) Loans	9	1,06,80,426.30	16,99,75,732.00	16,98,95,885.00
vi) Others (to be specified)				
c) Current tax Assets (Net)				
d) Other Current Assets	10	44,95,25,600.90	36,19,70,457.00	32,59,52,820.00
		3,21,27,22,761.50	2,74,76,52,952.65	2,29,31,84,301.00
Total Assets		3,77,55,09,353.72	3,31,58,15,141.96	2,59,46,72,007.82

EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	11	23,99,06,000.00	23,99,06,000.00	23,99,06,000.00
b) Other Equity	12	1,05,54,20,461.61	92,77,84,728.60	69,91,28,748.00
		1,29,53,26,461.61	1,16,76,90,728.60	93,90,34,748.00
Liabilities				
Non- Current Liabilities				
a) Financial Liabilities				
i) Borrowings	13	6,05,77,796.81	3,92,02,895.00	1,50,75,160.00
ii) Trade Payables				
iii) Other Financial Liabilities (other than those specified in item (b) above, to be specified)				
b) Provisions	14	1,04,90,025.00	70,83,378.00	61,82,101.00
c) Deferred tax Liabilities (Net)				
d) Other Non- Current Liabilities				
		7,10,67,821.81	4,62,86,273.00	2,12,57,261.00
Current Liabilities				
a) Financial Liabilities				
i) Borrowings	15	1,01,00,48,184.89	61,45,02,552.00	46,65,41,561.00
ii) Trade Payables	16	72,59,67,743.64	96,75,96,659.36	76,23,31,091.00
iii) Other Financial Liabilities (other than those specified in item (C))	17	3,44,69,133.17	4,19,84,833.00	1,41,76,224.00
b) Other Current Liabilities	18	57,90,40,690.67	38,14,48,901.00	37,38,94,341.00
c) Provisions	19	5,95,89,317.97	9,63,05,197.00	1,74,36,780.00
d) Current tax Liabilities (Net)				
		2,40,91,15,070.34	2,10,18,38,142.36	1,63,43,79,997.00
Total Equity and Liabilities		3,77,55,09,353.76	3,31,58,15,141.96	2,59,46,72,007.82
See accompanying notes to financial statements				
In Terms of our report of even date annexed				
for SARC & Associates Chartered Accountants FRN : 006085N		for and on behalf of board of directors of RKEC Projects Ltd		
Chandra Sekhar Akula Partner Membership No. 206704 UDIN: 21206704AAAADS3070		(G. Radhakrishna) Managing Director DIN: 00073080	G.Parvathi Devi Whole Time Director DIN: 00094961	
Dt: 29-06-2021 Visakhapatnam		R. Jaychandran CFO	Deepika Rathi Company Secretary	

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED
31st MARCH, 2021**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR 31 March 2021				
			Amount in Rupees	
	Particulars	Note. No.	Figures as at 31.03.2021	Figures as at 31.03.2020
I	Revenue From Operations	20	2,07,86,62,539.89	3,03,98,24,709.00
II	Other Income	21	3,45,73,961.65	2,94,31,527.00
III	Total Income (I+II)		2,11,32,36,501.54	3,06,92,56,236.00
IV	Expenses			
	Cost of Materials Consumed	22	92,83,51,481.22	1,04,53,32,277.00
	Operational Expenses	23	73,08,54,752.49	95,97,25,852.00
	Purchases of Stock-in-Trade			-
	Changes in Inventories of Work-in-Progress	24	-15,49,35,893.61	7,57,83,906.00
	Employee Benefits Expenses	25	14,19,84,881.34	18,34,91,254.00
	Finance Costs	26	11,50,50,456.81	11,32,56,378.00
	Depreciation and Amortisation Expense	2	3,98,79,694.97	4,14,46,277.00
	Other Expenses	27	13,75,05,455.54	12,50,03,875.00
	Total Expenses (IV)		1,93,86,90,828.76	2,54,40,39,819.00
V	Profit/(Loss) before exceptional items and tax (I-IV)		17,45,45,672.78	52,52,16,417.00
VI	Exceptional Items			13,32,88,620.00
VII	Profit/(Loss) before tax (V-VI)		17,45,45,672.78	39,19,27,797.00
VIII	Tax expense			
	(1) Current Tax		4,49,05,380.16	10,72,96,221.00
	(2) Tax Expense for earlier years		38,70,487.84	14,58,578.00
	(3) Deferred Tax		-18,65,928.24	-33,29,117.60
	Total Tax Expense		4,69,09,939.76	10,54,25,681.40
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		12,76,35,733.01	28,65,02,115.60
X	Profit/(Loss) from discontinued operations			
XI	Tax expense of discontinued operations			
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)			
XIII	Profit/(Loss) for the period (IX+XII)		12,76,35,733.01	28,65,02,115.60
XVI	Earnings per share (for continuing operations)	28		
	(i) Basic		5.32	11.94
	(ii) Diluted		5.32	11.94
See accompanying notes to financial statements				
In Terms of our report of even date annexed				

for SARC & Associates
Chartered Accountants
FRN : 006085N

Chandra Sekhar Akula
Partner
Membership No. 206704
UDIN: 21206704AAAADS3070

Dt: 29-06-2021
Visakhapatnam

for and on behalf of board of directors of
RKEC Projects Ltd

(G. Radhakrishna)
Managing Director
DIN: 00073080

G.Parvathi Devi
Whole Time Director
DIN: 00094961

R. Jaychandran
CFO

Deepika Rathi
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2021		
Particulars	Amount in Rupees	
	Figures as at 31-03-2021	Figures as at 31-03-2020
Cash flow from Operating Activities		
Profit before Tax	17,45,45,672.78	39,19,27,797.00
Adjustments for		
Depreciation	3,98,79,694.97	4,14,46,277.00
Loss/(Profit) on Sale of Fixed Assets	-35,872.00	-6,71,803.00
Loss/(Profit) from Joint Venture	7,01,518.00	-5,20,203.84
Interest Expense	11,50,50,456.81	11,32,56,378.00
Interest Income	-2,15,00,033.65	-2,43,68,830.40
Operating Profit before Working Capital changes	30,86,41,436.91	52,10,69,614.76
Adjustments for		
Increase/(Decrease) in Trade Payables	-24,16,28,915.53	20,52,65,568.19
Increase/(Decrease) in Long Term Provisions	34,06,647.00	9,01,277.00
Increase/(Decrease) in Short Term Provisions	-3,67,15,879.03	7,88,68,417.36
Increase/(Decrease) in Other Financial Liabilities	-75,15,699.83	2,78,08,609.00
Increase/(Decrease) in Other Current Liabilities	19,75,91,789.67	75,54,560.00
(Increase)/Decrease in Trade Receivables	-58,13,00,398.65	-4,10,18,611.06
(Increase)/Decrease in Inventories	-3,31,53,645.55	-25,42,81,865.00
(Increase)/Decrease in Short Term Loans and Advances	15,92,95,305.70	-79,847.00
(Increase)/Decrease in Other Current Assets	-8,75,55,143.90	-3,60,17,637.00
(Increase)/Decrease in Deferred Tax Asset	-18,65,928.24	-33,29,117.60
Cash (used) in/generated from Operations	-32,08,00,431.44	50,67,40,968.65
Income Taxes paid	-4,69,09,939.76	-10,54,25,681.40
Net Cash from Operating Activities	-36,77,10,371.21	40,13,15,287.25
Cash Flow from Investing Activities		
Purchase of Fixed Assets, including Intangible Assets, CWIP and Capital Advances	-26,38,63,054.50	-17,93,92,030.47
CWIP	22,48,41,808.46	-12,56,10,689.46
Profit/(Loss) from Joint Venture	-7,01,518.00	5,20,203.84
Proceeds from Sale of Fixed Assets	64,18,946.00	8,82,882.00
Bank Balances not considered as Cash and Cash Equivalents	4,36,40,073.35	-8,77,07,019.40
Interest Received	2,15,00,033.65	2,43,68,830.40
Net Cash from Investing Activities	3,18,36,288.96	-36,69,37,823.09
Cash Flow from Financing Activities		
Proceeds from (Repayment of) Long Term Borrowings	2,13,74,901.60	2,41,27,735.47
Proceeds from (Repayment of) ShortTerm Borrowings	39,55,45,632.93	14,79,60,989.71
Dividend(Interim) paid during the year (including Dividend Distribution Tax)		-5,78,46,135.00
Interest Paid	-11,50,50,456.81	-11,32,56,378.14
Net Cash from Financing Activities	30,18,70,077.72	9,86,212.04
Net Increase/(Decrease) in Cash and Cash Equivalents	-3,40,04,004.53	3,53,63,676.20
Cash and Cash Equivalents at the beginning of the year	4,24,38,760.20	70,75,084.00
Cash and Cash Equivalents at the end of the year	84,34,755.67	4,24,38,760.20

NOTES FORMING PART OF FINANCIAL STATEMENT

2 Property, Plant and Equipment

Property, Plant and Equipment as at 31 March 2021

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2021	As At	As At
	01 April 2020			31 March 2021	01 April 2020				31 March 2020	31 March 2021
Freehold Land	50,00,000.00	-	-	50,00,000.00	-	-	-	-	50,00,000.00	50,00,000.00
Plant and Equipment	27,69,39,847.24	25,68,37,110.00	-	53,37,76,957.24	2,70,88,448	2,63,95,998.44	-	5,34,84,446.44	24,98,51,399.24	48,02,92,510.80
Furniture and Fixtures	19,61,863.00	14,44,727.00	-	34,06,590.00	9,89,711	8,14,904.00	-	18,04,615.00	9,72,152.00	16,01,975.00
Vehicles	7,68,41,691.70	40,33,630.00	71,78,059.68	7,36,97,262.02	1,04,20,901	99,00,711.53	7,94,985.74	1,95,26,626.79	6,64,20,790.70	5,41,70,635.23
Office Equipment	1,01,21,229.35	15,47,587.00	-	1,16,68,816.35	28,92,202	26,10,747.00	-	55,02,949.00	72,42,606.35	61,65,867.35
TOTAL	37,08,64,631.29	26,38,63,054.00	71,78,059.68	62,75,49,625.61	4,13,91,262.00	3,97,22,360.97	7,94,985.74	8,03,18,637.23	32,94,86,948.29	54,72,30,988.38

Property, Plant and Equipment as at 31 March 2020

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2020	As At	As At
	01 April 2019			31 March 2020	01 April 2019				31 March 2019	31 March 2020
Freehold Land	50,00,000.00	-	-	50,00,000.00	-	-	-	-	50,00,000.00	50,00,000.00
Plant and Equipment	10,32,20,155.77	17,39,11,111.47	1,91,420.00	27,69,39,847.24	-	2,70,88,448.00	-	2,70,88,448.00	10,32,20,155.77	24,98,51,399.24
Furniture and Fixtures	11,85,509.00	7,76,354.00	-	19,61,863.00	-	9,89,711.00	-	9,89,711.00	11,85,509.00	9,72,152.00
Vehicles	7,59,37,274.70	9,14,417.00	10,000.00	7,68,41,691.70	-	1,04,20,901.00	-	1,04,20,901.00	7,59,37,274.70	6,64,20,790.70
Office Equipment	64,65,294.35	36,75,807.00	19,872.00	1,01,21,229.35	-	29,02,415.00	10,213.00	28,92,202.00	64,65,294.35	72,29,027.35
TOTAL	19,18,08,233.82	17,92,77,689.47	2,21,292.00	37,08,64,631.29	-	4,14,01,475.00	10,213.00	4,13,91,262.00	19,18,08,233.82	32,94,73,369.29

3 Other Intangible Assets

Intangible Assets as at 31 March 2021

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2021	As At	As At
	01 April 2020			31 March 2021	01 April 2020				31 March 2020	31 March 2021
Software	3,12,308.00	-	-	3,12,308.00	44,802.00	1,57,334.00	-	2,02,136.00	2,67,506.00	1,10,172.00
TOTAL	3,12,308.00	-	-	3,12,308.00	44,802.00	1,57,334.00	-	2,02,136.00	2,67,506.00	1,10,172.00

Intangible Assets as at 31 March 2020

Description of Assets	Gross Carrying Value			Depreciation					Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 March 2020	As At	As At
	01 April 2019			31 March 2020	01 April 2019				31 March 2019	31 March 2020
Software	1,97,968.00	1,14,340.00	-	3,12,308.00	-	44,802.00	-	44,802.00	1,97,968.00	2,67,506.00
TOTAL	1,97,968.00	1,14,340.00	-	3,12,308.00	-	44,802.00	-	44,802.00	1,97,968.00	2,67,506.00

4 Deferred Tax Assets

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Balance of DTA/(DTL) brought forward	1,30,92,431.60	97,63,314.00	-
Depreciation	-6,14,779.88	25,79,655.26	-
Provision for Gratuity	7,13,556.58	7,49,462.34	-
PF/ESI	17,67,151.54	-	-
Net Deferred Tax Asset/(Deferred Tax Liability)	1,49,58,359.84	1,30,92,431.60	97,63,314.00

5 Inventories

(At lower of Cost or Net Realisable Value)

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Raw Materials	54,25,29,517.93	47,14,57,531.00	14,13,91,760.00
Work-In-Progress	40,33,45,309.61	44,12,63,651.00	51,70,47,557.00
Finished Goods			-
Total	94,58,74,827.55	91,27,21,182.00	65,84,39,317.00

6 Trade Receivables

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Debts outstanding for a period exceeding six months from due date	21,81,65,839.00	69,10,78,525.00	69,81,96,662.00
Other Debts	1,20,96,14,511.65	15,54,01,427.00	10,72,64,679.00
Total	1,42,77,80,350.65	84,64,79,952.00	80,54,61,341.00
Unsecured			
Considered Good	1,42,77,80,350.65	86,64,79,952.00	80,54,61,341.00
Considered Doubtful		-	-

7 Cash and Cash Equivalents

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Cash on Hand	8,86,450.51	24,60,401.00	18,46,483.00
Balance with Banks			
(i) In Current Accounts	75,48,305.59	3,69,11,521.00	38,57,348.00
(ii) In Deposit Accounts		29,94,691.65	-
Cheques, Drafts on Hand		-	-
Total	84,34,756.10	4,23,66,613.65	57,03,831.00

8 Other Balances With Banks

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
In Earmarked Accounts			-
Unclaimed Dividend Accounts	402133	2,22,633.35	2,54,000
Balances/ Deposits held as margin money or security against borrowings, guarantee and other commitments	370024667	41,39,16,382.40	32,31,91,670.00
Total	37,04,26,800.00	41,41,39,015.75	32,77,31,106.00

9 Loans

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Unsecured and considered good			
Security Deposit	1,06,80,426.30	16,99,75,732.00	16,98,95,885.00
Total	1,06,80,426.30	16,99,75,732.00	16,98,95,885.00

10 Other Current Assets

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Unsecured and considered good			
Advances other than Capital Advances			
Advances to material suppliers	10,37,57,780.40	11,47,68,355.00	11,95,61,226.00
Others			
Deposits for enlistment	58,41,783.00	1,09,79,578.00	50,69,017.00
Earnest money and other deposits	69,16,560.00	1,58,65,392.00	1,49,19,811.00
VAT Input Credit receivable	57,84,869.00	57,84,869.00	57,84,869.00
GST Receivable	28,14,16,144.47	13,25,14,595.00	13,69,18,240.00
Service tax receivable	70,30,500.00	70,30,500.00	70,30,500.00
TDS Receivable	1,31,84,868.52	4,89,97,932.00	2,13,76,923.00
Prepaid Expenses	1,44,27,975.22	2,04,25,439.00	91,25,050.00
Other advances	1,11,65,120.29	56,03,797.00	61,67,184.00
Total	44,95,25,600.90	36,19,70,457.00	32,59,52,820.00

11 Share Capital

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Authorised			
2,50,00,000 Equity shares of Rs.10 each	25,00,00,000.00	25,00,00,000.00	25,00,00,000.00
Issued and Subscribed			
2,39,90,600 Equity shares of Rs.10 each	23,99,06,000.00	23,99,06,000.00	23,99,06,000.00
Total	23,99,06,000.00	23,99,06,000.00	23,99,06,000.00

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of the period						
Particulars	As At 31 March 2021		As At 31 March 2020		As At 1 April 2019	
	No. of Shares	Rupees	No. of Shares	Rupees	No. of Shares	Rupees
Equity shares of Rs.10 each						
At the beginning of the period	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00
Add: Shares issued						
At the end of the period	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00	2,39,90,600.00	23,99,06,000.00
(ii) Shareholders holding more than 5 percent shares in the Company						
Name of Shareholders	As At 31 March 2021		As At 31 March 2020		As At 1 April 2019	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
G Radha Krishna	1,76,37,700	73.52%	1,76,01,700	73.37%	1,76,01,700	73.37%

Other Equity

Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Securities Premium Account			
Balance as per Balance Sheet	16,37,30,000.00	16,37,30,000.00	16,37,30,000.00
Note: Securities Premium Account is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of Companies Act, 2013.			
Surplus in Statement of Profit and Loss			
Balance as per Balance Sheet	76,40,54,728.60	53,53,98,748.00	34,36,96,911.00
Profit/(Loss) for the period	12,76,35,733.01	28,65,02,115.60	22,43,25,497.00
Less: Appropriations			
(i) Impairment Loss	-	-	-37,01,722.00
(ii) Proposed Dividend- Equity Shares	-	-4,79,81,200.00	-2,39,90,600.00
(iii) Corporate Dividend Tax thereon	-	-98,64,935.00	-49,31,338.00
Total	1,05,54,20,461.61	92,77,84,728.60	69,91,28,748.00

Non Current Borrowings						
Particulars	As At 31 March 2021		As At 31 March 2020		As At 1 April 2019	
	Current Maturities	Non- Current	Current Maturities	Non- Current	Current Maturities	Non- Current
Term Loans (Secured)						
(a) From Banks						
Rupee Loans	3,09,49,978.00	4,88,32,798.81	3,16,51,944.00	3,64,11,207.00	66,48,120.00	1,13,38,384.00
(b) From Financial Institutions						
Rupee Loans	35,19,155.00	1,17,44,998.00		27,91,688.00	75,28,104.00	37,36,776.00
Total	3,44,69,133.00	6,05,77,796.81	3,16,51,944.00	3,92,02,895.00	1,41,76,224.00	1,50,75,160.00

Additional Information			
(i) Security for Term Loans			
Nature of Security	Banks	Financial Institutions	Total
Exclusive charge on Plant & Machinery and specific assets financed	4,88,72,918	1,17,44,998	6,06,17,916
Pari passu first charge created on the entire fixed assets of the Company	15,64,00,000	7,11,66,896	22,75,66,896
Subservient charge on all moveable and current assets of the Company		0	-
Total	20,52,72,918	8,29,11,894	28,81,84,812

(ii) Terms of Repayment of Secured Term Loan						
Particulars	Rate of Interest	0-1 Years	2-3 Years	2-3 Years	Beyond 3 Years	Total
Rupee Term Loans From Banks	7%-10.5%	5,67,36,684.00	3,86,05,418.00	2,61,21,676.00	1,04,65,623.00	13,19,29,401.00
Rupee Term Loans From Financial Institutions	11%-27.4%	2,38,47,816.00	1,21,82,608.00	1,69,576.00		3,62,00,000.00
Total		8,05,84,500.00	5,07,88,026.00	2,62,91,252.00	1,04,65,623.00	16,81,29,401.00

Provisions			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Provision for Employee Benefits			
Provision for Gratuity	1,04,90,025.00	70,83,378.00	61,82,101.00
Total	1,04,90,025.00	70,83,378.00	61,82,101.00

Short Term Borrowings			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Working Capital Loans			
Secured			
Cash Credit Accounts, Working Capital Demand Loan	49,95,24,369.98	47,91,61,864.00	46,17,38,922.00
Other than Cash Credit	36,07,12,132.95		
Unsecured			
From Financial Institutions/ Others	26,22,880.00	1,09,18,725.00	48,02,639.00
From Others (Directors)	14,71,88,801.96	12,44,21,963.00	
Total	1,01,00,48,184.89	61,45,02,552.00	46,65,41,561.00

Additional Information			
(i) Security for Term Loans			
Nature of Security	Banks	Financial Institutions	Total
Security for Working Capital Loans			
(a) Hypothecation of Company's Current Assets and Mortgage of certain immovable properties belonging to the Company/ Guarantor	2,01,50,00,000	-	2,01,50,00,000
(b) Second Charge created/ to be created on all fixed assets (excluding Land and Building) of the Company	15,64,00,000		15,64,00,000
Fixed and Floating charge over the assets of the Company and personal guarantee of the Directors	11,70,00,000		11,70,00,000
Pledge of certain Immovable Assets	97,67,00,000		97,67,00,000
Total	3,26,51,00,000		3,26,51,00,000
Trade Payables			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Total Outstanding dues to Micro & Small Enterprises	1,14,50,380.81	4,02,29,523.36	40,22,041.00
Total Outstanding dues to creditors other than Micro & Small Enterprises			
Acceptances	41,71,76,141.14	37,02,93,824.00	40,86,32,917.00
Other than Acceptances	29,73,41,221.69	55,70,73,312.00	34,96,76,133.00
Total	72,59,67,743.64	96,75,96,659.36	76,23,31,091.00
Information as per MSME Act			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Principal amount remaining unpaid to any supplier at the end of the accounting period	1,11,70,442.00	4,02,29,523.36	40,22,041.00
Interest due thereon remaining unpaid to any supplier at the end of the accounting period	5,23,614.00	13,54,145.00	-
The amount of interest paid along with the amounts of payment made to the supplier beyond the appointed date	-	-	-
The amount of interest due and payable for the period	5,23,614.00	13,54,145.00	-
The amount of interest accrued and remaining unpaid at the end of the accounting period	5,23,614.00	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
Total	1,16,94,056.00	4,02,29,523.36	40,22,041.00
The above information has been determined on the basis of information available with the Company.			

Other Financial Liabilities			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Current Maturities of Long term Borrowings	3,44,69,133.17	4,19,84,833.00	1,41,76,224.00
Total	3,44,69,133.17	4,19,84,833.00	1,41,76,224.00
Other Current Liabilities			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Revenue received in Advance	29,35,96,618.00	32,29,88,827.00	32,27,79,572.00
Others	28,54,44,072.67	5,84,60,074.00	5,11,14,769.00
Total	57,90,40,690.67	38,14,48,901.00	37,38,94,341.00

Provisions			
Particulars	As At 31 March 2021	As At 31 March 2020	As At 1 April 2019
Provision for Employee Benefits			
Provision for Gratuity	32,43,439.00	34,06,647.00	11,68,335.00
Other Provisions			
Provision for Taxation	1,40,78,359.97	2,22,08,751.00	53,64,371.00
Others	4,22,67,519.00	7,06,89,799.00	1,09,04,074.00
Total	5,95,89,317.97	9,63,05,197.00	1,74,36,780.00
Revenue from Operations			
Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020	
Sale of Services			
Contract Revenue	2,07,36,53,687.58	3,02,32,80,676.00	
Other Operating Revenue	4,23,535.30		
Other Operating Revenue			
Work Receipts on Technical Services	16,29,490.00	1,39,71,675.00	
Insurance Claim received	29,55,827.00	25,72,358.00	
Total	2,07,86,62,539.89	3,03,98,24,709.00	
Other Income			
Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020	
Profit on Sale of Assets	35,872.00	6,71,803.00	
Miscellaneous Income	1,23,36,538.00	2,28,400.00	
Interest recovered on Mobilisation Advance		39,51,194.00	
Share from Joint Venture	7,01,518.00		
Interest on IT Refund		1,73,438.00	
Interest Income			
On Long Term Investments			
Bank Fixed Deposits	2,15,00,033.65	2,44,06,692.00	
Inter Corporate Deposits			
Interest on Investments			
Others			
Total	3,45,73,961.65	2,94,31,527.00	

Cost of Materials Consumed		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Construction Materials, Stores and Spares		
Opening Stock	47,14,57,531.00	14,13,91,760.00
Add: Purchases	77,34,15,587.22	1,37,53,98,048.00
Less: Closing Stock	-31,65,21,637.00	-47,14,57,531.00
Total	92,83,51,481.22	1,04,53,32,277.00
Operational Expenses		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Repairs and Maintenance		
Plant and Machinery, Vehicles	13,23,502.00	60,13,308.00
Power and Fuel		
Diesel and Petrol Expenses	5,10,38,648.00	9,29,00,244.00
Electricity Expenses	30,23,431.49	39,07,942.00
Others		
Project Work Expenses	49,68,68,825.25	54,64,39,746.00
Hire Charges for Machinery and others	5,60,00,251.00	7,17,55,720.00
Transport Charges	6,94,07,948.00	12,40,00,242.00
Technical and Engineering Consultancy Services	2,08,62,412.00	2,98,50,140.00
Testing Charges	38,62,983.00	33,00,037.00
Labour Cess (Recoveries)	89,57,145.00	2,19,99,284.00
Other Recoveries (By Contractees)	90,22,088.00	4,40,38,023.00
Loading and Unloading Charges	90,01,677.75	1,05,52,626.00
Water Charges	10,88,635.00	45,93,802.00
Other Project Expenses	3,97,206.00	3,74,738.00
Total	73,08,54,752.49	95,97,25,852.00
Changes in Inventories of Work-in-Progress		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Opening Stock	44,12,63,651.00	51,70,47,557.00
Less: Closing Stock	-59,61,99,544.61	-44,12,63,651.00
Total	-15,49,35,893.61	7,57,83,906.00
Employee Benefit Expenses		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Salaries and Wages	12,53,80,256.50	15,73,61,959.00
Contribution to Provident Funds and Other Funds	1,08,51,840.00	1,08,04,154.00
Staff Welfare Expenses	57,52,784.84	1,53,25,141.00
Total	14,19,84,881.34	18,34,91,254.00

Finance Costs		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Interest Expense on		
Term Loans	3,57,65,462.60	1,06,90,892.00
Working Capital Demand Loans & Cash Credit	3,05,83,666.41	6,16,58,143.00
Mobilisation Advance	21,38,653.00	2,49,73,700.00
Others	21,88,683.90	2,18,082.00
Other Borrowing Costs	4,43,73,990.90	1,57,15,561.00
Less: Interest Received		-
Total	11,50,50,456.81	11,32,56,378.00
Other Expenses		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Auditor's Fee		
Statutory Audit Fee	5,00,000.00	5,05,100.00
Tax Audit Fee	1,50,000.00	1,80,000.00
Other Services	50,000.00	40,000.00
Cost Audit	75,000.00	75,000.00
Internal Audit	4,00,000.00	2,00,000.00
Secretarial Audit	2,00,000.00	2,00,000.00
Others		
Bank Charges	1,59,24,151.07	84,19,231.00
LC & BG Issue Charges	1,37,56,879.29	2,45,33,736.00
Commission on Bank Guarantees	2,04,60,517.68	74,03,290.00
Rent	62,40,301.00	89,40,188.00
Travelling and Conveyance Expenses	36,23,140.00	73,51,296.00
Repairs and Maintenance of Computers and others	38,84,022.00	42,13,346.00
Office Maintenance	9,22,129.00	86,24,696.00
Security Services	12,03,863.00	23,82,222.00
Rates and Taxes	7,13,105.00	27,45,671.00
Communication Expenses (Postage and Telephone)	6,18,558.78	7,25,930.00
Insurance	51,66,338.00	50,37,631.00
Printing and Stationery	5,10,960.00	8,01,175.00
Professional Charges	1,76,95,312.72	1,89,31,381.00
CSR Expenses	23,77,260.00	28,17,130.00
Foreign Exchange Gain/Loss	3,81,858.45	23,94,384.00
Sitting Fees to Directors	4,25,000.00	2,25,000.00
Project Site Admin Expenses	7,97,583.24	-
Tender Expenses	1,10,325.00	2,45,695.00
Donations	74,127.00	12,75,056.00
Bad Debts Written Off	3,41,49,064.94	68,47,744.00
Business Promotion Expenses	21,57,836.00	14,29,413.00
ROC Charges	37,590.00	50,749.00
Interest on Statutory Dues	48,84,446.89	57,15,815.00
Prior Period Expenses		24,63,922.00
Miscellaneous Expenses	16,086.48	2,29,074.00
Total	13,75,05,455.54	12,50,03,875.00

Earnings Per Share		
Particulars	Year Ended	Year Ended
	31 March 2021	31 March 2020
Face Value of Shares (in Rupees)	10	10
Basic and Diluted EPS		
Surplus available to Equity Shareholders (In Rupees)	12,76,35,733.01	28,65,02,115.60
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
Basic EPS	5.32	11.94
Add: Effect of dilutive stock options		
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
Diluted EPS	5.32	11.94
Calculation of Weighted Average Number of Shares		
Opening Number of Shares	2,39,90,600.00	2,39,90,600.00
Issued during the year		
Weighted Average Number of Shares	2,39,90,600.00	2,39,90,600.00

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