



# RKEC PROJECTS LIMITED

*Delivering Excellence  
Progressing potentially*

*20<sup>th</sup> Annual  
Report  
FY 2024-25*

**Marine Bridges Roads Buildings**

Delivering quality on time

Building a better Tommorrow

Website: [www.rkecprojects.com](http://www.rkecprojects.com)



# **RKEC Projects Limited**

## **20<sup>th</sup> ANNUAL GENERAL MEETING**

to be held on

18<sup>th</sup> September, 2025 at 11:30 A.M.IST

Through

Video Conferencing (“VC”) / Other Audio Visual Means (“OVAM”)



### **REGISTERED OFFICE**

**#10-12-1, 3rd Floor, Rednam Alcazar Rednam Gardens Opp. SBI Main Branch,  
Visakhapatnam – 530002, Ph: 0891-2574517, Tele Fax: 0891-2574703**

**Email: [info@rkecprojects.com](mailto:info@rkecprojects.com)**

**Web: [www.rkecprojects.com](http://www.rkecprojects.com)**

## TABLE OF CONTENTS

Sl. No.	PARTICULARS	PAGE No.(s)
1	Corporate Information	3
2	Glimpses of the Company	7
3	Chairman's Message	39
4	Notice of the 19th Annual General Meeting (AGM)	41
5	Director's Report	74
6	Annexure to Directors Report	87
7	Standalone Financials	
	a) Auditor's Report	138
	b) Balance Sheet	152
	c) Profit & Loss Account	155
	d) Cash Flow Statement	157
	e) Note on Financial Statement	159
8	Consolidated Financials	
	a) Auditor's Report	207
	b) Balance Sheet	221
	c) Profit & Loss Account	224
	d) Cash Flow Statement	226
	e) Note on Financial Statement	227

# THE BOARD

- ❖ Shri G Radhakrishna.....*Chairman*
- ❖ Shri R Jayachandran.....*Managing Director*
- ❖ Shri G V Rama Mohan.....*WTD/Chief Operating Officer*
- ❖ Smt G Parvathi Devi.....*Whole Time Director*
- ❖ Shri Th Lucas Peter.....*Independent Director*  
Commissioner of Income Tax (Retd),
- ❖ Vice Admiral Satish Soni.....*Independent Director*  
PVSM, AVSM, NM (Retd)
- ❖ Brig J Kameswara Rao.....*Independent Director*
- ❖ Lt. Gen PR Kumar (Retd).....*Independent Director*
- ❖ Shri Sobhag Mal Jain.....*Independent Director*

## **Key Managerial Personnel**

<b>Shri G Radhakrishna</b>	Chairman
<b>Shri R Jayachandran</b>	Managing Director/CFO
<b>CS Deepika Rathi</b>	Company Secretary & Compliance Officer

### **Statutory Auditors**

M/s SARC & Associates  
Chartered Accountants

### **Secretarial Auditor**

M/s Mehta and Mehta  
Practicing Company Secretaries

### **Cost Auditor**

M/s Uppalapati & Associates,LLP

### **Internal Auditor**

M/s. Ashish Kumar Agarwal & Co.®

### **Banks**

**Bank of Baroda**  
**Bandhan Bank**  
**ICICI Bank**

### **Registrar & Share Transfer**

**Bigshare Services Private Limited**  
1st Floor, Bharat Tin Works Building,  
Vasant Oasis, Makwana Road, Marol,  
Andheri East, Mumbai 400059, Maharashtra

### **Registered Office**

**CIN: L43900AP2005PLC045795**  
10-12-1, Rednam Alcazar, Rednam Gardens  
Opp SBI Main Branch, Visakhapatnam  
PIN-530002, Andhra Pradesh, India

## **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.

## **MISSION / OVERARCHING GOALS**

To provide world class products and services by consistently meeting customer's expectations, quality and on-time delivery thus earning professional respect of customers and competitors

Achieve sustainable business growth by value creation through continuous innovation in capabilities, products and services while leveraging technology delivered by 'best in environment professionals' whilst constantly remaining agile and adaptable.

Follow fair, transparent and ethical practices and encourage a culture of empathy, safe and healthy work environment, people empowerment as well as protection of environment and natural resources.

Practice 'Leadership by Example' and inculcating self-accountability, by pursuing best practices on Care for our Environment, Community, Customers, Shareholders, People and creating a culture that will reinforce our values Work to understand the needs and requirements of our clients before proposing a solution

## **MAKE A DIFFERENCE BY:**

- **Developing responsive proposals that provide cost-effective solutions to our clients need.**
- **Deploy the right mix of professionals and products to deliver value-added services and solutions to our clients.**
- **Follow-up on the quality of our services and solutions to our clients.**
- **Appreciate the trust that our clients put in us as we work with them to improve their business.**
- **Ensure continuous profitably across our core competence and allied areas, by focussed and aggressive marketing.**
- **Become the lead adopter of technology with a spirit of pioneering and calculated risk taking.**

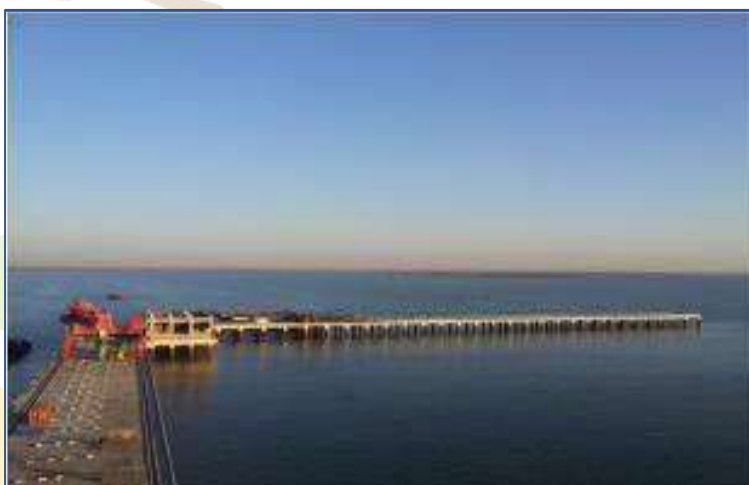
- **Enable employees and associates to achieve and unleash their full potential to deliver outcomes in a sustainable way.**

## **VALUES**

***Our Values are our Backbone and mean EVERYTHING to us***

- **Integrity and Honesty - Our commitment and integrity to be irreproachable, our honesty sacrosanct even if required to present hard truths.**
- **Safety - Safety is a core value over which no business objective can have a higher priority.**
- **Agility and Adaptability - Speed, Responsiveness and Proactive approach, achieved through leadership from the top, non-linearity of thought and action, collaboration and empowering employees. Staying ahead of the technological, marketing and management loop.**
- **Care and Respect - Care for Stakeholders, the Environment, Customers & Shareholders – both existing and potential, and our employees and partners.**
- **Diligence - Do everything (planning, preparation, deployment of assts, analyse, execute, review, mitigate risks etc) with a thoroughness that delivers quality and excellence on time in all areas.**
- **Passion, Ambition and Innovation: We enjoy what we do, work with passion in an innovative manner using ‘out of box’ solutions were required, and our ambition will enthuse our clients to excel.**

## BUSINESS SEGMENTS



MARINE STRUCTURES



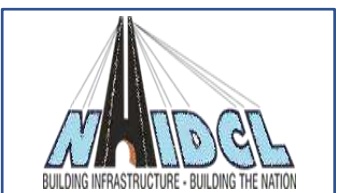
BRIDGE CONSTRUCTION



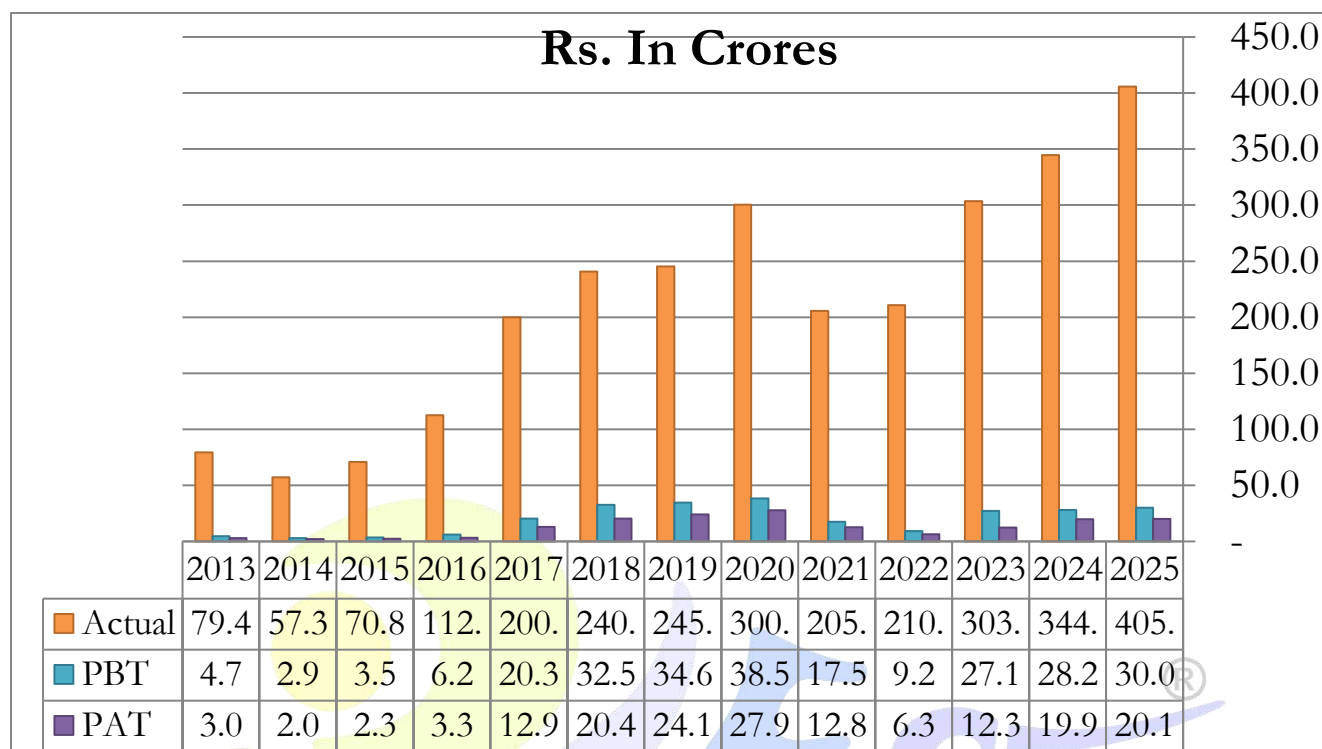
ROADS & BUILDINGS



## OUR CLIENTELE

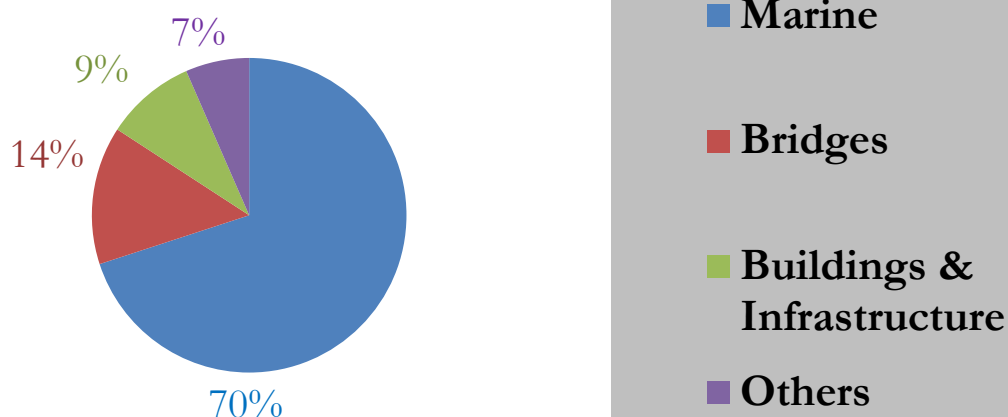


## KEY FINANCIALS

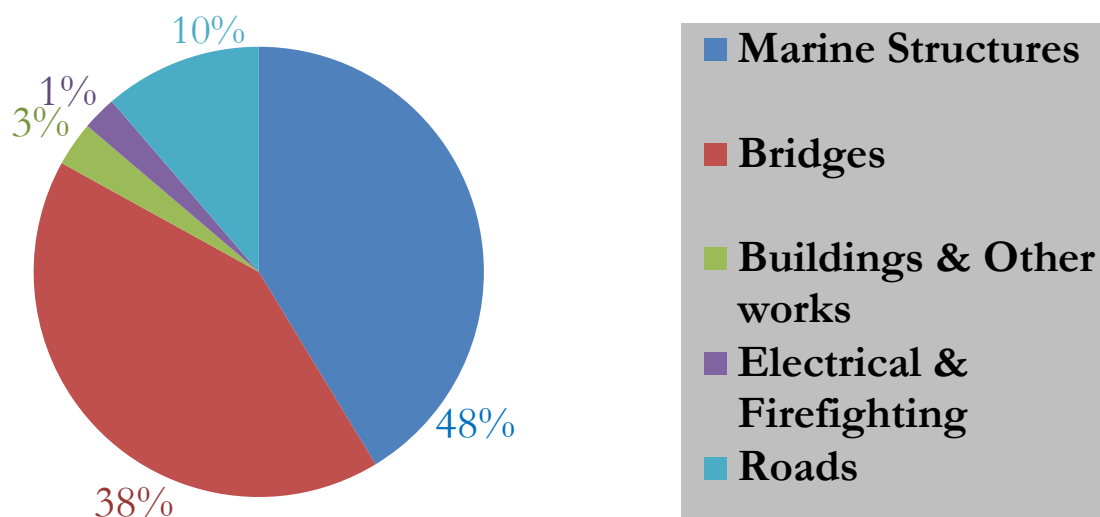


**BUSINESS VOLUME: Rs. 4697 Cr**

### Works Executed : 2369 Crores



## Works In Progress : 2328 Crores



## INVESTMENT RATIONALE



## REVENUE STATEMENT

<u>Particulars</u>	<u>Amount In (Rs. In Cr) As At</u>				
	<u>31-03-2021</u>	<u>31-03-2022</u>	<u>31-03-2023</u>	<u>31-03-2024</u>	<u>31-03-2025</u>
<u>Total Sales</u>	<u>205.77</u>	<u>210.81</u>	<u>303.67</u>	<u>344.66</u>	<u>405.86</u>
<u>Total Expenses</u>	<u>188.19</u>	<u>201.63</u>	<u>276.21</u>	<u>316.49</u>	<u>375.87</u>
<u>EBIDTA</u>	<u>32.95</u>	<u>25.25</u>	<u>46.47</u>	<u>50.85</u>	<u>58.32</u>
<u>EBIT Margin %</u>	<u>16.01</u>	<u>11.98</u>	<u>15.30</u>	<u>14.75</u>	<u>14.37</u>
<u>PBT</u>	<u>17.46</u>	<u>9.18</u>	<u>27.13</u>	<u>28.17</u>	<u>29.99</u>
<u>PBT Margin %</u>	<u>8.48</u>	<u>4.35</u>	<u>8.93</u>	<u>8.17</u>	<u>7.39</u>
<u>PAT</u>	<u>12.76</u>	<u>6.28</u>	<u>12.30</u>	<u>19.90</u>	<u>20.06</u>
<u>PAT Margin %</u>	<u>6.20</u>	<u>2.98</u>	<u>4.05</u>	<u>5.77</u>	<u>4.94</u>



## RECOGNITION OF OUR EXCELLENCE



Awarded as “Excellence in generating Employment” by Visakhapatnam Chamber of Commerce and Industry in 2018



Listing Ceremony of RKEC on NSE Emerge platform by Special invitee - Sri Sri Ravi Shankar ji

## CLIENT TESTIMONIALS



RKEC is a synonym of professionalism. Their team from the top level management to the lowest level supervisor all are thorough professionals for which is quite evident from the quality of work & other deliverables”

*DGNP, Indian Navy, Visakhapatnam*



“Resourceful firm having expertise in Marine work”

*Mumbai Port Trust*

## **GIMPLSES OF MAJOR ONGOING PROJECTS**

**“CONSTRUCTION OF NEW 4-LANE BRIDGE (2 X 12.5M WIDE TWIN TWO LANE STRUCTURES) OVER RIVER GANGA AT DOWNSTREAM OF FARAKKA BARRAGE”**

Work Value: Rs. 65,150 Lakhs

Client: NHAI, WB

Target for Completion: 31 Aug 2025

Physical Completion: 93.86 %





## **“RECONSTRUCTION OF N1-N3 JETTY AT VISAKHAPATNAM”**

Work Value: Rs. 16,922 Lakhs

Client: DGNP

Target for Completion: 31 Aug 2025

Percentage of Completion Physically: 99% (Substantially Completed)



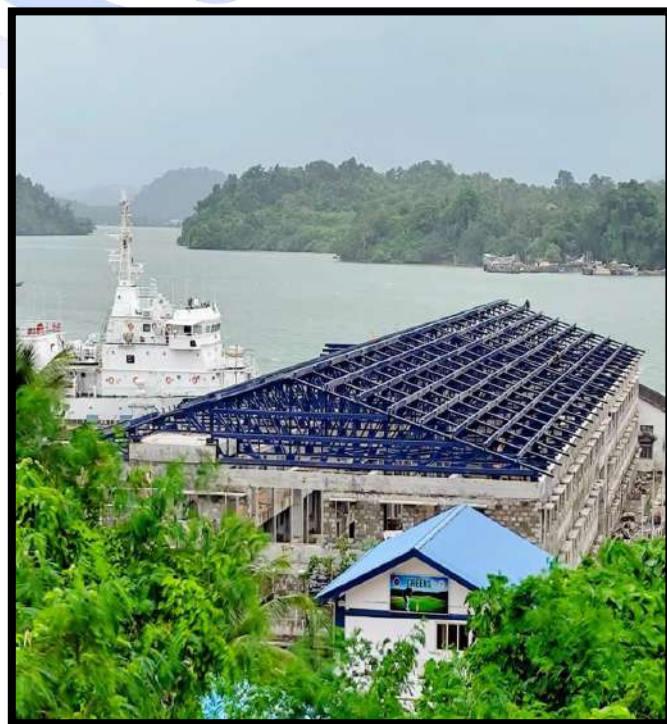
## **“PROVISION OF 03 LANE SLIPWAY 500 TON CAPACITY AT PORT BLAIR”**

Work Value: Rs. 32,178 Lakhs

Client: MES

Target for Completion: 15 Nov 2025

Physical Progress: 82%





## **“DEVELOPMENT OF FISHERY HARBOUR AT VERAVAL (PHASE-II) DIST. GIR-SOMNATH”**

Work Value: Rs. 27,201 Lakhs

Client: GMB

Target for Completion: 16 Oct 2025

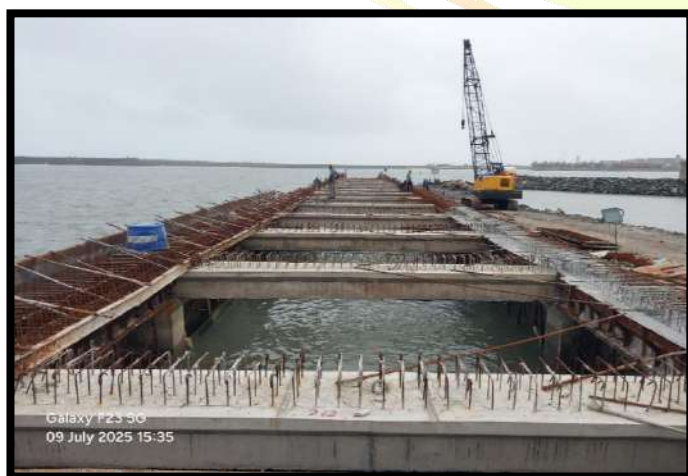
Physical Progress: 54.18%



**EASTERN BREAKWATER**



**LANDING JETTY – 1 & 2**



**BRETHING JETTY AREA**



**WESTERN BREAKWATER**

**“SW-III: VIJAYAWADA DIVISION- PROVISION OF IMPROVEMENTS TO PLATFORM SURFACES AT ELURU, CHIRALA, BAPATLA AND TENALI RAILWAY STATIONS UNDER ABS SCHEME IN DEN/CENTRAL/BZA JURISDICTION. (JV)”**

Work Value: Rs. 1,353 Lakhs (51% Share)

Client: South Central Rly

Target for Completion: 30 Sep 2025

Physical Progress: 62%





## “CSA WORKS AT HPPL HALDIA DT & PANAGARH RT, SCHEDULE-1”

Work Value: Rs. 4, 897 Lakhs

Client: HPCL

Target for Completion: 31 Oct 2025

Physical Progress: 80.50%



**“CONSTRUCTION OF BALANCE WORKS OF MAJOR BRIDGE OVER MIDDLE STRAIT CREEK BETWEEN KM. 106.590 TO KM 108.553 OF NH-04 CONNECTING SOUTH ANDAMAN & BARATANG ISLAND IN THE UNION TERRITORY OF ANDAMAN & NICOBAR ISLANDS ON EPC BASIS.”**

Work Value: Rs. 24,544 Lakhs

Client: NHIDCL

Target for Completion: 07 Mar 2026

Physical Progress: 9.20%





**“REHABILITATION AND UP-GRADATION AND COMPLETION OF BALANCE WORK OF SECTION FROM KM 155.00 TO KM 181.00 (END OF JARWA TO RANGAT) OF NH-4 (TOTAL LENGTH 26 KM) TO INTERMEDIATE LANE/2-LANE WITH HARD SHOULDERS IN THE UT OF A&N ISLANDS ON EPC BASIS – [PACKAGE IIIB]”**

Work Value: Rs. 23,435 Lakhs

Client: NHIDCL

Target for Completion: 07 Nov 2025

Physical Progress: 36.70%



**“CONSTRUCTION OF PASSENGER JETTY AND TERMINAL FACILITIES AT RADIO JETTY NEAR GATEWAY OF INDIA, MUMBAI, ON EPC MODE”.**

Work Value: Rs. 22,028 Lakhs

Client: MMB

Target for Completion: 14 Apr 2027

Physical Progress: 2.20%



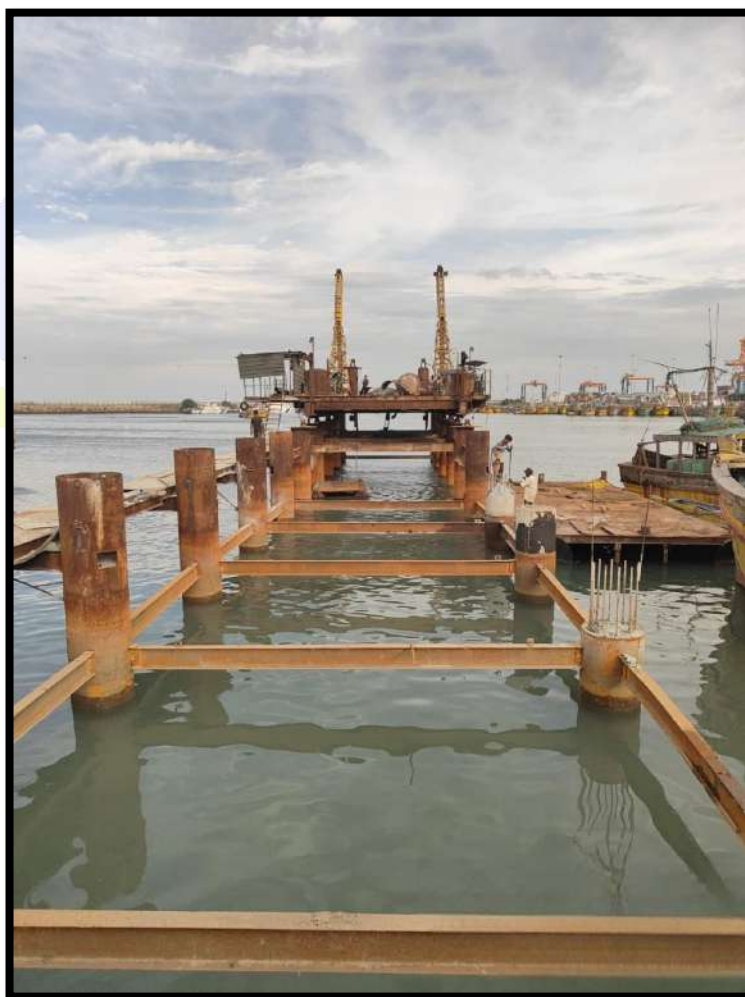
**“CONSTRUCTION OF FISHING JETTIES (2 NOS) AND WHARF IN BETWEEN THE EXISTING FINGER JETTIES”.**

Work Value: Rs. 3,848 Lakhs

Client: VPA

Target for Completion: 20 Apr 2026

Physical Progress: 6.50%





**“REFURBISHMENT AND UPGRADATION OF OUTFITTING JETTY, CRANE TRACK AND SERVICES AT HINDUSTAN SHIPYARD LIMITED, VISHAKHAPATNAM”.**

Work Value: Rs. 8,686 Lakhs

Client: HSL

Target for Completion: 12 May 2028

Physical Progress: Mobilization In Progress



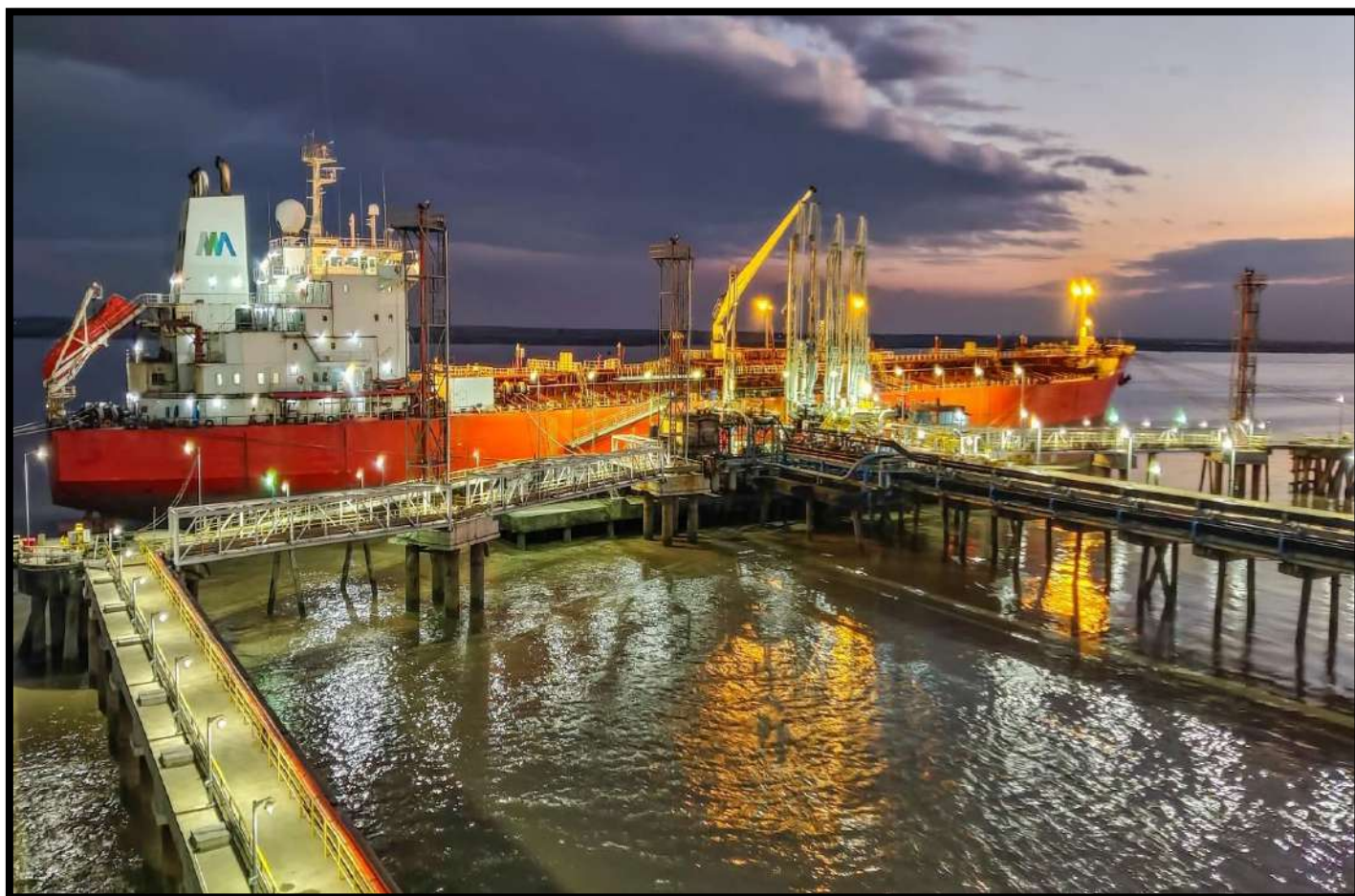


**“DESIGN, MANUFACTURE, FABRICATION, SUPPLY, ERECTION, TESTING, COMMISSIONING AND HANDING OVER FIRE FIGHTING FACILITIES AT HOJ-I, HOJ-II, BARGE JETTY I&II AND UPCOMING OUTER TERMINAL –II (OT-II) IN EPC MODE”**

O&M Work Value: Rs. 2,572 Lakhs

Client: Syama Prasad Mookerjee Port

Target for Completion : 15 Aug 2035



## GIMPLES OF MAJOR COMPLETED PROJECTS

### **“INSTALLATION AND COMMISSIONING OF TLF SKID AT KOCHI LNG TERMINAL”**

Work Value: Rs. 2,609 Lakhs

Client: Petronet LNG Limited

Year of Completion: 2025





## **“PROPOSED CONSTRUCTION OF CRUISE BERTH AT CHANNEL BERTH IN OUTER HARBOUR OF VISAKHAPATNAM PORT”**

Work Value: Rs. 6,482 Lakhs

Client: VPA

Year of Completion: 2023

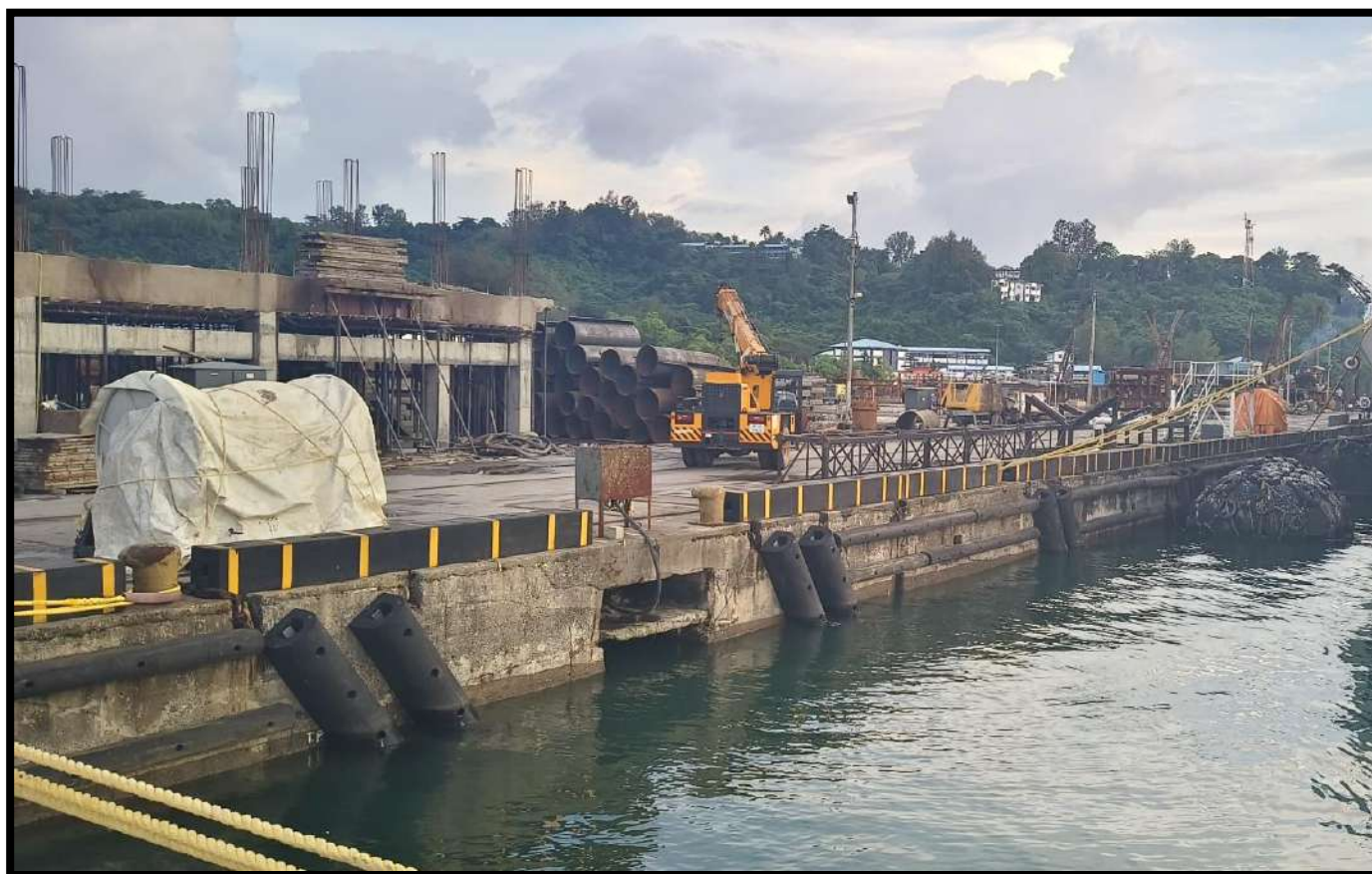


## **“REPAIR OF JETTY FENDERS AT 330 MTRS LONG CG JETTY UNDER GE HADDO AT PORT BLAIR”**

Work Value: Rs. 998 Lakhs

Client: MES

Year of Completion: 2025



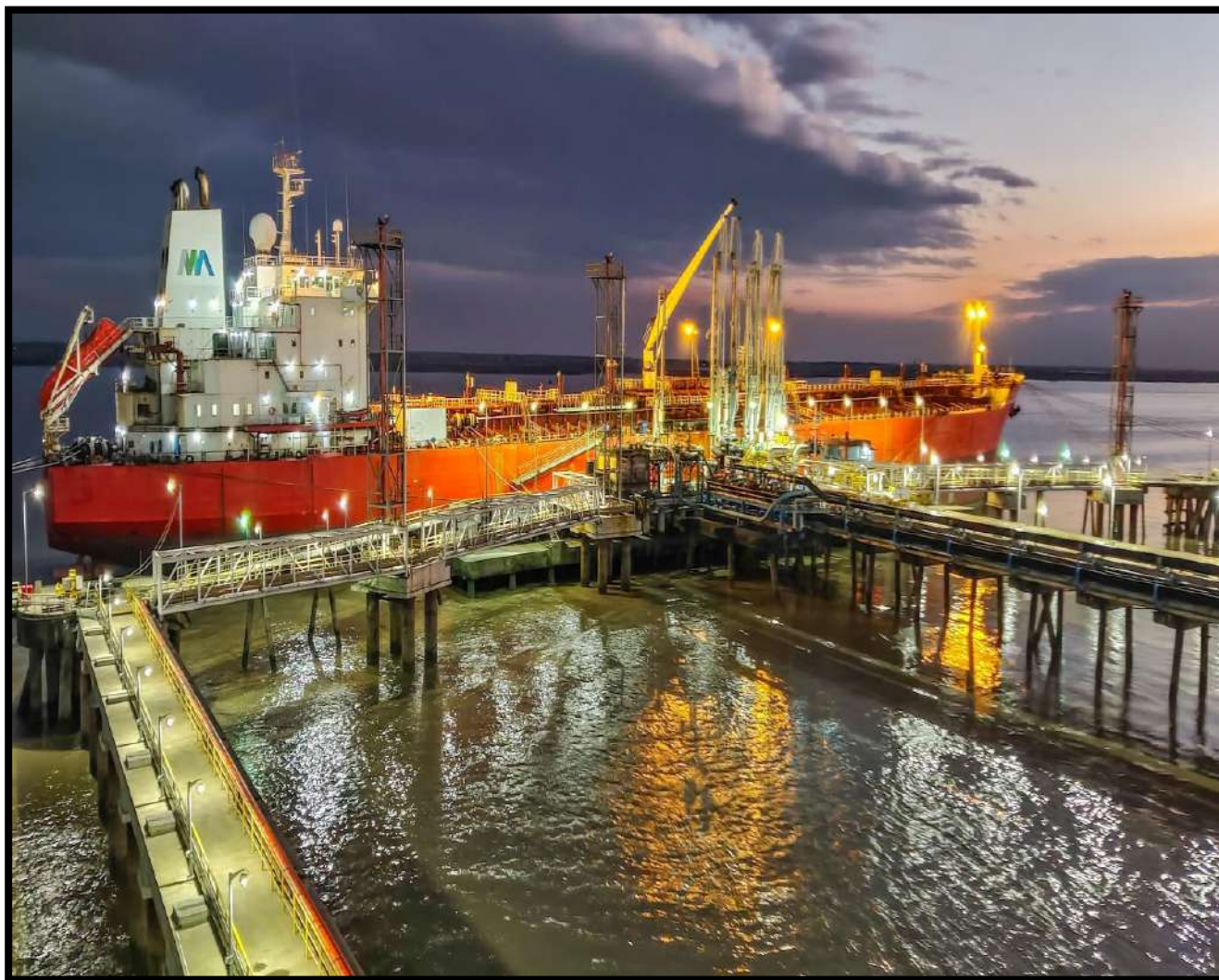


**“DESIGN, MANUFACTURE, FABRICATION, SUPPLY, ERECTION, TESTING, COMMISSIONING AND HANDING OVER FIRE FIGHTING FACILITIES AT HOJ-I, HOJ-II, BARGE JETTY I&II AND UPCOMING OUTER TERMINAL –II (OT-II) IN EPC MODE”**

Work Value: Rs. 12,684 Lakhs

Client: Syama Prasad Mookerjee Port

Year of Completion: 2023





**“CONSTRUCTION OF LIQUID CARGO HANDLING JETTY (OUTER TERMINAL –II)  
NEAR 2ND OIL JETTY ON THE RIVER HOOGHLY AT HALDIA DOCK COMPLEX,  
KOLKATA PORT TRUST”**

*Work Value: Rs. 8,801 Lakhs*

*Client: Haldia Dock Complex*

*Year of Completion: 2022*

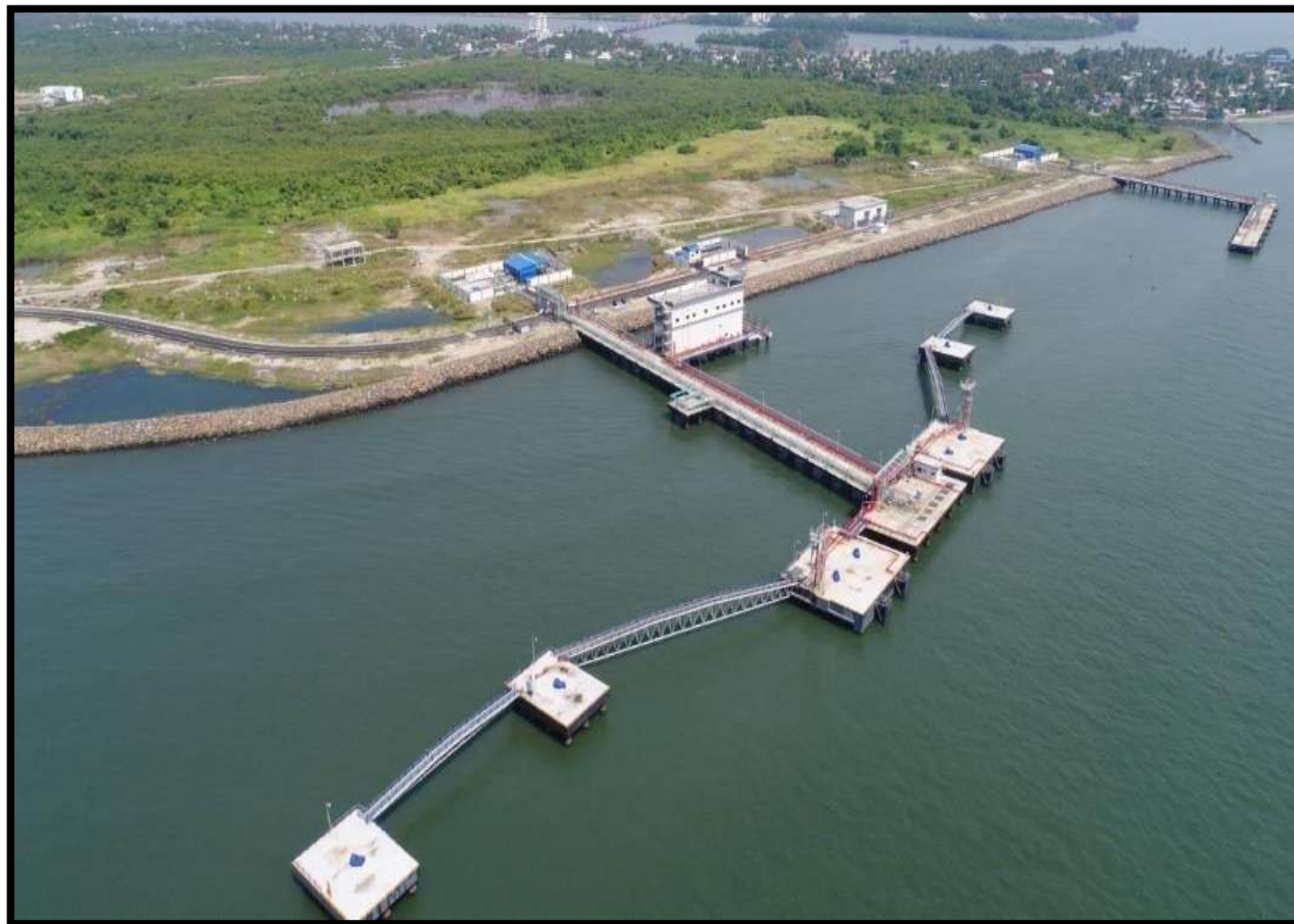


**“CONSTRUCTION OF MULTI-USER LIQUID TERMINAL AT PUTHUVYPEEN, COCHIN PORT”.**

Work Value: Rs. 21,200 Lakhs

Client: Cochin Port Trust, Cochin

Year of Completion: 2018





## “CONSTRUCTION OF INDOOR SPORTS ARENA UNDER SMART CITY PROGRAM, VISAKHAPATNAM”

Work Value: Rs. 2,229 Lakhs

Client: GVMC

Year of Completion: 2022





## **GIMPLES OF MAJOR EQUIPMENT OWNED**



### **JACK UP BARGE - MARUTHI RK-IX**



### **JACK UP BARGE - MARUTHI RK-IX**



**FLAT TOP CRANE BARGE**



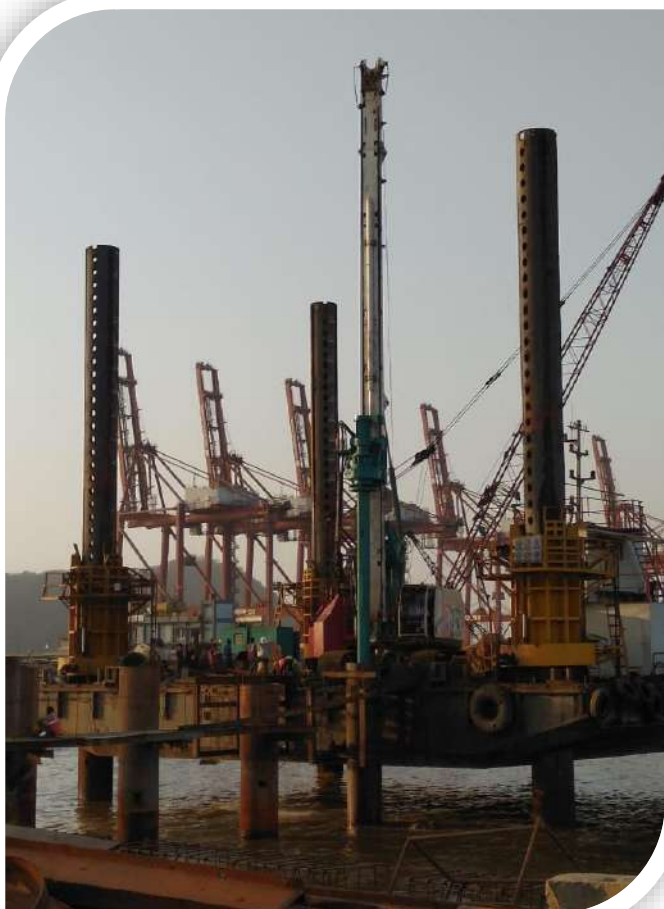
**EX-370 EXCAVATOR**



**100 TON MONITOWAC CRANE**  
**ON BARGE**

**HYDRAULIC RIG SR-60**





## CASAGRADE B250 XP-2



**EX-370 EXCAVATOR**



**KOMATSU PC-300**



**150 TON CRANE**



**TRANSIT MIXER**





**BOOM PUMP, MODEL S36X**



**M.T VEER TUG**

## CHAIRMAN'S MESSAGE

### Shri Garapati Radhakrishna



It is with immense pride and gratitude that I present to you the 20th Annual Report of our Company. This year is especially significant as it marks a monumental milestone — the 40th anniversary of our Company's inception.

Over the past four decades, we have grown from humble beginnings into a respected and reliable player in the infrastructure sector. Our journey has been one of relentless dedication, innovation, and resilience. From roads and bridges to buildings and marine structures, we have contributed meaningfully to nation-building by successfully executing projects across India, creating lasting value for the communities we serve.

The financial year 2024–25 has been a progressive and transformative period for our Company. We continued our forward march with a strong focus on value creation, sustainable growth, and operational excellence. Our unwavering commitment to quality, timeliness, and cost-effectiveness has become a defining hallmark of our brand in the construction industry.

Thanks to our highly skilled and dedicated team, we have consistently enhanced efficiency across all stages of project execution. This has not only helped us maintain a clean track record but also positioned us to win more contracts in the years ahead. As we look to the future, we aim to strengthen our leadership, expand volumes, and continue optimizing performance to create long-term stakeholder value.

We remain deeply committed to participating in India's infrastructure growth story, selectively taking on projects that align with our capabilities and offer long-term growth opportunities. Our strategic approach enables us to accelerate progress towards our goals while contributing to the development of the country.

None of this would have been possible without the continued support, trust, and encouragement of our valued stakeholders. I feel truly privileged to have your steadfast association and guidance throughout our journey. You have been instrumental in helping us reach where we are today.

This year, as we commemorate 40 years of excellence, I am filled with a profound sense of pride and gratitude. From our modest beginnings, we have grown into a thriving enterprise — a testament to the power of vision, teamwork, and perseverance.

I extend my heartfelt appreciation to our clients, partners, employees, and stakeholders — especially the entire RKEC family — for your invaluable contribution to this incredible journey. Your trust and collaboration have been the driving force behind our sustained success.

As we celebrate this significant milestone, let us look ahead with renewed energy, optimism, and commitment. Together, we will continue to push boundaries, embrace new opportunities, and build a future defined by innovation, integrity, and excellence.

Thank you for being an integral part of our journey. Here's to many more years of growth, achievement, and shared success.





## **NOTICE OF 20<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Twentieth Annual General Meeting of the members of RKEC Projects Limited (CIN: L43900AP2005PLC045795) will be held on Thursday, the 18<sup>th</sup> September 2025 at 11:30 A.M. through Video Conferencing (“VC”) / Other Audio Visuals Means (“OVAM”) to transact the following business:

### **1. TO RECEIVE, CONSIDER AND ADOPT:**

- a) The Audited Standalone Financial Statements of the Company with notes forming part thereof, for the Financial Year ended 31<sup>st</sup> March 2025 together with the Reports of the Board of the Directors and Auditors thereon; and
- b) The Audited Consolidated Financial Statements of the Company with notes forming part thereof, for the Financial Year-end 31<sup>st</sup> March 2025 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 31<sup>st</sup> March 2025, consisting of Balance Sheet as at 31<sup>st</sup> March 2025 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 RE-APPOINT MR. G V 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”** Mr. G V 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:**

### **3. RATIFICATION OF REMUNERATION 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 2025-26 ending 31<sup>st</sup> March 2026, has been duly approved by the Board of Directors based on the recommendations of Audit Committee of the Company, 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 2025-26 ending 31<sup>st</sup> March 2026, as recommended by the Board of Directors based on the recommendation of the Audit Committee of the Company, be and is hereby ratified and confirmed.”

#### **4. TO APPOINT MEHTA AND MEHTA, AS SECRETARIAL AUDITORS OF THE COMPANY**

To consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

“**RESOLVED THAT** pursuant to section 204 and all other applicable provisions, if any, of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and other rules and regulations framed thereunder (including any amendments, statutory modification(s) and/or amendments thereof for the time being in force), and pursuant to the recommendation of the Board of Directors of the Company, Mehta and Mehta, Company Secretaries (Firm Registration No. - P1996MH007500 and Peer review No. - 3686/2023), be and are hereby appointed as the Secretarial Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 20<sup>th</sup> Annual General Meeting until the conclusion of the 25th Annual General Meeting of the Company, at such remuneration and on such terms and conditions as may be mutually agreed between the Board of Directors and the said Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, (including its committees thereof) and Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.”

#### **5. RE-APPOINTMENT OF STATUTORY AUDITORS M/S. SARC & ASSOCIATES, CHARTERED ACCOUNTANTS**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, M/s. Sarc &

Associates, Chartered Accountants (Firm Registration No. 006085N), who were appointed as the Statutory Auditors of the Company at the 15<sup>th</sup> Annual General Meeting for a term of five consecutive years and whose term expires at the conclusion of this Annual General Meeting, be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five consecutive years, to hold office from the conclusion of this 20<sup>th</sup> Annual General Meeting till the conclusion of the 25<sup>th</sup> Annual General Meeting, at such remuneration and on such terms and conditions as may be mutually agreed between the Board of Directors and the said Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to fix the remuneration payable to the Statutory Auditors and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution.”

## **6. TO INCREASE THE AUTHORISED SHARE CAPITAL 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 61,64, 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.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 to Rs.100,00,00,000(Rupees One Hundred crore only) divided into 10,00,00,000(Ten 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** 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."

## **7. TO AMEND THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 13,61,64, 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 its place:

‘V. The Authorised Share Capital of the Company is Rs.100,00,00,000(Rupees One Hundred crore only) divided into 10,00,00,000 (Ten Crore) 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."

#### **8. TO MAKE INVESTMENTS, GIVE LOANS, GUARANTEES AND SECURITY IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 including any amendment thereto or re-enactment thereof for the time being in force, if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any Body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any Body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any Body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding INR 200 Crores (Rupees Two Hundred Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in case of divestment of the investment, the Directors of the Company be and are hereby authorized to decide, sign the necessary applications, papers, forms, documents etc. for effective implementation of decision of divestment taken by the Company from time to time.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above, Board of Directors or Company Secretary of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining

approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

#### **9. APPROVAL TO ADVANCE ANY LOAN/GIVE GUARANTEE/PROVIDE SECURITY UNDER SECTION 185 OF THE COMPANIES ACT, 2013:**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 (“Act”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or Group entity of the Company or any other person in which any of the Directors of the Company is interested or deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the “Entities”), provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to the Entities shall not at any time exceed the aggregate limit of Rs. 200 Crores (Rupees Two Hundred Crores Only) in its absolute discretion deem beneficial and in the best interest of the Company.

**RESOLVED FURTHER THAT** the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

#### **10. APPROVAL FOR RAISING OF FUNDS THROUGH ISSUANCE OF DEBT INSTRUMENTS UP TO ₹550 CRORES**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 62(1)(c), 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, as amended, and all other applicable laws, regulations, rules, notifications, guidelines and circulars, and subject to such approvals, consents, permissions and sanctions as may be necessary from regulatory and statutory authorities, and subject to such terms and conditions as may be prescribed by them while granting such approvals, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted or to be constituted by the Board to exercise its powers), the consent of the shareholders of the Company be and is hereby accorded to the Board to create, offer, issue and allot such number of debt securities including but not limited to issue of Non-Convertible Debentures (NCDs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Foreign Currency Convertible Bonds (FCCBs), Non-convertible debt instruments along with warrants or any other securities or instruments as may be permitted under applicable law, in one or more tranches, through private placement and/or any other mode or combination thereof, whether listed or unlisted, in one or more offerings and/or issuances, for an aggregate amount not exceeding ₹550 Crores (Rupees Five Hundred Fifty Crores only) or its equivalent in one or more tranches, whether Rupee denominated or denominated in one or more foreign currencies, at such price or prices as may be permissible under applicable law, on such terms and conditions and at such time(s) as the Board in its absolute discretion may deem fit and appropriate and without requiring any further approval or consent from the shareholders at the time of such Issue and allotment..

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine and finalise the structure, pricing, terms and conditions of the issuance(s), type of security/instruments, time of issue, number of tranches, tenor, coupon/interest rate(s), listing, redemption period, and other related matters in respect of such securities and to take all necessary steps for the execution of relevant documents, opening of accounts, listing on stock exchanges, filings with regulatory authorities, appointment of intermediaries, and to generally do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for the purpose of giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of further equity shares of the Company as may be required to be issued and allotted upon conversion of any securities issued and allotted pursuant to and in accordance with the terms of the proposed Offering, and all such further equity shares shall rank pari-passu with the existing fully paid-up equity shares of the Company in all respects, except provided otherwise under the terms of issue and in the offer documents relating to the Proposed Offering.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized subject to all statutory and regulatory approvals, consents, permissions and/or sanctions of the Government of India, RBI, Securities and Exchange Board of India ("SEBI"), Stock Exchanges, and all other concerned Indian or



overseas authorities, including any overseas stock exchange (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction, the consent of the members of the Company be and is hereby accorded to create, offer, issue and allot in one or more tranches of private or public offerings (including on preferential allotment basis) in domestic or international markets, with or without green shoe option, through prospectus/ offer letter/ offering circular or other permissible/requisite offer documents, Foreign Currency Convertible Bonds ("FCCBs"), and/or any other similar securities convertible into equity shares of the Company at the option of the Company and/or the security holders denominated and subscribed to in foreign currency by eligible persons as determined by the Board of Directors in its discretion including persons who are not holders of equity shares of the Company, whether unsecured or secured by creation of charge/encumbrance on the assets of the Company and such Proposed Offering to be made in such manner and on such terms and conditions or such modifications thereto as the Board (or a duly authorized committee thereof) may determine in consultation with the Lead Manager(s) and/or Underwriters and/or other advisors, subject to applicable law.

**RESOLVED FURTHER THAT** the relevant date for the purpose of pricing the FCCBs shall mean the date on which the Board or Committee decides to open the proposed issuance of FCCBs in accordance with the FCCB Scheme (including any amendments thereto or re-enactment thereof, for the time being in force), or as may be permitted under applicable law.

**RESOLVED FURTHER THAT** the Committee of Directors of the Board of Directors of the Company, as formed in the discretion of the Board of Directors ("Committee"), be and is hereby authorized to take all decisions and approve, negotiate, finalize and carry out all activities relating to the Proposed Offering, as it may deem fit and proper in the best interests of the Company, without requiring any further approval of the shareholders, including but not limited to:

1. to decide on the actual size and nature of the Proposed Offering and all the terms and conditions of the Proposed Offering, including without limitation timing, opening and closing dates of the issue, pricing, conversion price and to accept any amendments, modifications, variations or alterations thereto;
2. to finalise and arrange for submission of the offering documents in connection with the Proposed Offering and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, overseas or Indian stock exchanges, institutions or bodies;
3. to finalise, sign and execute any agreements or documents required in relation to the Proposed Offering;
4. to make applications to the National Stock Exchange of India Limited for obtaining in-principle and final listing and trading approvals in connection with any Equity Shares that may be issued upon conversion or exchange of the securities issued pursuant to the Proposed Offering and to take all such other actions as may be necessary in connection with obtaining such listing approvals;
5. to settle all questions, difficulties or doubts that may arise in relation to the Proposed Offering, as it may in its absolute discretion deem fit; and

6. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Proposed Offering.

**RESOLVED FURTHER THAT** in accordance with the SEBI (Prohibition of Insider Trading Regulations), 2015 (“Insider Trading Regulations”) and any other applicable laws, the Board is of the opinion that the Proposed Offering is in the best interests of the Company and approves that for the purposes of the Proposed Offering, including without limitation preparation of offering documents in relation thereto, the Company may provide relevant information (including any unpublished price sensitive information) to any lead manager(s) or other relevant advisors/persons appointed in connection with the Proposed Offering, subject to compliance with the provisions of Regulation 3 of the Insider Trading Regulations and all other provisions of applicable law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the Issue, the Board of Directors either by itself or through finance committee of the Board be and are hereby authorised to obtain approvals, statutory, contractual or otherwise, in relation to the Issue and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the foregoing resolutions and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred herein to any Committee of the Board or any Director(s) or Officer(s) of the Company for the purpose of giving effect to the above resolution and to take such steps and to execute all such documents, agreements and writings as may be necessary, proper or expedient.”

## **11. APPROVAL FOR RAISING OF CAPITAL UP TO ₹500 CRORES**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c), 179 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s), statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Memorandum of Association and Articles of Association of the Company, and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), Securities and Exchange Board of India Act, 1992 (“SEBI Act”) as amended from time to time, Securities Contracts (Regulation) Act, 1956 including Securities Contracts

(Regulation) Rules, 1957 (“SCRA”/”SCRR”), Income Tax Act, 1961 (“IT Act”), Depositories Act 1996 and the rules framed thereunder, the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019 read with the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (including any statutory amendments thereto or modifications or re-enactments thereof for the time being in force), and subject to the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations 2015, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices) Regulations 2003, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, and any other provisions of applicable law (including all other applicable statutes, clarifications, rules, regulations, circulars, notifications and guidelines issued by the Government of India (“GOI”), Ministry of Corporate Affairs (“MCA”), Reserve Bank of India (“RBI”), Stock Exchanges, Registrar of Companies, and such other statutory/regulatory authorities), circulars or notifications issued thereunder as may be applicable from time to time, and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions as may be prescribed by any of them while granting such approvals and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee duly constituted or to be constituted by the Board), the consent of the shareholders of the Company be and is hereby accorded to the Board to create, offer, issue and allot such number of equity shares of the Company of face value of ₹10 each (the “Equity Shares”) and/or other equity linked securities including warrants convertible into equity shares, fully or partly, in one or more tranches and/or one or more issuances, by way of further public offering (FPO), and/or private placement and/or qualified institutions placement(s) (QIP) in accordance with Chapter VI of the SEBI ICDR Regulations and/or rights issue and/or any other permissible mode and/or combination thereof, for an aggregate amount not exceeding ₹500 Crores (Rupees Five Hundred Crores only), or an equivalent amount thereof (inclusive of such premium or discount, as the case may be, as may be fixed on such Securities), in one or more tranches, whether Rupee denominated or denominated in one or more foreign currencies, at such price or prices as may be permissible under applicable law, in the course of international and/or domestic offerings, in one or more foreign markets and/or domestic markets, through public and/or private offerings and/or by way of, qualified institutions placement (“QIP”) or through any other permissible mode and/or combination thereof as may be considered appropriate under applicable law, through issue of prospectus and / or preliminary placement document, placement document and/or other permissible / requisite offer documents as may be required under applicable law, to eligible investors that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers (“QIB”) in accordance with the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, trusts, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/ or foreign multilateral financial institutions, mutual funds, insurance companies, banks, non-resident Indians, stabilizing agents, pension funds and/ or any other categories of investors as may be permissible under applicable laws, whether they be holders of the Securities of the Company or not (collectively called the “Investors”) to all or any of them, jointly or severally, as may be decided by the Board in its absolute discretion and permitted under applicable laws and regulations, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms



and conditions including the terms of the issuance, security, rate of interest, as may be deemed appropriate including the discretion to determine the categories of Investors to whom the offer, issuance and allotment of such Securities shall be made, to the exclusion of other categories of Investors, with authority to retain oversubscription up to such percentage as may be permitted under applicable regulations, and use the proceeds from the Issue, towards inter alia, the pre-payment and / or repayment of debt, working capital requirements, general corporate purposes and such other purpose(s) as may be permissible under applicable laws, in such manner and on such terms as may be deemed appropriate by the Board at its absolute discretion at the time of such creation, offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager/book running lead manager/and or placement agents and/or underwriter(s) and/or other advisor(s) appointed and/or to be appointed by the Board, in foreign currency and/or equivalent Indian Rupees as may be determined by the Board, or in any convertible foreign currency, as the Board in its absolute discretion may deem fit and appropriate (the “Issue”) and without requiring any further approval or consent from the shareholders at the time of such Issue and allotment.

**RESOLVED FURTHER THAT** in the event of a QIP or any other issue permitted under applicable laws, the pricing and other terms shall be determined in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations or other applicable laws, and the Board be and is hereby authorized to offer such discount as may be permitted under applicable law.

**RESOLVED FURTHER THAT** the allotment of Equity Shares shall only be to QIBs as defined in the SEBI ICDR Regulations, and such Equity Shares shall be fully paid-up & rank pari-passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) and be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and the allotment of such Equity Shares shall be completed within 365 days from the date of passing this special resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** any issue of Equity Shares made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the “QIP Floor Price”), with the authority to the Board to offer a discount of not more than five percent or such percentage as permitted under applicable law on the QIP Floor Price.

**RESOLVED FURTHER THAT** in the event Equity Shares are proposed to be allotted to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (or relevant committee thereof) decides to open the proposed issue of such Equity Shares or any other date in accordance with applicable law.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept any modifications to the proposal as may be required by the authorities involved, and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for the purpose of giving effect to this resolution, including but not limited to the preparation and approval of all offer

documents, determining the mode and manner of the issue, executing agreements, opening bank accounts, and filing necessary forms and documents with relevant authorities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint lead manager, underwriters, depositories, custodians, registrars, monitoring agency, escrow agent, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed for, involved in or concerned with the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to further sign, execute, deliver and complete all documentation on behalf of the Company in relation to the aforesaid resolutions, in connection with the Issue, to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalization and approval of the draft offer document(s) and final offer document(s), seeking listing of Securities and credit thereof, determining the form and manner of the Issue, finalization of the timing of the Issue, identification of the investors to whom the Securities are to be allotted, determining the issue price, face value, execution of various transaction documents, signing of declarations, utilization of the issue proceeds, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the Issue, the Board of Directors either by itself or through finance committee of the Board be and are hereby authorised to obtain approvals, statutory, contractual or otherwise, in relation to the Issue and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the foregoing resolutions and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred herein to any Committee of the Board or any Director(s) or Officer(s) of the Company for the purpose of giving effect to the above resolution and to take such steps and to execute all such documents, agreements and writings as may be necessary, proper or expedient.”

## **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. The relevant details pursuant to Regulation 36(3) of the LODR Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking reappointment / appointment at this AGM are also annexed. Matters under Special Business of the AGM Notice are considered to be unavoidable by the Board of Directors of the Company and hence included.

2. In accordance with the General Circular No.14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No.20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being the General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/7 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 read with Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 issued by the Securities and Exchange Board of India (hereinafter collectively referred to as "SEBI Circulars") (MCA Circulars and SEBI Circulars are hereinafter collectively referred to as the "Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM is being held through Video Conferencing ("VC") facility / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue on Thursday, September 26, 2024 at 11:30 A.M. (IST) and all business shall be transacted through e-voting. The deemed venue for the AGM shall be the registered office of the Company. Since the AGM will be held through VC the route map and attendance slip are not annexed to this AGM Notice.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Corporate members intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the 20<sup>th</sup> AGM through VC/OAVM or to vote through remote voting are requested to send to the Company, certified true scanned copies of the Board Resolution/Letter of Authorisation/Power of Attorney (PDF format only) to the Scrutinizer by email at ashwini.i@mehta-mehta.com with a copy marked to evoting@nsdlindia.com and cs@rkecprojects.com. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at 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.rkecprojects.com](http://www.rkecprojects.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://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](http://www.evoting.nsdl.com). In line with the MCA Circulars, the Notice of the AGM along with Annual Report 2024 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / DPs / RTA and whose names appear on the Register of Members/Beneficial owner and Record of Depositories as on 30 August, 2024 in accordance with the provisions of the Act read with Rules made thereunder and the Circulars. The Company shall send a physical copy of the Annual Report to those Members who request for the same at [cs@rkecprojects.com](mailto:cs@rkecprojects.com) mentioning their Folio No. / DP ID and Client ID, address and contact details.

8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements, in which the directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs@rkecprojects.com](mailto:cs@rkecprojects.com). Such questions shall be taken up during the meeting or replied by the Company suitably. The Company reserves the right to restrict the number of questions time depending upon the availability of time at the AGM.

9. The Register of Members and the Share Transfer books of the Company will remain closed from 11th September, 2025 to 18th September, 2021 (both days inclusive) for the purpose of the 19th AGM

10. Further, Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company from their registered email address, mentioning their name, DP ID and Client ID number and mobile number, at least 48 hours in advance before the commencement of the Meeting i.e. latest by 11:00 a.m.. (IST) on 16 September 2025 through email to [cs@rkecprojects.com](mailto:cs@rkecprojects.com). Such questions shall be taken up during the meeting or replied by the Company suitably. The Company reserves the right to restrict the number of questions time depending upon the availability of time at the AGM.

11. The Board of Directors have appointed Mrs. Ashwini Inamdar (Certificate of Practice No: 11226) M/s Mehta & Mehta, Company Secretaries as the Scrutiniser to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.

12. The Scrutiniser will, after the conclusion of e- voting at the AGM, scrutinise the votes cast at the AGM and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same and declare voting results (consolidated) within two working days from the conclusion of the AGM. The voting results along with the consolidated Scrutiniser's Report, will be placed on the website the Company at [www.rkecprojects.com](http://www.rkecprojects.com) and the website of NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) immediately after the declaration of result by the Chairman and in his absence, any Director/officer of the Company authorised by the Chairman and the same will also be communicated to BSE Limited and the National Stock Exchange of India Limited. It shall also be displayed on the Notice Board at the Registered Office of the Company.

13. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts.

14. Members are requested to notify the change in address, if any , with pincode numbers immediately to the RTA i.e. M/s. Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai — 400072, India .Telephone No.- 022-62638200, E mail ID- [info@bigshareonline.com](mailto:info@bigshareonline.com).

15. Non-Resident Indian Members are requested to inform RTA of the Company any change in their residential status on return to India for permanent settlement, particulars of their Bank account maintained in India with complete name, branch account type, account number and address of Bank with pin code number, if not furnished earlier. Members may contact their respective Depository Participants for availing this facility.

16. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the AGM Notice by e-mail and holds shares as on the cut-off date i.e. on 22 September 2025, may obtain the User ID and password by sending a request to e-mail address [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password for casting his/her vote. In the case of forgot password, the same can be reset by using “Forgot User Details/Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

#### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 15 September, 2025 at 9:00 A.M. and ends on Wednesday, 17 September, 2025 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. 12<sup>th</sup> September 2025, 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 12<sup>th</sup> September 2025.

#### 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. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After



successful authentication, you will be able to see e-Voting services under Value added services. Click on “**Access to e-Voting**” under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If you are 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>
3. 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 digit demat account number hold 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 company name or **e-Voting service provider i.e. 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.
4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<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. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. 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 &amp; 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting 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.	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>

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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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 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 [ashwini.i@mehta-mehta.com](mailto:ashwini.i@mehta-mehta.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Prajakta Pawle at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) Members may also write to the Company Secretary at the Company's e-mail address [cs@rkecprojects.com](mailto:cs@rkecprojects.com).

**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](mailto: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](mailto: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.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. 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.
5. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. There will be one e-vote for every Client ID irrespective of the number of joint holders. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on the cut-off date and any person who is not a member as on that date should treat this AGM Notice for information purposes only. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members/Beneficial owner of the Company as on the cut-off date will be entitled to vote during the AGM.

**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 meeting” menu against company name. You are requested to click on VC/OAVM link placed



under Join 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 (info@rkecprojects.com). The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as speaker shareholder only be allowed to express their views/ask questions during the meeting.
7. 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:

<b>Name</b>	Mr. Venkata Rama Mohan Gudapati
<b>DIN</b>	00094961
<b>Designation</b>	06602693
<b>Qualifications</b>	Degree of Bachelor of Science
<b>Experience</b>	He possesses an experience of over 13 years, specialization in Marine and Bridge Works.
<b>Date of Birth</b>	10-06-1988
<b>Date of Appointment as Director</b>	29-05-2019
<b>No. of shares held in the Company</b>	100
<b>Relationship with other Directors, Manager and other Key Managerial Personnel</b>	Son in law of Promoter/Chairman-Shri. G Radhakrishna and Promoter/Whole Time Director Smt. G Parvathi Devi.

**By the Order of the Board of the Directors  
For RKEC Projects Limited**

**Sd/-**

**Deepika Rathi**

**Company Secretary & Compliance Officer**

**Date: 23 August, 2025  
Place: Visakhapatnam**



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

### **Item No. 3**

#### **RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY**

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records for products covered under the aforesaid Rules conducted by a Cost Accountant in practice. Your Company is engaged in Civil Construction.

On recommendations of the Audit Committee, the Board of Directors of the Company, at its meeting held on 28 May 2025, 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 2025-26 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. 4**

#### **TO APPOINT MEHTA AND MEHTA, AS SECRETARIAL AUDITORS OF THE COMPANY**

The Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on 28th May, 2025, has recommended the appointment of M/s. Mehta & Mehta, Company Secretaries (Firm Registration No. - P1996MH007500 and Peer review No. - 3686/2023), as the Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a term of 5 (Five) consecutive years starting from the conclusion of this 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting, subject to approval of the Members at this Annual General Meeting, shall conduct Secretarial Audit of the Company from the FY 2025-26 to 2029-30.



M/s Mehta & Mehta has provided their consent to act the as Secretarial Auditors of the Company for the proposed period of appointment. They have further confirmed their eligibility, qualifications and confirmation on non-disqualification referred to in Regulation 24A of SEBI Listing Regulations, 2015.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

It is proposed that the remuneration to be paid to the Secretarial Auditors for issuing the Secretarial Audit Report and other reports, certificates or opinions, and for other prescribed services rendered, shall be determined from time to time, by the Board based on the recommendation of the Audit Committee. In addition to the remuneration, the Secretarial Auditors shall be entitled to receive the out-of-pocket expenses as may be incurred by them during the course of the Audit or issuance of any other certificate, report, opinion, prescribed approved services. The consent and Peer Review Certificate received from M/s Mehta & Mehta, Company Secretaries and the letter of engagement inter-alia containing the terms of engagement including remuneration, shall be available for inspection by the members in electronic form up to the date of Annual General Meeting. The members seeking to inspect these documents may send an email request at : [cs@rkecprojects.com](mailto:cs@rkecprojects.com) Information pursuant to Regulation 36(5) of SEBI Listing Regulations, is as following:

Terms of appointment	M/s Mehta & Mehta, is proposed to be appointed as secretarial auditors for a term of five years, commencing from the 25th Annual General Meeting to the 30th Annual General Meeting of the Company to conduct secretarial audit for FY 2025-26 to 2029-30.
Material changes in fee payable	NA
Basis of recommendation and auditor credentials	The recommendation is based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI Listing Regulations with regard to the full time partners, secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done in the past.
Brief Profile of the Auditors	M/s Mehta & Mehta is founded for more than 25 years by Mr. Atul Mehta and Ms. Dipti Mehta. The firm provides legal and secretarial consultancy covering varied areas of the corporate field and other related areas

The Directors recommend the resolution as an Ordinary Resolution for approval. 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.

## **Item No. 5**

### **RE-APPOINTMENT OF STATUTORY AUDITORS**

M/s. Sarc & Associates, Chartered Accountants (Firm Registration No. 006085N), were appointed as the Statutory Auditors of the Company at the 15<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> Sep 2020 for a period of five years, i.e., from the conclusion of the said AGM till the conclusion of the 20<sup>th</sup> AGM.

As per the provisions of Section 139 of the Companies Act, 2013, and the applicable rules made thereunder, an audit firm can be re-appointed for a second term of five consecutive years. M/s. Sarc & Associates have confirmed their eligibility for re-appointment under Sections 139 and 141 of the Companies Act, 2013 and the rules framed thereunder. They have also provided a certificate confirming that their re-appointment, if made, would be in accordance with the conditions laid down under the Act and SEBI LODR Regulations.

Based on the recommendation of the Audit Committee, the Board of Directors has proposed the re-appointment of M/s. Sarc & Associates for a second term of five consecutive years from the conclusion of this AGM till the conclusion of the 25<sup>th</sup> AGM.

The proposed remuneration payable to the Statutory Auditors shall be in line with the industry standards and as mutually agreed upon between the Board and the Auditors from time to time, based on the scope of work and responsibilities.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

The Board recommends the resolution set out at Item No. 5 to be passed as an Ordinary Resolution.

## **Item No. 6 &7**

### **To increase the Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company**

The present authorized share capital of the Company is 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.

Considering the increased fund requirements of the Company, the Board at it's Meeting held on 23<sup>rd</sup> Aug 2025, has accorded it's approval for increasing the Authorised Share capital from Rs.50,00,00,000(Rupees fifty crore only) divided into 5,00,00,000(Five Crore) of face value equity shares of Rs. 10 each to Rs.100,00,00,000(Rupees One Hundred crore only) divided into 10,00,00,000 (Ten 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.50,00,00,000(Rupees fifty crore only) divided into 5,00,00,000(Five Crore) of face value equity shares of Rs. 10 each to Rs.100,00,00,000(Rupees One Hundred crore only) divided into 10,00,00,000 (Ten 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: 6 & 7 for approval of the members as an ordinary resolution.

#### **Item No. 8**

#### **TO MAKE INVESTMENTS, GIVE LOANS, GUARANTEES AND SECURITY IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

In order to make optimum use of surplus funds as may be available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid-up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding INR 200 crores (Rupees Two Hundred Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013. The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution as set out at item no. 8 except to the extent of their shareholding in the Company.



## **Item No. 9**

### **APPROVAL TO ADVANCE ANY LOAN/GIVE GUARANTEE/PROVIDE SECURITY UNDER SECTION 185 OF THE COMPANIES ACT, 2013:**

Pursuant to Section 185 of the Companies Act, 2013 (“the Act”), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of ‘a person in whom any of the director of the Company is interested’ as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a special resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Sub-section (b) of Section 2 of 185 of the Act (collectively referred to as the "Entities"), from time to time, for the purpose of financing the setup of large solar power projects expenditure and/or working capital requirements including but not limited to purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 9 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

The Board of Directors recommend the resolution set forth in Item no. 9 of the notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

## **Item No. 10**

### **APPROVAL FOR RAISING OF FUNDS THROUGH ISSUANCE OF DEBT INSTRUMENTS UP TO ₹550 CRORES**

The Company is focused on strategic growth by means of enhanced volume, cost optimization and efficient project execution and is leveraging cost efficiency to improve margins. The proposed capital raising is intended to strengthen the financial position of the Company and support its strategic initiatives. In view of future outlook and in order to augment long term resources, ensuring long term viability, working capital requirements, reduction of debt and for general corporate purposes and to

ensure enhancing the Shareholder value, the Board of Directors of the Company (“Board”) in its meeting held on August 23, 2025, had approved to create, offer, issue and allot such number of debt securities including but not limited to issue of Non-Convertible Debentures (NCDs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Foreign Currency Convertible Bonds (FCCBs), Non-convertible debt instruments along with warrants or any other securities or instruments as may be permitted under applicable law, in one or more tranches, through private placement and/or any other mode or combination thereof, whether listed or unlisted, in one or more offerings and/or issuances for an aggregate amount not exceeding ₹ 550 Crores, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), as amended, and all other applicable laws, as may be considered appropriate, subject to such statutory /regulatory/other approvals as may be required, and use the proceeds from the Issue, towards inter alia, the pre-payment and / or repayment of debt, working capital requirements, general corporate purposes and such other purpose(s) as may be permissible under applicable laws.

Accordingly, as approved by the Board and in order to fulfil the aforesaid objects of the Company, it is hereby proposed to have an enabling approval for raising funds to create, offer, issue and allot such number of debt securities including but not limited to issue of Non-Convertible Debentures (NCDs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Foreign Currency Convertible Bonds (FCCBs), Non-convertible debt instruments along with warrants or any other securities or instruments as may be permitted under applicable law, in one or more tranches, and/or any other mode or combination thereof, whether listed or unlisted, in one or more offerings and/or issuances, or any combination thereof, in accordance with applicable law, in one or more tranches, and/or one or more issuances whether Rupee denominated or denominated in foreign currency, in the course of domestic and/or International offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the lead manager/book running lead manager, underwriters and/or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹ 550 Crore (Rupees Five Hundred Fifty Crores Only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under the SEBI ICDR Regulations, Section 42, 62, 71, 179 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable laws. The issue of Securities may be at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable laws and to such classes of investors as the Board (including any duly authorized committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with lead manager / book running lead manager, underwriters and other agencies that may be appointed by the Company, subject to the SEBI ICDR Regulations, Companies Act, 2013 and other applicable guidelines, notifications, rules and regulations.

The Board (including any duly authorized committee thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the shareholders of the Company. The proposed approval for fund raising are subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, the National Stock Exchange (“Stock Exchange”), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time, as may be required in this regard domestically or internationally.

In terms of Section 102(1) of the Companies Act, 2013, none of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

This notice does not constitute an offer or invitation or solicitation of an offer of securities to the public. Nothing in this notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.

#### **Item No. 11**

### **APPROVAL FOR RAISING OF CAPITAL UP TO ₹500 CRORES**

The Company is focused on strategic growth by means of enhanced volume, cost optimization and efficient project execution and is leveraging cost efficiency to improve margins. The proposed capital raising is intended to strengthen the financial position of the Company and support its strategic initiatives. In view of future outlook and in order to augment long term resources, ensuring long term viability, working capital requirements, reduction of debt and for general corporate purposes and to ensure enhancing the Shareholder value, the Board of Directors of the Company (“Board”) in its meeting held on August 23, 2025, had approved raising of capital by issuance of securities i.e. equity shares and equity linked instruments, further public issue of equity securities, and/or private placement and/or by way of one or more qualified institutions placement or a rights issue or through any other permissible mode under applicable laws, and/or any combination thereof, in one or more tranches and/or one or more issuances, for an aggregate amount not exceeding ₹ 500 Crores, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), as amended, and all other applicable laws, as may be considered appropriate, subject to such statutory /regulatory/other approvals as may be required, and use the proceeds from the Issue, towards inter alia, the pre-payment and / or repayment of debt, working capital requirements, general corporate purposes and such other purpose(s) as may be permissible under applicable laws.

Accordingly, as approved by the Board and in order to fulfil the aforesaid objects of the Company, it is hereby proposed to have an enabling approval for raising funds / capital by way of issuance of equity shares of face value ₹10 (“Equity Shares”), and/or other securities convertible into Equity Shares (including warrants, or otherwise), or any combination thereof, in accordance with applicable law, in one or more tranches, and/or one or more issuances whether Rupee denominated or denominated in foreign currency, in the course of domestic and/or International offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the lead manager/book running lead manager, underwriters and/or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹ 500 Crore (Rupees Five Hundred Crores Only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under the SEBI ICDR Regulations, Section 42, 62, 71, 179 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable laws. The issue of Securities may be at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable laws and to such classes of investors as the Board (including any duly authorized committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with lead manager / book running lead manager, underwriters and other agencies that may be appointed by the Company, subject to the SEBI ICDR Regulations, Companies Act, 2013 and other applicable guidelines, notifications, rules and regulations.

The Board (including any duly authorized committee thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the shareholders of the Company. The proposed issue of Securities are subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, the National Stock Exchange (“Stock Exchange”), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time, as may be required in this regard domestically or internationally.

In case the Issue is made through a qualified institutions placement:

- i. the allotment of Securities shall only be made to qualified institutional buyers (“QIBs”) as defined under SEBI ICDR Regulations;
- ii. the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution in accordance with the SEBI ICDR Regulations and applicable laws;



iii. a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;

iv. the floor price will be calculated as per the formula prescribed under the SEBI ICDR Regulations;

v. the “relevant date” for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised committee decides to open the proposed QIP of equity shares as eligible securities; and in case eligible securities are eligible convertible securities, then either the date of the meeting in which the Board or a duly authorized committee of the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for the equity shares as provided under the SEBI ICDR Regulations;

vi. the equity shares of the same class, which are proposed to be allotted through QIP or pursuant to conversion or exchange of eligible securities offered through QIP, have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;

vii. an issuer shall be eligible to make a QIP if any of its promoters or directors is not a fugitive economic offender;

viii. no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations. It is clarified that QIBs belonging to the same group or who are under same control shall be deemed to be a single allottee;

ix. the Securities to be offered and allotted shall be in dematerialized form and shall be allotted on fully paid up basis;

x. the Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time;

xi. the schedule of the QIP will be as determined by the Board or its duly authorized committee; and

xii. Further, no allotment shall be made, either directly or indirectly to any QIB who is a promoter or any person related to promoters in terms of the SEBI ICDR Regulations and the Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed in the SEBI ICDR Regulations, from the date of prior QIP made pursuant to one or more special resolutions.

Further, Section 62(1)(c) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity

shares shall be offered to the existing members of such company and to any persons other than the existing members of the company by way of a special resolution. Since the special resolution proposed in the Notice may result in the issuance of Equity Shares of the Company to the existing members of the Company and to persons other than existing members of the Company, approval of the members of the Company is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of SEBI ICDR Regulations.

In terms of Section 102(1) of the Companies Act, 2013, none of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

This notice does not constitute an offer or invitation or solicitation of an offer of securities to the public. Nothing in this notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.

**Date: 23 August, 2025**  
**Place: Visakhapatnam**

**By the Order of the Board of the Directors  
For RKEC Projects Limited  
Sd/-  
Deepika Rathi  
Company Secretary & Compliance Officer**

## **DIRECTORS' REPORT**

**Dear Shareholders,**

Your Directors have pleasure in presenting to you the Twentieth Annual Report on Business and Operations of the Company along with audited Annual Financial Statements for the year ended 31st March, 2025.

### **PRESENTATION OF FINANCIAL STATEMENTS:**

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

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations	39901.82	34108.98	42192.25	35277.32
Other Income	685.00	358.03	686.43	361.06
Total Income	40586.00	34467.00	42878.68	35638.38
Less: Expenditure	34755.87	29383.58	37046.32	30545.33
Profit/(loss) before Interest, Depreciation and Tax	5830.95	5083.42	5832.36	5093.05
Less: Finance Cost	1947.69	1457.86	1947.68	1457.86
Less: Depreciation & Amortization Cost	886.89	811.64	886.89	811.64
Prior Period Items	-	-	-	-
Less: Extraordinary items	-	-	-	-
Profit/(loss)Before Tax	2996.37	2813.92	2997.79	2823.55
Less: Tax Expenses	901.16	699.99	901.89	700.46
Less: Deferred Tax	92.14	127.32	92.14	127.32
Profit/(loss)after Tax	2003.07	1986.62	2003.76	1995.78

During the year under review, the Company has earned net profit of Rs.2003.07 /-lakhs. There is increase in profit after tax during the financial year 2024-25 when compared to the net profit after tax of the previous year. Your Directors are confident that the performance of the Company will be improved on all fronts in the current Financial Year.

### **1. 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. With a view to financing the long term growth plans of the Company that requires substantial resources, the Board of Directors did not recommend any dividend for the Year under review.

### **2. CAPITAL STRUCTURE**

The paid up share capital of the Company as on 31 March 2025 stands at 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.

Further the Company has issued 18,30,000 Equity Share of Rs. 10 (face value) each on preferential basis to promoter-Shri G Radhakrishna for partial conversion of Loan to equity in the General Meeting held on June 25,2025. Considering the preferential issue, paid capital of the company sums to Rs.25,82,06,000 (Rupees Twenty Five Crores Eighty Two Lakhs Six Thousand only) divided into 25820600 (Two Crore Fifty Eight Lakh Twenty Thousand and Six Hundred) equity shares of Rs.10/- each as on date.

The aforesaid Equity Shares are 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.

### **3. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Act and implementation requirements of Indian Accounting Standard (IND-AS) on accounting and disclosure requirements and as prescribed by SEBI Listing Regulations , the Audited Consolidated Financials are provided in this Annual Report.

The Financial Statement of the Company for the Financial Year 2024-25 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.

**4. 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.

**5. 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.

**6. 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.

**7. AMOUNT PROPOSED TO BE CARRIED TO RESERVES**

The Directors have decided to transfer the entire amount in the retained earnings.

**8. MATERIAL CHANGES AND COMMITMENTS OCCURRED SINCE THE END OF THE FINANCIAL YEAR TILL 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 Covid -19 impact was still visible in the operations of the Company.

**9. PERFORMANCE EVALUATION OF BOARD**

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board has carried out an Annual Evaluation on its own performance, performance of the Directors and the working of its Committees based on the evaluation criteria defined by Nomination and Remuneration Committee for performance evaluation process of the Board, its Committees and Directors. The Board’s functioning was evaluated on various aspects, including inter-alia the Structure of the Board, Meetings of the Board, Functions of the Board, Degree of fulfilment of key responsibilities, Establishment and delineation of responsibilities to various Committees, Effectiveness of Board Processes, information and functioning. The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/ Committee Meetings and guidance/support to the Management outside Board/Committee Meetings. As mentioned earlier, the performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate meeting of Independent Directors. The same was also discussed in the Board meeting. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

**10. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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 except as informed on the stock exchange where the shares of the company are listed.

**11. 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](http://www.rkecprojects.com). Report on risk and its management forms part of the separate annexure-Management Discussion and Analysis Report.

**12. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT-GO**

**A. Conservation of Energy:**

During the year under review and nature of activities which are being carried on by your Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption, are not applicable to the Company. However, the Company has access regarding Conservation of Energy and Technology Absorption, wherever it is applicable

**B. Technology Absorption: Not Applicable**

**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

**13. CORPORATE SOCIAL RESPONSIBILITY**

In pursuance of the provisions of Section 135 read with Schedule VII of the Act, the Company has a CSR Committee of the Board which reviews and recommends (a) the policy on Corporate Social Responsibility (CSR) including changes thereto, and implementation of the CSR Projects or Programs to be undertaken by the Company as per its CSR Policy. The CSR policy of the Company is available on the website of the Company – [www.rkecprojects.com](http://www.rkecprojects.com). A report on CSR activities of the Company is enclosed as annexure to this report.

#### 14. 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 forms part of the Annual Report for detailed information.

#### 15. 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 to the Board's Report. The transactions with related parties are at arm's length and in ordinary course of business.

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](http://www.rkecprojects.com).

#### 16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### a. Composition

As on March 31, 2025, the Board of your Company consists of Nine Directors. Their details are as follows:

Category	Name of Director
Executive Director	Shri Garapati Radhakrishna-Chairman
	Shri R Jayachandran-Managing Director/CFO
	Smt Parvathi Devi Garapati-Whole Time Director
	Shri Venkata Rama Mohan Gudapati-Whole Time Director/COO
Non-Executive Independent Directors	Vice Admiral Satish Soni PVSM, AVSM, NM (Retd)
	Lt Gen Kumar Peruvemba Ramachandran
	Shri Lucas Peter Thalakala, IRS (Retd)
	Brig Kameswara Jagabathula Rao
	Sri S M Jain

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 year under review:** Not Applicable
- 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 re-appointment him 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 as Woman Directors on the Board.

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

The Company had Five 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, they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act and subsequently the same was placed at the Board Meeting held on May 23, 2024.

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.

**17. KEY MANAGERIAL PERSONNEL**

Shri. G Radhakrishna-Chairman, Shri R Jayachandran-Managing Director/ Chief Financial Officer, Smt. G Parvathi Devi- Whole Time Director, Shri G V Rama Mohan-Whole Time Director/COO 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 2024-25 viz, 23 May 2024, 13 August 2024, 11 Sep 2024, 14 Nov 2024 and 12 February 2025.

#### 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. A detailed report on all the committees including their terms of reference, number of times they met etc., is mentioned in the corporate governance report which forms part of this report. Further there are no instances where the Board has not accepted recommendations of Audit Committee. All recommendation of all committees were accepted by board. 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) (Chairman)	4	4
Vice Admiral Satish Soni PVSM, AVSM, NM (Retd) (Member)	4	4
Shri G Radhakrishna (Member)	4	4
Shri S M Jain* (Member)	3	3

\*Was inducted in the committee on 23 May 2024.

##### Nomination & Remuneration Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri T Lucas Peter, IRS (Retd) (Chairman)	2	2

Vice Admiral Satish Soni PVSM, AVSM, NM (Retd) (Member)	2	2
Lt Gen P R Kumar (Member)	2	1

### Corporate Social Responsibility (CSR) Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri G Radhakrishna (Chairman)	2	2
Brig J K Rao (Member)	2	2
Shri G V Rama Mohan (Member)	2	1

### Stakeholders Relationship Committee

Name of Members	No. of Committee Meeting entitled	No. of Committee Meetings Attended
Shri G Radhakrishna (Chairman)	1	1
Vice Admiral Satish Soni (Member)	1	0
Shri Lucas Peter Thalakala (Member)	1	1
Shri R Jayachandran (Member)	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, 2025, 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, 2025 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](http://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, 2025 are NIL.

There were no pending requests for share transfer/dematerialization of shares as of 31st March 2025.

#### **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, 2025, 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, and M/s Rapid Net Sports System. The statement containing the salient feature of the JVs is given as Annexure.

#### **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.

The Company has proposed his reappointment for the 2<sup>nd</sup> term as set out in the notice.

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 were 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 2024-25 in the Board Meeting held on 23 May 2024. Secretarial Audit Report (MR-3) is annexed to this report. Further, in accordance with the provisions of SEBI Regulations, the Company has proposed the appointment of secretarial auditor for a period of 5 years commencing from this AGM till the conclusion of 25<sup>th</sup> AGM as set out in the notice.

## **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 2024-25.

## **Internal Auditors**

The Company has appointed M/s as Internal Auditor for the year 2024-25. The Company takes up the observations made by the Internal Auditor and adheres to comply with the same. The Company presents a report to the Board on the action taken for the comments raised in the Internal Audit Report. There are no such instances where Internal Audit reports submitted have any material qualifications, reservations or adverse remarks or disclaimers.

### **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 is annexed to this report. 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. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may address their email to [cs@rkecprojects.com](mailto:cs@rkecprojects.com).

### **29. 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, 2025 is available at [www.rkecprojects.com](http://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 FY2024-25. A declaration to this effect signed by the Chairman and Managing Director of the Company is included in this Annual Report. The Chairman and Managing Director/ 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 Practicing 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 are listed on Main Board of NSE and the Company has paid annual listing fees for the year 2024-25.

### **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

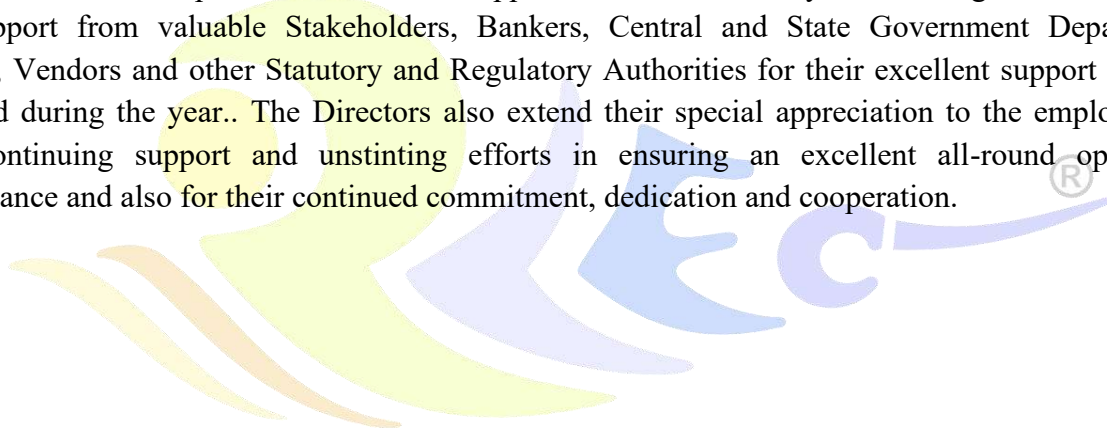
full confidentiality of all "unpublished price sensitive information" and to build general investor confidence and stakeholder credibility.

**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 - 1

### REPORT ON CORPORATE GOVERNANCE

#### Introduction

RKEC Projects Limited, headquartered in Visakhapatnam, Andhra Pradesh, is a prominent construction and engineering Company, specializing in civil and defense infrastructure projects. Established in 1985, the company has expanded its operations across multiple states, including Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Puducherry, Kerala, Manipur, and Uttar Pradesh. RKEC enriched itself with over three decades of Project Execution Experience having Project Teams with vast Experience, skilled work force and relevant plant & equipment. RKEC Projects Limited is a Construction Company, over 36 years old, specialized in the business of Civil and Defence Construction such as construction of Buildings, Highways, Marine Works and Bridges. The Company has so far completed over 100 Projects. The Company achieves targeted Turn Over by fusing tremendous engineering knowledge with groundbreaking skills, experienced team, binding an optimum mix of men, machine and materials across diverse projects.

RKEC Projects Limited is ranked amongst the top ten 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.

#### Core Business Activities

RKEC Projects engages in a diverse range of construction services, with a focus on:

- **Marine & Port Infrastructure:** Construction of jetties, wharves, berths, and breakwaters.
- **Transportation Infrastructure:** Development of roads, highways, and bridges, including rail-cum-road bridges.
- **Defense & Strategic Projects:** Execution of defense-related infrastructure works.
- **Electrification Projects:** Rural electrification and high/low tension electrical works.
- **Building & Industrial Infrastructure:** Construction of buildings, sports complexes, and industrial sheds.
- **Water & Coastal Works:** Development of intake structures, coastal protection, and water intake systems.
- **Fire Fighting works:** Connected to Marine Infrastructure.

#### Key Clients & Partnerships

RKEC Projects has established a diverse client base, including:



- Defence sector
- Indian Railways
- Port Sector
- Fishing Harbours

## 1. BOARD OF DIRECTORS:

Composition of the Board of Directors of the Company:

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 (“the Act”) and Regulation 17 of the Listing Regulations. As on March 31, 2024, the Board consists of Nine Directors comprising of Four Executive Directors, and Five Independent Directors. As the Company has an Executive Chairman, to comply with the Listing Regulations and other provisions of Law, more than 50% (Fifty Percent) of the total number of Directors are Independent. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders’ values are met.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of ‘Independent Director’ stipulated under Regulation 16(1) (b) of the Listing Regulations and Section 149(6) of the Act. These confirmations have been placed before the Board. There were no material, financial and / or commercial transactions entered into between the Senior Management and the Company which could have potential conflict of interest with the Company at large.

Composition of Board of Directors of the Company:

Category	No. of Directors
Independent Directors	5
Other Non – Executive Directors	0
Executive Director	3
Executive Chairman	1
Total	9

Matrix setting out the skills / expertise / competence of the Board of Directors:

Sl.no.	Name of the Director	Category	Skills/ Expertise/ Competence
1.	Shri Garapati Radhakrishna (Chairman)	Executive Director	Experience of 38+ years in Infra Industry
2.	ShriR Jayachandran(Managing Director)	Executive Director	Experience of 40+ years in major ports of India
3.	Smt Parvathi Devi	Executive Director	Experience of 36+ years in

	(Whole Time Director)		Infra Industry
4.	Venkata Rama Mohan Gudapati (Whole Time Director)	Executive Director	Experience of 15+ years in Marine Structures and Buildings
5.	Kumar Peruvemba Ramachandran (Independent Director)	Independent Director	Experience of 39+ years in Army (Retd Gen Lt.) / Governance
6.	Lucas Peter Thalakala (Independent Director)	Independent Director	Experience of 38+ years in Income Tax Department (Retd. Commissioner of Income Tax)/ Finance
7.	Kameswara Jagabathula Rao (Independent Director)	Independent Director	Experience of 34+ years in Indian Army (Retd. Brig)/ infrastructure development/ HR
8.	Satish Soni (Independent Director)	Independent Director	Experience of 45+ years in Army(Retd. Vice Admiral)/ Finance/Governance
9.	Sobhag Mal Jain (Independent Director)	Independent Director	Experience of 37+ years in Finance

List of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board.

	Mr.Garapati Radhakrishna	Mr.Ramakrishna Jayachandran	Mrs.Pa rvathi Devi Garapati	Mr.Venkata Rama Mohan Gudapati	Mr.Lucas Petet Thalakala	Mr.Satish Soni	Mr.Kameswara Rao Jagabathula	Mr.Kumar Peruvemba Ramachandran	Mr.Sobhag Mal Jain
Leadership / Operational expertise	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategic planning	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sector / Industry Knowledge, Business Strategy, Financial Control	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial,	✓	✓	✓	✓	✓	✓	✓	✓	✓

Regulatory / Legal & Risk Management									
Corporate Social Responsibility and Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓

## 2. MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business. The Board Meetings (including Committee Meetings) of the Company are scheduled after getting confirmation on dates from Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board Meeting.

The detailed Agenda together with the relevant attachments is circulated to the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Independent Directors. Senior Management Personnel are invited to the Board / Committee meeting(s) to provide additional inputs for the items being discussed by the Board / Committees thereof as and when necessary.

During the year under review, Five (5) meetings of the Board were held on the following dates:

Sl.no.	Date of the Board Meeting	Board Strength	No. of Directors present
1	23 May 2024	9	8
2	13 August 2024	9	9
3	11 September 2024	9	5
4	14 November 2024	9	8
5	12 February 2025	9	9

### a. Board Meetings held and Director's attendance record:

During FY 2024-25, 5 (Five) Board Meetings were held. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:

S n o	Name of Directors	Category of Director	No. of Shares held as on 31st March, 2025	No. of Board Meetings Attended during Financial Year 2024-25	No. of Directorships in Public Companies as on 31st March, 2025*	No. of Board Committee Memberships held in Public Companies as on 31st March, 2025**		Whether present at previous AGM held on September 26, 2024
						Chairman	Member	
1.	Garapati Radhakrishna	Promoter, Chairman	1,53,07,665	5	1	1	2	Yes
2.	R Jayachandran	Managing Director	0	5	1	0	1	Yes
3.	Garapati Parvathi Devi	Promoter, Whole Time Director	59,000	5	1	0	0	Yes
4.	Venkata Rama Mohan Gudapati	Whole Time Director	100	4	1	0	1	Yes
5.	Sobhag Mal Jain	Non-Executive Independent Director	0	5	5	0	3	NA
6.	Lucas Peter Thalakala	Non-Executive Independent Director	0	5	1	3	0	Yes
7.	Satish Soni	Non-Executive Independent Director	0	5	1	0	3	Yes
8.	Kameswara Rao Jagabathula	Non-Executive Independent Director	0	4	1	0	1	Yes
9	Kumar Peruvemba Ramachandran	Non-Executive Independent Director	0	5	2	0	1	Yes

\* Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and includes Directorship in RKEC Projects Limited.



**\*\* In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of Committees of all Public Limited Companies, whether listed or not, has been considered including that of RKEC Projects Limited.**

- Shri Garapati Radhakrishna is Husband of Smt. Parvathi Devi and Shri G V Rama Mohan is Son-in Law of Shri Garapati Radhakrishna and Smt. Parvathi Devi. Except this none of Directors are related.

**3. Details of other Directorship positions held by Directors in Listed Entities as on 31<sup>st</sup> March, 2025:**

Sl. no.	Name of the Director	Names of listed entities in which Directorship held	Category of Directorship
1	Mr. Shri Garapati Radhakrishna	None	None
2	Mr. R Jayachandran	None	
3	Mrs. Garapati Parvathi Devi	None	None
4	Mr. Venkata Rama Mohan Gudapati	None	None
5	Mr. Sobhag Mal Jain	Care Rating Limited	Independent Director
		Choice International Limited	Independent Director
		The Byke Hospitality Limited	Independent Director
		Kasliwal Projects Limited	Independent Director
6	Mr. Lucas Peter Thalakala	None	None
7	Mr. Satish Soni	None	None
8	Mr. Kameswara Rao Jagabathula	None	None
9	Mr. Kumar Peruvemba Ramachandran	Premier Explosives Limited	Independent Director

**4. Performance Evaluation:**

In terms of provisions of the Act read with Rules issued there under and Regulations 17 and 19 of the Listing Regulations, the Board, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended March 31, 2025. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution, etc.

## 5. Meeting of the Independent Directors:

Section 149(8) of the Companies Act, 2013 (“the Act”) read with Schedule IV of the Act requires the Independent Directors of the Company to hold at least one meeting in a financial year, without the attendance of non-independent directors and senior management. The Independent Directors of the Company met for 1 time during the Financial Year 2024-25 i.e., on 7<sup>th</sup> March 2025, pursuant to the provisions of the Act and the Listing Regulations. The Chairman of said Meeting of Independent Directors was Vice Admiral Satish Soni. All the Independent Directors attended the meeting. In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management. Details of Familiarization Programs imparted to Independent Directors is available on the website of the Company, [www.rkecprojects.com](http://www.rkecprojects.com).

## 6. Shareholding of Promoters and their Relatives (Promoter Group):

The following are the details of the Shares held by Promoters and their Relatives (Promoter Group) in the Company as on 31st March, 2025:

Sl.No.	Name of the Promoter / Relative of Promoter	No. of Shares held	% of Shares held
1.	Garapati Radhakrishna	1,53,07,665	63.80
2.	G Parvathi Devi	59,000	0.25
3.	G Naga Pushyami	22,100	0.09
4.	G Hima Bindu Sree	30,100	0.12
Total		1,54,18,865	64.27

## 7. Committees of the Board:

With a view to have a more focused attention on the business and for better governance and accountability, the Board has constituted including but not limited to various below mentioned Committees under the Act and Listing Regulations for compliance and / or administrative purpose. All decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. The Committees make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. Currently, the Board has Five Committees: the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee. The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

## A. Audit Committee:

The Audit Committee acts as a link between the statutory & internal Auditors and the Board of Directors of the Company. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

### Composition, Meetings and Attendance:

The composition of the Audit Committee and the details of meetings attended by the Members during the year are given below:

During the F Y 2024-25, the Committee met for 4 (Four) times i.e., on 23 May 2024, 13 August 2024, 14 November 2024, and 12 February 2025. The details of the Composition of the Committee, number of meetings held and the attendance of the Members at the meetings during the year are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Shri T Lucas Peter	Independent Director	Chairman	4	4
Vice Admiral Satish Soni	Independent Director	Member	4	4
Shri G Radhakrishna	Chairman	Member	4	4
Shri S M Jain	Independent Director	Member	4	3

The requisite quorum was present at the meetings of the Committee. Audit Committee meetings are also attended by the senior management of the Company wherever necessary along with the Chief Financial Officer of the Company. The Company Secretary acts as the secretary of the Audit Committee.

The scope of activities of the Audit Committee is as set out in Regulation 18 of the listing regulations read with Section 177 of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) regulations, 2015 and the amendments there to.

The Audit Committee also receives the report on compliance under the SEBI (code of conduct for Prohibition of Insider Trading) Regulations, 2015. Further, Compliance Reports under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy were also placed before the Committee.

The Terms of Reference of this Committee covers the matters specified for Audit Committee under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013 as applicable.

### **B. Nomination and Remuneration Committee:**

The Company has Nomination and Remuneration Committee (NRC) pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations.

The NRC Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors, KMPs and senior management. The Committee also anchored the performance evaluation of the Individual Directors.

### **Composition, Meetings and Attendance:**

During the F Y 2024-25, the Committee met 2 (Two) times i.e., on 23 May 2024 and 12 February 2025. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Shri T Lucas Peter	Independent Director	Chairman	2	2
Vice Admiral Satish Soni	Independent Director	Member	2	2
Lt Gen P R Kumar	Independent Director	Member	2	1

The scope of the activities of the NRC is as set out in Regulation 19 of the Listing Regulations read with section 178 of the Companies Act, 2013.

The Terms of Reference of this Committee cover the matters specified for Nomination and Remuneration Committee under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirement Regulations) 2015 as well as in Section 178 of the Companies Act, 2013 as applicable and allied applicable rules.

### **Remuneration Policy:**

The Nomination and Remuneration Committee while deciding the remuneration package of the Directors and Senior Management Executives ensures that:



- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/ Key managerial personnel/ Senior management of the quality required to run the Company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and variable incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals; and
- iv) specify the manner of effective evaluation of the performance of Board, its committees and individual directors to be carried out either by the Board or by the NRC or by an independent external agency and review its implementation and compliance.

The Non-Executive Independent Directors (NEDs) are paid remuneration by way of Sitting Fees for their participation in various committee and board meetings.

#### Remuneration to Directors:

The details of the Salary, allowances, perquisites and performance bonus paid to the Executive Directors is tabled below:

Sln	Name of the Director	Salary/ Allowance/ Perquisites & Performance Bonus (in Lakhs)	Contribution to funds (in Lakhs)	Total (in Lakhs)
1	G Radhakrishna	60.00	-	60.00
2	R Jayachandran	48.00	-	48.00
3	G Parvathi Devi	60.00	-	60.00
4	GV Rama Mohan	46.80	-	46.80

The details of the Commission/ Sitting Fee paid to the Independent Directors/ Non-Executive Directors of the Company during the F. Y 2024-25 is tabled below:

Sl.no.	Name of the Director	Sitting Fee (in Lakhs)	Commission (in Lakhs)	Total (in Lakhs)
1	Vice Admiral Satish Soni	Rs. 1.60	-	Rs. 1.60
2	Shri Lucas Peter Thalakala	Rs. 1.60	-	Rs. 1.60
3	Brig J K Rao	Rs. 1.60	-	Rs. 1.60
4	Lt Gen P R Kumar	Rs. 1.60	-	Rs. 1.60
5	Shri S M Jain	Rs. 1.60	-	Rs. 1.60

### C. Stakeholders Relationship Committee:

The Committee specifically discharges duties of servicing and protecting the various aspects of interests of the shareholders of the Company.

The terms of reference of the Committee are as follows:

- To address requests / resolve grievances of security holders including complaints related to transfer / transmission of securities, non-receipt of balance sheet, non-receipt of declared dividends / interests, etc.
- Attending to complaints of security holders routed by SEBI (SCORES) / Stock Exchanges / RBI or any other Regulatory Authorities
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Specifically look into the various aspects of interest of shareholders, debenture holders and other security holders.
- Attending to complaints of security holders routed by SEBI (SCORES) / Stock Exchanges / RBI or any other Regulatory Authorities.

### Composition, Meetings and Attendance:

During the F Y 2024-25, the Committee met once i.e., on 7 March 2025. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Shri Lucas Peter Thalakala	Independent Director	Chairman	1	1
Shri G Radhakrishna	Chairman	Member	1	1
Vice Admiral Satish Soni	Independent Director	Member	1	0
Shri R Jayachandran	Managing Director	Member	1	1

Stakeholder Relationship Committee meetings are also attended by the Senior management of the Company wherever necessary along with the Chief Financial Officer of the Company. The Company Secretary acts as the secretary of the Committee.

The Committee reviews the complaints received by the Company from its Investors and the action taken by the management to address these complaints.

Details of investor queries and grievances received and attended by the Company during the F. Y 2024-25 are given herein below:

SI No	Nature of Complaint	Pending as on 01.04.2024	Received during the year	Disposed off during the year	Pending as on 31.03.2025
1.	SEBI/ Stock Exchange Complaints	0	0	0	0
2.	Non – receipt of Dividend warrant / interest	0	0	0	0
3.	Non –receipt of Share Certificate	0	0	0	0
4.	Non – receipt of Annual Report	0	0	0	0
5.	Others	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Detail of Compliance Officer of the Company: Mrs. Deepika Rathi, Company Secretary.

#### **D. Corporate Social Responsibility Committee:**

The terms of reference of the Committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above Clause
- Update the Board on the implementation of various programmes and initiatives
- Monitor the Corporate Social Responsibility Policy of the company from time to time.

#### **Composition, Meetings and Attendance:**

During the F Y 2024-25, the Committee met 2 (Two) times i.e., on 23 May 2024 and 12 February 2025. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Shri G Radhakrishna	Chairman	Chairman	2	2
Brig J K Rao	Independent Director	Member	2	2
Shri G V Rama Mohan	Independent Director	Member	2	1

The Company has complied with the necessary requirements under the Companies Act, 2013 in this regard.

The Web – Link to our CSR Policy and the initiatives undertaken by the Company during the F. Y. 2024-25 in CSR have been detailed in this report.

## 8. GENERAL BODY MEETINGS:

The venue and timings of the last three Annual General Meetings are given below:

Financial Year	Date	Location	Time
2021-22	26 <sup>th</sup> September 2022	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	4.30 P.M.
2022-23	27 <sup>th</sup> September 2023	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	11:30 A.M.
2023-24	26 <sup>th</sup> September 2024	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	11:30 A.M.

The number and particulars of the Special Resolutions passed in the last three Annual General Meetings are as follows:

Date of Annual General Meeting	Number and Particulars of Special Resolutions passed
26 <sup>th</sup> September 2022	1. Shifting of Registered Office of the Company from the ‘State of Andhra Pradesh’ to the ‘State of Maharashtra’ and to amend the Memorandum of Association of the Company
27 <sup>th</sup> September 2023	None
26 <sup>th</sup> September 2024	None



## EXTRA ORDINARY GENERAL MEETINGS

No Extra-Ordinary General Meeting was held during the year. All the resolutions, including special resolutions, set out in the respective notices were passed by the shareholders.

### Postal Ballot Resolution(s):

During the year under review, the company has passed the following resolutions through Postal Ballot vide postal Ballot notices in two instances:

1. Date of Notice : 8 April 2024

(i) Appointment of Mr. S M Jain (DIN: 00045204) as an Independent Director (Special Resolution).

2. Date of Notice: 22 July 2024

(i) Re-appointment of Brig. Kameswara Jagabathula Rao (DIN: 08508140) Independent Non-Executive Director of the company for 2nd Term of five consecutive years (Special Resolution).

(ii) Re Appointment of Shri Gudapati Venkata Rama Mohan (DIN: 06602693) as Whole Time Director/Chief Operating Officer of the Company (Special Resolution).

The above resolutions were passed by the Shareholders through Postal Ballot and the date of passing such resolutions shall be deemed to be the date of approval.

CS Ashwini Inamdar, Company Secretary in Practice (FCS - 9409 and CP No. - 11226), Mehta & Mehta, Company Secretaries was appointed as the Scrutinizer for conducting the Postal Ballot through remote e-voting process in a fair and transparent manner.

### Procedure for Postal Ballot:

Pursuant to and in compliance with the provisions of Section 108 and Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No.17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021, General Circular No. 3/2022 dated May 5, 2022, the General Circular No. 11/2022 dated December 28, 2022 and the General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (“MCA Circulars”), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standards 2 on General Meetings issued by the Institute of Company Secretaries of India (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and as amended from time to time), and other applicable provisions of the Act, Rules, Circulars and Notifications issued thereunder, the Company had issued Postal Ballot Notices dated 8 April 2024 and 22 July 2024 respectively to the Members, seeking their consent with respect to the Resolutions mentioned above.

The Board of Directors had appointed CS Ashwini Inamdar, Company Secretary in Practice (FCS - 9409 and CP No. - 11226), Mehta & Mehta, Company Secretaries as the Scrutinizer for conducting the Postal Ballot.

The Company engaged the services of M/s Bigshare Services Private Limited (Bigshare) for facilitating e-voting to enable the Members to cast their votes electronically. The Company also published a notice in the newspapers declaring the details of completion of dispatch and other requirements under the act and rules framed thereunder. The Scrutiniser, after the completion of scrutiny, submitted his report to Mrs. Deepika Rathi, Company Secretary, who was duly authorised by the Chairman to accept, acknowledge and countersign the Scrutiniser’s Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India. The results were also displayed on the website of the Company at [www.rkecprojects.com](http://www.rkecprojects.com) and also intimated to the National Stock Exchange of India Limited (NSE) and on the website of the e-voting agency Bigshare at <https://ivote.bigshareonline.com>.

## **9. EMPLOYEES:**

Continuous Employee Training Programs including seminars were conducted for upgrading their skills and knowledge in their respective areas.

## **10. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an adequate Internal Control System designed to ensure operational efficiency, protection, conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman of the Company.

The Internal Control System is supported by an Internal Audit Process for reviewing the adequacy and efficiency of the Company’s internal controls, including its systems, processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

#### **11. CREDIT RATING:**

Credit Rating ratings of RKEC, (by Infomerics Valuation and Rating Pvt Ltd) is as under:

- a. Fund Based- IVR BBB/ Stable (IVR Triple B with Stable Outlook)
- b. Non-Fund Based- IVR BBB/ Stable (IVR Triple B with Stable Outlook)

#### **12. CLIENTS:**

Client Satisfaction is our number one goal. We strive for 100% Client Satisfaction with everyone who comes in and out of our building.

#### **13. OTHER STAKEHOLDERS:**

The Company is always concerned about Clients, Customers, Suppliers, Competitors, Creditors and Local Community and strives to meet all expectations reasonably.

#### **14. SOCIETY:**

The Company is proactive towards Corporate Social Responsibility.

#### **15. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

Pursuant to the provision of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has spent an amount of Rs. 10,60,000 on CSR activities during the Financial Year 2024-25.

#### **16. CORPORATE AFFAIRS & VISION:**

The Company has been continuing effectively the best Corporate Affairs with the following:

- a) Advanced Planning Techniques and strategic supervision by the Board of Directors;
- b) Excellent co-ordination at all levels of management to achieve the tasks;
- c) Immediate attention towards Customers' requirements and public relations;
- d) Cautious approach in operations, rendering services efficiently and effectively to the clients;
- e) Adequate response towards socio-economic responsibilities;
- f) Focus on protecting the safety of the clients and the employees;
- g) To design the standards, policies, procedures and best practices in addition to the existing policies;

- h) To grow the Company and to generate long term Business results and expanding market presence;
- i) To retain the talented and dedicated Employees and implementing the best Administrative Manual;
- j) The vision is clear that RKEC will become the best performing and most respected Infra Company in India, and
- k) The regular interaction with the Clients, Sites, Employees encourage them to familiarize themselves with RKEC and helped the brand name RKEC.

## 17. MEANS OF COMMUNICATION:

The Board takes on record the audited/ unaudited annual/quarterly financial results prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015(Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No.CIR/CFD/FAC/62/2016 dated 05 July, 2016 issued by SEBI within prescribed time limit from the closure of the quarter/year and announces the results to all the stock exchanges where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in the Business Standard and Andhra Prabha News Papers within 48 hours of the conclusion of the meeting of the Board in which they are approved.

- (a) The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review/full audit (as applicable) and the report of the Auditors is also filed with all stock exchanges after it is approved by the Board of Directors.
- (b) The quarterly results are not sent to each shareholder as shareholders are intimated through press.
- (c) The Company's website [www.rkecprojects.com](http://www.rkecprojects.com) provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- (d) The Company also makes presentations on the Operational and Financial Highlights to its investors including the analysts which are hosted on the website of the Company i.e., [www.rkecprojects.com](http://www.rkecprojects.com) and also submitted to the Stock Exchanges.
- (e) The Company has hosted e-mail address on the website to receive complaints and grievances of investors.

## 17. GENERAL SHAREHOLDER INFORMATION:

- a) Annual General Meeting:  
The Forthcoming Annual General Meeting of the Company will be held on Sunday, September 14, 2025, at 11:30 a.m. through Video Conferencing/Other Audio-Visual Means.
- b) Financial Year: 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025.



- c) Name and Address of the Stock Exchange where the Shares are listed:  
National Stock Exchange of India Limited ,Exchange Plaza, Plot No: C1, G Block,  
Bandra Kurla Complex, Bandra( East), Mumbai – 400051

The Company has paid in full the requisite Annual Listing Fee for the Financial Year 2024-25 to NSE.

- d) Stock Code : RKEC

- e) Market Price data:

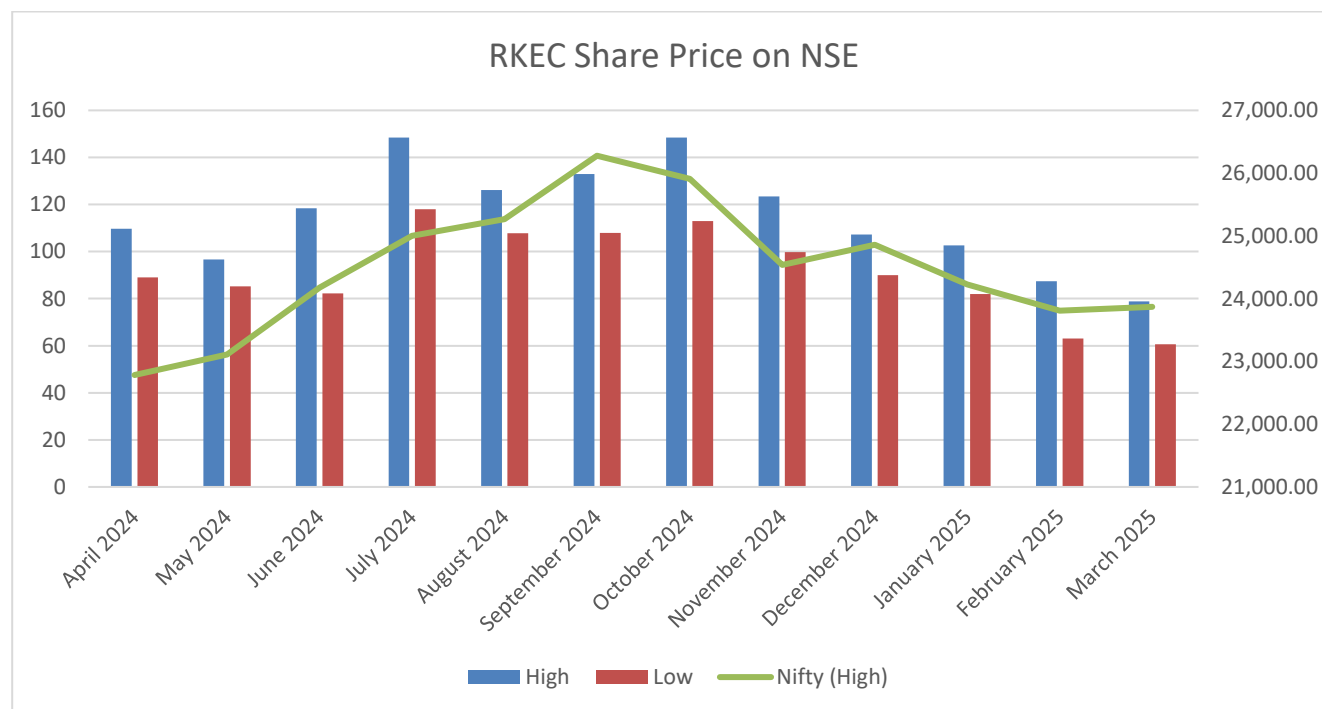
High, Low and Close Price during each month in the last financial year at NSE:

Month	NSE (Rs.)	
	High	Low
April' 24	109.65	89.00
May' 24	96.65	85.20
June '24	118.42	82.20
July'24	148.50	118.00
August'24	126.19	107.75
September'24	133.00	108.00
October '24	148.50	113.00
November'24	123.49	99.71
December '24	107.30	90.00
January '25	102.60	82.00
February ' 25	87.39	63.06
March'25	78.79	60.61

- f) Corporate Identification Number: L4900AP2005PLC045795

### g) Stock Performance in comparison to Nifty:

RKEC's Share Price and Nifty performance:



### h) Registrar and Share Transfer Agent:

The Board has delegated the authority of approving transfer, transmission etc. of the Shares of the Company to the Registrar and Share Transfer Agent .M/s. Bigshare Services Private Limited, Mumbai continue to act as Registrar and Share Transfer agent to take care of the works relating to physical shares and electronic connectivity and other Demat related services.

Address: Bigshare Services Private Limited, E-2/3,Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E) , Mumbai-400072, India.

### i) Share Transfer System:

Share transfers and related operations for the Company are processed by the Company's RTA viz., Bigshare Services Private Limited, Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted. Securities and Exchange Board of India (SEBI) vide its notification dated 08 June, 2018 has notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment)

Regulations, 2018 (Listing Regulations) and SEBI (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations 2018 (RTA Regulations) and amendment to Regulation 40 of the Listing Regulations and Clause 5(c) of Schedule III of the RTA Regulations. These amendments have mandated that the transfer of securities would be carried out only in dematerialized form.

**j) Distribution of Shareholding by size as on 31.03.2025:**

Shareholding of Nominal (Rs.)	No. of Shareholders	% of Shareholders	Share Amount	% of Shareholding
1-5000	10873	82.0480	12517090	5.2175
5001- 10000	1123	8.4817	9098610	3.7926
10001-20000	558	4.2107	8439490	3.5178
20001 – 30000	292	2.2034	7799220	3.2509
30001-40000	100	0.7546	3577250	1.4911
40001-50000	81	0.6112	3837880	1.5997
50001-100000	122	0.9206	9078740	3.7843
100001-999999999	100	0.7697	185557720	77.3460
<b>Total</b>	<b>13252</b>	<b>100</b>	<b>239906000</b>	<b>100</b>

**k) Demat Information:**

As on 31st March, 2025, 100% of the total shareholding of the Company is in Demat form.

ISIN No for Equity Shares of the Company: INE786W01010

**l) Outstanding ADRs/ GDRs / Warrants or any convertible instruments, conversion date and likely impact on Equity:**

The Company has not issued any ADRs/ GDRs/ Warrants or any Convertible instruments.

**m) Foreign Exchange Risk and Hedging Activities:**

Not Applicable

**n) Plant Location:**

Our company belongs to service industry and we have our presence in the State of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Puducherry, Kerala, Manipur West Bengal, Jharkhand, Karnataka and Uttar Pradesh Pradesh.

Our Registered office is located at Door No. 10-12-1,3rd Floor, Rednam Alcazar, Rednam Gardens, Visakhapatnam-530002, Andhrapradesh.

## 18. OTHER DISCLOSURES:

- a. During the last three years, there were no material structures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any Regulatory Authority for non-compliance of any matter related to the Capital Market. except a penalty of Rs. 5.31 Lakhs was imposed by NSE for non-compliance of Regulation 17 of SEBI LODR Regulations, 2015 and as disclosed on NSE .
- b. Whistle Blower Policy / Vigil Mechanism:  
Pursuant to the provisions of Regulation 22 of the Listing Regulations and section 177 of the Act, the Company established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.  
This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who avail the mechanism and makes provision for direct access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company at we affirm that no director / employee of the Company was denied access to the Audit Committee.
- c. The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.
- d. To the extent possible, the Company has complied with the mandatory requirement of this clause.
- e. Disclosure of Accounting Treatment in Preparation of Financial Statements  
The financial statements for the year ended 31st March, 2025, have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.  
The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.
- f. Complied with the various statutory provisions and submitted the required information to the concerned authorities relating to the business affairs of the Company from time to time.
- g. The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of Regulation 46 of SEBI Listing regulations.
- h. M/s. Mehta and Mehta , Practising Company Secretaries have certified that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director



of the Company by SEBI or Ministry of Corporate Affairs or any such statutory authority, is annexed separately.

i. The total fee paid to M/s. SARC & Associates, Chartered Accountants, Statutory Auditors of the Company on consolidated basis is Rs. 8,00,000/- for the Financial Year 2024-25.

j. Details of utilization of funds raised through preferential allotment or qualified Institutional placement as specified under Regulation 32(7A):

During the year 2024-25, the Company has not raised any funds through preferential allotment or qualified institutional placement.

k. In terms of the amendments made to the Listing Regulations, the Board of Directors confirmed that during the financial year, it has accepted all recommendations received from its mandatory committees.

l. Subsidiary 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 Qingdao Construction Engineering Group Co. Ltd, M/s Rapid Net Sports System ,M/s Suryadevra and RKEC-YFC JV. The statement containing the salient feature of the JVs is annexed separately.

m. CEO/ CFO Certification:

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Managing Director and the Chief Financial Officer is annexed separately.

n. Code of Conduct:

The Board has laid down the Code of Conduct for its Directors and for Senior Management of the Company. All Board members and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management. A declaration signed by the Managing Director to this effect is annexed separately.

19. During the Financial Year 2024-25, the shares of the Company were not suspended on the Stock Exchange.

## **20. ADDRESS FOR CORRESPONDENCE:**

RKEC Projects Limited ,10-12-1, 3rd Floor, Rednam Alcazar, Rednam Gardens, Opp. SBI Main Branch, Visakhapatnam – 530002, Andhra Pradesh, India

Phone: 0891- 2574517, Fax: 0891-2574703, E-Mail:info@rkecprojects.com

Website: www.rkecprojects.com , CIN: L43900AP2005PLC045795

## ANNEXURE - 2

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### 1. Introduction

##### Company Overview:

RKEC Projects Limited is a leading construction services organization with a legacy spanning over 40 years, specializing in civil and defence construction across India. Established as a company in 2005, RKEC has consistently built a strong reputation for delivering high-quality infrastructure projects on time and within budget.

Our core expertise includes the design and execution of complex projects such as bridges, ports, dams, high-rise buildings, airports, marine structures, highways, oil and gas pipelines, cross-water constructions, industrial complexes, and environmental structures.

With a commitment to engineering excellence and sustainability, RKEC Projects Limited continues to build spaces that enhance the quality of life and foster economic development across the country.

##### Industry Context:

The construction industry in 2025 is undergoing rapid transformation, propelled by technological innovation, sustainable construction practices, and evolving market demands. Emerging technologies such as AI-driven project management, modular construction, digital twin modeling, and green building solutions are redefining how projects are conceived and delivered.

India's construction sector is witnessing robust growth due to urbanization, government infrastructure initiatives, and rising demand for residential and commercial spaces. Economic stabilization post-pandemic, favorable policy support, and increased private investment are further boosting this expansion.

However, the industry continues to face headwinds such as fluctuating material costs, skilled labor shortages, and regulatory uncertainties. Navigating these challenges requires agility, innovation, and a strong emphasis on safety, quality, and environmental compliance.

#### 2. Financial Performance

##### Revenue Analysis:

For the Financial year ended March 31, 2025, RKEC Projects Limited reported revenue of Rs.399.01 Cr a 16.98 % increase compared to Rs. 341.08 Cr in the previous year. This growth was primarily driven by the successful completion of projects.

### **Profitability:**

EBIDTA margins improved to 58% from 50.85 % in the prior year, reflecting enhanced project management and cost control measures. Net profit for the year was Rs. 20.06 Cr, a 4.94 % increase from 19.90 Cr in the previous year.

### **Liquidity and Financial Position:**

RKEC's liquidity position remains stable, with a current ratio of 1.58 from 2.01 last year. The company generated Rs. 11.33 Cr in operating cash flow, supporting its ability to meet short-term obligations and invest in growth opportunities. Total debt has increased slightly to Rs.195.46 Cr from Rs. 138.98 Cr, and the debt-to-equity ratio remains at 0.14:1.

### **Capital Expenditures and Investments:**

Capital expenditures for the year amounted to Rs. 37.12 Cr, primarily invested in new construction equipment and technology upgrades. Notably, the company has implemented a new project management software system to enhance operational efficiency and improve project delivery timelines.

## **3. Operational Performance**

### **Project Management:**

RKEC successfully completed Rs.75.30 Cr major projects during the year. We bagged projects worth Rs. 386.22 Cr.in the year under review. While most projects were delivered on time, the Farrakka project faced a delay due to unforeseen accident in 2020. We have received EOT for the project. The company has implemented new risk management strategies to mitigate similar issues in the future.

### **Safety and Compliance:**

Our commitment to safety is demonstrated by a 15% reduction in workplace incidents compared to the previous year. RKEC continues to invest in safety training programs and adhere to stringent regulatory requirements, maintaining an exemplary safety record and compliance with all industry standards.

## **4. Strategic Direction and Future Outlook**

### **Strategic Goals**

In FY 2026, RKEC Projects Limited aims to accelerate growth by expanding its presence in the commercial and smart infrastructure sectors while deepening its focus on sustainable and green building practices.

Our strategic goals include:

- Diversifying our project portfolio by entering new high-potential sectors such as smart cities and renewable infrastructure.
- Strengthening market presence through strategic partnerships, alliances, and government collaborations.
- Enhancing sustainability initiatives, aligning with global ESG trends and compliance mandates.
- Investing in advanced construction technologies to boost productivity, safety, and efficiency across all operations.

### Market Opportunities and Risks:

Opportunities:

- Rising demand for green buildings, smart infrastructure, and public-private partnership (PPP) projects across India.
- Government emphasis on infrastructure spending under national programs such as Gati Shakti, PM Gati Shakti Master Plan, Smart Cities Mission, and the National Infrastructure Pipeline (NIP).
- Expansion opportunities in urban transportation, port modernization, airport upgradation, and coastal infrastructure.

Risks:

- Volatility in raw material prices, particularly steel and cement, impacting cost structures.
- Regulatory changes and policy shifts that may delay project approvals or alter financial feasibility.
- Macroeconomic uncertainties, including interest rate fluctuations and geopolitical tensions, which may influence investor sentiment and project funding.

### Guidance and Projections:

For the fiscal year 2026, RKEC Projects targets a **revenue growth of 8–10%**, supported by:

- New project acquisitions across both private and public sectors.
- Robust execution of existing contracts from a healthy **unexecuted order book of ₹1,170 crore**, ensuring strong revenue visibility.
- Improved operational efficiencies through digitization, process optimization, and workforce upskilling.



We expect to:

- Maintain stable gross margins despite external pressures.
- Enhance profitability by targeting higher-value contracts and optimizing resource utilization.
- Add a substantial volume of fresh orders through active bidding across key infrastructure domains.

### **Key Competitive Advantage**

RKEC's strength lies in its over four decades of domain expertise and a consistent track record of on-time, within-budget delivery across complex infrastructure projects. Our competitive edge includes:

- Comprehensive execution capabilities in Bridges, Ports, Dams, Airports, Highways, Marine Works.
- Strong stakeholder relationships, including long-standing partnerships with major clients, banks, and financial institutions.
- A well-integrated fleet of construction equipment and a skilled workforce enabling seamless project delivery.
- A proven financial track record, backed by efficient capital allocation and risk management practices.

### **Opportunities**

India's rapid pace of development, coupled with increased government focus on infrastructure, offers immense opportunities. The expansion of key sectors—power, steel, petrochemicals, telecom, and transportation—is driving demand for world-class civil and industrial infrastructure.

With India's push towards becoming a great economy, infrastructure remains at the core of national growth. RKEC is strategically positioned to capitalize on these emerging trends by leveraging its expertise, experience, and execution excellence.

## **5. Risk – Mitigation Strategy**

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

**Mitigation:** The Company is continuously focusing on building competitive advantage in its core business areas to ensure that it is competitively well positioned. The Company's rich experience in the infrastructure sector, continuous operational improvements, process excellence, financial discipline and timely completion of projects has strengthened the Company's overall competitive position in the sector.

**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.

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

**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 by utilizing our internal accruals in an efficient manner which has enabled us to maintain better profitability from project.

**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.

**Geographical Risk:** The Company is operating in multiple states and is exposed to risks on account of different site conditions, labour requirement and related regulatory compliances.

**Mitigation:** The Company has in place mitigation strategies to perform detailed risk assessment of each site, robust manpower planning, site mobilization and de-mobilisation standard operating procedures and compliance checklist to mitigate such risks.

## ***6. 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.

## **7. Conclusion**

### **Summary of Key Points:**

RKEC Projects Limited has demonstrated good financial performance, with significant revenue growth and improved profitability. Our focus on strategic investments in technology and safety has positioned us well for future growth. We remain committed to achieving our strategic goals and addressing any challenges proactively.

### **Management's Commitment:**

The management team is dedicated to delivering value to our shareholders and stakeholders through disciplined execution of our strategic initiatives and a relentless focus on operational excellence. We are confident in our ability to navigate the evolving construction landscape and drive sustained growth.

---

### ***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.

## 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(Chairman)	2	2
2	Mr G V Rammohan	Member (Whole Time Director)	2	1
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](http://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: 0.47 Lakhs
- Average Net profit of the Company as per Section 135(5): Rs.2983.73Lakhs
- Two percent of average net profit of the Company as per section 135(5):- Rs 42.82 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 :- 0.47 Lakhs



(d) Total CSR obligation for the financial year (7a+7b- 7c) :- Rs. 42.35 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
10.60	31.75	30 <sup>th</sup> April 2025	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						

(c) Details of CSR amount spent against, **other than 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		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Name/ CSR Registration No.
				State	District			
1.	Siksha	Education	Yes	Andhra Pradesh	Nagaland	5,00,000	Y	N.A.
2.	Aarogya	Health	Yes	Andhra Pradesh	Visakhapatnam	10,000	Y	N.A.
3.	Paryavaran	Ensuring environmental sustainability	Yes	Andhra Pradesh	Visakhapatnam	2,00,000	Y	N.A.
4.	Aarogya	Health	Yes	Andhra Pradesh	Visakhapatnam	3,50,000	Y	N.A.
<b>Total</b>						<b>10,60,000</b>		

- (d) Amount spent in Administrative Overheads : 0
- (e) Amount spent on Impact Assessment, if applicable : NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 10.60 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)	42.82
(ii)	Total amount spent for the financial year	10.60
(iii)	Excess amount spent for the financial year[(ii)-(i)]	0.00

(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	0.47
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

The Company's total CSR expenditure during the year was Rs.43.14 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	2021-22	2878544	2878544				
2	2022-23	52,31,311	52,31,311				
3	2023-24	NIL	NIL				

**(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 Year (in Rs.)	(9) Status of the project- Completed / Ongoing

**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)**

- i. Date of acquisition of the capital asset(s): N.A.
- ii. Amount of CSR spent for creation or acquisition of capital assets: N.A.
- iii. Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: N.A.
- iv. 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):** Amount allocated to ongoing projects.

By Order of the Board of Directors

R Jayachandran  
Managing Director (DIN: 09263976)

For RKEC Projects Limited  
G Radhakrishna  
Chairman (DIN: 00073080)

Date: 23<sup>rd</sup> August, 2025,  
Place: Visakhapatnam





## ANNEXURE - 4

### FORM AOC-I

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries/  
associate companies/ joint ventures**

#### **Part “A”: Subsidiaries: Not applicable**

1. Names of subsidiaries which are yet to commence operations – N.A.
2. Names of subsidiaries which have been liquidated or sold during the year – N.A.

#### **Part”B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures for the year ending 31.03.2025 (F.Y. 2024-25)

Sr. No	Name of Associates/Joint Ventures	CQCE-RKEC JV	RKEC-RANSS CONSORTIUM	RKEC-SURYADEVRA JV	RKEC-YFC JV
1	Latest audited Balance Sheet Date	28-05-2025	28-05-2025	28-05-2025	28-05-2025
2	Shares of Associate/Joint Ventures held by the company on the year end	99%	7.2%	51%	95%
3	Amount of Investment in Associates/Joint Venture	-	-	-	-
4	Extend of Holding %	99%	7.2%	51%	95%
5	Description of how there is significant influence	-	-	-	
6	Reason why the associate/joint venture is not Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
7	Networth attributable to Shareholding as per latest audited Balance Sheet	257036	27442.27	0	0
8	Profit / Loss for the year	109508.88	3851	0	0

8(i)	Considered in Consolidation	136566	277.27	0	0
8(ii)	Not Considered in Consolidation	-	-	-	-

1. Names of associates or joint ventures which are yet to commence operations.- RKEC - YFC JV has commenced work in FY 2024-25.
2. Names of associates or joint ventures which have been liquidated or sold during the year. -NA

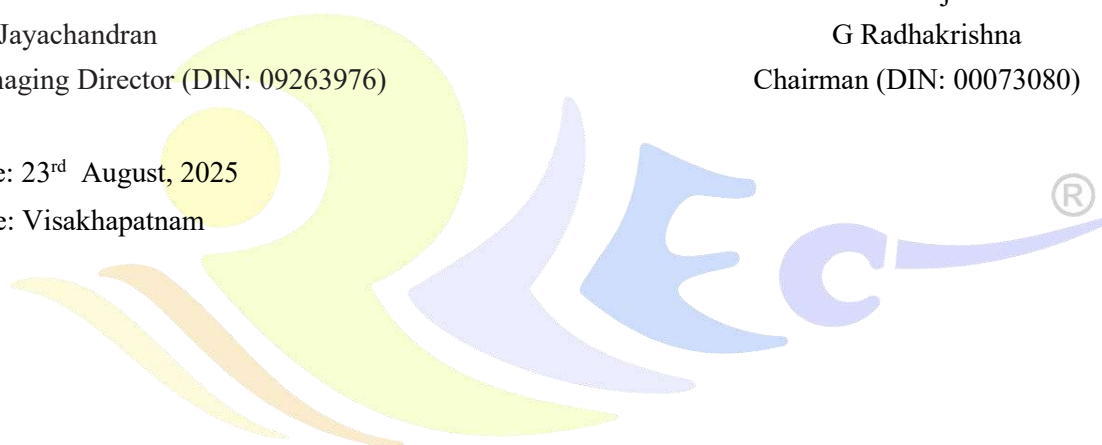
By Order of the Board of Directors

R Jayachandran  
Managing Director (DIN: 09263976)

For RKEC Projects Limited  
G Radhakrishna  
Chairman (DIN: 00073080)

Date: 23<sup>rd</sup> August, 2025

Place: Visakhapatnam



## FORM NO . AOC-2

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

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 arm's length transaction under third proviso thereto during the FY 2023-24.

### 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 material contracts or arrangements or transactions at Arm's length basis: (Rupees In Lakhs)

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	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
1	G Naga Pushyami Relative of	Commission of Guarantee	One Year	6.00		Nil
		Professional Fee	One Year	13.20		

	Chairman	Hire Charges	One Year	18.00		
		Payable Loan		56.28		
2	G.Radhakrishna Chairman	Commission of Guarantee	One Year	47.27		Nil
		Rent	One Year	12.00		
		Loan Payable		1934.56		
		Salary	One Year	60.00		
3	G. Parvathi Devi Whole Time Director	Commission of Guarantee	One Year	35.00		Nil
		Loan Payable		205.31		
		Salary	One Year	60.00		
4	G. V. Rammohan Whole Time Director	Salary	One Year	46.80		Nil
		Loan Payable		62.52		
5	G. Hima Bindu Sree Relative of Chairman	Commission of Guarantee	One Year	7.00		Nil
		Payable Loan		42.25		
		Professional Fee	One Year	21.00		

R Jayachandran  
Managing Director (DIN: 09263976)

By Order of the Board of Directors

For RKEC Projects Limited  
G Radhakrishna  
Chairman (DIN: 00073080)

Date: 23<sup>rd</sup> August, 2025

Place: Visakhapatnam



**ANNEXURE - 5**

**FORM MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

*[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, Rednam Alcazar,

3rd Floor, Opp: SBI Main Branch, Old Jail Road, 9

Rednam Gardens Visakhapatnam 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** (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, 2025, 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, 2025 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 (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); (*The Company does not have FDI, ODI and ECB*)
- (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, 2013 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 and
- (j) Inter-State Migrant workmen (Regulation of employment and conditions of service) Act, 1979.

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.

**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 no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Mehta & Mehta,**

**Company Secretaries**

**(ICSI Unique Code P1996MH007500)**

**Ashwini Inamdar**

**Partner**

**PCSN0:F 9409**

**Place: Mumbai**

**UDIN: F009409G001008913**

**CP No: 11226**

**Date: 14 August, 2025**

**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.**

## 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 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 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 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.
- 7) 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**

**PCSN:F 9409**

**Place: Pune**

**UDIN: F009409G001008913**

**CP No: 11226**

**Date: 14 August, 2025**



## ANNEXURE - 6

### **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, 2024 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para 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.

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.

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

**Ashwini Inamdar**  
**Partner**

**FCS No :9409**  
**CP No. :11226**

**Place: Mumbai**  
**Date: 13/08/2024**

**UDIN: F009409G001009001**

## ANNEXURE - 7

### **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, Rednam Alcazar,  
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: L43900AP2005PLC045795** 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 and 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](http://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, 2025 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
1.	Radhakrishna Garapati	00073080	01/04/2005
2.	Parvathi Devi Garapati	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	08508140	29/08/2019
7.	Ramakrishna Jayachandran	09263976	03/06/2023
8.	Satish Soni	07664074	25/11/2016
9	Sobhag Jain	08770020	14/02/2024

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.

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

**Ashwini Inamdar  
Partner**

**PCSN0:F 9409  
CP No: 11226**

**Place: Mumbai  
Date: 14/08/2024**

**UDIN: F009409G001009012**



## ANNEXURE - 8

### **DECLARATION REGARDING RECEIPT OF CERTIFICATE OF INDEPENDENCE FROM ALL INDEPENDENT DIRECTORS**

It is hereby confirmed 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.

**For RKEC Projects Limited**

R Jayachandran  
Managing Director (DIN: 09263976)

G Radhakrishna  
Chairman (DIN: 00073080)

Date: 23<sup>rd</sup> August, 2025

Place: Visakhapatnam

## ANNEXURE - 9

### **DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

To the Members of RKEC Projects Limited ,

It is hereby declared that all the Members of the Board and Senior Management Personnel of the Company are aware of the provisions of the Code of Conduct laid down by the Board. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

#### **For RKEC Projects Limited**

R Jayachandran  
Managing Director (DIN: 09263976)

G Radhakrishna<sup>®</sup>  
Chairman (DIN: 00073080)

Date: 23<sup>rd</sup> August, 2025

Place: Visakhapatnam

## CHAIRMAN AND MD / CFO COMPLIANCE CERTIFICATE

We, Garapati Radhakrishna, Chairman Managing Director and R Jayachandran , Managing Director & Chief Financial Officer, certify that:

- a) We have reviewed the financial statements and cash flow statement for the Year ended 31 March, 2025 and to the best of our knowledge and belief :
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the Year ended 31 March, 2025 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**R.Jayachandran**

*Managing Director/CFO*

Date: 28 May 2025

**Garapati Radhakrishna**

*Chairman*

## ANNEXURE - 11

**Statement of Particulars of Employees Pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

Sr. No	Requirements	Requirements Disclosure	
1	The ratio of remuneration of each director to the median remuneration of the employees for the financial year.	Mr. G Radhakrishna	12.5
		Mr. R Jayachandran	14.3
		Mr. G V Rama Mohan	13.9
		Mr. G Parvathi Devi	12.5
2	The percentage increase/(decrease) in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Mr. G Radhakrishna	-
		Mr. R Jayachandran	-
		Mr. G V Rama Mohan	-
		Mr. G Parvathi Devi	-
		Mrs. Deepika Rathi	42%
3	The percentage increase in the median remuneration of employees in the financial year.	10%	
4	The number of permanent employees on the roll of the Company as on 31st March, 2025.	676	
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.	6%	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed	



## A. Remuneration of Directors and Key Managerial Personnel

S N .	Particulars of Remuneration	(In Lakhs)			
	Name	G Radhakrishn a	R Jayachandran	G Parvathi Devi	GV Rama Mohan
	Designation	Chairman	Managing Director	Whole Time Director	Whole Time Director/C OO
	Gross Salary	60.00	48.00	60.00	46.80
1	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	- -		-	-
2	Stock Option	- -		-	-
3	Sweat Equity	- -		-	-
4	Commission	- -		-	-
	-as% of profit	- -		-	-
	-others	- -		-	-
	Others	- -		-	-
	Total	60.00	48.00	60.00	46.80

## B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors (In Lakhs)				
	Name	Vice Admiral Satish Soni	Shri Lucas Peter Thalakala	Brig J K Rao	Lt Gen P R Kumar	Shri S M Jain
1.	Independent Directors					
	Fee for attending Board/Committee Meetings	1.60	1.60	1.60	1.60	1.60
	Commission	-	-	-	-	
	Others	-	-	-	-	
	Total(1)	1.60	1.60	1.60	1.60	1.60
2.	Other Non Executive Directors	-	-	-	-	

Fee for attending Board/Committee Meetings	-	-	-	-	
Commission	-	-	-	-	
Others	-	-	-	-	
Total(2)	-	-	-	-	
Total Managerial Remuneration(1)+(2)	1.60	1.60	1.60	1.60	1.60

### C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager

SN.	Particulars of Remuneration		
	Name	R Jayachandran*	Deepika Rathi
	Designation	Chief Financial Officer	Company Secretary & Compliance Officer
1.	Gross Salary (In Lakhs)	-	9.90
	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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	--
4.	Commission	-	-
	-as% of profit	-	-
	-others	-	-
	Others	-	-
	Total	-	9.90

\*Remuneration of Shri R Jayachandran as CFO is included in the remuneration mentioned in table "A" where remuneration for him is mentioned in capacity of Managing Director.

### For RKEC Projects Limited

R Jayachandran  
Managing Director (DIN: 09263976)

G Radhakrishna  
Chairman (DIN: 00073080)

Date: 23<sup>rd</sup> August, 2025

Place: Visakhapatnam

## **STANDALONE INDEPENDENT AUDITOR'S REPORT, 2025**

To the Members of **RKEC Projects Limited**

### **Report on the Audit of the Standalone Financial Statements**

We have audited the Financial Statements of **RKEC Projects Limited ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

### **Responsibilities of Management and those Charged with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31<sup>st</sup> March 2025, its profit, changes in equity and its cash flows for the year ended on that date.

## **Emphasis of matter**

We draw attention to the provision with respect to the book debts **Rs. 2101.01 lakhs** remaining irrecoverable for reasonably a long time is not provided as the management is of confidence that they are recoverable in the due course of time.

Our opinion is not qualified in respect of these matters

## **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

## **Information other than the financial statements and auditors' report thereon**



The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed its pending litigations which would impact its financial position in the Financial Statements as on 31st March, 2025.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SARC & Associates

Chartered Accountants

FRN: 006085N

Place: Visakhapatnam

Date: 28<sup>th</sup> May 2025

UDIN:25206704BMJLDZ9704

(Akula Chandra Sekhar)

Partner

Membership No: 206704

## **“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone Ind AS Financial Statements of the Company for the year ended March 31, 2025:

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - (a) (A) the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) the company is maintaining proper records showing full particulars of intangible assets
  - (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
  - (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
  - (e) No proceedings have been initiated during the year or are pending against the company as at 31st March, 2025 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- (ii) (a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. As informed, the discrepancies noticed on verification between the physical stocks and the book records were not material.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and the same has been disclosed below-

S.N O.	SANC TION DATE	SANCETION AMOUNT IN Cr		TOT AL	O/S AMO UNT	SECURI TY AGAINST THAT	WH ERE CHA RGE CRE ATE D	SEC URIT Y AMO UNT	AS PER RE TU RNS / STA TE	AMO UNT OF DISC REP ANC Y	REA SON OF DISC REP ANC Y
		FUND ED	NON - FUN DED								
1	29-02-2024	37.5	210	247.5	244.93	Stock and Debtors & Immovabl e property	Yes	199.56		Nil	NA
2	18-06-2024	13	5	18	17.91	Stock and Debtors & Immovabl e property	Yes	10.16		Nil	NA
3	02-01-2025	10	20	30	29.35	Stock and Debtors & Immovabl e property	Yes	31.49		Nil	NA
4	28-08-2024	11	21.75	32.75	30.06	Stock and Debtors & Immovabl e property	Yes	45.56		Nil	NA

(iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year.

(iv) In our opinion and according to the information and explanations given to us, the Company has in respect of loans, investments, guarantees and security, complied with the provisions of section 185 and 186 of the Act.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of Statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of above statutes except in case of Goods and Service tax (GST) outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.

The details of the GST payable for a period of more than 6 months as at March 31, 2025 is as follows.

Name of the Statute	Amount outstanding for more than 6 months
Goods and Service Tax	24,90,215.00

(b) Details of statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.

Name of the statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax and Entry Tax Liability	1,60,38,000		High Court, Andhra Pradesh



Building and Other Construction Workers Act, 1996	Levy of Labour Cess	69,99,000	FY 2007-08	Labour Court
Income Tax Act, 1961	Disputed Income Tax Liability	59,41,000	AY 2015-16	CIT (Appeals)
Income Tax Act, 1961	Disputed Income tax Liability	20,00,00,000	AY 2019-20, 2021-22, 2023-24	CIT (Appeals)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) The company was not declared willful defaulter by any bank or financial institution or other lender.
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (d) (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) Whether No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As per the information and explanation given to us, no whistle-blower complaints, received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) As there are no ongoing Projects towards CSR activities, and hence reporting under clause (xx)(b) of the Order is not applicable.



For SARC & ASSOCIATES  
Chartered Accountants  
FRN: 006085N

Place: Visakhapatnam

Date: 28<sup>th</sup> May 2025

(AKULA CHANDRA SEKHAR)  
Founder Partner  
Membership No: 206704

## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of RKEC Projects Limited**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 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 March 31, 2025 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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 auditor's 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, to the best of our information and according to the explanations 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 March 31, 2025, 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

Place: Visakhapatnam  
Date: 28<sup>th</sup> May 2025



(AKULA CHANDRA SEKHAR)  
Partner  
Membership No: 206704

# **STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2025**

<b>Particulars</b>	<b>Note. No.</b>	<b>Figures as at 31-03-2025</b>	<b>Figures as at 31-03-2024</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, Plant and Equipment	2	10,256.71	5,346.19
b) Capital Work-in-Progress		688.87	2,782.74
c) Investment Property			
d) Goodwill			
e) Other Intangible Assets	3	7.07	
f) Intangible Assets under Development			
e) Biological Assets other than Bearer Plants			
h) Financial Assets			
i) Investments	4		
ii) Trade Receivables			
iii) Loans			
iv) Others (to be specified)			
i) Deferred tax Assets	5		
j) Other Non- Current Assets			
		<b>10,952.65</b>	<b>8,128.93</b>
<b>Current Assets</b>			
a) Inventories	6	19,658.04	11,062.00
b) Financial Assets			
i) Investments			
ii) Trade Receivables	7	16,860.42	17,537.54
iii) Cash and cash equivalents	8	1,046.45	606.20
iv) Bank balances other than (iii) above	9	3,657.64	2,745.61
v) Loans	10	419.25	210.64

vi) Others (to be specified)			
c) Current tax Assets (Net)			
d) Other Current Assets	11	4,319.93	2,757.65
		<b>45,961.74</b>	<b>34,919.63</b>
<b>Total Assets</b>		<b>56,914.38</b>	<b>43,048.56</b>

<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	12	2,399.06	2,399.06
b) Other Equity	13	16,446.96	14,443.89
<b>Liabilities</b>			
<b>Non- Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	14	2,670.45	4,032.43
ii) Trade Payables			
iii) Other Financial Liabilities (other than those specified in item (b) above, to be specified)			
b)Provisions	15	179.45	147.33
c) Deferred tax Liabilities (Net)		173.00	80.86
d) Other Non- Current Liabilities			
		3,022.90	4,260.62
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	16	16,875.92	9,866.01
ii) Trade Payables	17	12,001.41	7,739.12

iii) Other Financial Liabilities (other than those specified in item (C))	18	1,651.98	1,129.00
b) Other Current Liabilities	19	3,793.62	2,613.39
c) Provisions	20	722.54	597.46
d) Current tax Liabilities (Net)			
		<b>35,045.47</b>	<b>21,944.98</b>
<b>Total Equity and Liabilities</b>		<b>56,914.39</b>	<b>43,048.56</b>

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: 25206704BMJLDZ9704**

**Dt:28-05-2025**

**Visakhapatnam**

**for and on behalf  
of the board of  
directors of  
RKEC Projects  
Limited**

**G. Radhakrishna**

**Chairman**

**DIN: 00073080**

**R. Jayachandran  
Managing Director**

**/CFO**

**DIN: 09263976**

**Deepika Rathi**

**Company  
Secretary**

## STANDALONE PROFIT AND LOSS STATEMENT AS AT 31<sup>ST</sup> MARCH, 2025

	Particulars	Note. No.	Figures as at 31.03.2025	Figures as at 31.03.2024
<b>I</b>	Revenue From Contracts	21	39,901.82	34,108.98
<b>II</b>	Other Income	22	685.00	358.03
<b>III</b>	<b>Total Income (I+II)</b>		<b>40,586.82</b>	<b>34,467.00</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of Materials Consumed	23	20,973.51	15,394.63
	Operational Expenses	24	15,198.77	10,068.98
	Purchases of Stock-in-Trade		-	-
	Changes in Inventories of Work-in-Progress	25	-6,880.10	-573.43
	Employee Benefits Expenses	26	3,213.47	2,162.64
	Finance Costs	27	1,947.69	1,457.86
	Depreciation and Amortisation Expense	2	886.89	811.64
	Other Expenses	28	2,250.23	2,330.76
	<b>Total Expenses (IV)</b>		<b>37,590.45</b>	<b>31,653.08</b>
<b>V</b>	<b>Profit/(Loss) before exceptional items and tax (I-IV)</b>		<b>2,996.37</b>	<b>2,813.93</b>
<b>VI</b>	<b>Exceptional Items</b>			
<b>VII</b>	<b>Profit/(Loss) before tax (V-VI)</b>		<b>2,996.37</b>	<b>2,813.93</b>
<b>VIII</b>	<b>Tax expense</b>			
	(1) Current Tax		754.49	685.51
	(2) Tax Expense for earlier years			



			146.68	14.48
	(3) Deferred Tax		92.14	127.32
	Total Tax Expense		993.30	827.31
<b>IX</b>	Profit/(Loss) for the period from continuing operations (VII-VIII)		2,003.07	1,986.62
<b>X</b>	Profit/(Loss) from discontinued operations		-	-
<b>XI</b>	Tax expense of discontinued operations		-	-
<b>XII</b>	Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
<b>XIII</b>	<b>Profit/(Loss) for the period (IX+XII)</b>		<b>2,003.07</b>	<b>1,986.62</b>
<b>XVI</b>	<b>Earnings per share (for continuing operations)</b>	29		
	(i) Basic		8.35	8.28
	(ii) Diluted		8.35	8.28

In Terms of our report of even date annexed

for SARC & Associates  
Chartered Accountants  
FRN : 006085N

Chandra Sekhar Akula

Partner

Membership No. 206704

UDIN: 25206704BMJLDZ9704

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

G.Radhakrishna

Chairman

DIN : 00073080

R.  
Jayachandran  
Managing  
Director /CFO  
DIN:  
09263976

Dt:28-05-2025  
Visakhapatnam

Deepika Rathi  
Company  
Secretary

### **STANDALONE CASH FLOW STATEMENT AS AT 31<sup>ST</sup> MARCH 2025**

Particulars	Figures as at 31-03-2025	Figures as at 31-03-2024
<b>Cash flow from Operating Activities</b>		
Profit before Tax	2,996.37	2,813.93
<b>Adjustments for</b>	-	-
Depreciation	886.89	811.64
Loss/(Profit) from Joint Venture	-	-
Loss/(Profit) on Sale of Fixed Assets	-	-
Interest Expense	1,947.69	1,457.86
Interest Income	228.87	-158.57
<b>Operating Profit before Working Capital changes</b>	<b>5,602.08</b>	<b>4,924.86</b>
<b>Adjustments for</b>	-	-
Increase/(Decrease) in Trade Payables	4,262.29	333.31
Increase/(Decrease) in Long Term Provisions	32.12	-3.11
Increase/(Decrease) in Short Term Provisions	125.08	-403.98
Increase/(Decrease) in Other Financial Liabilities	522.98	630.57
Increase/(Decrease) in Other Current Liabilities	1,180.23	-855.32
(Increase)/Decrease in Trade Receivables	677.11	1,462.96
(Increase)/Decrease in Inventories	8,596.04	1,814.56
(Increase)/Decrease in Short Term Loans and Advances	208.62	-12.17

(Increase)/Decrease in Other Current Assets	1,562.28	1,087.91
(Increase)/Decrease in Deferred Tax Assets	92.14	127.32
<b>Cash (used) in/generated from Operations</b>	<b>2,127.08</b>	<b>2,551.86</b>
Income Taxes paid	993.30	-827.31
<b>Net Cash from Operating Activities</b>	<b>1,133.77</b>	<b>1,724.56</b>
<b>Cash Flow from Investing Activities</b>	<b>-</b>	<b>-</b>
Purchase of Fixed Assets, including Intangible Assets, CWIP and Capital Advances	5,805.88	-747.12
CWIP	2,093.87	1,862.90
Investment in Joint Venture	-	-
Profi/(Loss) from Joint Venture	-	-
Proceeds from Sale of Fixed Assets	1.40	-
Bank Balances not considered as Cash and Cash Equivalents	912.03	-656.54
Interest Received	228.87	158.57
<b>Net Cash from Investing Activities</b>	<b>4,393.77</b>	<b>3,107.99</b>
<b>Cash Flow from Financing Activities</b>	<b>-</b>	<b>-</b>
Proceeds from (Repayment of) Long Term Borrowings	1,361.98	-253.84
Proceeds from (Repayment of) ShortTerm Borrowings	7,009.91	3,029.64
Dividend(Interim) paid during the year (including Dividend Distribution Tax)	-	-
Interest Paid	1,947.69	1,457.86
<b>Net Cash from Financing Activities</b>	<b>3,700.24</b>	<b>1,317.94</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>440.25</b>	<b>-65.50</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>606.20</b>	<b>671.70</b>

Cash and Cash Equivalents at the end of the year	1,046.45	606.20
--	----------	--------

## **NOTES**

### **CORPORATE INFORMATION**

RKEC Projects Limited (“The Company”) is a public limited company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The equity shares of the Company are listed on the National Stock Exchange (NSE). The Company is primarily engaged in construction activities, specialising in the business of Civil and Defence Construction such as construction of Buildings, Highways, Marine Works and Bridges.

The financial statements were authorized for issue in accordance with the resolution of the Board of Directors on 28-05-2025

### **NOTE**

#### **1: Significant Accounting Policies**

##### **a) Basis of preparation:**

##### **i) Compliance with Ind AS:**

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, hereinafter referred to as Ind AS.

##### **ii) Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans - plan assets measured at fair value;

## **b) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

## **c) Revenue recognition:**

### **i) Timing of recognition:**



Revenue from the works executed is recognised when all the significant risks and rewards of ownership therein are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company. This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

## **ii) Measurement of revenue:**

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer. Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

The volume discounts are assessed based on anticipated annual purchases.

## **Interest Income**

For all debt instruments measured at amortised cost, interest income is measured using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the

contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **d) Income taxes:**

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

#### **• Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

#### **• Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Taxable temporary differences arising on the initial recognition of goodwill. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

#### **e) Leases:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **Company as a lessee:**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

#### **Company as a lessor:**

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and

arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease

## **f) Property, Plant and Equipment**

### **i) Tangible assets:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation on Tangible Fixed Assets is provided on Straight Line Method on the basis of useful life of assets specified in Part C of Schedule II of the Companies Act, 2013



Based on technical evaluation done by the Chartered Engineer, the management believes that the useful lives as given above, best represent, the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes therein are considered as change in estimate and accounted prospectively.

## ii) Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible Assets having finite useful life are amortised on the straight line method as per following estimated useful life:

Asset category

Estimated useful life

Computer software

3 years

The residual values, useful lives and method of amortisation of intangible assets are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

Intangible assets having indefinite useful life are tested for impairment at least once in an accounting year regardless of indicators of impairment.

## iii) Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its

acquisition cost, including related transaction costs and where applicable borrowing costs and are carried at cost less accumulated depreciation and accumulated impairment losses.

**iv) Capital WIP:**

Expenses incurred during project site mobilisation capitalised and recognised in the books as CWIP and written off over a period of life of the project.

**g) Impairment of fixed assets**

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/ external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

**h) Investments and other financial assets:**

**Classification:**

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and
- ii) Those measured at amortised cost.

The classification depends on the business model of the entity for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.

For investments in debt instruments, it depends on the business model in which the investment is held.

For investments in equity instruments, it depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

### **Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to the contractual terms of the instrument

### **Transaction Cost**

Financial assets are recognised initially at fair value plus/minus , in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

### **Subsequent measurement:**

After initial recognition, financial assets are measured at:

- i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)}
- or,
- ii) Amortised cost

### **Debt instruments:**

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

### **Measured at amortised cost:**

Debt instruments that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less

impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in Profit or Loss.

### **Measured at fair value through Other Comprehensive Income (OCI):**

Debt instruments that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI (net of taxes). Interest income measured using the EIR method and impairment losses, if any are recognised in Profit or Loss. On derecognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to Profit or Loss.

### **Measured at fair value through profit or loss:**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in Profit or Loss.

### **Equity instruments:**

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Profit or Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in Profit or Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade and lease

receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be

### **Investments in subsidiary companies, associate company and Joint Venture Company:**

Investments in subsidiary companies, associate company and Joint Venture Company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and Joint Venture Company, the difference between net disposal proceeds and the carrying amounts are recognised in Profit or Loss.

### **De-recognition:**

A financial asset is de-recognised only when

- i) The Company has transferred the rights to receive cash flows from the financial asset ,or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **Financial liabilities & Equity instruments:**

**i) Classification as debt or equity** - Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.



**ii) Initial recognition and measurement** - Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

**iii) Subsequent measurement** - Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in Profit or Loss.

**iv) De-recognition** - A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

#### **i) Fair Value Measurement**

The Company measures financial instruments, such as Derivatives, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of the principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

External Valuers are involved for valuation of significant assets such as certain items or property, plant and equipment. For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **j) Inventories:**

Items of Inventories are valued on the basis given below:

- i. Raw materials, packing materials, stores and spares: at cost determined on First – in – First – Out (FIFO) basis or net realisable value whichever is lower.
- ii. Process stock and finished goods: RKEC shall generally not hold the finished works on hand without billing the same. However, in case such a situation occurs, the finished works are valued at cost or net realisable values whichever is lower.

Cost comprises cost of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition.

The net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

**k) Cash and cash equivalents:**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**l) Trade receivable:**

Trade receivables are initially recognised at fair value of the revenue. Subsequently, trade receivables are stated at cost less provision for impairment, if any.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed and individual limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Company applies expected credit losses (ECL) model for measurement and recognition of provision / loss allowance on the Trade receivables.

As a practical expedient, the Company uses a provision matrix to measure ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default floating rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in Profit or Loss under the head 'Other expenses'.

**m) Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **n) Derivatives and hedging activities:**

The Company enters into derivative financial instruments to hedge its exposure to movements in interest rates and foreign exchange rates. These are not intended for trading or speculative purposes.

##### **i) Financial assets or financial liabilities, at fair value through profit or loss**

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in Profit or Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets | liabilities in this category are presented as current assets | current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

#### **o) Government Grants:**

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFs), are accounted for when it is reasonably certain that ultimate collection will be made. The interest subsidy is reduced from the interest cost.

#### **p) Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income /(expense). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**q) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

**r) Provisions and contingent liabilities:**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value



of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### **s) Employee benefits:**

##### **Short-term employee benefits:**

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred. Short-term leave encashment is provided at an undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is charged to Statement of Profit and Loss in the year of settlement.

##### **Other long-term employee benefits:**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

### **Defined benefit plan:**

RKEC for the time being is managing their Long Term Employee Benefits only as Defined Benefit plans. However, the Accounting policy in respect of Defined Benefit plans had been drawn for proper application in case required in the following lines.

### **Gratuity:**

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### **t) Earnings per share:**

Earnings per share (EPS) are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax

thereto for the period. The treasury shares are not considered as outstanding equity shares for computing EPS.

#### **u) Foreign Currency Transactions**

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in Foreign Currency are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- Exchange differences relating to long term monetary items, arising during the period, in so far as those relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset
- In other cases, such differences are accumulated in the “Foreign Currency Monetary Translation Difference Account” and amortised to the statement of profit and loss over the balance life of the long term monetary item.

All other exchange differences are dealt with in profit or loss.

#### **v) Critical estimates and judgements**

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involve a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. The areas involving critical estimates or judgements are:

- i) Estimation of useful life of tangible assets: Note 2&3
- ii) Estimation of defined benefit obligation: Note 15

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## 2. Statement of Depreciation for the year ended 31st Mar 2025

Description of Assets	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale Transfer	Total upto 31 Mar 2025	As At	As At
	01 April 2024			31 March 2025	01 April 2024				31 March 2024	31 March 2025
Freehold Land	50.00	-	-	50.00	-	-	-	-	50.00	50.00
Building Plant and Equipment	-	486.06	-	486.06	-	-	-	-	-	486.06
Furniture and Fixtures	8,516.88	5,013.19	-	13,530.06	3,737.02	742.90	-	4,479.92	4,779.86	9,050.14
Vehicles Office Equipment	39.56	13.30	-	52.86	36.37	6.38	-	42.75	3.19	10.11
	967.47	188.65	1.40	1,154.71	496.69	100.05	-	596.74	470.77	557.97
	168.76	96.33	-	265.09	126.40	36.27	-	162.67	42.37	102.43
<b>TOTAL</b>	<b>9,742.67</b>	<b>5,797.52</b>	<b>1.40</b>	<b>15,538.79</b>	<b>4,396.48</b>	<b>885.60</b>	<b>-</b>	<b>5,282.08</b>	<b>5,346.19</b>	<b>10,256.71</b>

## 3. Intangible Assets as at 31st Mar 2025

Description of Assets	Gross Carrying Value	Depreciation	Net Carrying Value
-----------------------	----------------------	--------------	--------------------

	As At			As At	As At	For			As At	As At
	01 April 2024	Additions	Deductions	31 March 2025	01 April 2024	the Period	Adjustments on Sale Transfer	Total upto 31 March 2025	31 March 2024	31 March 2025
Software	4.80	8.36		13.16	4.80	1.29		6.09	-	7.07
TOTAL	4.80	8.36	-	13.16	4.80	1.29	-	6.09	-	7.07

#### 4. Investments

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Total</b>		

#### 5. Deferred Tax Assets / Deferred Tax Liability

Particulars	As at 31 March 2025	As at 31 March 2024
Balance of DTA/(DTL) brought forward	-81	46
Depreciation	-92	-135
Provision for Gratuity	-	8
PF/ESI	-	
<b>Net Deferred Tax Asset/(Deferred Tax Liability)</b>	<b>-173</b>	<b>-81</b>

#### 6. Inventories

(At lower of Cost or Net Realisable Value)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw Materials		



	6,769	5,053
Work-In-Progress	11,583	5,280
Finished Goods	1,307	729
<b>Total</b>	<b>19,658</b>	<b>11,062</b>

## 7. Trade Receivables

Particulars	As at 31 March 2025	As at 31 March 2024
More than 3 Yrs	191.85	15.61
More than 1 year and less than 3 years	2,595.93	2,095.14
More than 6 months and less than 1year	-	88.34
Less than 6 Months	14,072.64	15,338.45
<b>Total</b>	<b>16,860.42</b>	<b>17,537.54</b>
<b>Unsecured</b>		
Considered Good	16,860.42	17,537.54
Considered Doubtful		

## 8. Cash and Cash Equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Cash on Hand</b>		

<b>Balance with Banks</b>	21.94	7.38
(i) In Current Accounts	458.06	497.83
(ii) In Deposit Accounts	566.45	100.98
<b>Cheques, Drafts on Hand</b>		
<b>Total</b>	<b>1,046.45</b>	<b>606.20</b>

## 9. Other Balances With Banks

Particulars	As at 31 March 2025	As at 31 March 2024
<b>In Earmarked Accounts</b>		
<b>Unclaimed Dividend Accounts</b>	4.99	4.83
<b>Gratuity accooomt</b>	7.85	17.21
<b>Balances/ Deposits held as margin money or security against borrowings, guarantee and other commitments</b>	3,644.79	2,723.57
<b>Total</b>	<b>3,657.64</b>	<b>2,745.61</b>

10. Note- 10 point is the last page of the standalone.

## 11. Other Current Assets

Particulars	As at 31 March 2025	As at 31 March 2024
Advances to material suppliers	766.42	792.18
Deposits for enlistment	101.98	99.17
Earnest money and other deposits	151.56	160.86
VAT Input Credit receivable	55.60	55.60
GST Receivable	1,432.48	826.31
TDS Receivable	213.86	168.68
Prepaid Expenses	721.15	219.84
Other advances	451.89	10.00
Asset Held for Sale *	425.00	425.00
<b>Total</b>	<b>4,319.93</b>	<b>2,757.65</b>
<b>Others</b>		

## 12. Share Capital

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Authorised</b> 500,00,000 Equity shares of Rs. 10 each	5,000.00	5,000.00
<b>Issued and Subscribed</b> 2,39,90,600 Equity shares of Rs. 10 each	2,399.06	2,399.06
<b>Total</b>	<b>2,399.06</b>	<b>2,399.06</b>

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

Particulars	As at 31 March 2025	As at 31 March 2024
	No of shares	No of shares
<b>Equity shares of Rs. 10 each</b>		
At the beginning of the period	239.91	239.91
Add: Shares issued	-	-
At the end of the period	239.91	239.91

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

Name of Shareholders	As at 31 March 2025	As at 31 March 2024
	Num of shares	Num of shares
G Radha Krishna	153.07	160.33

Notes attached in a Word Document

<b>(iii) Shareholding of promoters and percentage of change during the year.</b>		
S.no	Promoter Name	Promoter Name
1	G Radha Krishna 153.07 cr shares 63.80%	G Radha Krishna 160.33 cr shares 66.83%
2	G Parvathi Devi 0.0059 Cr shares 0.24%	G Parvathi Devi 0.0059 Cr shares 0.24%
3	G Naga Pushyami 0.0022 Cr shares 0.09%	G Naga Pushyami 0.0022 Cr shares 0.09%
4	G Hima Bundu sree 0.0030 Cr shares 0.12%	G Hima Bundu sree 0.0030 Cr shares 0.12%

**13. Other Equity**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Securities Premium Account</b>		
Balance as per Balance Sheet	- 1,637.30	- 1,637.30
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.		
<b>Surplus in Statement of Profit and Loss</b>		
Balance as per Balance Sheet	12,806.59	10,819.97
Profit/(Loss) for the period	2,003.07	1,986.62
Less: Appropriations	-	-
(i) Impairment Loss	-	-
(ii) Proposed Dividend-Equity Shares	-	-
(iii) Corporate Dividend Tax thereon	-	-
<b>Total</b>	<b>16,446.96</b>	<b>14,443.89</b>

#### 14. Borrowings -Non Current

	Particulars	As at 31-03-2025		As at 31-03-2024	
		Current Maturities	Non-Current	Current Maturities	Non- Current
	Term Loans (Secured)				
	(a) From Banks				
	Rupee Loans				1,014.01



		1,137.45	1,634.62	544.06	
	(b) From Financial Institutions				
	Rupee Loans	514.53	968.39	584.94	1,511.16
	(C) From Clients	276.91	67.44	612.30	1,507.26
	<b>Total</b>	<b>1,928.89</b>	<b>2,670.45</b>	<b>1,741.30</b>	<b>4,032.43</b>

### Additional Information

#### (i) Security for Term Loans

		<b>2024-25</b>	<b>2023-24</b>		
	<b>Nature of Security</b>		<b>Banks in Cr</b>		
	Exclusive charge on Plant & Machinery and specific assets financed	4,591.76	3,546.00		
	Pari passu first charge created on the entire fixed assets of the Company		4,859.00		
	Subservient charge on all moveable and current assets of the Company				
	<b>Total</b>	<b>4,591.76</b>	<b>8,405.00</b>		

#### (ii) Terms of Repayment of Secured Term Loan in Lacs

Particulars		<b>Rate of Interest</b>	<b>1-2 Years</b>	<b>Rate of Interest</b>	
<b>Rupee Term Loans From Banks</b>		8.4%-10.5%	2255.21	8.4%-10.5%	
<b>Rupee Term Loans From Financial Institutions</b>		8.4%-10.5%	643.46	8.4%-10.5%	
<b>Total</b>					
	Term Loans (Unsecured)	16%-17.5%	126.69	16%-17.5%	

## 15. Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	179.45	147.33
<b>Total</b>	<b>179.45</b>	<b>147.33</b>

## 16. Borrowings - Current

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Working Capital Loans Secured</b>		
Cash Credit Accounts, Working Capital Demand Loan	7,064.81	5,161.83
Other than Cash Credit	-	-
<b>Unsecured</b>		
From Banks	7,552.42	3,170.30
From Financial Institutions/ Others	-	-
From Others (Directors)	2,258.69	1,533.88
<b>Total</b>	<b>16,875.92</b>	<b>9,866.01</b>

## Additional Information

### (i) Security for Term Loans

Nature of Security	As at 31 March 2025	As at 31 March 2024
<b>Security for Working Capital Loans</b>	<b>In Lacs</b>	<b>In Lacs</b>

(a) Hypothecation of Company's Current Assets and Mortgage of certain immovable properties belonging to the Company/ Guarantor	49,374.00	22,439.00
(b) Second Charge created/ to be created on all fixed assets (excluding Land and Building) of the Company	5,361.00	-
Fixed and Floating charge over the assets of the Company and personal guarantee of the Directors	-	25,551.00
Pledge of certain Immovable Assets	7,296.00	96.73
<b>Total</b>	<b>62,031.00</b>	<b>48,086.73</b>

### 17. Trade Payables

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Total Outstanding dues to Micro &amp; Small Enterprises</b>	-	-
<b>Total Outstanding dues to creditors other than Micro &amp; Small Enterprises</b>	-	-
Acceptances	5,111.74	4,291.94
Other than Acceptances	6,889.67	3,447.18
<b>Total</b>	<b>12,001.41</b>	<b>7,739.12</b>

### Information as per MSME Act

Particulars	As at 31 March 2025	As at 31 March 2024
Principal amount remaining unpaid to any supplier at the end of the accounting period	0	0
Interest due thereon remaining unpaid to any supplier at the end of the accounting period	0	0
The amount of interest paid along with the amounts of payment made to the supplier beyond the appointed date	0	0
The amount of interest due and payable for the period	0	0
The amount of interest accrued and remaining unpaid at the end of the accounting period	0	0
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	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

The above information has been determined on the basis of information available with the Company.

**\*Ageing schedule attached forms part of financials**

### 18. Other Financial Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Current Maturities of Long-term Borrowings	1,651.98	1,129.00
<b>Total</b>	<b>1,651.98</b>	<b>1,129.00</b>

## 19. Other Current Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Revenue received in Advance	276.91	612.30
Other Current Liabilities	3,516.71	2,001.09
<b>Total</b>	<b>3,793.62</b>	<b>2,613.39</b>

## 20. Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	102.12	32.12
<b>Other Provisions</b>		
Provision for Taxation *	530.08	500.75
Others provisions	90.35	64.60
<b>Total</b>	<b>722.54</b>	<b>597.46</b>

**Note: \*** Consequent to a survey operation by the Income tax dept in the premises of the company, a provision of Rs 7.40 cr is created towards the estimated tax liability as the same is deemed as fit and proper based on the expert opinion. Part of the Liability relating AY 2018-19 discharged.

## 21. Revenue from Contracts

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Sale of Services</b>		
Contract Revenue		



	39,901.82	32,417.66
<b>Other Operating Revenue</b>	-	-
Work Receipts on Technical Services	-	-
* Arbitration award received as compensation from UHIC for contract executed prior to GST	-	1,236.74
Others	-	454.57
<b>Total</b>	<b>39,901.82</b>	<b>34,108.98</b>

**Note:**     \* The company got Arbitration award amounting to 12.36 cr against UHIC . Amount also received from     client.  
               \* Others consist of the refund of interest earned on deposit of Rs.15.92 cr. This is being followed up with the PUVVNL client

## 22. Other Income

Particulars	As at 31 March 2025	As at 31 March 2024
Profit on Sale of Assets		
Miscellaneous Income	456.13	177.32
Share of Profit from Joint Venture	-	-
Interest recovered on Mobilisation Advance	-	-
Interest on IT Refund	-	22.14
<b>Interest Income</b>	-	-
<b>On Long Term Investments</b>	-	-
Bank Fixed Deposits	228.87	158.57
Inter Corporate Deposits		

	-	-
Interest on Investments	-	-
Others	-	-
<b>Total</b>	<b>685.00</b>	<b>358.03</b>

### 23. Cost of Materials Consumed

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Construction Materials, Stores and Spares</b>		
Opening Stock	5,052.67	3,811.54
Add: Purchases	22,689.46	16,635.76
Less: Closing Stock	6,768.62	5,052.67
<b>Total</b>	<b>20,973.51</b>	<b>15,394.63</b>

### 24. Operational Expenses

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Repairs and Maintenance</b>		
Plant and Machinery, Vehicles	173.61	109.44
<b>Power and Fuel</b>	-	-
Diesel and Petrol Expenses	1,821.83	1,171.59
Electricity Expenses	94.93	59.04
<b>Others</b>	-	-

Project Work Expenses	7,657.74	5,124.47
Hire Charges for Machinery and others	2,279.98	1,011.97
Transport Charges	1,892.15	1,646.92
Technical and Engineering Consultancy Services	384.82	161.01
Testing Charges	58.72	62.87
Labour Cess (Recoveries)	351.33	337.21
Other Recoveries (By Contractees)	388.04	341.05
Loading and Unloading Charges	32.63	26.74
Water Charges	42.72	9.30
Other Project Expenses	20.29	7.35
<b>Total</b>	<b>15,198.77</b>	<b>10,068.98</b>

## 25. Changes in Inventories of Work-in-Progress

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Stock	6,009.32	5.90
Unbilled Revenue	1,306.75	729.17
Less: Closing Stock	11,582.67	5,280.15
<b>Total</b>		

	-6,880.10	-573.43
--	-----------	---------

## 26. Employee Benefit Expenses

Particulars	As at 31 March 2025	As at 31 March 2024
Salaries and Wages	2,542.95	1,855.85
Contribution to Provident Funds and Other Funds	235.74	116.00
Staff Welfare Expenses	434.78	190.79
<b>Total</b>	<b>3,213.47</b>	<b>2,162.64</b>

## 27. Finance Costs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Interest Expense on</b>		
Term Loans	401.01	358.39
Working Capital Demand Loans & Cash Credit	731.22	640.20
Mobilisation Advance	119.33	7.95
Interest on Bill discounting	302.63	161.05
Others	113.66	116.02
<b>Other Borrowing Costs</b>	279.83	174.25
	-	-
<b>Total</b>	<b>1,947.69</b>	<b>1,457.86</b>

## 28. Other Expenses



Particulars	As at 31 March 2025	As at 31 March 2024
<b>Auditor's Fee</b>		
Statutory Audit Fee	8.00	7.50
Tax Audit Fee	2.00	1.88
Other Services	2.00	3.56
Cost Audit	0.80	0.80
Internal Audit	4.00	4.00
Secretarial Audit	2.00	2.00
<b>Others</b>	-	-
Bank Charges	97.88	113.04
LC & BG Issue Charges	486.26	575.74
Commission on Bank Guarantees	340.10	326.98
Rent	227.25	127.59
Travelling and Conveyance Expenses	210.12	136.95
Repairs and Maintenance of Computers and others	15.60	1.66
Office Maintenance	59.35	23.80
Security Services	82.70	12.50
Rates and Taxes	37.75	25.82
Communication Expenses (Postage and Telephone)	13.50	10.46
Insurance	169.92	167.81
Printing and Stationery		



	22.39	21.06
Professional Charges	308.29	295.84
CSR Expenses	10.60	99.19
Foreign Exchange Gain/Loss	-	-
Sitting Fees to Directors	8.00	5.00
Project Site Admin Expenses	44.42	35.58
Tender Expenses	8.55	8.50
Donations	-	-
Bad Debts Written Off	-	-
Business Promotion Expenses	43.64	25.20
ROC Charges	0.51	-
Interest on Statutory Dues	31.37	36.88
Prior Period Expenses	-	26.00
GST Interest	12.48	226.48
Gst Penalty	-	8.76
Miscellaneous Expenses	0.74	0.22
<b>Total</b>	<b>2,250.23</b>	<b>2,330.76</b>

## 29. Earnings Per Share

Particulars	As at 31 March 2025	As at 31 March 2024
Face Value of Shares (in Rupees)		

	10.00	10.00
	-	-
<b>Basic and Diluted EPS</b>	-	-
Surplus available to Equity Shareholders (In Rupees)	2,003.07	1,986.62
Weighted Average Number of Shares (In Nos)	239.91	239.91
<b>Basic EPS</b>	8.35	8.28
Add: Effect of dilutive stock options	-	-
Weighted Average Number of Shares (In Nos)	239.91	239.91
<b>Diluted EPS</b>	8.35	8.28
	-	-
<b>Calculation of Weighted Average Number of Shares</b>	-	-
Opening Number of Shares	239.91	239.91
Issued during the year	-	-
Weighted Average Number of Shares	239.91	239.91

### 30. Contingent Liabilities-

Rs in lacs

Sl.No.	Particulars	31 March 2025	31 March 2024
	<b>Matters by Litigation</b>		
	Disputed Sales tax/Entry tax Liability for which the Company		

	preferred appeal to High Court, Andhra Pradesh , Commercial Taxes 2016	160.38	160.38
	Disputed Service Tax Liability for the period 2004-05 to 2008-09 which the Company preferred appeal to CESTAT, Bangalore	0	0
	Levy of labour cess @ 1% (w.e.f. July 2007) on the construction contracts executed by the Company in the State of Andhra Pradesh contested before the workmen's compensation act.	69.99	69.99
	Disputed Income tax liability for which the Company preferred appeal to CIT appeals (AY 2015-16)	59.41	59.41 <sup>®</sup>
	The Company has received income tax assessment orders for Assessment Years 2019-20, 2021-22, and 2023-24. Against these orders, the Company has preferred appeals before the appropriate appellate authorities. Based on the prevailing legal position, the Company's judgment, and expert opinions, the Company believes that it has strong grounds in its favor and expects a favorable	2000.00	

	outcome at the appellate level. Accordingly, there is no material impact on the financial position, operations, or other activities of the Company. However, as a matter of prudence and in accordance with expert advice, a contingent liability of ₹20 crore has been provided in the financial statements.		
	<b>Total</b>	<b>2289.78</b>	<b>289.78</b>
	<b>Liability for Capital Commitments pending for execution</b>		
	Some of the parties have filed legal case(s) against the company with legal authorities, Courts/for delay/non payment of dues, due to dispute in execution of works, quality-supply defects/early termination etc. For their dues the company is in the process of negotiation and will win certain cases without any payments due to merits on the company as per management opinion. (Interest not material)	<b>230.87</b>	<b>230.87</b>

### Capital Commitment

Sl.No.	Particulars	31 March 2025	31 March 2024
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)		

31. In the opinion of management, the current assets and other non-current assets after necessary provisions/ write offs have a value on realisation in the ordinary course of the business, at least equal to the amount at which they are stated except otherwise stated.

32. The company does not have any unabsorbed depreciation or losses.

33. **Employee Stock Option Plan-** No such schemes were floated during the year

#### 34. **Employee Benefit Plans-**

##### **Defined contribution plans:**

Amounts recognised as expenses towards contributions to provident fund, superannuation and other similar funds by the Company including for its subsidiary companies and joint venture companies in India are Rs. 2.35 Cr (previous year Rs. 1.15 Cr ) for the year ended 31 March 2025

35. **Segment Information-**There is a common CODM assesses the internal reports of all projects that the company is undertaking and accordingly the resource allocation and the key decisions are being handled. Also, that there is a commonality involved in all the projects that the company is undertaking with respect to the nature of work, technicality involved, expertise etc.



In view of the same, no separate reportable segments are identified by the management for the purpose of the reporting in the Financial Statements.

**36. Fair Value Measurement**-The company applied the fair valuation measurements as per Ind AS 113 Fair Value Measurement for all the assets and liabilities where ever applicable. It is further to state that the hierarchy of inputs as provided under Ind AS 113 is duly taken care.

**37. Related Party Disclosures**

<b>I</b>	<b>Subsidiary Companies</b>	
	CQCE-RKEC JV RKEC SURYA DEVARA JV	
<b>II</b>	<b>Joint Venture</b>	
	RKEC-RANSS Consortium RKEC -YFC JV RKEC SURYA DEVARA JV	
<b>III</b>	<b>Key Management Personnel (KMP)</b>	
	Garapati Radhakrishna Garapati Parvathi Devi G V Ram Mohan R.Jayachandran Deepika Rathi	Chairman Whole Time Director Whole Time Director Managing Director Company Secretary
	<b>Relatives of Key Management Personnel</b>	
	G. Nagapushyami G. Himabindu Sree G. Krishna Mohan Gayatri Hari Shankar	Daughter of Chairman Daughter of Chairman Brother of Director Daughter in Law of Managing Director


**Transactions with related parties along with disclosure of transactions more than 10%**  
**Rs in lacs**

	Transactions	31 March 2025	31 March 2024
<b>I</b>	<b>Long Term Borrowing</b>		
<b>II</b>	<b>Short Term Borrowing</b>	<b>2258.69</b>	1533.88
<b>III</b>	<b>Short Term Loans and Advances</b>		
<b>IV</b>	<b>Non Current Investments</b>		
<b>V</b>	<b>Trade Receivables</b>	<b>8702.22</b>	8480.42
<b>VI</b>	<b>Trade Payables</b>		
<b>VII</b>	<b>Other Current Liabilities</b>		
<b>VIII</b>	<b>Expenditure</b>		
<b>IX</b>			<b>8702.22</b>
	<b>Income</b>	<b>8480.41</b>	

38. As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture,

healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects

Corporate Social Responsibility (CSR) which details are as follows.

Year	Amount required to be spent	Amount of expenditure incurred	Short fall at the end of the year	Previous year short fall	Reason for short fall	Nature of CSR activity
2022-2023	61,87,311	9,56,000	52,31,311	0	Unspent amount was allocated to on going project and was Transfer to unspent CSR account	As per activities mentioned in Schedule VII
2023-2024	46,40,688	46,87,200	0	0	-	As per activities mentioned in Schedule VII
2024-25	42,82,273	10,60,000	32,22,273	0	Unspent amount	As per activities

					was allocated to going project and was Transfer to unspent CSR account	mentioned in Schedule VII
2025-26	59,67,470					

39. Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.
40. An asset namely the Launching girder which was damaged is taken up for reconstruction. The reconstruction cost is covered by insurance. Asset Is reclassified as per Ind AS 105 Non - Current Asset held for Sale under Other Current Assets at Net realizable value and the loss on reclassification is duly provided for.
41. The company got Arbitration award amounting to 12.36 cr against UHIIC . Amouont also received from client.
42. Consequent to a survey operations by the Income tax dept in the premises of the company , a provision of Rs 7.40 cr is created towards the estimated tax liability as the same is deemed as fit and proper based on the expert opinion .Part of the Liability relating AY 2018-19 discharged .
43. Ratios.

A	Current Ratio	CA/CL	1.58:1
B	Debt-Equity Ratio	Long Term Debt / Total Share holders equity	0.14:1
C	Debt service Coverage Ratio	EBITD / Current debt obligation	0.31
D	Return on Equity Ratio	PAT/Share capital	8.36
E	Inventory Turnover Ratio	Net Sales /AVG Inventory	2.78
F	Trade Receivable Turnover Ratio	Net cr sales / Avg Turnover receivable	2.32
G	Trade payable Turnover Ratio	Net Credit purchases / Avg Trade payable	1.47
H	Net capital Turnover Ratio	Total sales/ Share holders Equity	2.15
I	Net profit Ratio	NP / Turnover *100	5.77
J	Return on Capital Employed	EBIT / Capital	0.26

		employed	
K	Return on Investments	Net income / cost of investment *100	125.01

## 10 Loans

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Unsecured and considered good</b>		
Security Deposit	419.25	210.64
Others		
<b>Total</b>	<b>419.25</b>	<b>210.64</b>



## **CONSOLIDATED INDEPENDENT AUDITOR'S REPORT, 2025**

To the Members of **RKEC Projects Limited**

### **Report on the Audit of the Consolidated Financial Statements**

We have audited the Financial Statements of **RKEC Projects Limited ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31<sup>st</sup> March 2025, its profit, changes in equity and its cash flows for the year ended on that date.

## Emphasis of matter

We draw attention to the provision with respect to the book debts **Rs. 2101.01 lakhs** remaining irrecoverable for reasonably a long time is not provided as the management is of confidence that they are recoverable in the due course of time.

Our opinion is not qualified in respect of these matters

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are

independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

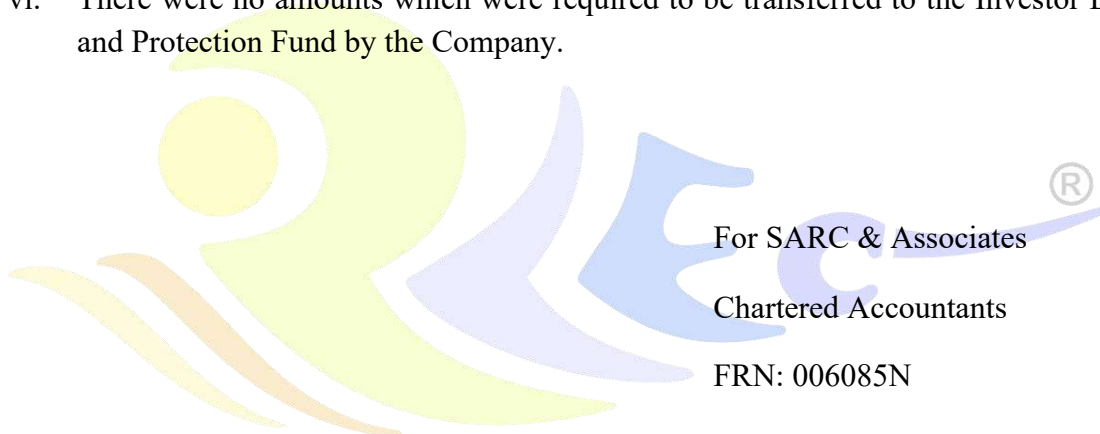
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Report on Other Legal and Regulatory Requirements**

4. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
5. As required by Section 143 (3) of the Act, we report 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 have been kept by the Company so far as it appears from our examination of those books.
  - j) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - k) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- l) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- m) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.
- n) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - iv. The Company has disclosed its pending litigations which would impact its financial position in the Financial Statements as on 31st March, 2025.
  - v. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - vi. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



For SARC & Associates  
Chartered Accountants  
FRN: 006085N

Place: Visakhapatnam

Date: 28<sup>th</sup> May 2025

UDIN:25206704BMJLEA2054

(Akula Chandra Sekhar)

Founder Partner

Membership No.: 206704

## **“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Consolidated Ind AS Financial Statements of the Company for the year ended March 31, 2025:

(iii) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

- (c) (A) the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) the company is maintaining proper records showing full particulars of intangible assets
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
- (e) No proceedings have been initiated during the year or are pending against the company as at 31<sup>st</sup> March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

(ii)

- (a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable. As informed, the discrepancies noticed on verification between the physical stocks and the book records were not material.
- (d) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and the same has been disclosed below-



S.N O.	SANC TION DATE	SANCETION AMOUNT IN Cr		TOT AL	O/S AMO UNT	SECURI TY AGAINST THAT	WH ER E CH AR GE CR EA TE D	SEC URIT Y AMO UNT	AS PER RE TU RNS / STA TE	AMO UNT OF DISC REP ANC Y	REA SON OF DISC REP ANC Y
		FUND ED	NO N FUN DED								
1	29-02-2024	37.5	210	247.5	244.93	Stock and Debtors & Immovabl e property	Yes	199.56		Nil	NA
2	18-06-2024	13	5	18	17.91	Stock and Debtors & Immovabl e property	Yes	10.16		Nil	NA
3	02-01-2025	10	20	30	29.35	Stock and Debtors & Immovabl e property	Yes	31.49		Nil	NA
4	28-08-2024	11	21.75	32.75	30.06	Stock and Debtors & Immovabl e property	Yes	45.56		Nil	NA

(iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(c) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of above statutes except in case of Goods and Service tax (GST) outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.

The details of the GST payable for a period of more than 6 months as at March 31, 2025 is as follows.

Name of the Statute	Amount outstanding for more than 6 months
Goods and Service Tax	24,90,215.00

(d) Details of statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.

Name of the statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
Commercial Taxes, 2016	Service tax and Entry Tax Liability	1,60,38,000		High Court, Andhra Pradesh
Building and Other	Levy of Labour Cess	69,99,000	FY 2007-08	Labour Court

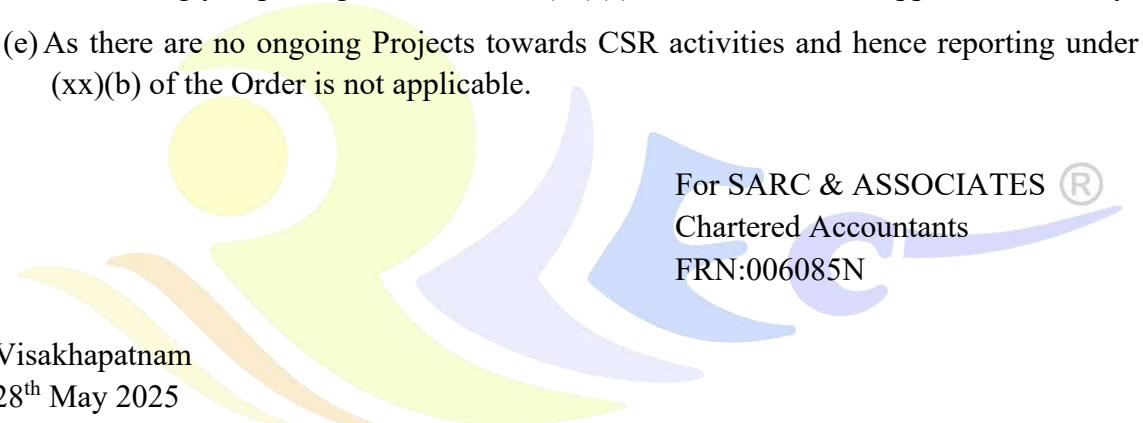
Construction Workers Welfare Cess Act, 1996				
Income Tax Act, 1961	Disputed Income Tax Liability	59,41,000	AY 2015-16	CIT (Appeals)
Income Tax Act, 1961	Disputed Income Tax Liability	20,00,00,000	AY 2019-20, 2021-22, 2023-24	CIT (Appeals)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) The company was not declared willful defaulter by any bank or financial institution or other lender.
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (g) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (h) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (i) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) Whether No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As per the information and explanation given to us, no whistle-blower complaints, received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Consolidated financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial

statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (e) As there are no ongoing Projects towards CSR activities and hence reporting under clause (xx)(b) of the Order is not applicable.



For SARC & ASSOCIATES ®  
Chartered Accountants  
FRN:006085N

Place: Visakhapatnam  
Date: 28<sup>th</sup> May 2025

(Akula Chandra Sekhar)  
Partner  
Membership No: 206704

## **“Annexure B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of RKEC Projects Limited**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 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 March 31, 2025 in conjunction with our audit of the Consolidated 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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 auditor's 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**

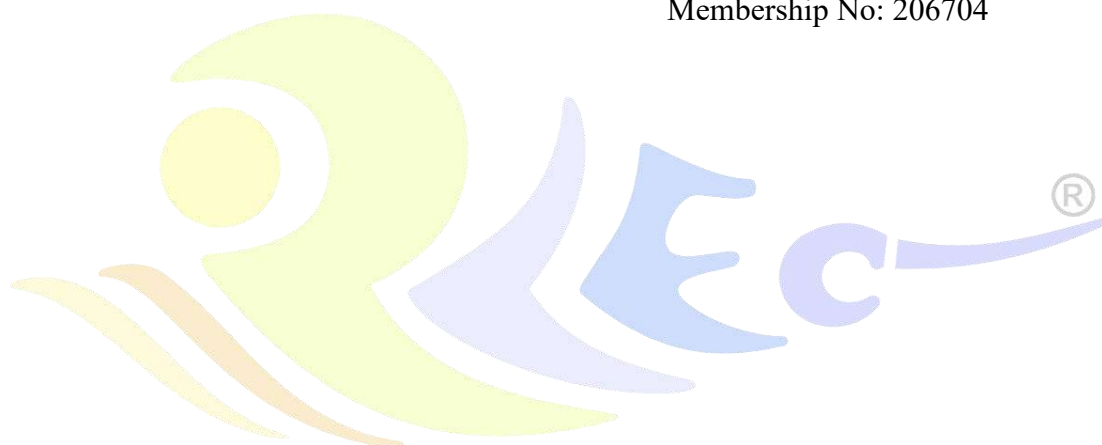
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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

Place: Visakhapatnam  
Date: 28<sup>th</sup> May 2025

(AKULA CHANDRA SEKHAR)  
Partner  
Membership No: 206704



## **CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2025**

<b>Particulars</b>	<b>Note. No.</b>	<b>Figures as at 31-03-2025</b>	<b>Figures as at 31-03-2024</b>
<b>ASSETS</b>			
<b>Non- Current Assets</b>			
a) Property, Plant and Equipment	2	10,256.71	5,346.19
b) Capital Work-in-Progress		688.87	2,782.74
c) Investment Property			-
d) Goodwill			-
e) Other Intangible Assets	3	7.07	-
f) Intangible Assets under Development			-
e) Biological Assets other than Bearer Plants			-
h) Financial Assets			-
i) Investments	4		-
ii) Trade Receivables			-
iii) Loans			-
iv) Others (to be specified)			-
i) Deferred tax Assets	4		-
j) Other Non- Current Assets			
		<b>10,952.65</b>	<b>8,128.93</b>
<b>Current Assets</b>			
a) Inventories	5	20,698.17	12,045.79
b) Financial Assets			-
i) Investments			-
ii) Trade Receivables	6	16,860.42	17,537.54
iii) Cash and cash equivalents	7	1,048.38	1,304.74
iv) Bank balances other than (iii) above	8	3,657.63	2,745.61

v) Loans	9	419.25	210.64
vi) Others (to be specified)			-
c) Current tax Assets (Net)			-
d) Other Current Assets	10	4,434.38	4,637.85
		47,118.23	38,482.16
<b>Total Assets</b>		58,070.88	46,611.09

<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	11	2,399.06	2,399.06
b) Other Equity	12	16,469.97	14,466.21
		18,869.03	16,865.27
<b>Liabilities</b>			
<b>Non- Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	13	2,670.45	4,032.43
ii) Trade Payables			
iii) Other Financial Liabilities (other than those specified in item (b) above, to be specified)			
b)Provisions	14	179.45	147.33
c) Deferred tax Liabilities (Net)		173.00	80.86
d) Other Non- Current Liabilities			
		3,022.90	4,260.62
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	15	16,875.92	9,866.01
ii) Trade Payables	16	12,071.41	7,733.89

iii) Other Financial Liabilities (other than those specified in item (C))	17	1,651.98	1,129.00
b) Other Current Liabilities	18	4,854.57	6,157.35
c) Provisions	19	725.07	598.95
d) Current tax Liabilities (Net)			-
		36,178.95	25,485.20
<b>Total Equity and Liabilities</b>		<b>58,070.88</b>	<b>46,611.09</b>
See accompanying notes to financial statements			
In Terms of our report of even date annexed			
<div> <div> for SARC &amp; Associates Chartered Accountants FRN : 006085N  Chandra Sekhar Akula Partner Membership No. 206704 UDIN: 25206704BMJLEA2054  Dt: 28 -05-2025 Visakhapatnam </div> <div> for and on behalf of the board of directors of RKEC Projects Ltd  G.Radhakrishna Chairman DIN : 00073080 </div> </div>			

## **CONSOLIDATED PROFIT AND LOSS STATEMENT AS AT 31<sup>ST</sup> MARCH, 2025**

Amount in Lacs				
	Particulars	Note. No.	Figures at 31.03.2025	Figures as at 31.03.2024
<b>I</b>	Revenue From Operations	20	42,192.25	35,277.32
<b>II</b>	Other Income	21	686.43	361.06
<b>III</b>	<b>Total Income (I+II)</b>		<b>42,878.68</b>	<b>35,638.38</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of Materials Consumed	22	20,973.51	15,394.63
	Operational Expenses	23	18,274.73	12,211.42
	Changes in Inventories of Work-in-Progress	24	-	-
	Employee Benefits Expenses	25	7,665.61	-1,557.22
	Finance Costs	26	3,213.47	2,162.64
	Depreciation and Amortisation Expense	2	1,947.68	1,457.86
	Other Expenses	27	886.89	811.64
			2,250.22	2,333.87
	<b>Total Expenses (IV)</b>		<b>39,880.89</b>	<b>32,814.83</b>
<b>V</b>	<b>Profit/(Loss) before exceptional items and tax (I-IV)</b>		<b>2,997.79</b>	<b>2,823.55</b>
<b>VI</b>	<b>Exceptional Items</b>		<b>-</b>	<b>-</b>
<b>VII</b>	<b>Profit/(Loss) before tax (V-VI)</b>		<b>2,997.79</b>	<b>2,823.55</b>
<b>VIII</b>	<b>Tax expense</b>			
	(1) Current Tax		755.21	685.98
	(2) Tax Expense for earlier years			



			146.68	14.48
	(3) Deferred Tax		92.14	127.32
	Total Tax Expense		994.03	827.77
<b>IX</b>	Profit/(Loss) for the period from continuing operations (VII-VIII)		2,003.76	1,995.78
<b>X</b>	Profit/(Loss) from discontinued operations		-	-
<b>XI</b>	Tax expense of discontinued operations		-	-
<b>XII</b>	Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
<b>XIII</b>	<b>Profit/(Loss) for the period (IX+XII)</b>		<b>2,003.76</b>	<b>1,995.78</b>
<b>XVI</b>	<b>Earnings per share (for continuing operations)</b>	28		
	(i) Basic		8.35	8.32
	(ii) Diluted		8.35	8.32

## **CONSOLIDATED CASH FLOW STATEMENT AS AT 31<sup>ST</sup> MARCH, 2025**

<b>Particulars</b>	<b>Figures as at 31-03-2025</b>	<b>Figures as at 31-03-2024</b>
<b>Cash flow from Operating Activities</b>		
Profit before Tax	2,997.79	2,823.55
<b>Adjustments for</b>		-
Depreciation	886.89	811.64
Loss/(Profit) from Joint Venture		-
Loss/(Profit) on Sale of Fixed Assets		-
Interest Expense	1,947.68	1,457.86
Interest Income	-228.87	-161.60
<b>Operating Profit before Working Capital changes</b>	5,603.49	4,931.45
<b>Adjustments for</b>		-
Increase/(Decrease) in Trade Payables	4,337.52	121.00
Increase/(Decrease) in Long Term Provisions	32.12	-3.11
Increase/(Decrease) in Short Term Provisions	126.12	-409.05
Increase/(Decrease) in Other Financial Liabilities	522.98	630.57
Increase/(Decrease) in Other Current Liabilities	-1,302.78	-2,614.95
(Increase)/Decrease in Trade Receivables	677.12	-1,113.35
(Increase)/Decrease in Inventories	-8,652.38	64.38
(Increase)/Decrease in Short Term Loans and Advances	-208.61	-12.17
(Increase)/Decrease in Other Current Assets	203.47	1,518.35
(Increase)/Decrease in Deferred Tax Assets	92.14	127.32
<b>Cash (used) in/generated from Operations</b>	1,431.17	3,240.44
Income Taxes paid	-994.03	-827.77
<b>Net Cash from Operating Activities</b>	437.14	2,412.67
<b>Cash Flow from Investing Activities</b>		-
Purchase of Fixed Assets, including Intangible Assets, CWIP and Capital	-5,805.88	-747.12

Advances		
CWIP	2,093.87	-1,862.90
Investment in Joint Venture		-
Profit/(Loss) from Joint Venture		-
Proceeds from Sale of Fixed Assets	1.40	-
Bank Balances not considered as Cash and Cash Equivalents	-912.02	-656.54
Interest Received	228.87	161.60
<b>Net Cash from Investing Activities</b>	<b>-4,393.76</b>	<b>-3,104.96</b>
<b>Cash Flow from Financing Activities</b>		<b>-</b>
Proceeds from (Repayment of) Long Term Borrowings	-1,361.98	-253.84
Proceeds from (Repayment of) ShortTerm Borrowings	7,009.91	3,029.64
Dividend(Interim) paid during the year (including Dividend Distribution Tax)		-
Interest Paid	-1,947.68	-1,457.86
<b>Net Cash from Financing Activities</b>	<b>3700.25</b>	<b>1,317.94</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>-256.36</b>	<b>625.65</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>1,304.74</b>	<b>679.09</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,048.38</b>	<b>1,304.74</b>

## Notes

### CORPORATE INFORMATION

RKEC Projects Limited (“The Company”) is a public limited company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The equity shares of the Company are listed on the National Stock Exchange (NSE). The Company is primarily engaged in construction activities, specialising in the business of Civil and Defence Construction such as construction of Buildings, Highways, Marine Works and Bridges.

The financial statements were authorized for issue in accordance with the resolution of the Board of Directors on 28-05-2025

### **NOTE 1: Significant Accounting Policies**

This Note provides a list of the Significant Accounting Policies adopted by the Company in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Financial Statements are for the Group consisting of the Company and its Joint Venture entities.

#### **a) Basis of preparation:**

##### **i) Compliance with Ind AS:**

The Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, hereinafter referred to as Ind AS.

For all periods up to and including the year ended 31 March 2020, the Company prepared its Consolidated Financial Statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These Consolidated Financial Statements for the year ended 31 March 2021 are the first the Company has prepared in accordance with Ind AS.

These are the company's first Consolidated Financial Statements prepared in accordance with Ind AS and Ind AS 101 Firsttime Adoption of Indian Accounting Standards (Ind AS 101) has been applied. The transition has been carried out from Indian GAAP (IGAAP). An explanation of how the transition to Ind AS has affected the reported balance sheet, profit or loss and cash flows of the company is provided in note 30

##### **ii) Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities that are measured at fair value;

b. assets held for sale - measured at lower of carrying amount or fair value less cost to sell;

c. defined benefit plans - plan assets measured at fair value;

**b) Principles of consolidation and equity accounting:**

**i) Subsidiary companies**

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group where ever applicable.

The Group combines the Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interest in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Balance Sheet respectively.

**ii) Associate companies**

Associate companies are all entities over which the Group has significant influence, but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associate companies are accounted for using the equity method of accounting.

**iii) Joint arrangements**

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of

each investor, rather than the legal structure of the joint arrangement. Interest in Joint Venture Company is accounted for using the equity method.

#### **iv) Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate company and Joint Venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and Joint Venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### **v) Changes in ownership interest**

The Group treats transactions with non-controlling interest that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary companies.

Any difference between the amount of the adjustment to non-controlling interest and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial



carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss.

If the ownership interest in a joint venture company or an associate company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

**c) Foreign currency transactions:**

**i) Functional and presentation currency:**

Items included in the Financial Statements of each entity of the Group are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Consolidated Financial Statements are presented in Indian currency (INR), which is also functional and presentation currency of the Company.

**ii) Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income | (expense).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

### iii) Group companies:

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a. assets and liabilities are translated at the closing rate at the date of that Balance Sheet
- b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and
- c. all resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain | (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### d) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### **e) Revenue recognition:**

##### **i) Timing of recognition:**

Revenue from the works executed is recognised when all the significant risks and rewards of ownership therein are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company. This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

##### **ii) Measurement of revenue:**

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer. Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

The volume discounts are assessed based on anticipated annual purchases.

### Interest Income

For all debt instruments measured at amortised cost, interest income is measured using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **f) Income taxes:**

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

#### **• Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are

enacted or substantively enacted, at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

#### • **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Taxable temporary differences arising on the initial recognition of goodwill. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

#### **g) Leases:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **Company as a lessee:**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of



interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

#### **Company as a lessor:**

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease

#### **h) Property, Plant and Equipment**

##### **i) Tangible assets:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation on Tangible Fixed Assets is provided on Straight Line Method on the basis of useful life of assets specified in Part C of Schedule II of the Companies Act, 2013.

Based on technical evaluation done by the Chartered Engineer, the management believes that the useful lives as given above, best represent, the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

## **ii) Intangible assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible Assets having finite useful life are amortised on the straight line method as per following estimated useful life:

Asset category	Estimated useful life
Computer software	3 years

The residual values, useful lives and method of amortisation of intangible assets are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

Intangible assets having indefinite useful life are tested for impairment at least once in an accounting year regardless of indicators of impairment.

### iii) Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs and are carried at cost less accumulated depreciation and accumulated impairment losses.

### i) Impairment of fixed assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal/ external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had

previously been recognised.

**j) Investments and other financial assets:**

**Classification:**

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and
- ii) Those measured at amortised cost.

The classification depends on business model of the entity for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.

For investments in debt instruments, it depends on the business model in which the investment is held.

For investments in equity instruments, it depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

**Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to the contractual terms of the instrument

**Transaction Cost**

Financial assets are recognised initially at fair value plus/minus , in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

**Subsequent measurement:**

After initial recognition, financial assets are measured at:

i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)}

or,

ii) Amortised cost

### **Debt instruments:**

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

### **Measured at amortised cost:**

Debt instruments that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in Profit or Loss.

### **Measured at fair value through Other Comprehensive Income (OCI):**

Debt instruments that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI (net of taxes). Interest income measured using the EIR method and impairment losses, if any are recognised in Profit or Loss. On derecognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to Profit or Loss.

### **Measured at fair value through profit or loss:**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in Profit or Loss.

### **Equity instruments:**

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Profit or Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in Profit or Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables in note 06.

### **De-recognition:**

A financial asset is de-recognised only when

- i) The Company has transferred the rights to receive cash flows from the financial asset ,or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where



the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **Financial liabilities & Equity instruments:**

**i) Classification as debt or equity** - Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**ii) Initial recognition and measurement** - Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

**iii) Subsequent measurement** - Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in Profit or Loss.

**iv) De-recognition** - A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

### **k) Fair Value Measurement**

The Company measures financial instruments, such as Derivatives, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of the principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

External Valuers are involved for valuation of significant assets such as certain items or property, plant and equipment. For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **I) Inventories:**

Items of Inventories are valued on the basis given below:

- i. Raw materials, packing materials, stores and spares: at cost determined on First – in – First – Out (FIFO) basis or net realisable value whichever is lower.
- ii. Process stock and finished goods: RKEC shall generally not hold the finished works on hand without billing the same. However, in case such situation occurs, the finished works are valued at cost or net realisable values whichever is lower.

Cost comprises of cost of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition.

The net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

**m) Cash and cash equivalents:**

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**n) Trade receivable:**

Trade receivables are initially recognised at fair value of the revenue. Subsequently, trade receivables are stated at cost less provision for impairment, if any.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed and individual limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Company applies expected credit losses (ECL) model for measurement and recognition of provision / loss allowance on the Trade receivables.

As a practical expedient, the Company uses a provision matrix to measure ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default floating rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in Profit or Loss under the head 'Other expenses'.

**o) Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**p) Derivatives and hedging activities:**

The Company enters into derivative financial instruments to hedge its exposure to movements in interest rates and foreign exchange rates. These are not intended for trading or speculative purposes.

**i) Financial assets or financial liabilities, at fair value through profit or loss**

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in Profit or Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets | liabilities in this category are presented as current assets | current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

**q) Government Grants:**

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFs), are accounted for when it is reasonably certain that ultimate collection will be made. The interest subsidy is reduced from the interest cost.

**r) Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income /(expense). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**s) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

**t) Provisions and contingent liabilities:**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised

even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### **u) Employee benefits:**

##### **Short-term employee benefits:**

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred. Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

##### **Other long-term employee benefits:**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating



to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

### **Defined benefit plan:**

RKEC for the time being is managing their Long Term Employee Benefits only as Defined Benefit plans. However, the Accounting policy in respect of Defined Benefit plans had been drawn for proper application in case required in the following lines.

### **Gratuity:**

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**v) Earnings per share:**

Earnings per share (EPS) are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period. The treasury shares are not considered as outstanding equity shares for computing EPS.

**w) Foreign Currency Transactions**

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in Foreign Currency are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- Exchange differences relating to long term monetary items, arising during the period, in so far as those relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset
- In other cases, such differences are accumulated in the “Foreign Currency Monetary Translation Difference Account” and amortised to the statement of profit and loss over the balance life of the long term monetary item.

All other exchange differences are dealt with in profit or loss.

**x) Critical estimates and judgements**

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due

to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. The areas involving critical estimates or judgements are:

- i) Estimation of useful life of tangible assets: Note 2 &3
- ii) Estimation of defined benefit obligation: Note 15 Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



#### 4. Deferred Tax Assets

Particulars	As At 31 March 2025	As At 31 March 2024
Balance of DTA/(DTL) brought forward	-	
Depreciation	80.86	46.45
Provision for Gratuity	-92	-
PF/ESI		135.40
		8.08
		-
<b>Net Deferred Tax Asset/(Deferred Tax Liability)</b>	<b>-</b>	<b>-80.86</b>
	<b>172.86</b>	

#### 5. Inventories

(At lower of Cost or Net Realisable Value)

Particulars	As At 31 March 2025	As At 31 March 2024
Raw Materials	6768.62	5,052.67
Work-In-Progress	12622.8	6,263.94
Finished Goods	1306.75	729.17
<b>Total</b>	<b>20698.17</b>	<b>12,045.79</b>

#### 6. Trade Receivables

Particulars	As At 31 March 2025	As At 31 March 2024
More than 3 Yrs	191.85	15.61
More than 1 year and less than 3 years	2595.93	2,095.14
More than 6 months and less than 1 year	0	88.34
Less than 6 Months	14072.64	15,338.45
<b>Total</b>	<b>16860.42</b>	<b>17,537.54</b>

<b>Unsecured</b>		
Considered Good	16860.42	17,537.54
Considered Doubtful		

## 7. Cash and Cash Equivalents

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Cash on Hand</b>	<b>21.94</b>	7.38
<b>Balance with Banks</b>		-
(i) In Current Accounts	459.99	1,196.37
(ii) In Deposit Accounts	566.45	100.98
<b>Cheques, Drafts on Hand</b>		-
<b>Total</b>	<b>1048.38</b>	1,304.74

## 8. Other Balances With Banks

Particulars	As At 31 March 2025	As At 31 March 2024
In Earmarked Accounts		-
Unclaimed Dividend Accounts	4.99	4.83
Gratuity account	7.85	17.21
Balances/ Deposits held as margin money or security against borrowings, guarantee and other commitments	3644.79	2,723.57
<b>Total</b>	<b>3657.63</b>	2,745.61

## 9. Loans

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Unsecured and considered good</b>		
Security Deposit	419.25	210.64
<b>Total</b>	<b>419.25</b>	210.64

## 10. Other Current Assets

Particulars	As At 31 March 2025	As At 31 March 2024
Advances to material suppliers	766.42	792.18
<b>Others</b>		
Deposits for enlistment	101.98	99.17
Earnest money and other deposits	151.56	160.86
VAT Input Credit receivable	55.60	55.60
GST Receivable	1,526.13	2,686.54
TDS Receivable	234.66	168.68
Prepaid Expenses	721.15	219.84
Other advances	451.89	
Asset Held for Sale *	425.00	29.98
		425.00
<b>Total</b>	<b>4,434.38</b>	<b>4,637.85</b>
Others		

\* An asset namely the Launching girder which was damaged . Asset Is reclassified as per Ind Note AS 105 Non - Current Asset held for Sale at Net realizable value .

## 11. Share Capital

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Authorised</b>		
500,00,000 Equity shares of Rs.10 each	5,000.00	5,000.00
<b>Issued and Subscribed</b>		-



2,39,90,600 Equity shares of Rs.10 each	2,399.06	2,399.06
<b>Total</b>	<b>2,399.06</b>	<b>2,399.06</b>

## 12. Other Equity

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Securities Premium Account</b>		
Balance as per Balance Sheet	1637.3	1,637.30
<b>Note:</b> 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.		
<b>Surplus in Statement of Profit and Loss</b>		
Balance as per Balance Sheet	12828.91	10,833.13
Profit/(Loss) for the period	2,003.76	1,995.78
Less: Appropriations		-
(i) Impairment Loss		-
(ii) Proposed Dividend- Equity Shares		-
(iii) Corporate Dividend Tax thereon		-
<b>Total</b>	<b>16469.96914</b>	<b>14,466.21</b>

## 14. Provisions

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	179.45	147.33
<b>Total</b>	<b>179.45</b>	<b>147.33</b>

Note  
:

\* Consequent to a survey operations by the Income tax dept in the premises of the company , a provision of Rs 7.40 cr is created towards the estimated tax liability as the same is deemed as fit and proper based on the expert opinion.

### 15. Current Borrowings

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Working Capital Loans</b>		
<b>Secured</b>		
Cash Credit Accounts, Working Capital Demand Loan	7,064.80	5,161.83
Other than Cash Credit	0	-
<b>Unsecured</b>	<b>7,552.42</b>	<b>3,170.30</b>
From Banks	0	-
From Financial Institutions/ Others		-
From Others (Directors)	2,258.69	1,533.88
		-
<b>Total</b>	<b>16,875.92</b>	<b>9,866.01</b>

### 16. Trade Payables

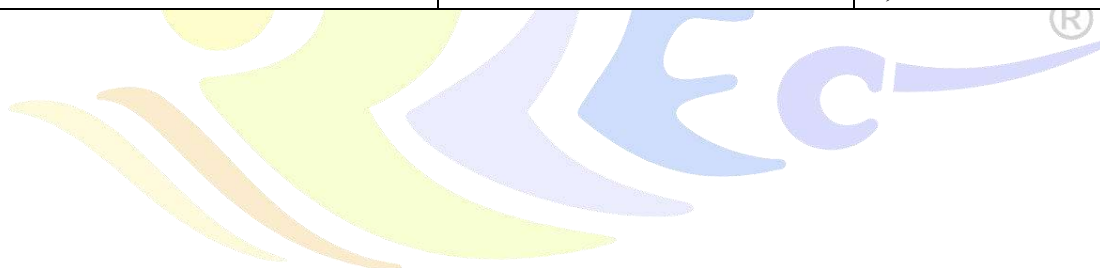
Particulars	As At 31 March 2025	As At 31 March 2024
<b>Total Outstanding dues to Micro &amp; Small Enterprises</b>		-
<b>Total Outstanding dues to creditors other than Micro &amp; Small Enterprises</b>		-
Acceptances	5111.74	4,291.94
Other than Acceptances	6959.67	3,441.95
<b>Total</b>	<b>12,071.41</b>	<b>7,733.89</b>

### 17. Other Financial Liabilities

Particulars	As At 31 March 2025	As At 31 March 2024
Current Maturities of Long term Borrowings	1651.98	1,129.00
<b>Total</b>	<b>1651.98</b>	<b>1,129.00</b>

### 18. Other Current Liabilities

Particulars	As At 31 March 2025	As At 31 March 2024
Revenue received in Advance	276.91	612.30
Other Current Liabilities	4577.66	5,545.05
<b>Total</b>	<b>4854.57</b>	<b>6,157.35</b>



## 19. Provisions

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	102.12	32.12
<b>Other Provisions</b>		-
Provision for Taxation *	530.08	500.75
Others provisions	92.867	66.08
<b>Total</b>	<b>725.067</b>	<b>598.95</b>

Note \* Consequent to a survey operations by the Income tax dept in the premises of the company , a provision of Rs 7.40 cr is created towards the estimated tax liability as the same is deemed as fit and proper based on the expert opinion.

## 20. Revenue from Operations

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Sale of Services</b>		
Contract Revenue	42192.25	33,586.00
<b>Other Operating Revenue</b>		-
Work Receipts on Technical Services		-
* Arbitration award received as compensation from UHIC for contract executed prior to GST		1,236.74
Arbitration award received as compensation from MPA for contract executed prior to GST *		-
Arbitration award received against contract executed in SEZ *		-

Others		454.57
<b>Total</b>	<b>42192.25</b>	<b>35,277.32</b>

**Note** \* The company got Arbitration award amounting to 12.36 cr against UHIC . Amount also received from client.

\* Others consist of the refund of interest earned on deposit of Rs.15.92 cr. This is being followed up with the PUVVNL client

\* The company got two arbitration awards amounting to Rs.12.06 cr and Rs.16.68 cr against Mumbai and Cochin port Trust . The later was received between the reporting period and the date on which the financial statements are approved by the Board and accordingly , the same is considered as eligible for being taken as income for the FY 2022-23 in compliance of Indian Accounting standard (Ind As ) 10 , Events after the Reporting period . In compliance of Notification No: N-14070/14/2016-PPPAU , Dt: Sep 05, 2016 issued by the Government of India 75 % of the award is recognized as Revenue in the books of account since the certainty of the receipt of the amount is established in compliance of Indian Accounting standard (Ind As ) 115, Revenue from contracts with customers.

## 21. Other Income

Particulars		
	As At 31 March 2025	As At 31 March 2024
Profit on Sale of Assets		
Miscellaneous Income	456.13	
Share of Profit from Joint Venture		
Interest recovered on Mobilisation Advance		
Interest on IT Refund		22.14
<b>Interest Income</b>		
<b>On Long Term Investments</b>		
Bank Fixed Deposits	228.87	161.60
Inter Corporate Deposits		
Interest on Investments		
Others	1.43	
<b>Total</b>	<b>686.43</b>	<b>361.06</b>

## 22. Cost of Materials Consumed

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Construction Materials, Stores and Spares</b>		
Opening Stock	5,052.67	3,811.54
Add: Purchases	22689.46	16,635.76
Less: Closing Stock	6768.62	5,052.67
<b>Total</b>	<b>20,973.51</b>	<b>15,394.63</b>

## 23. Operational Expenses

Particulars	As At 31 March 2025	As At 31 March 2024
<b>Repairs and Maintenance</b>		
Plant and Machinery, Vehicles	173.61	109.44
<b>Power and Fuel</b>		-
Diesel and Petrol Expenses	1,821.83	1,171.59
Electricity Expenses	94.93	59.04
<b>Others</b>		-
Project Work Expenses	1,0733.68	7,266.91
Hire Charges for Machinery and others	2,279.98	1,011.97
Transport Charges	1,892.15	1,646.92
Technical and Engineering Consultancy Services	384.82	161.01
Testing Charges	58.72	62.87
Labour Cess (Recoveries)	351.33	337.21
Other Recoveries (By Contractees)	388.04	341.05
Loading and Unloading Charges	32.63	26.74
Water Charges	42.72	9.30
Other Project Expenses	20.29	7.35



<b>Total</b>	<b>18,274.73</b>	<b>12,211.42</b>
--------------	------------------	------------------

#### 24. Changes in Inventories of Work-in-Progress

Particulars	As At 31 March 2025	As At 31 March 2024
Opening Stock	6,263.94	5,435.90
Unbilled Revenue	1,306.75	729.17
Less: Closing Stock	12,622.8	6,263.94
<b>Total</b>	<b>7,665.61</b>	<b>1,557.22</b>

#### 25. Employee Benefit Expenses

Particulars	As At 31 March 2025	As At 31 March 2024
Salaries and Wages	2542.95	1,855.85
Contribution to Provident Funds and Other Funds	235.74	116.00
Staff Welfare Expenses	434.78	190.79
<b>Total</b>	<b>3213.47</b>	<b>2,162.64</b>

#### 26. Finance Costs

Particulars	As At 31 March 2025	As At 31 March 2024
Interest Expense on		

		-
Term Loans	401.01	358.39
Working Capital Demand Loans & Cash Credit	731.22	640.20
Mobilisation Advance	119.33	7.95
Interest on Bill discounting	302.63	
Others	113.66	116.02
<b>Other Borrowing Costs</b>	<b>279.83</b>	<b>174.25</b>
<b>Total</b>	<b>1947.68</b>	<b>1,457.86</b>

## 27. Other Expenses

Particulars		
	As At 31 March 2025	As At 31 March 2024
<b>Auditor's Fee</b>		
Statutory Audit Fee	8.00	7.50
Tax Audit Fee	2.00	1.88
Other Services	2.00	3.56
Cost Audit	0.80	0.80
Internal Audit	4.00	4.00
Secretarial Audit	2.00	2.00
<b>Others</b>		-
Bank Charges	97.88	113.04
LC & BG Issue Charges	486.26	575.74
Commission on Bank Guarantees	340.1	326.98
Rent	227.25	127.59
Travelling and Conveyance Expenses	210.12	136.95
Repairs and Maintenance of Computers and others	15.6	1.66
Office Maintenance	59.35	23.80

Security Services	82.7	12.50
Rates and Taxes	37.75	25.82
Communication Expenses (Postage and Telephone)	13.5	10.46
Insurance	169.92	167.81
Printing and Stationery	22.39	21.06
Professional Charges	308.29	298.95
CSR Expenses	10.6	99.19
Foreign Exchange Gain/Loss	0	-
Sitting Fees to Directors	8	5.00
Project Site Admin Expenses	44.42	35.58
Tender Expenses	8.55	8.50
Donations		-
Bad Debts Written Off		-
Business Promotion Expenses	43.64	25.20
ROC Charges	0.51	-
Interest on Statutory Dues	31.37	36.88
Prior Period Expenses	0	26.00
GST Interest	12.48	226.48
Gst Penalty	0	8.76
Miscellaneous Expenses	0.74	0.22
<b>Total</b>	<b>2,250.22</b>	<b>2,333.87</b>

**Note \* An asset namely the Launching girder which was damaged . Asset Is reclassified as per Ind AS 105 Non - Current Asset held for Sale under Other Current Assets at Net realizable value and the loss on reclassification is duly provided for.**

## 28. Earnings Per Share

Particulars		
	As At 31 March 2025	As At 31 March 2024
Face Value of Shares (in Rupees)	10	10.00
Basic and Diluted EPS		-

Surplus available to Equity Shareholders (In Rupees)	2003.07	1,995.78
Weighted Average Number of Shares (In Nos)	239.91	239.91
<b>Basic EPS</b>	<b>8.35</b>	<b>1.58</b>
Add: Effect of dilutive stock options	0	-
Weighted Average Number of Shares (In Nos)	239.91	239.91
<b>Diluted EPS</b>	<b>8.35</b>	<b>8.32</b>
<b>Calculation of Weighted Average Number of Shares</b>		-
Opening Number of Shares	239.91	239.91
Issued during the year		-
Weighted Average Number of Shares	239.91	239.91

**29. subsidiary Companies/ Associate Companies/ Joint Venture Companies considered in the Consolidated Financial Statements**

**Additional Information to the Consolidated Financial**

**Subsidiary Companies/ Associate Companies/ Joint Venture Companies considered in the Consolidated Financial Statement**

S.N o.	Name of the Company	Percentage of Holding	Nature of Holding	Country of Incorporati on	Ownership Interest	
					31 March 2025	31 March 2024
1	CQCE-RKEC JV	99%	Subsidiary	India	99%	99%
2	RKEC YFC JV	95%	Joint operation	India	95%	0

3	RKEC-RANSS Consortium	7.2%	Joint Operation	India	7.20%	7.20%
4	RKEC Suryadevara JVJV	51%	Joint Operation	India	51%	51%

**30. Tables for Contingent Liabilities, Capital Commitments, Contingent Assets and Related Party Disclosures are in the worksheet.**

**Rs in lacs**

Sl.No.	Particulars	31 March 2025	31 March 2024
	<b>Matters by Litigation</b>		
	Disputed Sales tax/Entry tax Liability for which the Company preferred appeal to High Court, Andhra Pradesh , Commercial Taxes 2016	160.38	160.38
	Disputed Service Tax Liability for the period 2004-05 to 2008-09 which the Company preferred appeal to CESTAT, Bangalore	0	0
	Levy of labour cess @ 1% (w.e.f. July 2007) on the construction contracts executed by the Company in the State of Andhra Pradesh contested before the workmen's compensation act.	69.99	69.99
	Disputed Income tax liability for		

	which the Company preferred appeal to CIT appeals (AY 2015-16)	59.41	59.41
	The Company has received income tax assessment orders for Assessment Years 2019-20, 2021-22, and 2023-24. Against these orders, the Company has preferred appeals before the appropriate appellate authorities. Based on the prevailing legal position, the Company's judgment, and expert opinions, the Company believes that it has strong grounds in its favor and expects a favorable outcome at the appellate level. Accordingly, there is no material impact on the financial position, operations, or other activities of the Company. However, as a matter of prudence and in accordance with expert advice, a contingent liability of ₹20 crore has been provided in the financial statements.	2000.00	
	<b>Total</b>	<b>2 289.78</b>	<b>2756.68</b>
	<b>Liability for Capital Commitments pending for</b>		



	<b>execution</b>		
	Some of the parties have filed legal case(s) against the company with legal authorities, Courts/for delay/non payment of dues, due to dispute in execution of works, quality-supply defects/early termination etc. For their dues the company is in the process of negotiation and will win certain cases without any payments due to merits on the company as per management opinion. (Interest not material)	<b>230.87</b>	<b>230.87</b>

### Capital Commitment

<b>Sl.No.</b>	<b>Particulars</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)		

### 31. Related Party Disclosures

<b>I</b>	<b>Subsidiary Companies</b>		
	CQCE-RKEC JV		
<b>II</b>	<b>Joint Venture</b>		
	RKEC-RANSS Consortium RKEC -YFC JV RKEC SURYA DEVARA JV		
<b>III</b>	<b>Key Management Personnel (KMP)</b>		
	<b>Garapati Radhakrishna</b>	<b>Chairman</b>	
	<b>Garapati Parvathi Devi</b>	<b>Whole Time Director</b>	
	<b>G V Ram Mohan</b>	<b>Whole Time Director</b>	
	<b>R.Jayachandran</b>	<b>Managing Director</b>	
	<b>Deepika Rathi</b>	<b>Company Secretary</b>	
	<b>Relatives of Key Management Personnel</b>		
	<b>G. Nagapushyami</b>	<b>Daughter of Director</b>	

	<b>G. Himabindu Sree</b>	<b>Daughter of Director</b>	
	<b>G. V Krishna Mohan</b>	<b>Brother of Director</b>	
	<b>Gayatri Hari Shankar</b>	<b>Daughter in Law of Managing Director</b>	

**Transactions with related parties along with disclosure of transactions more than 10%**

**Rs in**  
**lacs**

	<b>Transactions</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
<b>I</b>	<b>Long Term Borrowing</b>		
<b>II</b>	<b>Short Term Borrowing</b>	2258.69	1533.88
<b>III</b>	<b>Short Term Loans and Advances</b>		
<b>IV</b>	<b>Non-Current Investments</b>		
<b>V</b>	<b>Trade Receivables</b>	8702.22	8480.42
<b>VI</b>	<b>Trade Payables</b>		
<b>VII</b>	<b>Other Current</b>		

	<b>Liabilities</b>		
<b>VIII</b>	<b>Expenditure</b>		
<b>IX</b>	<b>Income</b>	<b>8480.41</b>	<b>8702.22</b>

32. In the opinion of management, the current assets and other non-current assets after necessary provisions/ write offs have a value on realisation in the ordinary course of the business, at least equal to the amount at which they are stated except otherwise stated.

33. **Employee Stock Option Plan-** No such schemes were floated during the year.

34. **Employee Benefit Plans-**

**Defined contribution plans:**

Amounts recognised as expenses towards contributions to provident fund, superannuation and other similar funds by the Company including its subsidiary companies and joint venture companies is Rs. 2.35 Cr (previous year Rs. 1.15 cr) for the year ended 31 March 2025.

35. **Segment Information-** There is a common CODM assesses the internal reports of all projects that the company is undertaking and accordingly the resource allocation and the key decisions are being handled. Also, that there is a commonality involved in all the projects that the company is undertaking with respect to the nature of work, technicality involved, expertise etc. In view of the same, no separate reportable segments are identified by the management for the purpose of the reporting in the Financial Statements.

36. **Fair Value Measurement-** The company applied the fair valuation measurements as per Ind AS 113 Fair Value Measurement for all the assets and liabilities where ever applicable. It is further to state that the hierarchy of inputs as provided under Ind AS 113 is duly taken care.

37. As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The

areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

### Corporate Social Responsibility:

In light of section 135 of the Companies Act, the company has incurred expenses on Corporate Social Responsibility (CSR) which details are as follows.

Year	Amount required to be spent	Amount of expenditure incurred	Short fall at the end of the year	Previous year short fall	Reason for short fall	Nature of CSR activity
2022-2023	61,87,311	9,56,000	52,31,311	0	Unspent amount was allocated to on going project and was Transfer to unspent CSR account	As per activities mentioned in Schedule VII
2023-2024	46,40,688	46,87,200	0	0		As per activities mentioned in

						Schedule VII
2024-25	42,82,273	10,60,000	32,22,273	0	Unspent amount was allocated to on going project and was Transfer to unspent CSR account	As per activities mentioned in Schedule VII
2025-26	59,67,470					

38. Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

39. An asset namely the Launching girder which was damaged is taken up for reconstruction. The reconstruction cost is covered by insurance. Asset Is reclassified as per Ind AS 105 Non - Current Asset held for Sale under Other Current Assets at Net realizable value and the loss on reclassification is duly provided for.

44. The company got Arbitration award amounting to 12.36 cr against UHIIC . Amount also received from client

45. Consequent to a survey operations by the Income tax dept in the premises of the company , a provision of Rs 7.40 cr is created towards the estimated tax liability as the same is deemed as



fit and proper based on the expert opinion . Part of the Liability relating AY 2018-19 discharged .

#### 42. Ratios.

A	Current Ratio	CA/CL	1.58 :1
B	Debt-Equity Ratio	Long Term Debt / Total Share holders equity	0.14:1
C	Debt service Coverage Ratio	EBITD / Current debt obligation	0.31
D	Return on Equity Ratio	PAT/Share capital	8.36
E	Inventory Turnover Ratio	Net Sales /AVG Inventory	2.78
F	Trade Receivable Turnover Ratio	Net cr sales / Avg Turnover receivable	2.32
G	Trade payable Turnover Ratio	Net Credit purchases / Avg Trade payable	1.47
H	Net capital Turnover Ratio	Total sales/ Share holders Equity	2.15
I	Net profit Ratio	NP / Turnover *100	5.77
J	Return on Capital Employed	EBIT / Capital employed	0.26
K	Return on Investments	Net income / cost of investment *100	125.01