

27 Nov 2020

To

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

Symbol: RKEC

Ref: e-Mail dated 24 Nov 2020

Clarification for Financial Results

Dear Sir/ Madam,

This is to bring to your notice in reference to your e-mail dated 24 Nov 2020, that we have adopted IND-AS for the first time and Financial Results for the half year ended Sep 31,2020 are being declared in the new Accounting Standards.

Further for your queries, submitting the following information:

1. Financial Results with Half Year figures for 31 March 2020.
2. Segment details- We declare that there are no separate reportable Segments. For your reference and consideration, enclosing the Notes (Note-7) to the Financials, duly authenticated by Statutory Auditor and Managing Director of the Company.
3. Managing Director has affixed Digital Signature due to present COVID situations.

Kindly take the same on your records.

Thanking you

Sincerely Yours

For RKEC Projects Limited

Deepika Rathi



Deepika Rathi
Company Secretary & Compliance Officer

RKEC Projects Limited

GST No. : 37AACCR9682A1Z8

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

RKEC PROJECTS LIMITED

Registered office 10-12-1, 3rd floor Rednam Alcazar, Redbam Gardens oppsbi main branch,
Visakhapatnam 530002.




STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2020

(INR Lakhs)

Sl. No.	Particulars	Half year ending 30th Sep 2020	Half year ending 30th Sep 2019	Half year ending 31st Mar 2020	Year ending 31st March 2020
		Un Audited	Un Audited	Audited	Audited
I	Revenue from Contracts with Customers	6,366.88	14,427.25	15,366.16	29,793.41
II	Other Income	118.10	170.20	88.09	258.29
III	Total Income (I + II)	6,484.98	14,597.45	15,454.26	30,051.70
IV	Expenses				
	(a) Operating Expenses	4,473.21	9,890.76	10,114.29	20,005.05
	(b) Employee Benefit expenses	691.86	826.46	1,008.46	1,834.91
	(d) Finance Costs	321.00	439.53	693.04	1,132.56
	(e) Depreciation and amortisation expense	335.95	276.39	373.10	649.49
	(e) Other expenses	295.51	631.86	618.11	1,249.97
	Total expenses (IV)	6,117.54	12,064.99	12,806.99	24,871.98
V	Profit before exceptional items (III - IV)	367.44	2,532.45	2,647.27	5,179.72
VI	Exceptional items	-	431.51	901.37	1,332.89
VII	Profit before Tax (V - VI)	367.44	2,100.94	1,745.89	3,846.83
VIII	Tax Expenses				
	Current Tax	92.48	540.85	546.70	1,087.55
	Deferred Tax	50.75	-1.56	-25.11	-26.68
IX	Profit for the period ending (VII - VIII)	224.22	1,561.66	1,224.31	2,785.96
X	Other Comprehensive Income				
	Items that will not be reclassified to P & L Account		-		-
	Remeasurements of defined benefit plans		-		-
	Total		-		-
XI	Total comprehensive Income for the period	224.22	1,561.66	1,224.31	2,785.96
XII	Earnings per share				
	(I) Basic (In INR)	0.93	6.51	5.10	11.61
	(II) Diluted (In INR)	0.93	6.51	5.10	11.61

In Terms of our report of even date annexed

for SARC & Associates
Chartered Accountants
FRN: 006085N


Chandra Sekhar Akula
Partner

Membership No: 206704
UDIN: 20206704AAAABY5070

Date: 11-11-2020
Visakhapatnam



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

(G. Radhakrishna)
Managing Director
DIN: 00073080


G S Narayana
CFO



G. Parvathi Devi
Whole Time Director
DIN: 00094961


Deepika Rathi
Company Secretary

Notes:	
1	The above Unaudited Financial statements for the Half year ended September 30 th 2020 have been reviewed and recommended by the Audit committee at its meeting held on November 11, 2020. The Statutory Auditor has given their Limited review report on the Un Audited Financial results for the half year ended September 30th 2020 which reviewed by the audit committee and the board on November 11 ,2020.
2	The company is in the process of being listed on the main Board of NSE and inprinciple approval
3	In view of the compliances, necessary steps have been taken by the company to prepare the financial statements under Indian Accounting standards (Ind AS), as notified under sec 133 of the companies act 2013.
4	Impact of COVID , The company had a Target of achieving a turnover of Rs 140 Cr for half year ended 30-09-2020 , however due to unprecedented attack of pandemic since Mar-2020, and the resultants impediments on account of sourcing of materials , labour turnover etc., the Company has suffered a reduction to the tune of Rs 35 Cr. A further reduction in Turnover to the Tune of Rs 40 Cr was suffered on the account for want of credit limits .The company is taking all out efforts to partly compensate the above short falls.
5	Resumption of work of Rural Electrification at Puvnnl The company had taken up a work of Rural Electrification as a part of its diversification in the year 2015 . After completion of the work to the tune of Rs 95 cr out of total Rs 120 cr , the work got terminated for reasons beyond the control of the company. The matter went for litigations and Arbitration in the year 2018. Subsequently conciliation proceedings were initiated during 2019.As a part of conciliation the company had with drawn the written petition it is filed before the honourable high court Allahabad , Lucknow bench and so was the arbitration . The above were done with out prejudice to the companies rights interms of contract . The process of conciliation reached to a conclusion during Jul 2020 and the client had issued orders to the following affects a. Revalidated the contract which was terminated vide there order dt: 10-04-2018. b. Extention of time on the contract was granted upto 31-12-2020 c. The work has been resumed and is in progress it is expected that the final completion will be achieved by 15-12-2020.
6	Other Income Other Income Consist of Interest on FDR's
7	There is a common CODM assesses the internal reports of all the 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 the work, technicality involved, expertise etc., In view of the same, no separate reportable segments are identified by the Management for the purpose of reporting in the Financial statements.



RKEC PROJECTS LIMITED



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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2020

(INR Lakhs)

Sl. No	Particulars	Half year ending 30th Sep 2020	Half year ending 30th Sep 2019	Half year ending 31st Mar 2020	Year ending 31st March 2020
		Un Audited	Un Audited	Audited	Audited
I	Revenue from Contracts with Customers	6,892.34	15,336.32	15,061.93	30,398.25
II	Other Income	118.34	164.69	130.03	294.71
III	Total Income (I + II)	7,010.68	15,501.01	15,191.96	30,692.96
IV	Expenses				
	(a) Operating Expenses	4,998.48	10,748.94	10,059.48	20,808.42
	(b) Employee Benefit expenses	691.98	826.46	1,008.46	1,834.91
	(d) Finance Costs	321.02	419.74	712.83	1,132.56
	(e) Depreciation and amortisation expenses	335.95	276.39	373.10	649.49
	(e) Other expenses	295.82	632.24	617.79	1,250.04
	Total expenses (IV)	6,643.25	12,903.76	12,771.67	25,675.43
V	Profit before exceptional items (III - IV)	367.43	2,597.24	2,420.29	5,017.53
VI	Exceptional items	-	431.51	901.37	1,332.89
VII	Profit before Tax (V - VI)	367.43	2,165.73	1,518.92	3,684.65
VIII	Tax Expenses				
	Current Tax	92.47	557.16	573.03	1,130.19
	Deferred Tax	50.75	-1.56	-25.11	-26.68
IX	Profit for the period ending (VII - VIII)	224.21	1,610.14	971.00	2,581.14
X	Other Comprehensive Income				
	Items that will not be reclassified to P & L Account				
	Remeasurements of defined benefit plans				
	Total				
XI	Total comprehensive Income for the period (IX+X)	224.21	1,610.14	971.00	2,581.14
XII	Earnings per share				
	(I) Basic (In INR)	0.93	6.71	4.05	10.76
	(II) Diluted (In INR)	0.93	6.71	4.05	10.76

In Terms of our report of even date annexed

for SARC & Associates
Chartered Accountants
FRN : 006085N

Chandra Sekhar Akula
Partner
Membership No. 206704
UDIN: 20206704AAAABY5070

Dt: 11-11-2020
Visakhapatnam



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

(G. Radhakrishna)
Managing Director
DIN: 00073080

S Narayana
CFO

G. Parvathi Devi

G. Parvathi Devi
Whole Time Director
DIN: 00094961

Deepika Rathi
Company Secretary



RKEC PROJECTS LIMITED



CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30th Sep , 2020

	Rs In Lacs	Rs In Lacs	Rs In Lacs	Rs In Lacs
Particulars	for the year Half year ended 30th Sep, 2020 (Un Audited)	for the year ended 31st Mar, 2020 (Audited)	for the year ended 30th Sep 2019 (Un Audited)	Half year ending 31st Mar 2020 (Audited)
Cash flows from Operating activities				
Profit before tax	367.43	3,685	2,165.72	1,518.92
Non-cash adjustment to reconcile profit before tax to net cash flows				
Depreciation	335.95	649	276.38	373.11
Provision/(reversal) for retirement benefits (net)				
Loss/(Profit) on sale of fixed assets				
Loss/(Profit) from Joint Venture	0.15	(7)	-	-7.11
Interest expense	321.02	1,133	419.73	712.83
Interest income	-111.27	(244)	-114.40	-129.66
Operating profit before working capital changes	913.27	5,215	2,747.73	2,468.39
Changes in working capital:				
Adjustments for (increase) / decrease in operating liabilities:				
Increase/(Decrease) in Trade payables	-2,647.43	2,095	-2,241.27	4,336.56
Increase/(Decrease) in Long-term Provisions	34.07	9	10.42	-1.41
Increase/(Decrease) in Short-term Provisions	-524.12	789	376.83	411.85
Increase/(Decrease) in /Other current liabilities	-1,550.11	364	445.26	-81.63
Adjustments for (increase) / decrease in operating assets:				
Decrease/(Increase) in Trade receivables	-2,090.86	(410)	1,235.22	-1,645.40
Decrease/(Increase) in Inventories	1,043.82	(2,543)	-990.21	-1,552.60
Decrease/(Increase) in Short-term loans and advances	988.94	28	771.10	-742.87
Decrease/(Increase) in Other current assets	436.95	(416)	240.55	-656.44
Cash generated from / (used in) operations	-3,395.46	5,121	2,105.26	3,016.22
Less: Income tax paid	143.22	1,103	555.59	547.41
Net cash flow from (used in) operating activities (A)	-3,538.68	4,018	1,548.67	2,469.30
Cash flows from Investing activities				
Purchase of fixed assets, including intangible assets, CWIP and capital advances	73.50	(1,794)	-973.00	-820.92
CWIP	-84.61	(1,256)	-864.09	-392.01
Profit/(Loss) from Joint Venture	-0.15	-	-	-
Investment in Joint Venture				
Proceeds from sale of fixed assets		8.82	-	8.82
Bank balances not considered as cash and cash equivalents	720.33	(894)	-547.51	-346.51
Interest received	111.27	244	114.40	129.66
Net cash used in investing activities (B)	820.34	(3,691)	-2,270.20	-1,420.95
Cash flows from Financing activities				
Proceeds from (repayment of) long term borrowings	453.65	241.27	684.57	-443.30
Proceeds from (repayment of) short term borrowings	2,519.50	1,479.60	1,011.48	468.12
Dividend(Interim) Paid during the year (Incl Dividend dist tax)		-578.46	-578.46	-
Interest paid	-321.02	-1,132.56	-419.73	-712.83
Net cash flow from financing activities (C)	2,652.13	9.86	697.85	-687.99
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	-66.21	336.68	-22.67	359.35
Cash and cash equivalents at the beginning of the year	393.71	57.03	57.03	-
Cash and cash equivalents at the end of the year	327.50	393.71	34.36	359.35

Note: The figures have been regrouped / rearranged, wherever considered necessary, for comparison purposes.

In Terms of our report of even date annexed

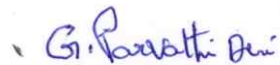
for SARC & Associates
Chartered Accountants
FRN/006085N


(Chandr Sekhar Akula)
Partner
Membership No. 206704
UDIN: 20206704AAAAABY5070



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

(G. Radhakrishna)
Managing Director
DIN: 00073080



G. Parvathi Devi
Whole Time Director
DIN: 00094961

Dt: 11-11-2020
Visakhapatnam




G S Narayana
CFO


Deepika Rathi
Company Secretary

RKEC PROJECTS LIMITED



(vi) Condensed statement of cash flows as per Regulation 33(3)(g) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

Particulars	Rs In Lacs	Rs In Lacs	Rs In Lacs	Rs In Lacs
	for the year Half year ended 30th Sep, 2020 (Un Audited)	for the year ended 31st Mar, 2020 (Audited)	for the year ended 30th Sep2019 (Un Audited)	Half year ending 31st Mar 2020 (Audited)
Cash flows from Operating activities				
Profit before tax	367.44	3,847	2,100.94	1,746
Non-cash adjustment to reconcile profit before tax to net cash flows				
Depreciation	335.95	649	276.39	373
Loss/(Profit) on sale of fixed assets	-	(7)	-	(7)
Loss/(Profit) from Joint Venture	0.15	(5)	-5.51	0
Interest expense	321.00	1,133	439.53	693
Interest income	-111.27	(244)	-114.40	(129)
Operating profit before working capital changes	913.27	5,373	2,697.24	2,676
Changes in working capital:				
Adjustments for (increase) / decrease in operating liabilities:				
Increase/(Decrease) in Trade payables	-3,631.32	1,873	-2,299.03	4,172
Increase/(Decrease) in Long-term Provisions	34.07	9	10.43	(1)
Increase/(Decrease) in Short-term Provisions	-524.12	718	281.63	437
Increase/(Decrease) in /Other current liabilities	-819.29	2,050	1,130.29	920
Adjustments for (increase) / decrease in operating assets:				
Decrease/(Increase) in Trade receivables	1,284.60	(2,437)	941.62	(3,379)
Decrease/(Increase) in Inventories	-884.72	(2,747)	-1,600.15	(1,147)
Decrease/(Increase) in Short-term loans and advances	308.21	281	973.79	(693)
Decrease/(Increase) in Other current assets	159.89	(152)	-19.29	(133)
Cash generated from / (used in) operations	-3,159.42	4,968	2,116.55	2,852
Less: Income tax paid	143.22	1,061	539.28	522
Net cash flow from (used in) operating activities (A)	-3,302.64	3,908	1,576.96	2,331
Cash flows from Investing activities				
Purchase of fixed assets, including intangible assets, CWIP and capital advances	73.50	(1,794)	-973.00	(821)
CWIP	-84.61	(1,256)	-864.10	(392)
Profit/(Loss) from Joint Venture	-0.00	5	5.51	(0)
Investment in Joint Venture	0.15	13	-5.51	18
Proceeds from sale of fixed assets	-	9	-	-
Bank balances not considered as cash and cash equivalents	519.51	(877)	-556.06	(321)
Interest received	111.27	244	114.40	129
Net cash used in investing activities (B)	619.67	(3,657)	-2,278.75	(1,378)
Cash flows from Financing activities				
Proceeds from (repayment of) long term borrowings	453.65	241.28	684.57	(443)
Proceeds from (repayment of) short term borrowings	2,519.50	1,480.60	1,012.48	468
Dividend (Interim) Paid during the year (Incl Dividend dist tax)	-	-578.46	-578.46	(0)
Interest paid	-321.00	-1,132.56	-439.53	(693)
Net cash flow from financing activities (C)	2,652.15	10.85	679.06	(668)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	-30.82	261.37	-22.72	284
Cash and cash equivalents at the beginning of the year	302.69	41.31	41.31	-
Cash and cash equivalents at the end of the year	271.86	302.69	18.59	284

Note: The figures have been regrouped / rearranged, wherever considered necessary, for comparison purposes.

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for SARC & Associates
Chartered Accountants
FRN : 006085N

Chandra Sekhar Akula
Partner
Membership No. 206704
UDIN: 20206704AAAAABY5070



for and on behalf of board of directors of
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(G. Radhakrishna)
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Dt: 11-11-2020
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