

**03 Sep 2021**

To

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

**SCRIP CODE: RKEC**

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

Dear Sir/Madam,

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

You are requested to kindly take the same on record.

Sincerely Yours


**For RKEC Projects Limited**

RATHI  
DEEPIKA

Digitally signed  
by RATHI DEEPIKA  
Date: 2022.09.03  
19:56:30 +05'30'

**Deepika Rathi**

**Company Secretary & Compliance Officer**

An aerial photograph of a large construction barge on a body of water. The barge is equipped with two large cranes and various construction equipment. A tugboat is positioned alongside the barge. The water is a clear blue-green, and the sky is a pale blue. The word 'BUILD' is written in large, outlined blue letters across the top left of the image.

# BUILD

**BUILD A BETTER  
TOMORROW**

**ANNUAL  
REPORT  
FY-2021-22**

**RKEC PROJECTS LIMITED**

**MARINE WORKS | BRIDGES | ROADS | BUILDINGS**

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

**DELIVERING EXCELLENCE PROGRESSING  
EXPONENTIALLY**

# **RKEC PROJECTS LIMITED**

## **17<sup>TH</sup> ANNUAL GENERAL MEETING**

TO BE HELD ON

26TH SEPTEMBER, 2022 AT 4:30 P.M.IST

THROUGH

VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS

("OVAM")



Reg. 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)

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# Board of Directors

## OUR EXPERIENCED & VISIONARY LEADERS



**Shri G Radhakrishna**  
Chairman & Managing Director  
Exp. - 36 years



**Smt. G Parvathi Devi**  
Whole Time Director  
Exp. - 34 years



**Shri G V Rammohan**  
Whole Time Director  
Exp. - 13 years



**Vice Admiral Satish Soni**  
PVSM, AVSM, NM (Retd.)  
Independent Director  
Exp - 45 years



**Shri T Lucas Peter (IRS) (Retd.)**  
Independent Director  
Exp. - 38 years



**Brig. J K Rao VSM**  
Independent Director  
Exp. - 34 years



**Lt Gen P R Kumar**  
PVSM, AVSM, VSM (Retd.)  
Independent Director  
Exp. - 40 years



**Dr. G Sita Ratnam**  
Non-Executive Director  
Exp - 11 years  
Resigned with effect from 13 Aug 2022.

## Key Managerial Personnel

**Shri G Radhakrishna**

Chairman & Managing Director

**Shri R Jayachandran**

Chief Financial Officer

**CS Deepika Rathi**

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



## COMPOSITION OF COMMITTEES

### Audit Committee

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

### Nomination and Remuneration Committee

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

### Stakeholders Relationship Committee

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

## Corporate Social Responsibility Committee

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

### Banks

Bank of Baroda

### Registrar & Share Transfer

Bigshare Services Private Limited

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

### Registered Office

CIN: L45200AP2005PLC045795

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

## RKEC Projects Limited-Company at a glance

RKEC Projects Ltd is a Construction Company, over 36 years old, specialized in the business of Civil Construction such as Construction of Buildings, Highways, Marine Works and bridges for State, Central Govt Authorities and big Private Companies.

Over three decades, the company has undertaken and successfully completed many construction projects Pan India covering states of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Puducherry, Kerala, Manipur and Uttar Pradesh. In addition, the Company has expanded its presence to the States of, West Bengal, Jharkhand and Karnataka with the ongoing projects.

Company has so far completed 100 Projects, worth over Rs.2033.16.48 Crores and currently handling 10 Projects amounting to Rs.1580 Crores. Company achieved a Turn Over of Rs. 208.65 Crores during FY 2021-22 and been able to achieve targets by fusing tremendous engineering knowledge with skills, experienced team, binding an optimum mix of men, machine and materials across diverse projects.

RKEC Projects Ltd 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.

Company is enlisted with the Ministry of Defence for the below Organizations

- MES (Military Engineering Services) as Super Special Class Civil Contractors
- DGNP (Director General Naval Projects) under S Class Civil Contractors
- DRDO (Defence Research & Development Organization) under CIV-IV Category.

We are registered civil contractors for the State Government of Andhra Pradesh , R&B Dept as “Special Class”

Company has entered into projects for diverse range of clients including Defence sector like MES and DGNP, DRDO, NHAI, Indian Railways, Ports like JNPT, CoPT, MbPT, Haldia Dock Complex, Adani Infra India Ltd., Vedanta Ltd, RINL (Rashtriya Ispat Nigam Limited) and Public Works Department.



### **OUR STRENGTHS: ENABLERS TO ALLOW GROWTH AND PROFITABILITY**

- RKEC Projects Limited gets its core strength from the Founder, Chairman and Managing Director Mr G Radhakrishna. The MD is involved in every stage of the project from the planning, execution and post execution of any project.
- It is a matter of great pride that the company has earned laurels and plaudits in every project undertaken since inception without exception.
- Experienced In-house Design Team.
- Technical staff with experience of more than 20 years particularly in Marine Works.
- Possess Marine Equipment worth Rs. 75 Crore which is capable of executing major offshore piling works. Advantage of having own ancillary services cannot be understated.
- One amongst very few contractors in the Country to possess Jack Up Barge of capacity 500 MT.
- Certified for **ISO 9001 : 2015 (Quality Management)**, **ISO 14001 : 2015 (Environmental Management)** & **ISO 45001 : 2018 (Occupational Health and Safety Management)**(Standards by **INTERCERT**, accredited by International Accreditation Service, USA).

### **VISION**

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

## OUR CLIENTELE



“We intend to emerge as the preferred and reliable partner for our clients when it comes to infrastructure development. Our aim is to successfully deliver high quality projects on time and contribute towards the advancement of the economy through rapid development of infrastructure.”

## OUR PRESENCE

### PROGRESSING EXPONENTIALLY WITH STRONG ORDER BOOK

WE HAVE EXECUTED A TOTAL OF 100 MAJOR INFRASTRUCTURE PROJECTS ACROSS 14 INDIAN STATES AND ARE CURRENTLY EXECUTING 10 PROJECTS HAVING CONTRACTUAL VALUE OF OVER RS.1,500 CRORES.



## BUSINESS SEGMENTS



MARINE STRUCTURES

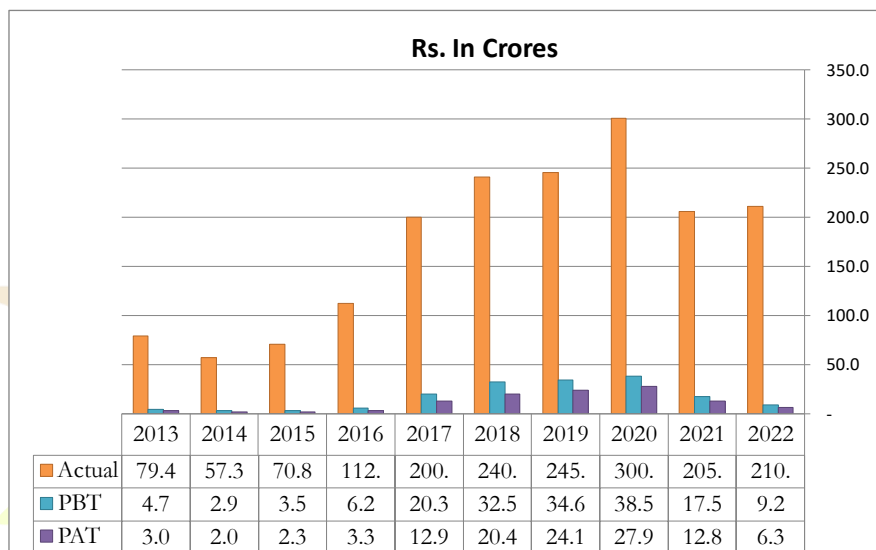


BRIDGE CONSTRUCTION



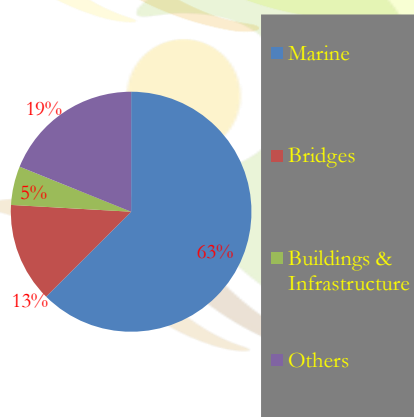
ROADS & BUILDINGS

## KEY FINANCIALS

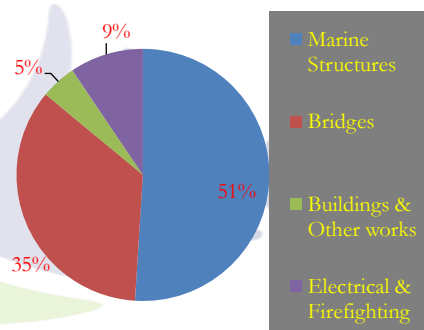


## BUSINESS VOLUME

### Works Executed



### Works In Progress




## Excellence Awards


**“Shri G Radhakrishna, Chairman and Managing Director of the Company was felicitated as ‘Eminent Engineer’ on 24<sup>th</sup> June 2022 by Association of Consulting Civil Engineers (India).”**

# EXCELLENCE

## RECOGNITION OF OUR EXCELLENCE



Awarded as “Excellence in generating Employment” by Visakhapatna 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*

### OUR MAJOR ENLISTMENTS

- Super Special Class Civil Contractors with MES (Military Engineering Services), Indian Army
- Special Class Civil Contractors with DGNP (Director General Naval Projects), Indian Navy
- CIV-IV Category Contractor with DRDO (Defence Research & Development Organization)



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## **NOTICE OF 17<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Seventeenth Annual General Meeting of the members of RKEC Projects Limited (CIN: L45200AP2005PLC045795) will be held on Monday, the 26<sup>th</sup> September 2022 at 04:30 P.M. through Video Conferencing (“VC”) / Other Audio Visuals Means (“OVAM”) to transact the following business:

### **ORDINARY BUSINESS**

#### **1. To receive, consider and adopt:**

- a) The Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2022 together with the Reports of the Board of the Directors and Auditors thereon; and
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year-end 31<sup>st</sup> March 2022 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 2022, consisting of Balance Sheet as at 31<sup>st</sup> March 2022 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 Smt. G Parvathi Devi (DIN: 00094961), who retires by rotation and being eligible, offer herself 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”** Smt. G Parvathi Devi (DIN: 00094961),, who retires by rotation at this meeting pursuant Section 152 of Companies Act 2013, being eligible has offered herself 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 Recommendation of Cost Auditors of the Company**

To Consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**

**“RESOLVED THAT”** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s thereof, for the time being in force) M/s Uppalapati & Associates LLP, Cost Accountants, Visakhapatnam (Firm Registration No. 100506) whose appointment as the Cost Auditors of the Company, for the FY 2022-23 ending 31<sup>st</sup> March 2023, has been duly approved by the Board of Directors based on the recommendations of Audit Committee of the Company, be paid a sum Rs.80,000/- (Rupees Seventy Five 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 2022-23 ending 31<sup>st</sup> March 2023, as recommended by the Board of Directors based on the recommendation of the Audit Committee of the Company, be and hereby ratified.”

#### **4. 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**

To Consider and, if thought fit, to pass the following Resolution as an **Special Resolution**

**“RESOLVED THAT** pursuant to the provisions of Sections 12, 13 and 110 of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014, such other rules and regulations made thereunder and all other applicable provisions, if any, (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of the Regional Director, South East Region, Hyderabad, the Registrar of Companies, Andhra Pradesh and any other regulatory authority(ies), the consent of the Members of the Company be and is hereby accorded for shifting of the Registered office of the Company from the ‘State of Andhra Pradesh’ to the ‘State of Maharashtra.’”

**“RESOLVED FURTHER THAT** Clause II of the Memorandum of Association of the Company, be and is hereby altered and substitution of the following clause :

***Clause II: The Registered office of the Company will be situated in the “State of Maharashtra”.***

**“RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorised severally to sign the petition, application, affidavits and such other documents as may be necessary in relation to filing of Application with the Regional Director (Central Government), South East Region, Hyderabad, the Registrar of Companies, Andhra Pradesh and/or any other concerned authority in respect to the Shifting of Registered Office of the Company from the ‘State of Andhra Pradesh’ to the ‘State of Maharashtra’.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorize and appoint M/s. MEHTA & MEHTA, Practicing Company Secretaries, Mumbai and their Associates, to enter in to

appearance and represent the Company before the Regional Director, South East Region, Hyderabad and any other concerned authority in the appropriate proceedings under Section 13(4) of the Companies Act 2013, filed for seeking approval for the shifting of the Registered office of the Company from the ‘State of Andhra Pradesh’ to the ‘State of Maharashtra’, and to accept such modifications and/or alterations in the Special Resolution as may be deemed necessary by the Regional Director, South East Region, Hyderabad, while giving its approval and to do all such acts, things, matters and deeds as may be necessary and appropriate in this regard.”

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

**Date: 13<sup>th</sup> August, 2022  
Place: Visakhapatnam**

**Deepika Rathi  
Company Secretary & Compliance Officer**



## **NOTES**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate 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).

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on Friday, 23 September, 2022 at 9:00 A.M. and ends on Sunday, 25 September, 2022 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. 19<sup>th</sup> September 2022, 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 19<sup>th</sup> September 2022.

**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.	<ol style="list-style-type: none"> <li>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>”</li> <li>which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After</li> </ol>

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.

3. 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>
4. 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.
5. 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**



App Store



Google Play





<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>

Individual Shareholders (holding securities in demat mode) login through their depository participants	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 & voting during the meeting.
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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.**

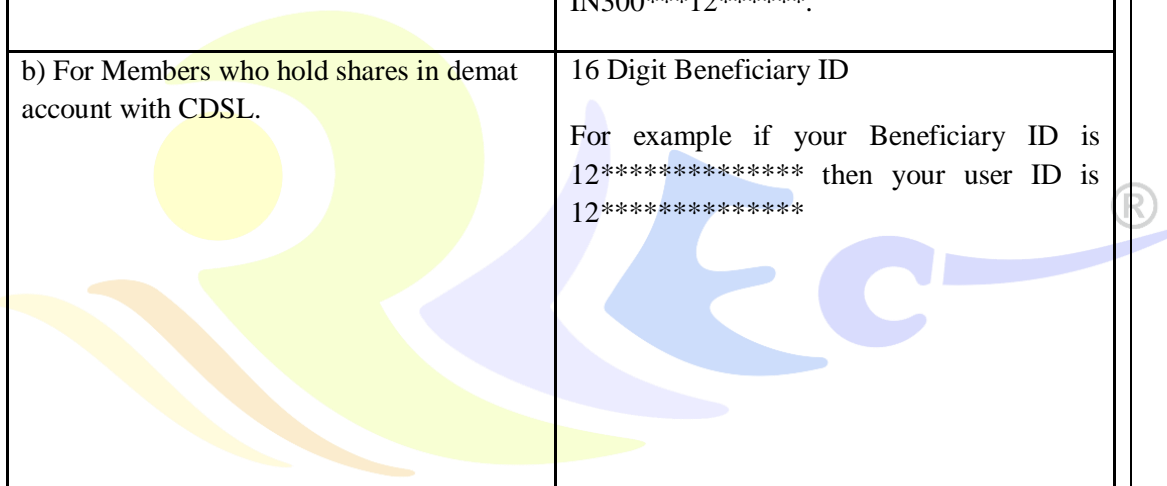
**How to Log-in to NSDL e-Voting website?**

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.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- 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)

#### **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.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/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 EGM/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.
1. The details of Director's appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India is as below:

Particulars	
Name	<b>G Parvathi Devi</b>
Date of Birth	<b>10/06/1964</b>
Date of Appointment as Director	<b>01/04/2005</b>
No. of shares held in the Company	<b>59,000</b>

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

## 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**

On recommendations of the Audit Committee, the Board of Directors of the Company, at its meeting held on 29 May 2022, 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 2022-23 ending 31st March 2023 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

#### **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**

In connection to this your Board of Directors in their Board Meeting held on 13 August 2022 has approved the shifting of registered office of the Company from the ‘State of Andhra Pradesh’ to the ‘State of Maharashtra’ as per the provisions of section 12, and section 13 of the Companies Act, 2013 and other applicable provisions, if any subject to approval of members of the Company, Regional Director, South East Region, Hyderabad, the Registrar of Companies, Andhra Pradesh and other relevant authority(ies), as may be required, if any.

After obtaining approval from the Members, a petition will be submitted to the Regional Director, South East Region under section 13(4) of Companies Act, 2013 for their approval. The proposed alteration of the Memorandum of Association of the Company for the said change of place of its registered office from the ‘State of Andhra Pradesh’ to the ‘State of Maharashtra’ is consequential in nature. The proposed change will in no way

be detrimental to the interests of any member of the Public or other acquaintances of your Company in any manner whatsoever.

Therefore, the Directors of the Company recommend the passing of a “Special Resolution” for the Item No.4 set out in the Notice.

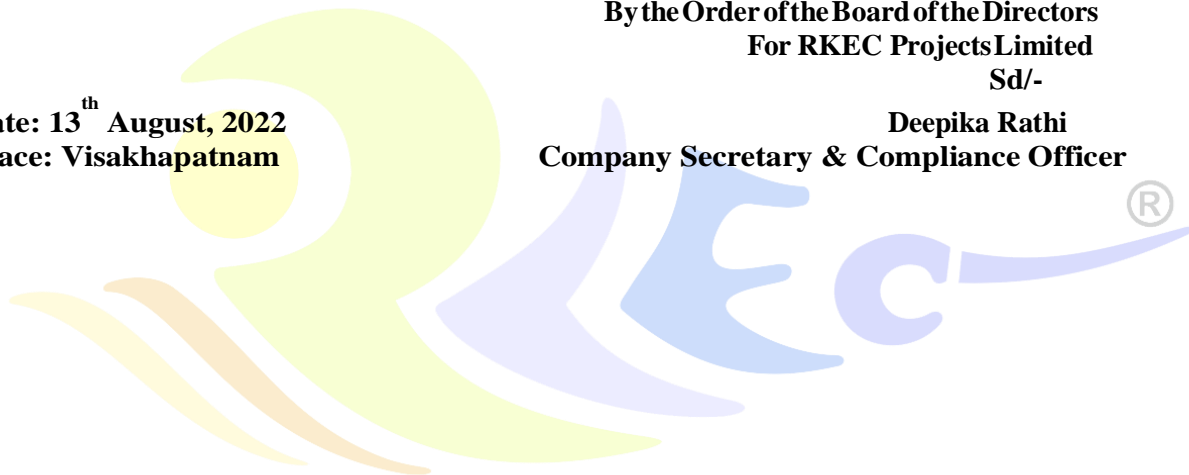
None of the Directors, other Key Managerial Personnel and their relatives of your company are concerned or interested in the resolution except to the extent of their shareholding (if any).

Copy of the Memorandum and Articles of Association is available for inspection at the Registered Office of the Company during the normal business hours on working days.

By Order of the Board of Directors For RKEC Projects Limited

**Date: 13<sup>th</sup> August, 2022**  
**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 Seventeenth Annual Report on Business and Operations of the Company along with audited Annual Financial Statements for the year ended 31<sup>st</sup> March, 2022.

### **1. PRESENTATION OF FINANCIAL STATEMENTS**

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

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Financial Year				
Revenue from operations	20864.87	20231.30	21071.93	20786.63
Other Income	216.92	345.74	272.17	345.74
Total Income	21081.79	20577.04	21344.10	21132.37
Less: Expenditure	18555.77	17283.18	18704.78	17837.60
Profit/(loss) before Interest, Depreciation and Tax	2526.03	3294.86	2639.32	3294.77
Less: Finance Cost	1216.36	1150.50	1239.17	1150.50
Less: Depreciation & Amortization Cost	391.10	398.80	391.10	398.80
Prior Period Items	-	-	-	-
Less: Extraordinary items	-	-	-	-
Profit/(loss)Before Tax	918.57	1745.56	1008.95	1745.46
Less: Tax Expenses	273.17	487.73	279.98	487.76
Less: Deferred Tax	17.07	-18.66	17.07	-18.66
Profit/(loss)after Tax	628..33	1276.49	711.89	1276.36

During the year under review, the Company has earned net profit of Rs. 62833681.20/- There is decrease in profit after tax during the financial year 2021-22 when compared to

the net profit after tax of the previous year. This was due to stressed working capital condition. Your Directors are confident that the performance of the Company will be improved on all fronts in the current Financial Year.

**2. DIVIDEND:**

The Board of Directors aim to grow the business lines of the Company and enhance the rate of return on investments of the shareholders. 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.

**3. SHARE CAPITAL**

The Authorised Share Capital of the Company was enhanced to 5,00,00,000 equity shares in the previous Annual General Meeting held on 27 Sep 2021. The paid up share capital of the Company is Rs.23,99,06,000/- (Rupees Twenty Three Crores Ninety Nine Lakhs Six Thousand only) divided into 2,39,90,600 (Two Crore Thirty Nine Lakh Ninety Thousand and Six Hundred) equity shares of Rs.10/- each as on 31 March 2022. The aforesaid Equity Shares is listed on National Stock Exchange of India.

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

**4. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Act and implementation requirements of Indian Accounting Standards(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 2021-22 are prepared in compliance with the applicable provisions of the Companies Act 2013, Accounting Standards and as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. The consolidated Financial Statement has been prepared on the basis of the audited Financial Statements of the Company, RKEC Projects Limited and its JV Firms as approved by the respective Board of Directors/Management. Pursuant to the provisions of Section 136 of the Act, applicable rules relating to Accounting Standards, the Financial Statements of the Company and the Consolidated Financial Statements along with all relevant documents and Auditors Report thereon form part of this Annual Report.

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

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

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

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

**7. DEPOSITS**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review.

**8. AMOUNT PROPOSED TO BE CARRIED FORWARD TO RESERVES**

The Company has transferred Rs. 62833681.20/- to reserve out of the net profit for FY 2022 and the an amount of Rs. 896148056.09/- is the accumulated balance in retained earnings account.

**9. 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.

**10. PERFORMANCE EVALUATION**

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.

**11. 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**



There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

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

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

**13. 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:**

a) Not Applicable

**C. Foreign Exchange Earning & Out-Go:**

During the period under review, the Company has not earned any Foreign Exchange and also not incurred any expenditure in Foreign Exchange.

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Nil

**14. 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 herewith as 'Annexure – 1C'.

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

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

# **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

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

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

# **17. DIRECTORS**

## **a. Composition**

As on March 31, 2022, the Board of your Company consisted of following Eight Directors:

Category	Name of Director
Executive Director	Shri Garapati Radhakrishna, Chairman and Managing Director
	Smt Parvathi Devi Garapati, Whole Time Director
	Shri Venkata Rama Mohan Gudapati, Whole Time Director
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
Non Executive Director	Dr. Gudapati Sita Ratnam

The composition of the Board is in line with the requirements of the Act, the RBI Regulations and the Listing Regulations. All the Directors have vast knowledge and experience in their relevant fields and the Company had benefitted immensely by their presence on the Board.

- a. Changes in Directors and Key Managerial Personnel (KMP) during the year under review

NIL

- b. Director retiring by Rotation.

Smt G Parvathi Devi, Director shall retire by rotation and being eligible, offers herself for reappointment as per provisions of the Act at the 17th Annual General Meeting of the Company.

Her 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.

- c. 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 on the Board. However, Dr. G Sitaratnam who was on Board till 13<sup>th</sup> August 2022 has tendered her resignation which was informed and submitted to the exchange.

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

The Company has four Independent Directors on the Board. The Company has received declaration from each Independent Director of the Company under Section 149(7) of the Act that they meet the criteria of independence as laid down in Section 149(6) of the Act and subsequently the same was placed at the Board Meeting held on 29 May, 2021.

A declaration by Managing Director confirming the receipt of this declaration from Independent Directors is annexed to this report as Annexure 1H.

## 18. KEY MANAGERIAL PERSONNEL

Shri. G Radhakrishna-Managing Director, Shri R Jayachandran- Chief Financial Officer and CS Deepika Rathi- Company Secretary & Compliance Officer are Key Managerial

Personnel of the Company in accordance with the provisions of section 2 (51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel ) Rules, 2014.

## **19. BOARD OF DIRECTORS AND IT'S COMMITTEES**

### **Board Meetings**

During the year under review, the Board of Directors met six (6) times. The details pertaining to the composition, terms of reference, and other details of the Board of Directors of your Company and the meetings thereof held during the Financial Year 2021-22 are given in the Report on Corporate Governance forming part of this Annual Report. 'Annexure-1A'

### **Committees of the Board**

The details of the powers, functions, composition, and meetings of all the Committees of the Board held during the year under report are given in the Report on Corporate Governance forming part of this Annual Report.

### **Audit Committee**

The details pertaining to the composition, terms of reference, and other details of the Audit Committee of the Board of Directors of your Company and the meetings thereof held during the Financial Year 2021-22 are given in the Report on Corporate Governance forming part of this Annual Report. The recommendations of the Audit Committee in terms of its Charter were considered positively by the Board of Directors of your Company from time to time during the year under Report.

### **Nomination and Remuneration Committee**

The details including the composition and terms of reference of the Nomination and Remuneration Committee and the meetings thereof held during the Financial Year 2021-22 and the Remuneration Policy of the Company and other matters provided in Section 178(3) of the Act are given in the Report on Corporate Governance forming part of this Annual Report.

The Nomination and Remuneration Policy is also available on your Company's website at [www.rkecprojects.com](http://www.rkecprojects.com).

### **Corporate Social Responsibility Committee**

The details pertaining to the composition, terms of reference, and other details of the Corporate Social Responsibility Committee of the Board of Directors of your Company and the meetings thereof held during the Financial Year 2021-22 are given in the Report on Corporate Governance forming part of this Annual Report.

The CSR Policy is also available on your Company's website at [www.rkecprojects.com](http://www.rkecprojects.com).

Report on CSR activities of your Company under the provisions of the Act during the Financial Year 2021-22 is annexed hereto as Annexure "1B."

### **Stakeholders Relationship Committee**

The details pertaining to the composition, terms of reference, and other details of the Stakeholders Relationship Committee of the Board of Directors of your Company and the meetings thereof held during the Financial Year are given in the Report on Corporate Governance forming part of this Annual Report.

## 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, 2022, 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, 2022 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 received only one complaint 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, 2022 is NIL.

There were no pending requests for share transfer/dematerialization of shares as of 31st March 2022.

## 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 in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the workplace. During FY22, the Company did not receive any complaint on 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 Qingdao Construction Engineering Group Co. Ltd, M/s Rapid Net Sports System and M/s N.G. BHOIR & M/s Samudra Dredging Private Limited. The statement containing the salient feature of the JVs is given in "Annexure – 1D".

**27. AUDITORS**

**Statutory Auditors**

The present Auditors of the Company, M/s. SARC & Associates, Chartered Accountants (FRN: 006085N), were appointed as Statutory Auditors for a period of 5 year(s) at the Annual General Meeting held on 29th Sept, 2020 to hold the office till the conclusion of 20th Annual General Meeting of the Company to be held in the year 2025.

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

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

**Secretarial Auditor**



M/s Mehta & Mehta, Company Secretaries, Mumbai 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 2021-22. Secretarial Audit Report, which forms part of this report and is marked as “Annexure-1F”

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

**Observations:**

- a. Except SH-7 and MGT-14 for August 2021 Board Meeting, all other E-Forms are filed within the prescribed due date under Companies Act, 2013.

Management Reply- Due to working capital crunch the forms got delayed for filing.

- b. Except for the month of April and August, the Employee Provident Fund returns for all other months are not filed within the prescribed timeline.

Management Reply- The delay was due to working capital crunch.

**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 2022-23.

**Internal Auditors**

The Company has appointed M/s Ashish Kumar Agarwal and Associates as Internal Auditor for the year 2022-23. M/s Kumar Vadisala and Associates, who were Internal Auditors of the Company for the year 2021-22 has expressed their inability for reappointment due to pre-occupation.

**28. PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as “Annexure – 1L”. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**29. EXTRACT OF THE ANNUAL RETURN**

Pursuant to sub-section (3)(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as at March 31, 2022 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 FY2022. A declaration to this effect signed by the Managing Director of the Company is included in this Annual Report. The Managing Director and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as specified in the Listing Regulations. A certificate from a Practising Company Secretary regarding compliance of conditions of corporate governance is attached to the Corporate Governance Report. 'Annexure-1G'

### **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 2021-22.

### **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-1B' to this Annual Report.

### **34. HUMAN RESOURCE AND EMPLOYEE RELATIONS**

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

### **35. PREVENTION OF INSIDER TRADING**

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. The Company has in place an inhouse software to capture details of "unpublished price sensitive information" as required by law.

### **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**

Your directors take this opportunity to thank Shareholders for their support and faith, various Government Authorities, various departments of the Auditors, Consultants, Central and State Governments, Banks, Financial Institutions, Business Associates, Customers, Distributors, Suppliers, Vendors, Investors, Analysts, Advisors, Rating Agencies, Stock Exchanges for extending excellent support and cooperation. Your Board appreciates the relentless effort of the Management Team and our employees who steers the Company in achieving its goals and gratefully acknowledge their contribution to the Company.

By Order of the Board of Directors

For RKEC Projects Limited

G Radhakrishna

GV Rama Mohan

Whole Tome Director (DIN: 06602693)

Chairman & Managing Director(DIN : 00073080)

Date: 13th August, 2022 , Place: Visakhapatnam



## Annexure-“1A”

### REPORT ON CORPORATE GOVERNANCE

#### Introduction

Shri Garapati Radhakrishna, Managing Director of the Company, started implementing site grading, land development, road making, heavy precision machinery foundation in 1985 as a partner of a firm **M/s RADHAKRISHNA CONSTRUCTIONS**. In the year 1994, he retired from the said partnership firm and started business as ‘Sole Proprietor’ under the name and style of **“RK ENGINEERS & CONTRACTORS**.

Soon after, the Company, **RKEC Projects Private Limited** was incorporated under the Companies Act with effect from 01 April 2005 and took over the proprietary business ‘RK Engineers & Contractors’. The Company was converted into Public Limited on 10 Nov’ 2016 and was named as **RKEC Projects Limited**. The Company got listed on NSE Emerge Platform on 9 October 2017 and on Main Board of NSE on 18 December 2020.

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 37 years old, specialized in the business of Civil and Defence Construction such as construction of Marine Works , Buildings, Highways, and Bridges. During the last decade, the Company has undertaken and successfully completed many construction projects across India such as Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Kerala, Pudducherry, Manipur, and Uttar Pradesh. In addition, the Company has expanded its presence to two more states, West Bengal and Karnataka with ongoing projects. The Company has so far completed 100 Projects, worth over Rs 203316.48 Lakhs and currently handling 10 Projects amounting to Rs.1580 Crores. The Company achieved a Turn Over of Rs 208.65 Crores during FY 2021-22 and been able to achieve targets 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. Company is enlisted with the Ministry of Defence for the Organizations such as MES (Military Engineering Services) as Super Special Class Civil Contractors, DGNP (Director General Naval Projects) under S Class Civil Contractors , DRDO (Defence Research & Development Organization) under CIV-IV Category. We are registered civil contractors for the State Government of Andhra Pradesh , R&B Dept as “Special Class”

RKEC Projects Limited attained good reputation amongst its clients because of the track record, quality and timely delivery of all assignments. The clientele of the Company include Defence sector like MES and DGNP, DRDO, NHAI, Indian Railways, Ports like JNPT, CoPT, MbPT, Haldia Dock Complex, Adani Infra India Ltd., Vedanta Ltd, RINL (Rashtriya Ispat Nigam Limited) and Public Works Department. etc.

## Strength

- RKEC Projects Limited gets its core strength from the Founder Chairman and Managing Director Shri Garapati Radhakrishna, whose integrity, astute, mature and professional leadership, intrinsic mental, moral and spiritual values, and spirit of entrepreneurship allows everyone in the Company to go beyond their brief, and excel in every endeavor.
- The Company has only earned laurels and plaudits in every project undertaken since inception without exception. The Managing Director is personally involved in every stage of the project from the planning, execution and post execution of any project which is certainly a key reason behind RKEC's growth.
- Experienced In-house Design Team Technical staff with experience of more than 20 years particularly in Marine Works.
- Possess Marine Equipment worth Rs. 75 Crore which is capable of executing major offshore piling works. Advantage of having own ancillary services cannot be understated.
- One amongst very few contractors in the Country to possess Jack Up Barge of capacity 500 MT.

## Services

RKEC Projects Ltd is a Construction Company, over 37 years old, specialized in the business of Civil and Defence Construction such as the construction of Marine Works, Buildings, Highways, and bridges. During the last decade, the company has undertaken and successfully completed many construction projects in India covering states of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, and Maharashtra, Puducherry, Kerala, Manipur and Uttar Pradesh. In addition, the company has expanded our presence to the state of, West Bengal, Jharkhand and Karnataka with the ongoing projects. We are specialized in below mentioned works:

### Marine Structures

RKEC pioneers in construction of structures like Jetties, Berths, Wharves, and Intake works. We have executed major marine works consisting of Construction of Coastal Berth at JN Port, Mumbai, Construction of Liquid Cargo Handling Jetty Haldia Dock Complex, Kolkata Port Trust, Construction of Jetty With Loading Facility at Visakhapatnam, Construction of Multi-user Liquid Terminal at Puthuvyppeen, Cochin Port, Construction of Second Liquid Chemical/POL Berth Off Pir- Pau, Mumbai for Mumbai Port Trust.

Our Services include:

- Wharves
- Berths
- Jetties
- Mooring Dolphins
- Intake Structures Break waters

- Coastal - Shore Protection work

## **Roads & Bridges**

RKEC specializes in construction of major & minor bridges. We have executed major structures consisting of Construction of Road Over Bridge at Lc-43A at Km.38/175 Of NH 45A in Puducherry , Major Bridge across Godavari River at Nanded , Construction of Bridge No 63 (Open web girder) & No. 66 (PSC Slab) at delang-Puri Section of KUR Division in Between Km. 482.40 to 499.18, Construction of major bridge on river Beas. We constructed a parallel bridge at Naval Dock Yard, Visakhapatnam and a major bridge on Tuni-Dharmavaram section on NH5 and a railway bridge in the same general area. We have also carried piling works from 400mm to 1500mm diameter in reclaimed soils, river beds, hard rocks, under water works for National Highway Authority of India and East Coast Railways in the construction of Major and Minor bridges.

Our Services include:

- Major & Minor Bridges
- Steel Girders/PSU Girders
- Composite Girders
- Rail cum Road Bridges

## **Building & Infrastructure Works**

RKEC specializes in Infrastructure Development works. We have executed framed structures namely Provision of Civil Works for Mini Block House At DRDL, Construction of Ware House At Mo [V] for Storing of P – 71 Spares, Demolition of Existing Old Building and Re-Construction of New Building for Office and Store Accommodation for Water Front Facility and Slipway at Visakhapatnam , Provn of OTM Accn No.1 at Leimakhong ,Overhauling facilities for M-36 GTs INS EKSILA, Visakhapatnam for DGNP, Pre Engineered Warehouse (PEB structure) alongwith CC paving around warehouse etc. at Visakhapatnam for CCIL, Steam repair work shop for Navy, Forming and metalling of peripheral roads at IDA.

Our Services include:

- Civil works for Power and Refinery Projects Port development works
- Transmission Lines
- Sports Complex
- Buildings Works
- Water Intake Systems
- Heavy RCC Pre-stressed Concrete and Steel Structures
- Framed Warehouses/Industrial sheds



## Electrification

RKEC also specializes in Electrification works. Few of our executed electrification works are namely- Rural Electrification Works of Pratapgarh District In Uttar Pradesh, Augmentation of shore supply at N-4 to N-26 jetties, Dry docks, slipways and degaussing bay including associated works at Naval Dockyard (Visakhapatnam).

Our Services include:

- Rural Electrification
- LT/HT Works

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

“RKEC” believes that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence. All the activities of the Company are carried out in accordance with Good Corporate Practices and the Company is constantly striving to better them by adopting the best practices.

The company believes in sustainable corporate growth that emanates from the top leadership down through the organisation to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.

We believe that our company shall go beyond adherence to regulatory framework. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders.

Corporate Governance is about commitment to values, ethical business conduct and about considering all Stakeholders' interest in conducting the Business. Your Company continues to lay great emphasis on the broad principles of Corporate Governance:

The Company has set itself the objective of achieving excellence in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company's Philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company believes that good Corporate Governance Practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its Stakeholders.

The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading Infra Company Pan India.

## 2. BOARD OF DIRECTORS:

### (a) 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, 2022, the Board consists of Eight Directors comprising of Three Executive Directors, one Non Executive Woman Director and Four Independent Directors. As the Company has an Executive Chairman, to comply with the Listing Regulations and other provisions of Law, 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	4
Other Non – Executive Directors	1
Executive Director	2
Executive Chairman & Managing Director	1
<b>Total</b>	<b>8</b>

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

S/no	Name of the Director	Skills/ Expertise/ Competence
1.	Shri Garapati Radhakrishna (Chairman & Managing Director)	Experience of 36+ years in Infra Industry
2.	Smt Parvathi Devi (Whole Time Director)	Experience of 34+ years in Infra Industry
3.	Venkata Rama Mohan Gudapati (Whole Time Director)	Experience of 13+ years in Marine Structures and Buildings
4.	Kumar Peruvemba Ramachandran	Experience of 39+ years in Army(Retd Gen Lt.) / Governance

	(Independent Director)	
5.	Lucas Peter Thalakala (Independent Director)	Experience of 38+ years in Income Tax Department (Retd. Commissioner of Income Tax)/ Finance
6.	Kameswara Jagabathula Rao (Independent Director)	Experience of 34+ years in Indian Army (Retd. Brig)/ infrastructure development/ HR
7.	Satish Soni (Independent Director)	Experience of 45+ years in Army (Retd. Vice Admiral)/ Finance/Governance
8.	❖ Gudapati Sita Ratnam (Non-Executive Director)	Experience of 11+ years in Infra Industry/Doctor

- ❖ Smt. Gudapati Sita Ratnam has resigned from the post of Non Executive Director of the Company w.e.f. 13 August 2022.

## ii) 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, Six (6) meetings of the Board were held on the following dates:**

S/no	Date of the Board Meeting	Board Strength	No. of Directors present
1	12 June 2021	8	8
2	29 June 2021	8	8
3	14 August 2021	8	8
4	1 November 2021	8	7
5	13 November 2021	8	7
6	14 February 2022	8	7

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

During FY 2021-22, 6 (Six) 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	Name of Directors	Category of Director	No. of Shares held as on 31 <sup>st</sup> March, 2022	No. of Board Meetings Attended during Financial Year 2021-22	No. of Directorships in Public Companies as on 31 <sup>st</sup> March, 2022*	No. of Board Committee Memberships held in Public Companies as on 31 <sup>st</sup> March, 2022**		Whether present at previous AGM held on September 27, 2021
						Chairman	Member	
1.	Shri Garapati Radhakrishna	Promoter, Chairman & Managing Director	1,76,37,700	6	1	1	2	Yes
2	Garapati Parvathi Devi	Promoter, Whole Time Director	59,000	6	1	0	0 <sup>®</sup>	Yes
3	Venkata Rama Mohan Gudapati	Whole Time Director	0	6	1	0	1	Yes
4	Gudapati Sita Ratnam	Non-Executive Director	0	3	1	0	0	Yes
5	Lucas Peter Thalakala	Non-Executive Independent Director	0	6	1	3	0	Yes
6	Satish Soni	Non-Executive Independent Director	0	6	1	0	3	Yes

7	Kameswara Rao Jagabathula	Non-Executive Independent Director	0	6	1	0	1	Yes
8	Kumar Peruvemba Ramachandran	Non-Executive Independent Director	0	6	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.

### 3. Details of other Directorship positions held by Directors in Listed Entities as on 31<sup>st</sup> March, 2022:

S l n o	Name of the Director	Names of listed entities in which Directorship held	Category of Directorship
1	Mr. Shri Garapati Radhakrishna	None	None
2	Mrs. Garapati Parvathi Devi	None	None
3	Mr. Venkata Rama Mohan Gudapati	None	None
4	Mrs. Gudapati Sita Ratnam	None	None
5	Mr. Lucas Peter Thalakala	None	None
6	Mr. Satish Soni	None	None
7	Mr. Kameswara Rao Jagabathula	None	None
8	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, 2022. 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 2021-22 i.e., on 31.03.2022, 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.

#### 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 31<sup>st</sup> March, 2022:

Sl No	Name of the Promoter / Relative of Promoter	No. of Shares held	% of Shares held
1.	Garapati Radhakrishna	1,76,37,700	73.52
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
<b>Total</b>		<b>1,77,48,900</b>	<b>73.98</b>

#### 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 Internal Complaints 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 2021-22, the Committee met for 5 (Five) times i.e., on 12 June 2021, 29 June 2021, 14 August 2021, 13 November 2021, 14 February 2022. 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	5	5
Vice Admiral Satish Soni	Independent Director	Member	5	5
Shri G Radhakrishna	Chairman and Managing Director	Member	5	5

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 are 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 2021-22, the Committee met twice i.e., on 29.06.2021 and 14.08.2021. 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	2

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:

- 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:

Slno	Name of the Director	Salary/ Allowance/ Perquisites & Performance Bonus	Contribution to funds	Total
1	G Radhakrishna*	-	-	-
2	G Parvathi Devi*	-	-	-
3	GV Rama Mohan	Rs. 42,00,000/-	-	Rs. 42,00,000/-

\*G Radhakrishna and G Parvathi Devi did not draw any remuneration in FY 2021-22.

The details of the Commission/ Sitting Fee paid to the Independent Directors/ Non-Executive Directors of the Company during the F. Y 2021-22 is tabled below:

Slno	Name of the Director	Sitting Fee	Commission	Total
1	Vice Admiral Satish Soni	Rs. 150000/-	-	Rs. 150000/-
2	Shri Lucas Peter Thalakala	Rs. 150000/-	-	Rs. 150000/-
3	Brig J K Rao	Rs. 150000/-	-	Rs. 150000/-
4	Lt Gen P R Kumar	Rs. 150000/-	-	Rs. 150000/-

### C. Stakeholders Relationship Committee:

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 2021-22, the Committee met once i.e., on 31.03.2022. 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 and Managing Director	Member	1	1
Vice Admiral Satish Soni	Independent 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 2021-22 are given herein below:

SI No	Nature of Complaint	Pending as on 01.04.2021	Received during the year	Disposed off during the year	Pending as on 31.03.2022
1.	SEBI/ Stock Exchange Complaints	0	0	0	0
2.	Non – receipt of Dividend warrant / interest	0	1	1	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>1</b>	<b>1</b>	<b>0</b>

#### 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 2021-22, the Committee met 2(Two) times i.e., on 29.06.2021 and 31.03.2022. 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 and Managing Director	Chairman	2	2
Brig J K Rao	Managing Director	Member	2	2
Shri G V Rama Mohan	Independent Director	Member	2	2

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. 2021-22 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
2018-19	26th September 2019	Hotel Daspalla, #28-2-48, Suryabagh, Jagadamba Jn., Visakhapatnam - 530002	11.30 A.M

2019-20	29th September 2020	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	12.30 P.M.
2020-21	27th September 2021	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	11.00 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
26th September 2019	<p>1.Approval of borrowing limit, Pursuant to Section 180(1)(c) and other applicable provisions, if any, amount so borrowed at any time up to Rs.1000.00 Crore (Rupees One Thousand Crore Only) at any one point of time.</p> <p>2.Under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 to mortgage and/or charge by the Board of Directors of the Company, by way of charge on all the immovable and movable properties of the Company in favour of any Bank or any Financial Institutions, to secure the term loan(s) or other credit facilities not exceeding Rs.1000.00 Crore (Rupees One Thousand Crore only) together with interest, further interest, penal interest, commitment charges, costs, charges, expenses and all other monies payable by the Company on the terms and conditions contained in the Letter of Intent issued by such bank or financial institution.</p>
29th September 2020	-
27th September 2021	<p>1. Re-appointment of Vice Admiral Satish Soni (DIN: 0766074) Independent Non-Executive Director of the company for 2nd Term of five consecutive years in terms of Section 149 of Companies Act 2013</p> <p>2. Re-appointment of Shri Lucas Peter Thalakala (DIN: 07664071) Independent Non-Executive Director of the company for 2nd Term of five consecutive years in terms of Section 149 of Companies Act 2013</p> <p>3. Re Appointment of Shri Garapati Radhakrishna (Din: 00073080) as Chairman and Managing Director of the Company.</p> <p>4. Re Appointment of Smt Garapati Parvathi Devi (Din: 00094961) as Whole Time Director of the Company.</p>

#### Postal Ballot Resolution(s):

During the year under review, the company has not passed any resolution for obtaining the approval of the Shareholders through Postal Ballot.

## **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:**

During the year under review, Rating Agencies reaffirmed/issued ratings to RKEC, (by Brickwork Ratings India Pvt Ltd) as under:

- a. Fund Based- BWR BBB /Stable Reaffirmation
- b. Non-Fund Based-BWR A2 Reaffirmation

## **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.

### **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. 43,14,510/- on CSR activities during the Financial Year 2021-22.

## 15. 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.

## 16. 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 Auditor 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 compliants and grievances of investors.

## 17. GENERAL SHAREHOLDER INFORMATION:

- a) Annual General Meeting:  
The Forthcoming Annual General Meeting of the Company will be held on Monday, September 26, 2022, at 4:30 p.m. through Video Conferencing/Other Audio-Visual Means.
- b) Financial Year: – 1st April of every year to 31st of March next year..
- 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,  
BandraKurla Complex,  
Bandra( East),  
Mumbai – 400051

The Company has paid in full the requisite Annual Listing Fee for the Financial Year 2021-22 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	Close
April' 21	66.95	55.45	59.80
May' 21	90.00	59.80	75.70
June ' 21	101.50	75.80	91.20
July'21	117.00	91.00	94.05
August'21	97.10	68.20	86.10
September'21	93.55	74.00	75.65
October ' 21	84.30	70.85	72.60

November '21	76.00	54.80	64.40
December '21	70.50	56.35	68.20
January '22	71.95	59.05	62.40
February '22	68.00	46.60	52.85
March '22	53.80	39.60	48.35

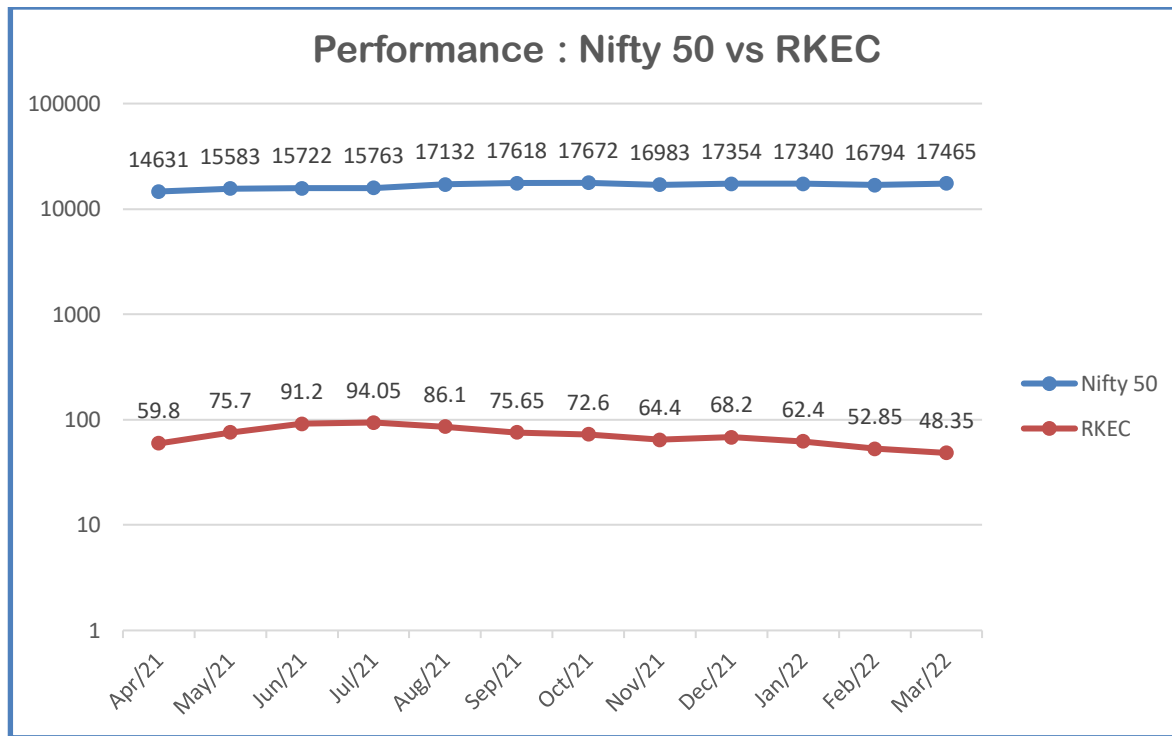
f) Dividend Payment Date:

Dividend	Date of Declaration	Date of Payment	% of Dividend on face value of Equity Share	Amount Per Share
Final Dividend 2020-21	27th September 2021	14 October 2021	12%	Re. 1.20/-

g) Corporate Identification Number: L45200AP2005PLC045795

h) Stock Performance in comparison to Nifty:

RKEC's Share Price and Nifty performance:



**i) 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 D-Mat related services.

Address: Bigshare Services Private Limited, 1<sup>st</sup>Floor ,Bhart Tin Works Building, Opp. Vasant Oasis Apartments (Next to Keys Hotels), Marolmaroshi Road,Andheri (E), Mumbai - 400059

Phone : 040 – 23374967/Fax : 040 – 23370295/E-Mail: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)

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

**j) Share Transfer System:**

The entire shareholding of Company is in dematerialised form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.Share transfers and related operations for the Company are processed by the Company's RTA viz., Bigshare Services Private Limited.

**Distribution of Shareholding by size as on 31.03.2022:**

Shareholding of Nominal (Rs.)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-5000	4589	76.67	629566	2.62
5001- 10000	573	9.57	460645	1.92
10001-20000	306	5.11	473004	1.97
20001 – 30000	244	4.07	685725	2.85
30001-40000	57	0.95	205345	0.85
40001-50000	49	0.81	234500	0.97
50001-100000	91	1.52	659726	2.74
100001-999999999	76	1.26	20642089	86.04
<b>Total</b>	<b>5985</b>	<b>100</b>	<b>23990600</b>	<b>100</b>

**l) Demat Information:**

As on 31<sup>st</sup> March, 2022, 100% of the total shareholding of the Company is in Demat form.

**ISIN No for Equity Shares of the Company:** INE786W01010

**m) 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.

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

Not Applicable

**o) 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 and Uttar Pradesh Pradesh. In addition, the Company has expanded its presence to the States of, West Bengal, Jharkhand and Karnataka.

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

## 18. OTHER DISCLOSURES:

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.

### a) 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.

b) 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.

c) To the extent possible, the Company has complied with the mandatory requirement of this clause.

### d) Disclosure of Accounting Treatment in Preparation of Financial Statements

The financial statements for the year ended 31<sup>st</sup> March, 202, 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.

e) 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.

f) 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.

g) 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.

h) The total fee paid to M/s. SARC & Associates, Chartered Accountants, Statutory Auditors of the Company on consolidated basis is Rs. 6,00,000/- for the Financial Year 2021-22.

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

During the year 2021-22, the Company has not raised any funds through preferential allotment or qualified institutional placement.

**j) 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.**

**k) 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 and M/s N.G. BHOIR & M/s Samudra Dredging Private Limited. The statement containing the salient feature of the JVs is annexed separately.

**l) 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.

**m) 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 2021-22, the shares of the Company were not suspended on the Stock Exchanges.**

**20. ADDRESS FOR CORRESPONDENCE:**

**10-12-1, 3<sup>rd</sup> 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: L45200AP2005PLC045795**

## Annexure-“1B”

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India is at an inflexion point of greater economic prosperity. India's journey on the path of economic reforms has transformed it to one of the world's fastest growing major economies where infrastructure has played a key part in overall development and growth over the past decade. All infrastructure sectors in India provide excellent opportunities for Public Private Partnerships (PPP) with models curated for implementation and funding of projects in the country. India is expected to become the world's third largest construction market by 2022. In Union Budget 2021, to support initiatives such as 'Housing for All' and 'Smart Cities Mission', the government allocated Rs. 13,750 crore (US\$ 1.89 billion) to AMRUT and Smart Cities Mission.

The country has an evolved outlook towards infrastructure development in the country, wherein it has moved from need-based planning to an integrated long-term development strategy. In the realisation of this goal, the Hon'ble Prime Minister launched the PM **Gati Shakti National Masterplan** for Multi-Modal Connectivity. The Gati Shakti scheme aims to create a digital platform for integrated planning and project execution by 16 infrastructure and allied ministries. This would entail each ministry/department being able to access information about the ongoing and upcoming projects for a coordinated approach. It will bring together holistic development across infrastructure sectors such as railways, roads and highways, telecom, and many more. PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by 7 engines, namely: Railways, Roads, Ports, Waterways, Airports, Mass Transport, Logistics Infrastructure

The Government of India launched “**Bharatmala Pariyojana**”, a new umbrella program for the highways sector that focuses on optimizing the efficiency of road traffic movement across the country by bridging critical infrastructure gaps. The project covering a whopping 34800 km of the road would be completed in a phased manner.

The Bharatmala Pariyojana was announced by Mr Nitin Gadkari, the Minister of Road Transport and Highways of India to improve the road network in the country. The budget for the scheme will be managed by the cess collected on petrol and diesel and the tax collected at toll booths, apart from the budgetary support provided by the Government.

#### **Bharatmala Project Components**

**Economic Corridor** – As per the guidelines of the road construction project, the construction of 9000kms of Economic Corridors will be undertaken by the central government.



**Feeder Route or Inter Corridor** – The total length of the roads, which fall under the Feeder Route or Inter Corridor category, is a whopping 6000kms.

**National Corridor Efficiency Improvement** – 5000kms of roads, constructed under the scheme will fall in the category of National Corridor for the better connection between roads.

**Border Road and International Connectivity** – Connecting the cities and remote areas, which are situated in the border regions, the project has kept provision for constructing 2000kms roads that fall in the Border Road or International Connectivity category.

**Port Connectivity and Coastal Road** – To connect the areas that are dotted along the shorelines and important ports, the central government has ordered the construction of 2000km of roads.

**Green Field Expressway** – The main stress will be given on the construction and development of Green Field Expressway for better management of traffic and freight.

**Balance NHDP Works** – Under the last segment, the project will see construction and maintenance of about 10,000kms of new roads.

### Tracking the growth

Over the last decade, India has invested over US\$1.1 trillion in building infrastructure, aimed at easing the movement of goods, reducing cost of logistics, enhance energy generation to ensure uninterrupted power supply, and improve physical and virtual connectivity for 1.4 billion people through roads, railways, mobile connections, and high-speed internet. This has been achieved through a coordinated effort between public funding and private investments, aimed at high economic and social returns.

The next phase of India's infrastructure growth focuses on 'Ease of Living' for the country's population. The ambitious National Infrastructure Pipeline (NIP) has set forth in motion India's target to achieve US\$5 trillion GDP by 2025 by investing over US\$ 1.4 trillion in infrastructure sub-sectors. These investments will be targeting for 100 per cent coverage for safe drinking water, access to clean and affordable energy, healthcare for all, modern railway stations, airports, bus terminals and world-class educational institutes.

### Roads & Highway – Leading the way

The Roads and Highways sector of India has been at the forefront of establishing public private partnerships in the country. With a plan to double national highways in India to 200,000 km, the 'Bharatmala Pariyojana' was launched for developing 66,100 km of additional road network including expressways, economic corridors, international and border roads. Innovative financing models such as recycling of existing and operational roads, through Toll-Operate-Transfer, are being implemented to

generate funding for greenfield road construction. Over the last two years, we have witnessed that despite the pandemic affecting multiple sectors, infrastructure construction has continued to grow. For example, despite the challenges put forth by the pandemic, India has been constructing 37 km of roads per day.

### **Airports – Taking off**

During the pre-COVID period, India was clocking consistent double-digit growth with domestic aviation market on path to make the third largest aviation market in the world by 2027. To meet the huge demand, 100 new airports are being built and 400 existing airports upgraded.

### **Railways – New growth tracks**

The Railways sector in India has also opened to 100 per cent FDI in the infrastructure segment and is inviting private participation across railway stations, private train operations etc. To augment freight traffic, six dedicated freight corridors are being built to minimise movement time. Further, seven High Speed Railways (HSRs) are also being constructed with the first one between Mumbai and Ahmedabad already under implementation. Indian Railways is among the world's largest railway network, and its route length network is spread over 13,500 passenger trains and 8,479 freight trains, plying 23 million travellers and 3 million tonnes (MT) of freight daily from 7,349 stations. Being the third largest network in the world under single management and with over 68,102 route kms Indian railways strives to provide safe, efficient, competitive and world class transport system. An average of 1835 track km per year of new track length has been added during 2014-2021 as compared to the average of 720 track kms per day during 2009-14. Indian Railways is also adopting indigenous new technology, Introduced premium trains and redeveloped stations to have safe and better experience. The Government also envisions to develop capacity, infrastructure and enhance rail freight share ahead of the demand through National Rail Plan ("NRP"). The objective of NRP is to provide an overall long term rail development plan, to study rail infrastructure deficiencies, to estimate future infrastructure requirements and assess funding requirements, amongst others. In the years to come, we can expect to see a very high level of capital expenditure ("Capex") in the railway sector to meet the target of increased capacity by 2030. Up to 2014, the Capex on railways was barely ` 45,980 Crores and consequently the railway was characterised inefficient and the routes were congested, unable to meet the demand. However, post 2014, a conscious effort was made to improve the railway sector by substantially increasing the Capex. The Capex outlay for 2021-22 is ` 2,15,000 Crores, which is five times more than the 2014 level. We can expect that Capex will increase further in the years to come and the railway system will emerge as one of the powerful engines of national economic growth.

### **Energy – A renewed approach**

India is at the global forefront to adopt renewable sources of energy to meet its requirements. The country is targeting 450GW of energy to come from renewable energy sources by 2030, which will require a multi-fold growth in the sector from the existing installed capacity of 101 GW.

### **NIP – bringing back momentum**

The US\$1.4 trillion National Infrastructure Pipeline is projected to attract 22% investment from the private sector, which translates into over US\$300 billion. Over the last few years, the country has been working in a dedicated manner for rationalised risk sharing mechanisms to attract private capital into infrastructure. In this regard, India has built a strong PPP framework over last two decades including development of Model Concession Agreements and bid documents, high-quality viability gap funding schemes, strong banking, and financing institutions and most importantly, capacities in the private sector for delivering the quantum of infrastructure that are required for bridging the infrastructure gap.

### **On a steady progress**

The most tangible evidence of a nation's progress is its infrastructure development. With the robust foundation laid through the institutional framework in the country, India is now poised to make steady progress in infrastructure growth and development in 2022.

### **Outlook**

India's infrastructure sector is rapidly evolving and the key trends demonstrate positivity and optimism. The Government of India is also progressively stepping up its infrastructure spending through Budgetary and non-Budgetary support. The roadmap for the sector over the next few years appears to be firmly in place. However, much will depend on proper allocation of funds, achievement of targeted short-term goals and the execution mechanism being put in place.

### **Company's Operational & Financial Overview**

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

On Standalone basis Revenue for financial year 2022 stood at Rs. 208.64 Crores, EBITDA of Rs 217.7 crore . PAT of the Company is Rs 6.28 crores. The Company was able to achieve such profitability by better execution of projects and focus on operational efficiencies even during the outburst of Pandemic.

The Company has been able to maintain an efficient capital structure and has a healthy interest coverage ratio. The Company's net worth as on 31st March 2022 on standalone basis is Rs136.26 crores .

During the year under review, the Company was awarded 3 projects worth Rs 519.89 crore. It is currently working on total 10 projects amounting to Rs. 1580 crore. The un-executed order book as on 31 Mar 2022 stands at Rs 1140.4 crore.

With the unexecuted order-book of Rs 1140.4 crore, the Company has a strong revenue visibility for the coming years. Moreover, the Company has been exploring bids for projects and expected to add good amount of fresh orders going ahead. This makes the Company well placed to better execute its projects and further look for opportunities in this space leading to increase in profitability.

The Company has attained good reputation among our clients because of track record, experienced members and a proven strength on delivery norms across its all spectrum of services. RKEC Projects has marked its presence into states like Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan, Maharashtra, Kerala, Karnataka, West Bengal and Manipur. The Company has successful completion of 100 projects in total till now.

### Key Competitive Advantage

RKEC has an experience of more than 3 decades in the industry and has emerged one of leading construction company engaged in the construction of Bridges, Ports, Dams, high-rise structures, Airports, cross water, roads, Highways, Oil and Gas Pipelines, complexes and environmental structures across India. Our strong execution, timely completion capabilities and long-term relations with the stakeholders have been the main growth riders. We have proven track record of completing all projects within in timeline along with strong financial track record; healthy relationships with leading banks/financial institutions . We posses integrated and efficient project execution skills, supported by a comprehensive equipment pool

### Opportunities

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

### Risk – Mitigation Strategy

**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 capital investment.

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

**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.

### **Internal Control System and their Adequacy**

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

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

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

### **Cautionary Statement**

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





# Annexure-“1C”

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. Brief outline on CSR Policy of the Company

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

### 2. Composition of CSR Committee:

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

- Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: [www.rkecprojects.com](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: NIL
- Average Net profit of the Company as per Section 135(5): Rs.3596.53 Lakhs
- Two percent of average net profit of the Company as per section 135(5):- Rs71.93 Lakhs
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
  - Amount required to be set off for the financial year, if any :- NIL
  - Total CSR obligation for the financial year (7a+7b- 7c) :- Rs. 71.93 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
43.14	28.78	31.03.2022	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	Name/ CSR Registration No.

				State	District		tation - Direc t (Yes/ No)	
1.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam	13060	Y	N.A.
2.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam	39150	Y	N.A.
3.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam,	3186300	No	Sri Sai Samstha Charitab Trust/ CSR00039
4.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam,	269000	No	Sri Sai Samstha Charitab Trust/ CSR00039
5.	Siksha	Education	Yes	Andhra Pradesh	Visakhapatnam,	500000	No	Sri Animesh Bhagava Tapo Aadhyaa ka Sanghan
6.	Food Distribution	Eradication of hunger by feeding the people in need	Yes	Andhra Pradesh	Visakhapatnam,	307000	No	Sri Sai Samstha Charitab Trust/ CSR00039
<b>Total</b>						<b>43,14,510</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. 43.14 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)	71.93
(ii)	Total amount spent for the financial year	43.14
(iii)	Excess amount spent for the financial year[(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial year, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

The Company's total CSR expenditure during the year was Rs.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	2018-19		2010000				
2	2019-20		2817160				
3	2020-21	3300000	3300000				

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

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

**11. Specify the reason(s), if the Company has failed to spend two percent of the net profit as per Section 135(5):** Amount allocated to ongoing projects was transferred in Unspent CSR account.

Venkata Rama Mohan  
Whole Time Director  
DIN: 06602693

By Order of the Board of Directors  
For RKEC Projects Limited  
Gudapati  
G Radhakrishna  
Chairman & Managing Director  
DIN : 00073080

Date: 13th August, 2022  
Place: Visakhapatnam

## Annexure-“1D”

### Form AOC-I

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures for the year ending 31.03.2022 (FY 2021-22)

Sr. No	Name of Associates/Joint Ventures	CQCE-RKEC JV	RKEC-RANSS CONSORTIUM	RKEC, N.G.BHOIR and Samudra JV
1	Latest audited Balance Sheet Date	29-05-2022	29-05-2022	29-05-2022
2	Shares of Associate/Joint Ventures held by the company on the year end	99%	7.2%	51%
3	Amount of Investment in Associates/Joint Venture	-	-	-
4	Extend of Holding %	99%	7.2%	51%
5	Description of how there is significant influence	-	-	-
6	Reason why the associate/ joint venture is not Consolidated	Consolidated	Consolidated	Consolidated
7	Networth attributable to Shareholding as per latest audited Balance Sheet	1532764	(5687)	52578
8	Profit / Loss for the year	1548247	-	57233
8(i)	Considered in Consolidation	1532764	-	52578
8(ii)	Not Considered in Consolidation	-	-	-

By Order of the Board of Directors  
For RKEC Projects Limited

Gudapati Venkata Rama Mohan  
Whole Time Director  
DIN: 06602693

G Radhakrishna  
Chairman & Managing Director  
DIN : 00073080

Date: 13th August, 2022, Place: Visakhapatnam

## Annexure-“1E”

### FORM NO . AOC-2

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto during the FY 2021-22.

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

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

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

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

Sr. No	Name(s) of the related party and nature of 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	Amount paid as advances, if any:
1	G Naga Pushyami Relative of Managing Director	Payment of Lease rentals on Building and commission on guarantee given to Bank	One year	4.77	Nil

2	G.Radhakrishna Managing Director	Payment of lease rentals on Building and commission on guarantee given to Bank	One Year	12.00 32.31	Nil
3	G. Parvathi Devi Whole Time Director	Commission on guarantee given to Bank	One year	31.03	Nil
4	G. V. Rammohan Whole Time Director	Payment of Remuneration	One year	42	Nil
5	G. Hima Bindu Sree Relative of Managing Director	Commission on guarantee given to Bank	One year	5.90	Nil

Venkata Rama Mohan  
Whole Time Director  
DIN: 06602693

Date: 13th August, 2022  
Place: Visakhapatnam

By Order of the Board of Directors  
For RKEC Projects Limited  
Gudapati  
G Radhakrishna  
Chairman & Managing Director  
DIN : 00073080



## Annexure-“1F”

### FORM MR-3

#### SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

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

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

To,

The Members,

**RKEC Projects Limited,**

Door No.10-12-1, RednamAlcazar,

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

Rednam Gardens Visakhapatnam

AP 530020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RKEC Projects Limited** (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, 2022, 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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (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 there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, ~~Overseas Direct Investment and External Commercial Borrowings~~;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (during the period under review not applicable to the Company)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (during the period under review not applicable to the Company)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

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

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

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

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

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

1. Except SH-7 and MGT-14 for August 2021 Board Meeting, all other E-Forms are filed within the prescribed due date under Companies Act, 2013.
2. Except for the month of April and August, the Employee Provident Fund returns for all other months are not filed within the prescribed timeline.

#### **We further report that:**

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

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

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

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

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

- 1) During the year under review, the Company has increased its Authorised Share Capital from Rs. 25,00,00,000 (Twenty Five Crores) to Rs. 50,00,00,000. Further Company has made consequential amendment in Memorandum of Association of the Company.

**For Mehta & Mehta,**

**Company Secretaries**

**(ICSI Unique Code P1996MH007500)**

**Ashwini Inamdar**

**Partner**

**PCS No: F 9409**

**Place: Mumbai**

**UDIN: F009409D000776703**

**CP No: 11226**

**Date: 10<sup>th</sup> August, 2022**

**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

AP 530020

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in 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**

**PCS No: F 9409**

**Place: Pune**

**UDIN: F009409D000776703**

**CP No: 11226**

**Date: 18<sup>th</sup> June, 2022**

## Annexure-“G”

### 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, 2022 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”).

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

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

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:10/08/2022**

**UDIN: F009409D000776659**

## Annexure-“1H”

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

**RKEC Projects Limited**

Door No. 10-12-1, RednamAlcazar,  
3<sup>rd</sup> Floor, Opp. SBI Main Branch,  
Old Jail Road, Rednam Gardens,  
Visakhapatnam-530020

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](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, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Radhakrishna 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.	KameswaraJagabathula Rao	08508140	29/08/2019
7.	GudapatiSitaRatnam	07344104	19/11/2015
8.	Satish Soni	07664074	25/11/2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**Ashwini Inamdar**  
**Partner**

**PCS No: F 9409**  
**CP No: 11226**  
**Place: Mumbai**  
**Date:10/08/2022**

**UDIN: F009409D000776626**

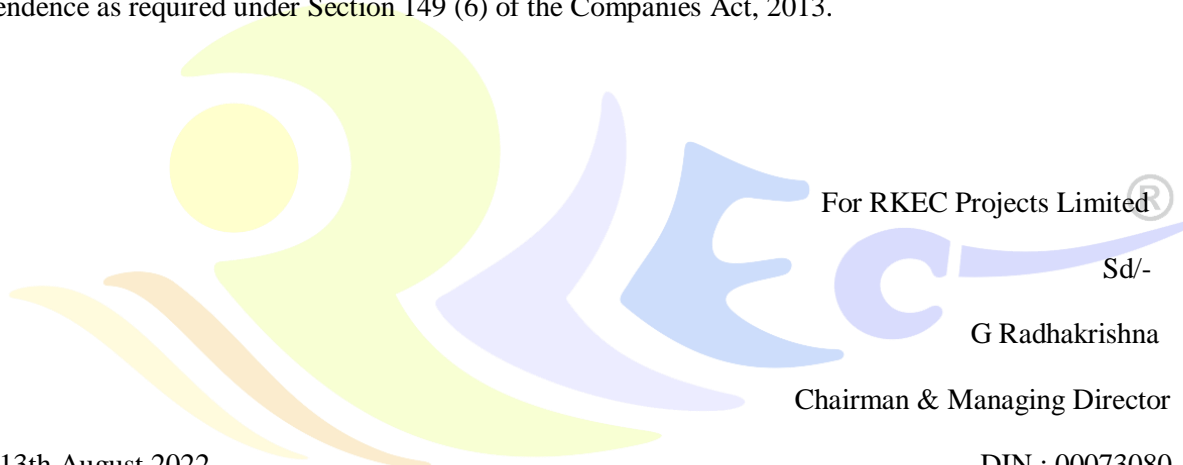


## Annexure-“1I”

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

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



For RKEC Projects Limited®  
Sd/-  
G Radhakrishna  
Chairman & Managing Director

Date: 13th August 2022

DIN : 00073080

Place: Visakhapatnam

## Annexure-“1J”

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### DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of RKEC Projects Limited

I hereby declare 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

Sd/-

G Radhakrishna

Chairman & Managing Director®

DIN : 00073080

Date: 13th August 2022

Place: Visakhapatnam



## Annexure-“1K”

### CMD and CFO Compliance Certificate

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

- a) We have reviewed the financial statements and cash flow statement for the Year ended 31 March, 2022 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, 2022 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.

Sd/-

**R.Jayachandran**

*Chief Financial Officer*

Visakhapatnam, 29 May, 2022

**Garapati Radhakrishna**

*Chairman and Managing Director*

## Annexure-“1L”

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 to each director to the median remuneration of the employees for the financial year	MD	NIL
		WTD	NIL
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD & WTD	NIL
		CFO	NIL
		CS	8%
3	The percentage increase in the median remuneration of employees in the financial year	9%	
4	The number of permanent employees on the rolls of the Company as on 31st March, 2022	452	
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	9%	
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

### Remuneration of Directors and Key Managerial Personnel

Sr. No.	Particulars of Remuneration			
	Name	G Radhakrishna*	G Parvathi Devi*	GV Rama Mohan
	Designation	Chairman and Managing Director	Whole Time Director	Whole Time Director
1	Gross Salary	NIL	NIL	42,00,000
	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	NIL	NIL	NIL	42,00,000

\*G Radhakrishna and G Parvathi Devi did not draw any salary for FY 2021-22

#### A. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			
	Name	Vice Admiral Satish Soni	Shri Lucas Peter Thalakala	Brig J K Rao	Lt Gen P R Kumar
1.	Independent Directors				
	Fee for attending Board/Committee Meetings	150000	150000	150000	150000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total(1)	150000	150000	150000	150000
2.	Other Non Executive Directors	-	-	-	-
	Fee for attending Board/Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others	-	-	-	-
	Total(2)	-	-	-	-
	Total Managerial Remuneration(1)+(2)	150000	150000	150000	150000

#### B. 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	3300000	516000
	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	3300000	516000



## **Independent Auditor's Report**

To the Members of **RKEC Projects Limited**

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

#### **Opinion**

We have audited the Financial Statements of **RKEC Projects Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, 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.

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 31st March 2022, its profit, changes in equity and its cash flows for the year ended on that date.

#### **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.

### **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.

### 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 31<sup>st</sup> March, 2022.
    - 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**

**(Akula Chandra Sekhar)**

**Founder Partner**

**Membership No: 206704**

**Place: Visakhapatnam**

**Date: 29<sup>th</sup> May 2022**

**UDIN: 22206704AJVJXM8592**

**“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 Private Limited (“the Company”)** as of March 31, 2022 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, 2022, 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: 29<sup>th</sup> May 2022

(AKULA CHANDRA SEKHAR)  
Founder Partner  
Membership No:206704

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

Amount in Rupees			
Particulars	Note. No.	Figures as at 31-03-2022	Figures as at 31-03-2021
<b>ASSETS</b>			
<b>Non- Current Assets</b>			
a) Property, Plant and Equipment	2	52,13,45,692.88	54,72,30,988.38
b) Capital Work-in-Progress		4,87,072.00	4,87,072.00
c) Investment Property			
d) Goodwill			
e) Other Intangible Assets	3	33,915.00	1,10,172.00
f) Intangible Assets under Development			
e) Biological Assets other than Bearer Plants			
h) Financial Assets			
i) Investments	4	-	6,47,285.00
ii) Trade Receivables			
iii) Loans			
iv) Others (to be specified)			
i) Deferred tax Assets	5	1,32,51,203.76	1,49,58,359.84
j) Other Non- Current Assets			
		<b>53,51,17,883.65</b>	<b>56,34,33,877.22</b>
<b>Current Assets</b>			
a) Inventories	6	73,09,61,953.00	71,52,85,446.00
b) Financial Assets			
i) Investments			
ii) Trade Receivables	7	1,47,50,47,879.11	1,68,96,18,200.95
iii) Cash and cash equivalents	8	25,99,51,420.49	1,18,54,483.66
iv) Bank balances other than (iii)	9	39,96,16,221.95	36,25,73,450.35
v) Loans	10	1,58,29,940.35	1,06,80,426.00
vi) Others (to be specified)			
c) Current tax Assets (Net)			
d) Other Current Assets	11	17,26,29,970.92	23,63,92,190.00
		<b>3,05,40,37,385.82</b>	<b>3,02,64,04,196.96</b>
<b>Total Assets</b>		<b>3,58,91,55,269.47</b>	<b>3,58,98,38,075.18</b>



<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	12	23,99,06,000.00	23,99,06,000.00
b) Other Equity	13	1,12,27,11,737.29	1,08,86,66,776.09
		<b>1,36,26,17,737.29</b>	<b>1,32,85,72,776.09</b>
<b>Liabilities</b>			
<b>Non- Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	14	48,94,33,789.48	6,05,77,798.00
ii) Trade Payables			
iii) Other Financial Liabilities (other than those specified in item (b) above, to be specified)			
b) Provisions	15	1,37,33,464.00	1,04,90,025.00
c) Deferred tax Liabilities (Net)			
d) Other Non- Current Liabilities			
		<b>50,31,67,253.48</b>	<b>7,10,67,823.00</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	16	88,49,11,963.81	1,01,00,48,185.00
ii) Trade Payables	17	48,14,48,964.23	66,56,38,014.00
iii) Other Financial Liabilities (other than those specified in item (C))	18	3,74,66,030.00	3,44,69,133.00
b) Other Current Liabilities	19	28,87,02,193.66	42,05,83,511.00
c) Provisions	20	3,08,41,127.00	5,94,58,635.90
d) Current tax Liabilities (Net)			
		<b>1,72,33,70,278.70</b>	<b>2,19,01,97,478.90</b>
<b>Total Equity and Liabilities</b>		<b>3,58,91,55,269.47</b>	<b>3,58,98,38,075.18</b>
See accompanying notes to financial statements			
		0.00	-0.00
In Terms of our report of even date annexed			
for SARC & Associates Chartered Accountants FRN : 006085N		for and on behalf of board of directors of RKEC Projects Ltd	
Chandra Sekhar Akula Partner Membership No. 206704 UDIN: 22206704AJVJXM8592		G. Radhakrishna Managing Director DIN: 00073080	G.V.Ramamohan Whole Time Director DIN: 6602693
Dt:29-05-2022 Visakhapatnam		R. Jaychandran CFO	Deepika Rathi Company Secretary

## STANDALONE PROFIT AND LOSS STATEMENT AS AT 31ST MARCH, 2022

Amount in Rupees				
	Particulars	Note. No.	Figures as at 31.03.2022	Figures as at 31.03.2021
I	Revenue From Contracts	21	2,08,64,87,169.57	2,02,31,29,954.00
II	Other Income	22	2,16,92,496.58	3,45,73,962.00
III	<b>Total Income (I+II)</b>		<b>2,10,81,79,666.15</b>	<b>2,05,77,03,916.00</b>
IV	<b>Expenses</b>			
	Cost of Materials Consumed	23	99,63,06,927.21	92,83,51,481.00
	Operational Expenses	24	67,02,45,882.16	67,53,30,876.00
	Changes in Inventories of Work-in-Progress	25	-11,13,88,140.00	-15,48,17,094.00
	Employee Benefits Expenses	26	17,01,16,666.80	14,19,84,882.00
	Finance Costs	27	12,16,36,199.87	11,50,50,457.00
	Depreciation and Amortisation Expense	2	3,91,09,882.00	3,98,79,694.97
	Other Expenses	28	13,02,94,866.46	13,73,67,604.78
	<b>Total Expenses (IV)</b>		<b>2,01,63,22,284.50</b>	<b>1,88,31,47,901.75</b>
	<b>Profit/(Loss) before exceptional items and tax (I-IV)</b>		<b>9,18,57,381.65</b>	<b>17,45,56,014.25</b>
V	<b>Exceptional Items</b>		-	-
VI	<b>Profit/(Loss) before tax (V-VI)</b>		<b>9,18,57,381.65</b>	<b>17,45,56,014.25</b>
VII	<b>Tax expense</b>			
	(1) Current Tax		2,39,17,829.77	4,49,02,795.16
	(2) Tax Expense for earlier years		33,98,714.60	38,70,487.84
	(3) Deferred Tax		17,07,156.08	-18,65,928.24
	<b>Total Tax Expense</b>		<b>2,90,23,700.45</b>	<b>4,69,07,354.76</b>
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>6,28,33,681.20</b>	<b>12,76,48,659.49</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>Profit/(Loss) for the period (IX+XII)</b>		<b>6,28,33,681.20</b>	<b>12,76,48,659.49</b>
XVI	<b>Earnings per share (for continuing operations)</b>	29		
	(i) Basic		2.62	5.32
	(ii) Diluted		2.62	5.32

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 22206704AJVJXM8592

Dt:29-05-2022  
Visakhapatnam

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

G. Radhakrishna  
Managing Director  
DIN: 00073080

R. Jaychandran  
CFO

G.V.Ramamohan  
Whole Time Director  
DIN: 6602693

Deepika Rathi  
Company Secretary

## STANDALONE CASH FLOW STATEMENT AS AT 31ST MARCH, 2022

Particulars	Amount in Rupees	
	Figures as at 31-03-2022	Figures as at 31-03-2021
<b>Cash flow from Operating Activities</b>		
Profit before Tax	9,18,57,381.65	17,45,56,014.25
<b>Adjustments for</b>		
Depreciation	3,91,09,882.00	3,98,79,694.97
Loss/(Profit) from Joint Venture		7,01,518.00
Loss/(Profit) on Sale of Fixed Assets	0	-35,872.00
Interest Expense	12,16,36,199.87	11,50,50,456.81
Interest Income	-2,16,34,894.00	-2,15,00,033.65
<b>Operating Profit before Working Capital changes</b>	<b>23,09,68,569.52</b>	<b>30,86,51,778.38</b>
<b>Adjustments for</b>		
Increase/(Decrease) in Trade Payables	-18,41,89,049.77	-27,23,95,445.00
Increase/(Decrease) in Long Term Provisions	32,43,439.00	34,06,647.00
Increase/(Decrease) in Short Term Provisions	-2,86,17,508.90	-3,67,92,448.10
Increase/(Decrease) in Other Financial Liabilities	29,96,897.00	-75,15,701.00
Increase/(Decrease) in Other Current Liabilities	-13,18,81,317.34	13,40,77,088.00
(Increase)/Decrease in Trade Receivables	21,45,70,321.84	-62,43,43,768.95
(Increase)/Decrease in Inventories	-1,56,76,507.00	45,81,501.00
(Increase)/Decrease in Short Term Loans and Advances	-51,49,514.35	15,92,95,306.00
(Increase)/Decrease in Other Current Assets	6,37,62,219.08	2,04,07,847.00
(Increase)/Decrease in Deferred Tax Assets	17,07,156.07	-18,65,928.24
<b>Cash (used) in/generated from Operations</b>	<b>15,17,34,705.15</b>	<b>-31,24,93,123.91</b>
Income Taxes paid	-2,90,23,700.45	-4,69,07,354.76
<b>Net Cash from Operating Activities</b>	<b>12,27,11,004.70</b>	<b>-35,94,00,478.67</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets, including Intangible Assets, CWIP and Capital Advances	-1,31,48,329.00	-26,38,63,054.50
CWIP	0	22,48,41,808.46
Investment in Joint Venture	6,47,285.00	-5,74,435.00
Profit/(Loss) from Joint Venture	-	-7,01,518.00
Proceeds from Sale of Fixed Assets	0	64,18,946.00
Bank Balances not considered as Cash and Cash Equivalents	-3,70,42,771.60	5,14,93,425.00
Interest Received	2,16,34,894.00	2,15,00,033.65
<b>Net Cash from Investing Activities</b>	<b>-2,79,08,921.60</b>	<b>3,91,15,205.61</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from (Repayment of) Long Term Borrowings	42,88,55,994.14	2,13,74,901.60
Proceeds from (Repayment of) Short Term Borrowings	-12,51,36,221.19	39,55,45,632.93
Dividend (Interim) paid during the year (including Dividend Distribution Tax)	-2,87,88,720.00	
Interest Paid	-12,16,36,199.87	-11,50,50,456.81
<b>Net Cash from Financing Activities</b>	<b>15,32,94,853.08</b>	<b>30,18,70,077.72</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>24,80,96,936.18</b>	<b>-1,84,15,195.34</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>1,18,54,483.66</b>	<b>3,02,69,679.00</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>25,99,51,420.49</b>	<b>1,18,54,483.66</b>

## NOTES

### 2 Property, Plant and Equipment as at 31 Mar 2022

Description of Assets	Gross Carrying Value			Depreciation				
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 Mar 2022
	01 April 2021			31 March 2022	01 April 2021			
Freehold Land	50,00,000.00	-	-	50,00,000.00	-	-	-	-
Plant and Equipment	53,37,76,957.24	63,71,362.00	-	54,01,48,319.24	5,34,84,446.44	2,61,48,320.00	-	7,96,32,766.44
Furniture and Fixtures	34,06,590.00	56,065.00	-	34,62,655.00	18,04,615.00	4,82,144.00	-	22,86,759.00
Vehicles	7,36,97,262.02	61,09,726.00	-	7,98,06,988.02	1,95,26,626.79	1,01,26,357.00	-	2,96,52,983.79
Office Equipment	1,16,68,816.85	6,11,176.00	-	1,22,79,992.85	55,02,949.00	22,76,804.00	-	77,79,753.00
<b>TOTAL</b>	<b>62,75,49,626.11</b>	<b>1,31,48,329.00</b>	<b>-</b>	<b>64,06,97,955.11</b>	<b>8,03,18,637.23</b>	<b>3,90,33,625.00</b>	<b>-</b>	<b>11,93,52,262.23</b>

### 3 Intangible Assets as at 31 Mar 2022

Description of Assets	Gross Carrying Value			Depreciation				
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 Mar 2022
	01 April 2021			31 March 2022	01 April 2021			
Software	3,12,308	-	-	3,12,308.00	2,02,136.00	76,257.00	-	2,78,393
<b>TOTAL</b>	<b>3,12,308.00</b>	<b>-</b>	<b>-</b>	<b>3,12,308.00</b>	<b>2,02,136.00</b>	<b>76,257.00</b>	<b>-</b>	<b>2,78,393.00</b>

#### 4 Investments

Particulars	As At 31 March 2022	As At 31 March 2021
Investment in RKEC and Suryadevara JV	-	6,47,285.00
<b>Total</b>	<b>-</b>	<b>6,47,285.00</b>

#### Interest in Joint Venture- Notes

#### 5 Deferred Tax Assets

Particulars	As At 31 March 2022	As At 31 March 2021
Balance of DTA/(DTL) brought forward	1,49,58,359.84	1,30,92,431.60
Depreciation	-20,42,863.99	-6,14,779.88
Provision for Gratuity	3,35,707.92	7,13,556.58
PF/ESI	-	17,67,151.54
<b>Net Deferred Tax Asset/(Deferred Tax Liability)</b>	<b>1,32,51,203.76</b>	<b>1,49,58,359.84</b>

#### 6 Inventories

(At lower of Cost or Net Realisable Value)

Particulars	As At 31 March 2022	As At 31 March 2021
Raw Materials	21,63,47,303.00	31,20,58,936.00
Work-In-Progress	51,46,14,650.00	40,32,26,510.00
Finished Goods	-	-
<b>Total</b>	<b>73,09,61,953.00</b>	<b>71,52,85,446.00</b>

#### 7 Trade Receivables

Particulars	As At 31 March 2022	As At 31 March 2021
More than 3 Yrs	29,76,182.19	30,06,967.00
More than 1 year and less than 3 years	7,81,70,892.00	7,51,99,629.00
More than 6 months and less than 1year	23,70,06,194.14	13,90,20,963.00
>6 Months	1,15,68,94,610.78	1,47,23,90,641.95
<b>Total</b>	<b>1,47,50,47,879.11</b>	<b>1,68,96,18,200.95</b>
<b>Unsecured</b>		
Considered Good	1,47,50,47,879.11	1,68,96,18,200.95
Considered Doubtful	-	-

## 8 Cash and Cash Equivalents

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Cash on Hand</b>	11,38,657.15	8,86,451.00
<b>Balance with Banks</b>		
(i) In Current Accounts	15,30,63,912.44	27,12,549.61
(ii) In Deposit Accounts	10,57,48,850.90	82,55,483.05
<b>Cheques, Drafts on Hand</b>		-
<b>Total</b>	<b>25,99,51,420.49</b>	<b>1,18,54,483.66</b>

## 9 Other Balances With Banks

Particulars	As At 31 March 2022	As At 31 March 2021
In Earmarked Accounts		
Unclaimed Dividend Accounts	2,03,820.95	4,02,133.35
against borrowings, guarantee and other commitments	39,94,12,401.00	36,21,71,317.00
<b>Total</b>	<b>39,96,16,221.95</b>	<b>36,25,73,450.35</b>

## 10 Loans

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Unsecured and considered good</b>		
Security Deposit	1,58,29,940.35	1,06,80,426.00
Others	-	-
<b>Total</b>	<b>1,58,29,940.35</b>	<b>1,06,80,426.00</b>

## 11 Other Current Assets

Particulars	As At 31 March 2022	As At 31 March 2021
Advances to material suppliers	1,93,38,474.90	10,37,57,780.00
Deposits for enlistment	83,69,072.00	58,41,783.00
Earnest money and other deposits	1,09,59,613.00	69,16,560.00
VAT Input Credit receivable	57,84,869.00	57,84,869.00
GST Receivable	7,69,35,467.50	6,88,11,219.00
Service tax receivable	70,30,500.00	70,30,500.00
TDS Receivable	3,28,11,425.55	1,31,84,869.00
Prepaid Expenses	1,14,00,548.97	1,44,27,975.00
Other advances	-	1,06,36,635.00
<b>Total</b>	<b>17,26,29,970.92</b>	<b>23,63,92,190.00</b>
<b>Others</b>	<b>-</b>	<b>-</b>

## 12 Share Capital

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Authorised</b> 2,50,00,000 Equity shares of Rs.10 each	50,00,00,000.00	25,00,00,000.00
<b>Issued and Subscribed</b> 2,39,90,600 Equity shares of Rs.10 each	23,99,06,000.00	23,99,06,000.00
<b>Total</b>	<b>23,99,06,000.00</b>	<b>23,99,06,000.00</b>

## 13 Other Equity

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Securities Premium Account</b> Balance as per Balance Sheet	16,37,30,000.00	16,37,30,000.00

**Note:** Securities Premium Account is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of Companies Act, 2013.

<b>Surplus in Statement of Profit and Loss</b> Balance as per Balance Sheet	89,61,48,056.09	79,72,88,116.60
Profit/(Loss) for the period	6,28,33,681.20	12,76,48,659.49
Less: Appropriations		
(i) Impairment Loss	-	-
(ii) Proposed Dividend- Equity Shares	-	-
(iii) Corporate Dividend Tax thereon	-	-
<b>Total</b>	<b>1,12,27,11,737.29</b>	<b>1,08,86,66,776.09</b>



#### 14 Borrowings -Non Current

Particulars	As at 31-03-2022		As at 31-03-2021	
	Current Maturities	Non- Current	Current Maturities	Non- Current
Term Loans (Secured)				
(a) From Banks				
Rupee Loans	2,92,19,370.00	15,67,49,758.27	3,09,49,978.00	4,88,32,800.00
(b) From Financial Institutions				
Rupee Loans	82,46,660.00	60,38,153.21	35,19,155.00	1,17,44,998.00
(C) From Clients	8,03,28,214.00	32,66,45,878.00		
<b>Total</b>	<b>11,77,94,244.00</b>	<b>48,94,33,789.48</b>	<b>3,44,69,133.00</b>	<b>6,05,77,798.00</b>

#### 15 Provisions

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	1,37,33,464.00	1,04,90,025.00
<b>Total</b>	<b>1,37,33,464.00</b>	<b>1,04,90,025.00</b>

#### 16 Borrowings - Current

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Working Capital Loans</b>		
<b>Secured</b>		
Cash Credit Accounts, Working Capital Demand Loan	50,63,15,930.63	49,95,24,370.00
Other than Cash Credit	17,59,00,000.00	36,07,12,133.00
<b>Unsecured</b>		
From Financial Institutions/ Others	-	26,22,880.00
From Others (Directors)	20,26,96,033.18	14,71,88,802.00
<b>Total</b>	<b>88,49,11,963.81</b>	<b>1,01,00,48,185.00</b>

## 17 Trade Payables

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Total Outstanding dues to Micro &amp; Small Enterprises</b>	1,55,81,285.00	1,14,50,381.00
<b>Total Outstanding dues to creditors other than Micro &amp; Small Enterprises</b>		
Acceptances	45,39,53,389.30	41,71,76,141.00
Other than Acceptances	1,19,14,289.93	23,70,11,492.00
<b>Total</b>	<b>48,14,48,964.23</b>	<b>66,56,38,014.00</b>

## 18 Other Financial Liabilities

Particulars	As At 31 March 2022	As At 31 March 2021
Current Maturities of Long term Borrowings	3,74,66,030.00	3,44,69,133.00
<b>Total</b>	<b>3,74,66,030.00</b>	<b>3,44,69,133.00</b>

## 19 Other Current Liabilities

Particulars	As At 31 March 2022	As At 31 March 2021
Revenue received in Advance	8,03,28,214.00	29,35,96,618.00
Other Current Liabilities	20,83,73,979.66	12,69,86,893.00
<b>Total</b>	<b>28,87,02,193.66</b>	<b>42,05,83,511.00</b>

## 20 Provisions

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	13,10,049.00	32,43,439.00
<b>Other Provisions</b>		
Provision for Taxation	-	1,40,75,777.90
Others provisions	2,95,31,078.00	4,21,39,419.00
<b>Total</b>	<b>3,08,41,127.00</b>	<b>5,94,58,635.90</b>

## 21 Revenue from Contracts

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Sale of Services</b>		
Contract Revenue	2,08,42,66,443.57	2,01,81,80,637.00
<b>Other Operating Revenue</b>		
Work Receipts on Technical Services	22,20,726.00	16,29,490.00
Insurance Claim received	-	29,55,827.00
Others	-	3,64,000.00
<b>Total</b>	<b>2,08,64,87,169.57</b>	<b>2,02,31,29,954.00</b>

## 22 Other Income

Particulars	As At 31 March 2022	As At 31 March 2021
Profit on Sale of Assets	-	35,872.00
Miscellaneous Income	57,602.58	1,23,36,538.00
Share of Profit from Joint Venture	-	7,01,518.00
Interest recovered on Mobilisation Advance	-	-
Interest on IT Refund	-	-
<b>Interest Income</b>		
<b>On Long Term Investments</b>		
Bank Fixed Deposits	2,16,34,894.00	2,15,00,034.00
Inter Corporate Deposits	-	-
Interest on Investments	-	-
Others	-	-
<b>Total</b>	<b>2,16,92,496.58</b>	<b>3,45,73,962.00</b>

## 23 Cost of Materials Consumed

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Construction Materials, Stores and Spares</b>		
Opening Stock	31,20,58,936.00	47,14,57,531.00
Add: Purchases	90,05,95,294.21	76,89,52,886.00
Less: Closing Stock	21,63,47,303.00	-31,20,58,936.00
<b>Total</b>	<b>99,63,06,927.21</b>	<b>92,83,51,481.00</b>

## 24 Operational Expenses

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Repairs and Maintenance</b>		
Plant and Machinery, Vehicles	61,32,770.66	13,23,502.00
<b>Power and Fuel</b>		
Diesel and Petrol Expenses	4,98,39,096.77	5,10,38,648.00
Electricity Expenses	66,67,804.53	30,23,431.00
<b>Others</b>		
Project Work Expenses	41,59,73,826.94	44,13,44,949.00
Hire Charges for Machinery and others	11,18,30,844.88	5,60,00,251.00
Transport Charges	3,61,62,286.20	6,94,07,948.00
Technical and Engineering Consultancy Services	60,63,811.00	2,08,62,412.00
Testing Charges	32,67,847.00	38,62,983.00
Labour Cess (Recoveries)	1,16,44,043.00	89,57,145.00
Other Recoveries (By Contractees)	1,77,95,641.82	90,22,088.00
Loading and Unloading Charges	37,17,391.00	90,01,678.00
Water Charges	4,07,436.00	10,88,635.00
Other Project Expenses	7,43,082.36	3,97,206.00
<b>Total</b>	<b>67,02,45,882.16</b>	<b>67,53,30,876.00</b>

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

Particulars	As At 31 March 2022	As At 31 March 2021
Opening Stock	40,32,26,510.00	24,84,09,416.00
Less: Closing Stock	51,46,14,650.00	-40,32,26,510.00
<b>Total</b>	<b>-11,13,88,140.00</b>	<b>-15,48,17,094.00</b>

## 26 Employee Benefit Expenses

Particulars	As At 31 March 2022	As At 31 March 2021
Salaries and Wages	14,48,66,972.00	12,53,80,257.00
Contribution to Provident Funds and Other Funds	1,04,27,742.00	1,08,51,840.00
Staff Welfare Expenses	1,48,21,952.80	57,52,785.00
<b>Total</b>	<b>17,01,16,666.80</b>	<b>14,19,84,882.00</b>

## 27 Finance Costs

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Interest Expense on</b>		
Term Loans	4,08,60,273.53	3,57,65,463.00
Working Capital Demand Loans & Cash Credit	4,08,20,653.62	3,05,83,666.00
Mobilisation Advance	98,93,646.00	21,38,653.00
Others	10,73,330.53	21,88,684.00
<b>Other Borrowing Costs</b>	<b>2,89,88,296.19</b>	<b>4,43,73,991.00</b>
		-
<b>Total</b>	<b>12,16,36,199.87</b>	<b>11,50,50,457.00</b>

## 28 Other Expenses

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Auditor's Fee</b>		
Statutory Audit Fee	6,00,000.00	5,00,000.00
Tax Audit Fee	1,50,000.00	1,50,000.00
Other Services	2,00,000.00	50,000.00
Cost Audit	75,000.00	75,000.00
Internal Audit	4,00,000.00	4,00,000.00
Secretarial Audit	2,00,000.00	2,00,000.00
<b>Others</b>		
Bank Charges	98,61,710.66	1,59,24,151.00
LC & BG Issue Charges	3,38,06,503.71	1,37,56,879.00
Commission on Bank Guarantees	2,06,52,184.28	2,04,60,518.00
Rent	83,99,899.00	62,40,301.00
Travelling and Conveyance Expenses	53,02,654.99	36,23,140.00
Repairs and Maintenance of Computers and others	15,91,657.28	38,84,022.00
Office Maintenance	14,53,484.98	9,22,129.00
Security Services	18,71,153.00	12,03,863.00
Rates and Taxes	30,30,508.37	7,13,105.00
Communication Expenses (Postage and Telephone)	7,84,744.02	6,18,558.78
Insurance	63,46,160.25	51,66,338.00
Printing and Stationery	11,68,594.89	5,10,960.00
Professional Charges	2,40,01,403.00	1,76,95,313.00
CSR Expenses	43,14,510.00	23,77,260.00
Foreign Exchange Gain/Loss		3,81,858.00
Sitting Fees to Directors	4,75,000.00	4,25,000.00
Project Site Admin Expenses	11,48,784.00	6,59,733.00
Tender Expenses	1,58,946.99	1,10,325.00
Donations	5,000.00	74,127.00
Bad Debts Written Off	-	3,41,49,065.00
Business Promotion Expenses	2,36,666.40	21,57,836.00
ROC Charges	26,53,999.00	37,590.00
Interest on Statutory Dues	14,01,302.00	48,84,447.00
Prior Period Expenses		-
Miscellaneous Expenses	5,000.00	16,086.00
<b>Total</b>	<b>13,02,94,866.82</b>	<b>13,73,67,604.78</b>

## 29 Earnings Per Share

Particulars	As At 31 March 2022	As At 31 March 2021
Face Value of Shares (in Rupees)	10.00	10.00
<b>Basic and Diluted EPS</b>		
Surplus available to Equity Shareholders (In Rupees)	6,28,33,681.20	12,76,48,659.49
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
<b>Basic EPS</b>	<b>2.62</b>	<b>5.32</b>
Add: Effect of dilutive stock options		
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
<b>Diluted EPS</b>	<b>2.62</b>	<b>5.32</b>
<b>Calculation of Weighted Average Number of Shares</b>		
Opening Number of Shares	2,39,90,600.00	2,39,90,600.00
Issued during the year		
Weighted Average Number of Shares	2,39,90,600.00	2,39,90,600.00

## 30. Contingent Liabilities-

Rupees in Lakhs

Sl.No.	Particulars	31 March 2022	31 March 2021
	<b>Guarantees</b>		
	Collateral given to bankers in respect of Bank Guarantees for the operations carried out by the company	12,501.00	12,501.00
	<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

	<p>Disputed Service Tax Liability for the period 2004-05 to 2008-09 which the Company preferred appeal to CESTAT, Bangalore</p>	592.04	592.04
	<p>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.</p>	69.99	69.99
	<p>Disputed Income tax liability for which the Company preferred appeal to CIT appeals (AY 2015-16)</p>	59.41	59.41
	<p>Disputed service tax liability for the period 2012-13 to 2015-16, which the Company preferred appeal to CESTAT, Hyderabad</p>	1,874.86	1,874.86
	<p><b>Liability for Capital Commitments pending for execution</b></p>		
	<p>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)</p>	230.87	230.87



31. In view of the status of pending disputes of NHAI, PurvanchalVidhyutVikas Nigam Limited which have come to finality and they are decided in favour of the company, going concern concept is assumed and accordingly the status of the working is considered in accounting.

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

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

**35. 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. 1.04crore (previous year Rs. 1.04 crore) for the year ended 31 March 2022.

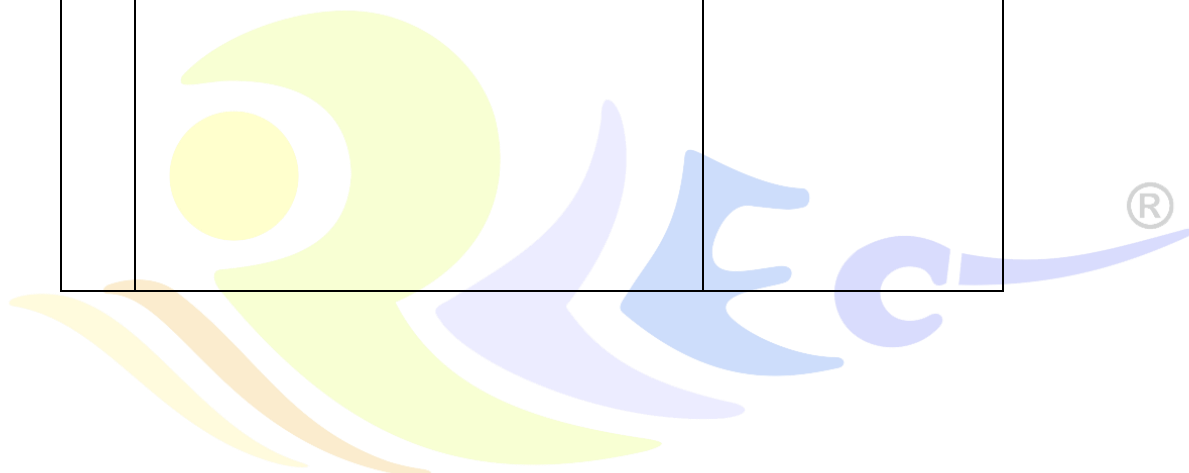
**36. Segment Information**-There is a common CODM assesses the internal reports of all projects that the company is undertaking and accordingly the resource allocation and the key decisions are being handled. Also, that there is a commonality involved in all the projects that the company is undertaking 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.

**37. 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.

**38. Related Party Disclosures**

I	<b>Subsidiary Companies</b>  CQCE-RKEC JV RKEC NG Bhoir and Samudra JV	
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II	<b>Joint Venture</b> RKEC-RANSS Consortium	
III	<b>Key Management Personnel (KMP)</b> Garapati Radhakrishna Garapati Parvathi Devi GV Ram Mohan G Sitaratnam	Managing Director Whole Time Director Whole Time Director Director
	<b>Relatives of Key Management Personnel</b> G Nagapushyami G HimabindhuSree	Daughter of Director Daughter of Director



## **Independent Auditor's Report**

To the Members of **RKEC Projects Limited**

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

#### **Opinion**

We have audited the Financial Statements of **RKEC Projects Limited** (“the Company”), which comprise the Balance Sheet as at 31st March 2022, 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.

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 31st March 2022, its profit, changes in equity and its cash flows for the year ended on that date.

#### **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.

#### **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.

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

3. 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.
4. 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 31<sup>st</sup> March, 2022.
  - 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.

Place: Visakhapatnam

Date: 29<sup>th</sup> May 2022

UDIN: 22206704AJVJWA6321

**For SARC & Associates**

**Chartered Accountants**

**FRN: 006085N**

**(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, 2022:

- (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 31<sup>st</sup> March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under
- (ii)
  - (a) The Company does not have any inventory and hence reporting under clause3(ii)(a) of the Order is not applicable.
  - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, inaggregate, 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-



Sl No.	Sanction Date	Sanction Amount in Cr		Total	O/s Amount	Security against that	Whether Charge created	Security amount	As per Returns/ Statement	Amount of Discrepancy	Reason of Discrepancy
		Funded	Non-Funded								
1	09-06-2021	56.43	210.00	266.43	53.79	Immovable property & pledge of Lic policies & shares	Yes	397.15		Nil	Nil
2	14-12-2020	13.00	7.00	20	12.68	Immovable property	yes	19.49		Nil	Nil

- (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) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable
- (vii) In respect of Statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, 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 Goods and Service tax, 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 in arrears as at March 31, 2022 for a period of more than six months from the date they became payable

- (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
Commercial Taxes, 2016	Service tax and Entry Tax Liability	1,60,38,000		High Court, Andhra Pradesh
Finance Act, 1994	Service Tax Liability	5,92,04,000	FY 2004-05 to FY 2008-09	CESTAT, Bangalore
Building and Other Construction Workers Welfare Cess 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)
Finance Act, 1994	Service Tax Liability	18,74,86,000	FY 2012-13 to FY 2015-16	CESTAT, Hyderabad

- (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(43of1961).
- (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) 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 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 in to 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 auditor 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) 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.

(c) 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: 29<sup>th</sup> May 2022

(AKULA CHANDRA SEKHAR)  
Founder 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, 2022 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, 2022, 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: 29<sup>th</sup> May 2022

(AKULA CHANDRA SEKHAR)  
Founder Partner  
Membership No:206704

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

Amount in Rupees			
Particulars	Note. No.	Figures as at 31-03-2022	Figures as at 31-03-2021
<b>ASSETS</b>			
<b>Non- Current Assets</b>			
a) Property, Plant and Equipment	2	52,13,45,692.88	54,72,30,988.38
b) Capital Work-in-Progress		4,87,072.00	4,87,072.00
c) Investment Property			
d) Goodwill			
e) Other Intangible Assets	3	33,915.00	1,10,172.00
f) Intangible Assets under Development			
e) Biological Assets other than Bearer Plants			
h) Financial Assets			
i) Investments		-	
ii) Trade Receivables			
iii) Loans			
iv) Others (to be specified)			
i) Deferred tax Assets	4	1,32,51,203.76	1,49,58,359.84
j) Other Non- Current Assets			
		<b>53,51,17,883.65</b>	<b>56,27,86,592.22</b>
<b>Current Assets</b>			
a) Inventories	5	74,44,93,184.90	94,58,74,827.55
b) Financial Assets			
i) Investments			
ii) Trade Receivables	6	1,47,97,60,985.85	1,42,77,80,350.65
iii) Cash and cash equivalents	7	26,14,48,107.08	84,34,756.59
iv) Bank balances other than (iii)	8	39,96,16,221.95	37,04,26,800.00
v) Loans	9	1,58,29,940.35	1,06,80,426.00
vi) Others (to be specified)			
c) Current tax Assets (Net)			
d) Other Current Assets	10	23,67,84,982.78	44,95,25,600.90
		<b>3,13,79,33,422.90</b>	<b>3,21,27,22,761.69</b>
<b>Total Assets</b>		<b>3,67,30,51,308.30</b>	<b>3,77,55,09,353.72</b>



<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	11	23,99,06,000.00	23,99,06,000.00
b) Other Equity	12	1,13,10,67,350.26	1,05,54,20,461.61
		<b>1,37,09,73,350.26</b>	<b>1,29,53,26,461.61</b>
<b>Liabilities</b>			
<b>Non- Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	13	48,94,33,789.48	6,05,77,796.81
ii) Trade Payables			
iii) Other Financial Liabilities (other than those specified in item (b) above, to be specified)			
b) Provisions	14	1,37,33,464.00	1,04,90,025.00
c) Deferred tax Liabilities (Net)			
d) Other Non- Current Liabilities			
		<b>50,31,67,253.48</b>	<b>7,10,67,821.81</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	15	88,49,11,963.81	1,01,00,48,185.00
ii) Trade Payables	16	49,85,74,703.34	72,59,67,743.64
iii) Other Financial Liabilities (other than those specified in item (C))			
	17	3,74,66,030.00	3,44,69,133.00
b) Other Current Liabilities	18	34,71,20,019.19	57,90,40,690.67
c) Provisions	19	3,08,37,990.00	5,95,89,317.97
d) Current tax Liabilities (Net)			
		<b>1,79,89,10,706.34</b>	<b>2,40,91,15,070.34</b>
<b>Total Equity and Liabilities</b>		<b>3,67,30,51,308.30</b>	<b>3,77,55,09,353.71</b>
See accompanying notes to financial state		0.00	-0.00
In Terms of our report of even date annexed			
for SARC & Associates Chartered Accountants FRN : 006085N		for and on behalf of board of directors of RKEC Projects Ltd	
Chandra Sekhar Akula Partner Membership No. 206704 UDIN: 22206704AJVJWA6321		G. Radhakrishna Managing Director DIN: 00073080	G.V.Ramamohan Whole Time Director DIN: 6602693
Dt: 29-05-2022 Visakhapatnam		R. Jaychandran CFO	Deepika Rathi Company Secretary

## CONSOLIDATED PROFIT AND LOSS STATEMENT AS AT 31ST MARCH, 2022

Amount in Rupees				
	Particulars	Note. No.	Figures as at 31.03.2022	Figures as at 31.03.2021
I	Revenue From Operations	20	2,10,71,92,543.94	2,07,86,62,539.89
II	Other Income	21	2,72,17,188.85	3,45,73,962.00
III	<b>Total Income (I+II)</b>		<b>2,13,44,09,732.79</b>	<b>2,11,32,36,501.89</b>
IV	<b>Expenses</b>			
	Cost of Materials Consumed	22	99,63,06,927.21	92,83,51,481.00
	Operational Expenses	23	69,53,82,297.22	73,08,54,752.49
	Changes in Inventories of Work-in-Progress	24	-12,27,68,793.29	-15,49,35,893.61
	Employee Benefits Expenses	25	17,01,16,666.80	14,19,84,882.00
	Finance Costs	26	12,39,16,672.79	11,50,50,457.00
	Depreciation and Amortisation Expense	2	3,91,09,882.00	3,98,79,694.97
	Other Expenses	27	13,14,51,309.52	13,75,05,455.54
	<b>Total Expenses (IV)</b>		<b>2,03,35,14,962.25</b>	<b>1,93,86,90,828.76</b>
	<b>Profit/(Loss) before exceptional items and tax (I-IV)</b>		<b>10,08,94,770.54</b>	<b>17,45,45,673.13</b>
V	<b>Exceptional Items</b>		-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>10,08,94,770.54</b>	<b>17,45,45,673.13</b>
VIII	<b>Tax expense</b>			
	(1) Current Tax		2,45,99,605.69	4,49,05,380.16
	(2) Tax Expense for earlier years		33,98,714.60	38,70,487.84
	(3) Deferred Tax		17,07,156.08	-18,65,928.24
	<b>Total Tax Expense</b>		<b>2,97,05,476.37</b>	<b>4,69,09,939.76</b>
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>7,11,89,294.17</b>	<b>12,76,35,733.01</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>Profit/(Loss) for the period (IX+XII)</b>		<b>7,11,89,294.17</b>	<b>12,76,35,733.01</b>
XVI	<b>Earnings per share (for continuing operations)</b>	28		
	(i) Basic		2.97	5.32
	(ii) Diluted		2.97	5.32

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 22206704AJVJWA6321

Dt: 29-05-2022  
Visakhapatnam

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

G. Radhakrishna  
Managing Director  
DIN: 00073080

R. Jaychandran  
CFO

G.V.Ramamohan  
Whole Time Director  
DIN: 6602693

Deepika Rathi  
Company Secretary

## CONSOLIDATED CASHFLOW STATEMENT AS AT 31ST MARCH, 2022

Particulars	Amount in Rupees	
	Figures as at 31-03-2022	Figures as at 31-03-2021
<b>Cash flow from Operating Activities</b>		
Profit before Tax	10,08,94,770.54	17,45,45,673.13
<b>Adjustments for</b>		
Depreciation	3,91,09,882.00	3,98,79,694.97
Loss/(Profit) from Joint Venture		7,01,518.00
Loss/(Profit) on Sale of Fixed Assets	0	-35,872.00
Interest Expense	12,39,16,672.79	11,50,50,456.81
Interest Income	-2,71,59,586.27	-2,15,00,033.65
<b>Operating Profit before Working Capital changes</b>	<b>23,67,61,739.06</b>	<b>30,86,41,437.26</b>
<b>Adjustments for</b>		
Increase/(Decrease) in Trade Payables	-22,73,93,040.30	-24,16,28,915.53
Increase/(Decrease) in Long Term Provisions	32,43,439.00	34,06,647.00
Increase/(Decrease) in Short Term Provisions	-2,87,51,327.97	-3,67,15,879.03
Increase/(Decrease) in Other Financial Liabilities	29,96,897.00	-75,15,699.83
Increase/(Decrease) in Other Current Liabilities	-23,19,20,671.48	19,75,91,789.67
(Increase)/Decrease in Trade Receivables	-5,19,80,635.20	-58,13,00,398.65
(Increase)/Decrease in Inventories	23,46,27,950.80	-3,31,53,645.55
(Increase)/Decrease in Short Term Loans and Advances	-51,49,514.35	15,92,95,305.70
(Increase)/Decrease in Other Current Assets	21,27,40,618.12	-8,75,55,143.90
(Increase)/Decrease in Deferred Tax Assets	17,07,156.07	-18,65,928.24
<b>Cash (used) in/generated from Operations</b>	<b>14,68,82,610.75</b>	<b>-32,08,00,431.09</b>
Income Taxes paid	-2,97,05,476.37	-4,69,09,939.76
<b>Net Cash from Operating Activities</b>	<b>11,71,77,134.38</b>	<b>-36,77,10,370.86</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets, including Intangible Assets, CWIP and Capital Advances	-1,31,48,329.00	-26,38,63,054.50
CWIP	0	22,48,41,808.46
Investment in Joint Venture	-	-
Profit/(Loss) from Joint Venture	-	-7,01,518.00
Proceeds from Sale of Fixed Assets	0	64,18,946.00
Bank Balances not considered as Cash and Cash Equivalents	-2,91,89,421.95	4,36,40,073.35
Interest Received	2,71,59,586.27	2,15,00,033.65
<b>Net Cash from Investing Activities</b>	<b>-1,51,78,164.68</b>	<b>3,18,36,288.96</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from (Repayment of) Long Term Borrowings	42,88,55,995.33	2,13,74,901.60
Proceeds from (Repayment of) Short Term Borrowings	-12,51,36,221.19	39,55,45,632.93
Dividend (Interim) paid during the year (including Dividend Distribution Tax)	-2,87,88,720.00	-
Interest Paid	-12,39,16,672.79	-11,50,50,456.81
<b>Net Cash from Financing Activities</b>	<b>15,10,14,381.35</b>	<b>30,18,70,077.72</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>25,30,13,351.05</b>	<b>-3,40,04,004.18</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>84,34,756.02</b>	<b>4,24,38,760.20</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>26,14,48,107.08</b>	<b>84,34,756.02</b>

## NOTES

### 2 Property, Plant and Equipment as at 31st Mar 2022

Description of Assets	Gross Carrying Value			Depreciation				
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 Mar 2022
	01 April 2021			31 March 2022	01 April 2021			
Freehold Land	50,00,000.00	-	-	50,00,000.00	-	-	-	
Plant and Equipment	53,37,76,957.24	63,71,362.00	-	54,01,48,319.24	5,34,84,446.44	2,61,48,320.00	-	7,96,32,766.44
Furniture and Fixtures	34,06,590.00	56,065.00	-	34,62,655.00	18,04,615.00	4,82,144.00	-	22,86,759.00
Vehicles	7,36,97,262.02	61,09,726.00	-	7,98,06,988.02	1,95,26,626.79	1,01,26,357.00	-	2,96,52,983.79
Office Equipment	1,16,68,816.85	6,11,176.00	-	1,22,79,992.85	55,02,949.00	22,76,804.00	-	77,79,753.00
<b>TOTAL</b>	<b>62,75,49,626.11</b>	<b>1,31,48,329.00</b>	<b>-</b>	<b>64,06,97,955.11</b>	<b>8,03,18,637.23</b>	<b>3,90,33,625.00</b>	<b>-</b>	<b>11,93,52,262.23</b>

### 3 Intangible Assets as at 31st Mar 2022

Description of Assets	Gross Carrying Value			Depreciation				
	As At	Additions	Deductions	As At	As At	For the Period	Adjustments on Sale	Total upto 31 Mar 2022
	01 April 2021			31 March 2022	01 April 2021			
Software	3,12,308	-	-	3,12,308.00	2,02,136.00	76,257.00	-	2,78,393
<b>TOTAL</b>	<b>3,12,308.00</b>	<b>-</b>	<b>-</b>	<b>3,12,308.00</b>	<b>2,02,136.00</b>	<b>76,257.00</b>	<b>-</b>	<b>2,78,393.00</b>

#### 4 Deferred Tax Assets

Particulars	As At 31 March 2022	As At 31 March 2021
Balance of DTA/(DTL) brought forward	1,49,58,359.84	1,30,92,431.60
Depreciation	-20,42,863.99	-6,14,779.88
Provision for Gratuity	3,35,707.92	7,13,556.58
PF/ESI	-	17,67,151.54
<b>Net Deferred Tax Asset/(Deferred Tax Liability)</b>	<b>1,32,51,203.76</b>	<b>1,49,58,359.84</b>

#### 5 Inventories

(At lower of Cost or Net Realisable Value)

Particulars	As At 31 March 2022	As At 31 March 2021
Raw Materials	21,63,47,303.00	54,25,29,517.93
Work-In-Progress	52,81,45,881.90	40,33,45,309.61
Finished Goods		
<b>Total</b>	<b>74,44,93,184.90</b>	<b>94,58,74,827.55</b>

#### 6 Trade Receivables

Particulars	As At 31 March 2022	As At 31 March 2021
More than 3 Yrs	29,76,182.19	30,06,967.00
More than 1 year and less than 3 years	7,81,70,892.00	7,51,99,629.00
More than 6 months and less than 1year	23,70,06,194.14	21,81,65,839.00
>6 Months	1,16,16,07,717.52	1,20,96,14,511.65
<b>Total</b>	<b>1,47,97,60,985.85</b>	<b>1,42,77,80,350.65</b>
<b>Unsecured</b>		
Considered Good	1,47,97,60,985.85	1,42,77,80,350.65
Considered Doubtful		

#### 7 Cash and Cash Equivalents

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Cash on Hand</b>	11,38,657.15	8,86,451.00
<b>Balance with Banks</b>		
(i) In Current Accounts	15,30,63,912.44	75,48,305.59
(ii) In Deposit Accounts	10,72,45,537.49	
<b>Cheques, Drafts on Hand</b>		-
<b>Total</b>	<b>26,14,48,107.08</b>	<b>84,34,756.59</b>

## 8 Other Balances With Banks

Particulars	As At 31 March 2022	As At 31 March 2021
In Earmarked Accounts		
Unclaimed Dividend Accounts	2,03,820.95	4,02,133.00
against borrowings, guarantee and other commitments	39,94,12,401.00	37,00,24,667.00
<b>Total</b>	<b>39,96,16,221.95</b>	<b>37,04,26,800.00</b>

## 9 Loans

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Unsecured and considered good</b>		
Security Deposit	1,58,29,940.35	1,06,80,426.00
<b>Total</b>	<b>1,58,29,940.35</b>	<b>1,06,80,426.00</b>

## 10 Other Current Assets

Particulars	As At 31 March 2022	As At 31 March 2021
Advances to material suppliers	1,93,38,474.90	10,37,57,780.40
<b>Others</b>		
Deposits for enlistment	83,69,072.00	58,41,783.00
Earnest money and other deposits	1,09,59,613.00	69,16,560.00
VAT Input Credit receivable	57,84,869.00	57,84,869.00
GST Receivable	14,09,21,657.18	28,14,16,144.47
Service tax receivable	70,30,500.00	70,30,500.00
TDS Receivable	3,29,80,247.73	1,31,84,868.52
Prepaid Expenses	1,14,00,548.97	1,44,27,975.22
Other advances	-	1,11,65,120.29
<b>Total</b>	<b>23,67,84,982.78</b>	<b>44,95,25,600.90</b>
<b>Others</b>	-	-

## 11 Share Capital

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Authorised</b> 2,50,00,000 Equity shares of Rs.10 each	50,00,00,000.00	25,00,00,000.00
<b>Issued and Subscribed</b> 2,39,90,600 Equity shares of Rs.10 each	23,99,06,000.00	23,99,06,000.00
<b>Total</b>	<b>23,99,06,000.00</b>	<b>23,99,06,000.00</b>

## 12 Other Equity

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Securities Premium Account</b> Balance as per Balance Sheet	16,37,30,000.00	16,37,30,000.00

**Note:** Securities Premium Account is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of Companies Act, 2013.

<b>Surplus in Statement of Profit and Loss</b> Balance as per Balance Sheet	89,61,48,056.09	76,40,54,728.60
Profit/(Loss) for the period	7,11,89,294.17	12,76,35,733.01
Less: Appropriations		
(i) Impairment Loss		-
(ii) Proposed Dividend- Equity Shares		-
(iii) Corporate Dividend Tax thereon		-
<b>Total</b>	<b>1,13,10,67,350.26</b>	<b>1,05,54,20,461.61</b>

## 13 Borrowings -Non Current

Particulars	As at 31-03-2022		As At 31 March 2021	
	Current Maturities	Non- Current	Current Maturities	Non- Current
Term Loans (Secured)				
(a) From Banks				
Rupee Loans	2,92,19,370.00	15,67,49,758.27	3,09,49,978.00	4,88,32,800.00
(b) From Financial Institutions				
Rupee Loans	82,46,660.00	60,38,153.21	35,19,155.00	1,17,44,998.00
(C) From Clients	8,03,28,214.00	32,66,45,878.00		
<b>Total</b>	<b>11,77,94,244.00</b>	<b>48,94,33,789.48</b>	<b>3,44,69,133.00</b>	<b>6,05,77,798.00</b>



#### 14 Provisions

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	1,37,33,464.00	1,04,90,025.00
<b>Total</b>	<b>1,37,33,464.00</b>	<b>1,04,90,025.00</b>

#### 15 Borrowings - Current

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Working Capital Loans</b>		
<b>Secured</b>		
Cash Credit Accounts, Working Capital Demand Loan	50,63,15,930.63	49,95,24,370.00
Other than Cash Credit	17,59,00,000.00	36,07,12,133.00
<b>Unsecured</b>		
From Financial Institutions/ Others		26,22,880.00
From Others (Directors)	20,26,96,033.18	14,71,88,802.00
<b>Total</b>	<b>88,49,11,963.81</b>	<b>1,01,00,48,185.00</b>

#### 16 Trade Payables

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Total Outstanding dues to Micro &amp; Small Enterprises</b>	<b>1,55,81,285.00</b>	1,14,50,380.81
<b>Total Outstanding dues to creditors other than Micro &amp; Small Enterprises</b>		
Acceptances	47,10,79,128.41	41,71,76,141.14
Other than Acceptances	1,19,14,289.93	29,73,41,221.69
<b>Total</b>	<b>49,85,74,703.34</b>	<b>72,59,67,743.64</b>

## 17 Other Financial Liabilities

Particulars	As At 31 March 2022	As At 31 March 2021
Current Maturities of Long term Borrowings	3,74,66,030.00	3,44,69,133.00
<b>Total</b>	<b>3,74,66,030.00</b>	<b>3,44,69,133.00</b>

## 18 Other Current Liabilities

Particulars	As At 31 March 2022	As At 31 March 2021
Revenue received in Advance	8,03,28,214.00	29,35,96,618.00
Other Current Liabilities	26,67,91,805.19	28,54,44,072.67
<b>Total</b>	<b>34,71,20,019.19</b>	<b>57,90,40,690.67</b>

## 19 Provisions

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	13,10,049.00	32,43,439.00
<b>Other Provisions</b>		
Provision for Taxation	-	1,40,75,777.90
Others provisions	2,95,27,941.00	4,21,39,419.00
<b>Total</b>	<b>3,08,37,990.00</b>	<b>5,94,58,635.90</b>

## 20 Revenue from Contracts

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Sale of Services</b>		
Contract Revenue	2,10,49,71,817.94	2,07,36,53,687.58
<b>Other Operating Revenue</b>		
Work Receipts on Technical Services	22,20,726.00	4,23,535.30
Insurance Claim received		16,29,490.00
Others		29,55,827.00
<b>Total</b>	<b>2,10,71,92,543.94</b>	<b>2,07,86,62,539.89</b>

## 21 Other Income

Particulars	As At 31 March 2022	As At 31 March 2021
Profit on Sale of Assets		35,872.00
Miscellaneous Income	57,602.58	1,23,36,538.00
Share of Profit from Joint Venture		7,01,518.00
Interest recovered on Mobilisation Advance		-
Interest on IT Refund		-
<b>Interest Income</b>		
<b>On Long Term Investments</b>		
Bank Fixed Deposits	2,71,59,586.27	2,15,00,034.00
Inter Corporate Deposits		-
Interest on Investments		-
Others		-
<b>Total</b>	<b>2,72,17,188.85</b>	<b>3,45,73,962.00</b>

## 22 Cost of Materials Consumed

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Construction Materials, Stores and Spares</b>		
Opening Stock	31,20,58,936.00	47,14,57,531.00
Add: Purchases	90,05,95,294.21	76,89,52,886.00
Less: Closing Stock	21,63,47,303.00	-31,20,58,936.00
<b>Total</b>	<b>99,63,06,927.21</b>	<b>92,83,51,481.00</b>

## 23 Operational Expenses

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Repairs and Maintenance</b>		
Plant and Machinery, Vehicles	77,94,661.05	13,23,502.00
<b>Power and Fuel</b>		
Diesel and Petrol Expenses	4,98,39,096.77	5,10,38,648.00
Electricity Expenses	66,67,804.53	30,23,431.49
<b>Others</b>		
Project Work Expenses	43,94,41,083.88	49,68,68,825.25
Hire Charges for Machinery and others	11,18,30,844.88	5,60,00,251.00
Transport Charges	3,61,62,286.20	6,94,07,948.00
Technical and Engineering Consultancy Services	60,63,811.00	2,08,62,412.00
Testing Charges	32,67,847.00	38,62,983.00
Labour Cess (Recoveries)	1,16,44,043.00	89,57,145.00
Other Recoveries (By Contractrees)	1,77,95,639.82	90,22,088.00
Loading and Unloading Charges	37,17,391.00	90,01,677.75
Water Charges	4,07,436.00	10,88,635.00
Other Project Expenses	7,50,352.09	3,97,206.00
<b>Total</b>	<b>69,53,82,297.22</b>	<b>73,08,54,752.49</b>

## 24 Changes in Inventories of Work-in-Progress

Particulars	As At 31 March 2022	As At 31 March 2021
Opening Stock	59,61,99,544.61	44,12,63,651.00
Less: Closing Stock	71,89,68,337.90	-59,61,99,544.61
<b>Total</b>	<b>-12,27,68,793.29</b>	<b>-15,49,35,893.61</b>

## 25 Employee Benefit Expenses

Particulars	As At 31 March 2022	As At 31 March 2021
Salaries and Wages	14,48,66,972.00	12,53,80,257.00
Contribution to Provident Funds and Other Funds	1,04,27,742.00	1,08,51,840.00
Staff Welfare Expenses	1,48,21,952.80	57,52,785.00
<b>Total</b>	<b>17,01,16,666.80</b>	<b>14,19,84,882.00</b>

## 26 Finance Costs

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Interest Expense on</b>		
Term Loans	4,08,60,273.53	3,57,65,463.00
Working Capital Demand Loans & Cash Credit	4,08,20,653.62	3,05,83,666.00
Mobilisation Advance	98,93,646.00	21,38,653.00
Others	10,73,330.53	21,88,684.00
<b>Other Borrowing Costs</b>	<b>3,12,68,769.11</b>	<b>4,43,73,991.00</b>
		-
<b>Total</b>	<b>12,39,16,672.79</b>	<b>11,50,50,457.00</b>

## 27 Other Expenses

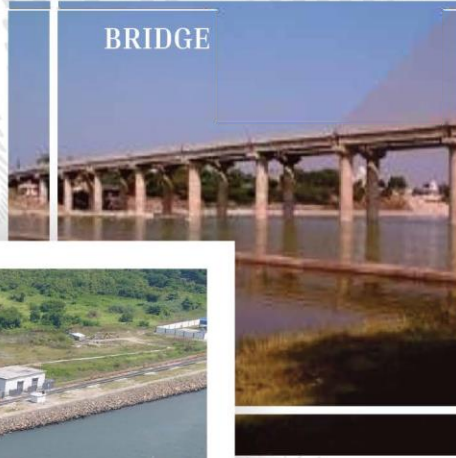
Particulars	As At 31 March 2022	As At 31 March 2021
<b>Auditor's Fee</b>		
Statutory Audit Fee	6,00,000.00	5,00,000.00
Tax Audit Fee	1,50,000.00	1,50,000.00
Other Services	2,00,000.00	50,000.00
Cost Audit	75,000.00	75,000.00
Internal Audit	4,00,000.00	4,00,000.00
Secretarial Audit	2,00,000.00	2,00,000.00
<b>Others</b>		
Bank Charges	98,61,710.66	1,59,24,151.07
LC & BG Issue Charges	3,38,06,503.71	1,37,56,879.29
Commission on Bank Guarantees	2,06,52,184.28	2,04,60,517.68
Rent	83,99,899.00	62,40,301.00
Travelling and Conveyance Expenses	53,02,654.99	36,23,140.00
Repairs and Maintenance of Computers and others	15,91,657.28	38,84,022.00
Office Maintenance	14,53,484.98	9,22,129.00
Security Services	18,71,153.00	12,03,863.00
Rates and Taxes	30,30,508.37	7,13,105.00
Communication Expenses (Postage and Telephone)	7,84,744.02	6,18,558.78
Insurance	63,46,160.25	51,66,338.00
Printing and Stationery	11,68,594.89	5,10,960.00
Professional Charges	2,40,01,403.00	1,76,95,312.72
CSR Expenses	43,14,510.00	23,77,260.00
Foreign Exchange Gain/Loss		3,81,858.45
Sitting Fees to Directors	4,75,000.00	4,25,000.00
Project Site Admin Expenses	23,04,841.65	7,97,583.24
Tender Expenses	1,58,946.99	1,10,325.00
Donations	5,000.00	74,127.00
Bad Debts Written Off	-	3,41,49,064.94
Business Promotion Expenses	2,36,666.40	21,57,836.00
ROC Charges	26,53,999.00	37,590.00
Interest on Statutory Dues	14,01,302.00	48,84,446.89
Prior Period Expenses		
Miscellaneous Expenses	5,385.05	16,086.48
<b>Total</b>	<b>13,14,51,309.52</b>	<b>13,75,05,455.54</b>

## 28 Earnings Per Share

Particulars	As At 31 March 2022	As At 31 March 2021
<b>Face Value of Shares (in Rupees)</b>	<b>10.00</b>	<b>10.00</b>
<b>Basic and Diluted EPS</b>		
Surplus available to Equity Shareholders (In Rupees)	7,11,89,294.17	12,76,35,733.01
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
<b>Basic EPS</b>	<b>2.97</b>	<b>5.32</b>
Add: Effect of dilutive stock options		
Weighted Average Number of Shares (In Nos)	2,39,90,600.00	2,39,90,600.00
<b>Diluted EPS</b>	<b>2.97</b>	<b>5.32</b>
<b>Calculation of Weighted Average Number of Shares</b>		
Opening Number of Shares	2,39,90,600.00	2,39,90,600.00
Issued during the year		
Weighted Average Number of Shares	2,39,90,600.00	2,39,90,600.00



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