



**KNOWLEDGE MARINE & ENGINEERING WORKS LIMITED**  
Ship Builders, Repairers, Charterers and Marine Contractors  
CIN: L74120MH2015PLC269596

**Ref: KMEW/BSE/2022-23/13**

Date: 05<sup>th</sup> September, 2022

To  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001.

**Subject: Annual Report for the Financial year 2021-22**

<b>Script Code</b>	<b>Symbol</b>	<b>ISIN</b>
<b>543273</b>	<b>KMEW</b>	<b>INEOCJD01011</b>

Dear Sir / Madam,

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2021-22 along with the notice convening the 07<sup>th</sup> Annual General Meeting of the members to be held on Friday, 30<sup>th</sup> September, 2022.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

For **Knowledge Marine & Engineering Works Limited**

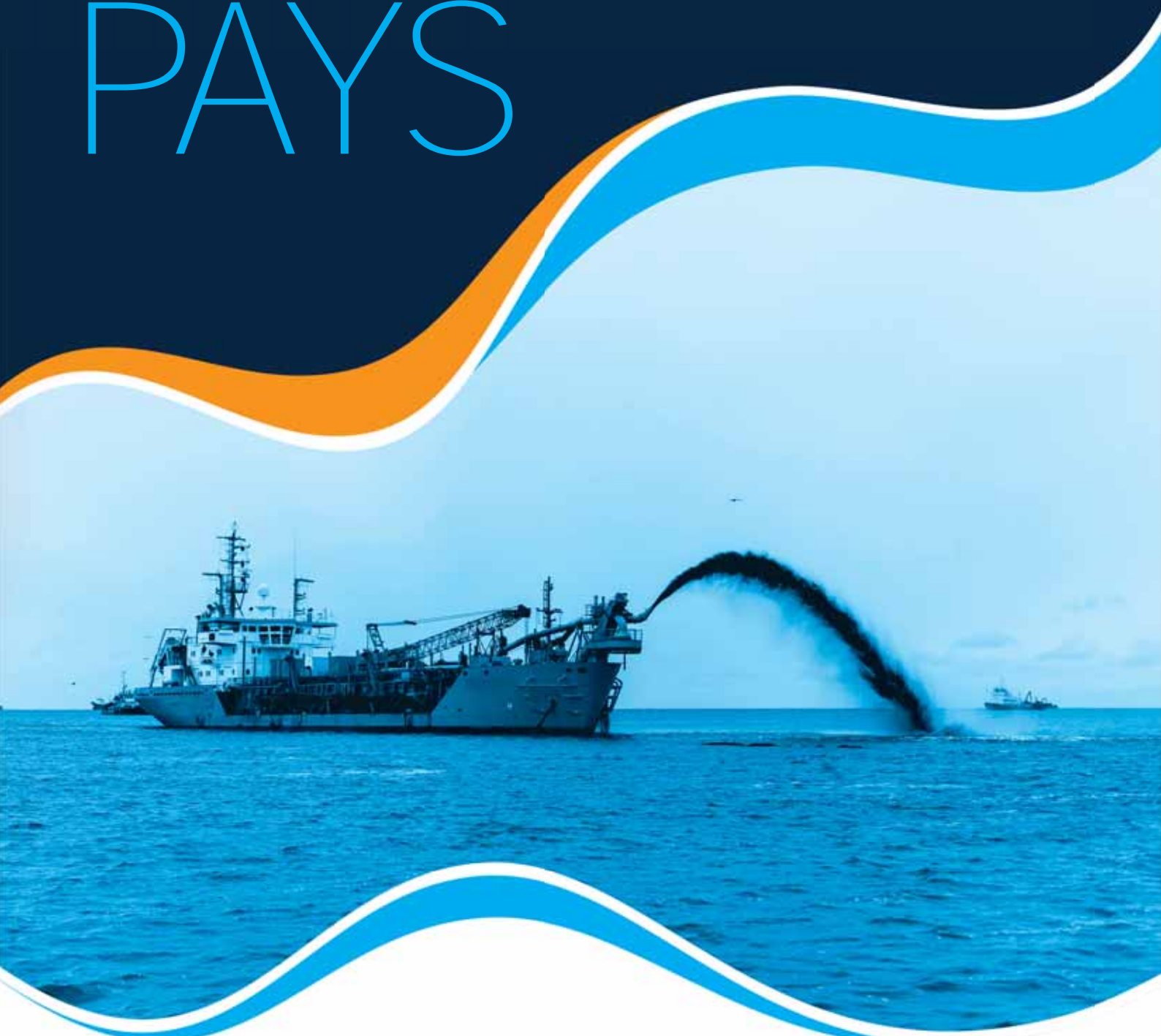
**Ruchi Nishar**  
**Company Secretary & Compliance Officer**  
M. No. A68260



**KMEW GROUP**

Where Business is Passion

# KNOWLEDGE PAYS



ANNUAL REPORT 2022

# Across the pages

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### CORPORATE OVERVIEW

We explain who we are, where we operate, our business model and strategy, corporate action and a summary of how we performed.

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### STATUTORY REPORTS

We explain our approach to various statutory obligation of directors through their reports and mandatory explanations of certain sections through their annexures.

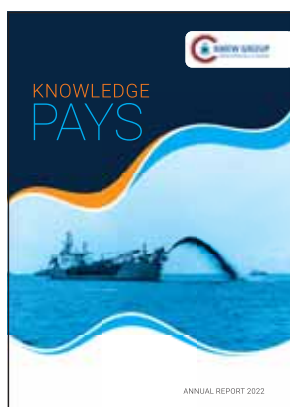
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### FINANCIAL SECTION

This section contains the financial statements, the auditors' report, the accounting policies and the notes forming part of the accounts.

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The cover depicts the core business vertical of the Company. With this KMEW intends to guide its stakeholders how the Company is strengthening its competitive advantage and as a forward looking Company putting its sectorial knowledge in additional customer acquisition, deeper business integration and enhancing efficiencies with the objective to strengthen its business model and competitiveness. The Company has been showing the much needed business agility to stay ahead of the curve and emerge stronger. Over the years under the leadership of its experienced promoters and senior management, it has adopted unconventional business practices which are unique in nature and are the guiding force of their growth. Stepping in 2021-22 and beyond, the Company aims to renew its strategic intent and move ahead with agility



At KMEW, we have always believed that the world is changing dynamically and as a future-focused organisation we would be ready to put our

# Knowledge to work

which would always

# pay-back

as enhanced value creation to all the stakeholders.

In the following pages we would be guiding you how our sectorial experience & quest for excellence and customer-centric focused solutions, have distinctively defined our business to achieve industry leadership in our space.

That's why we always believe

# Knowledge Pays.





## **KMEW IS A MULTI-FACED COMPANY IN ONE.**

**THE COMPANY OPERATES IN DIVERSE BUSINESS SEGMENTS – DREDGING SERVICES, OWNING & OPERATING MARINE CRAFTS AND REPAIRS AND MAINTENANCE / REFITS OF MARINE CRAFTS & MARINE INFRASTRUCTURE.**

It is one of the attractive proxies of growth coming out of India's marine and engineering industry. With government's impetus for development of the country's vast coastline and inland waterways to promote marine-time trade routes is going to accelerate growth in Company's business in the near future.



### **Vision**

To emerge as a global player in the field of marine services by maintaining professional standards with specialist knowledge of environmentally-friendly techniques, innovative approach and focus on health, safety and cost efficiency.



### **Mission**

To provide value addition to ports and marine establishments through holistic, innovative and environmentally sustainable solutions in the fields of Marine Engineering and Construction.



# A SNEAK-PEEK INTO THE COMPANY

KMEW, founded during 2015 is headed by Young generation of Kewalramanis and Daswanis and ably supported by a team of experienced and young professionals, today the Company is a name to reckon within the dredging and small-craft business segment in India.

## Listed

Public Limited Company listed at BSE SME Platform

## EAST AND WEST COAST

Dredging services provided by the Company

## LOWEST CAPEX

Due to experienced repair team and in-house building of fleets

Rs. **182** Crores

Order Book as on March 31, 2022

**~35%**

Return on Capital Employed (ROCE)

**1.5** million M3

Dredging completed from one contract

## SITTWE PORT, MYANMAR

Company's first project outside India

**120+**

Team strength as on March 31, 2022



# PUTTING KNOWLEDGE TO WORK WITH SECTORIAL OPTIMISM



## The huge coastline and inland waterways opportunity

The Indian dredging and marine time engineering industry is significantly driven by the increasing demand for dredging from its major and non-major ports. Owing to the recent developments to encourage local manufacturing coupled with the Make in India initiative and the government's focus for the development of the Indian maritime sector, the marine time sector is expected to gain significantly across the country. Added India which has 12 major ports and nearly 200 non-major ports administered by Central and State Governments, respectively. The Indian ports has also laid huge focus on handling cargo with the accommodation of larger vessels and fulfilling global standards in port infrastructure to achieve economies of scale.










## How KMEW is responding to the opportunity

As one of the leaders in domestic marine engineering services and with the Management's overall experience of 17 plus years, we have developed adequate expertise, resource pool and financial capabilities to work simultaneously in challenging waters and projects. Our strong in-house capabilities uniquely position us to capitalise on emerging opportunities in our domain of the marine engineering services. Our presence across various verticals equips us with flexibility to enter newer ones. Added, the Government's growing emphasis through the Sagarmala Programme, Ship Building Subsidy Scheme and the New Dredging Policy mixed with our geographical and sector diversification has made our growth trajectory robust. It has also equipped us with effective risk mitigation strategies. With this we will continue to extend our trail to overlie new junctions of progress for the country.



### MAJOR HIGHLIGHTS OF ONGOING PROJECTS:

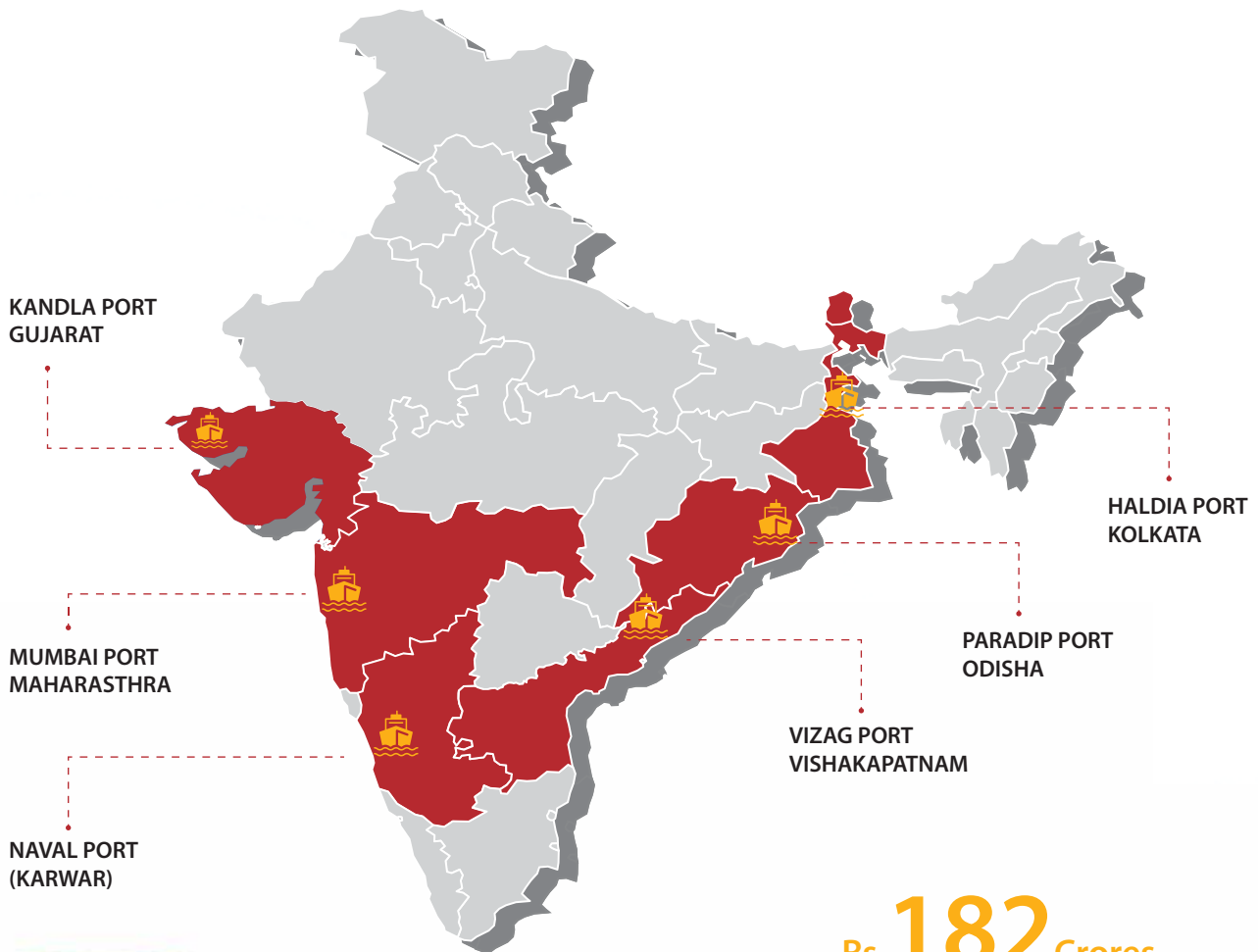
Customers	Location	Geography	Service	Value	Tenure (Years)
 Kolkata Port Trust	West Bengal (East Coast)	Domestic	Maintenance Dredging	Rs. 23 crores Rs. 87 crores	5 5
 Vizag Port Trust	Andhra Pradesh (East Coast)	Domestic	Pilotage Services and Patrolling Speed Boat	Rs. 5 crores Rs. 5 crores Rs. 2 crores	3+2 5 3+2
 Kolkata Port Trust	West Bengal (East Coast)	Domestic	Survey and Pilotage	Rs. 21 crores	7
 Paradip Port Trust	Odisha (East Coast)	Domestic	Mooring Crew	Rs. 0.7 crores	5
 Deendayal Port Trust	Gujarat (West Coast)	Domestic	Mooring Launches	Rs. 9 crores	5+2
 Deendayal Port Trust	Gujarat (West Coast)	Domestic	Service Boat	Rs. 10 crores	5+2
 Ministry of External Affairs, Myanmar	Myanmar (East Coast)	International	Capital and Maintenance Dredging	Rs. 118 crores	2.5+2



# PUTTING KNOWLEDGE TO WORK BY WIDENING GEOGRAPHICAL PRESENCE

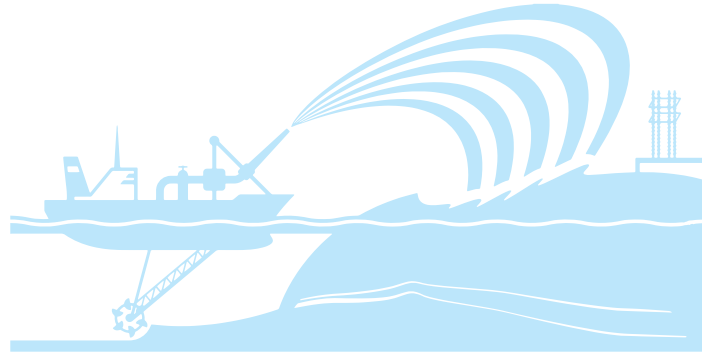
## Domestic footprints

Growth potential domestically had always been a point of triumph for those with domain expertise combined with sectorial knowledge engineering and willingness to be in business with new customers and at newer geographies.



Rs. **182** Crores

Order Book as on March 31, 2022



## International footprints

Since inception, KMEW had focused itself to the waterways geographies within India. The Company have widened its geographic footsteps to neighbouring destination with two main objective: one, to moderate risks associated by being largely present in a single geography and second, to cater our services to the new governments and help the world become a single canvas. The Company has recently been awarded with Kaladan Multi-Modal Transit Transport Project (KMTTP), Sittwe, Myanmar (by Ministry of External Affairs). This expansion will not reinforce our brand equity. It also expected to strengthen our balance sheet, benchmark our operations vis-à-vis global standards.

### Project Description

Dredging and providing maintenance on Access Channel and Port basin at Sittwe Port, Myanmar and Kaladan River for Shipping and Navigation in KMTTP, Myanmar.

**Total Contract Size:** Rs. 118 Crores.

**Project Commencement:** January 2022.

**Project Tenure:**

Capital Dredging till November 2022.

Maintenance Dredging for 2 years starting December 2022.

**Project Partner:**

KMEW (Lead Partner) and Sahara Dredging.

**Deployed Vessel:** River Pearl 8 and other crafts.



**39%**

Net Profit margin stood

# PUTTING KNOWLEDGE THROUGH OUR EFFICIENCIES


Since inception, our perspective had been long-term with respect to investment in assets we deploy at each site for sustainable revenue generation. For more than seven years, we have established our credentials through our talented peoples and the fleet strength.

**Currently we own a versatile fleet of marine crafts with a total investment of Rs. 53 crores.**

# 0.46

Debt : Equity

## Our operational marine assets

Name	Description	VesselSpeed (Knots)	Gross / NetVessel Tonnage	Year Built / Builder	Dimension (L x B x D) mts	Loaded Draft (mts)	Engine Make	BHP / RPM
<b>River Pearl 1</b> 	Survey-cum-pilot boat at Kolkata	12	113 / 34	2017 Katale Shipyard	24.5 x 5.5 x 3.0	1.3	Cummins	600 x 2
<b>River Pearl 2</b> 	Grab Hopper Dredger at Kolkata Port	6	622 / 201	2016 Dhanotra Engg Works	51.0 x 12.0 x 3.6	3.1	Cummins	325 x 2
<b>River Pearl 3</b> 	Pilot Boat at Vizag Port	14	35 / 10	2019 Wadia Shipbuilders	15.6 x 4.2 x 2.3	1.3	Scania	350 x 2 / 2,300
<b>River Pearl 4</b> 	Trailing Suction Hopper Dredger at Kolkata Port	10	1,520 / 456	2019 IHC Dredgers	76.0 x 13.0 x 5.5	4.0	Smith-Man	900 x 2
<b>River Pearl 5</b> 	Fast Patrol Boat for Coastal & Port Security at Vizag Port	20	33 / 10	2021 Synergy Shipbuilders	14.8 x 4.4 x 2.2	0.9	Cummins	455 x 2 / 2,100
<b>River Pearl 6</b> 	Mooring Launches at Vadinar, Deendayal Port	11	16 / 5	2021 Synergy Shipbuilders	11.0 x 3.5 x 1.9	1.1	Ashok Leyland	120 x 2 / 2,400
<b>River Pearl 7</b> 	Mooring Launches at Vadinar, Deendayal Port	11	16 / 5	2021 Synergy Shipbuilders	11.0 x 3.5 x 1.9	1.1	Ashok Leyland	120 x 2 / 2,400
<b>River Pearl 8</b> 	Trailing Suction HopperDredger at Sittwe Port, Myanmar	12	2,326 / 698	2004 Cochin Shipyard	69.9 x 14.6 x 5.4	4.6	Catterpillar	1,000 x 2 / 2,200

## Our under construction marine assets

### River Pearl 9



Description	Speed Patrol Boat
Expected Completion / Builder	Dec 2022 / Synergy Shipyard, Goa
Dimension (Length x Breadth X Depth)	13.1 x 3.8 x 1.9 Meters
Loaded Draft	1 Metre
Vessel Speed	15 Knots
Main Engine Make	Weichai
BHP / RPM	326 x 2

### River Pearl 10



Description	Speed Patrol Boat
Expected Completion / Builder	Dec 2022 / Synergy Shipyard, Goa
Dimension (Length x Breadth X Depth)	21.0 x 7.2 x 3.0
Loaded Draft	2.4
Vessel Speed	11 Knots
Main Engine Make	Cummins

# 34.62%

Return on Assets



# KNOWLEDGE PAYS

The bigger picture of creating value for all our stakeholders drives our strategies and operations. We follow a customer-led approach to business, with a strong focus on sustaining margins and market share. As partners in the nation's progress, we contribute to the economy, as well as the economies of various regions, by making waterways regional connectivity smoothly accessible for inter-state and intra-state as well international routes transfer of goods; through wages, salaries and taxes paid and long-term capital investments.



# KNOWLEDGE PAYS WITH OUR JOURNEY TOWARDS EXCELLENCE

Began with managing repair and refit operations of ships.

Deployed River Pearl 1 Survey-cum-pilot boat at Kolkata Port.

Flagging off ceremony of River Pearl 1 by Shri Mansukh Mandaviya (Minister of State for Ministry of Shipping GOI).

Completion of 1 Million Cubic Meters of Dredging under single order at Kolkata Port by TSHD River Pearl 4.

Construction of Pilot Boat River Pearl 3 and starting of the work at Vizag Port.

Setup of Branch Overseas at Yangon, Myanmar.

Acquisition and major repairs and modification Trailing Suction Hopper Dredger "River Pearl 8".

Successful deployment of TSHD River Pearl 8 at Sittwe Port, Myanmar.

2015-16

2016-17

2017-18

2018-19

2019-20

2020-21

2021-22

Attained 1st Work Contract from Kolkata Port Trust.

Acquisition & Conversion of Hopper Barge River Pearl 2 into Grab Dredger.

Attained Work Contract from Kandla Port of Walkway fabrication.

Induction of TSHD River Pearl 4 at Kolkata Port.

Construction of Pilot Boat River Pearl 3 and starting of the work at Vizag Port.

Successful listing of Company's share at BSE SME Platform on 22nd March, 2021.

Award of International Contract from Ministry of Corporate Affairs for Dredging work at Sittwe, Myanmar.



# FROM THE DESK OF PROMOTERS



**Dear Stakeholders,**

**We take absolute pleasure in reaching out to you through this annual report and also feel proud to announce a successful conclusion to 2021- 22. KMEW maintained a track record of being India's young and leading marine time industry service provider, through its fleet of vessels well supported by professionals who work round the long to make the Company reach new heights.**

Being in an industry historically dominated by large PSU corporations on one hand and small unorganised players on the other, we have won the trust of our customers with valuable engineering inputs and through sustainable operations to help the marine trade function without any adverse implications, and we are proud of this achievement.

### **Successful Initial Public Offering**

We are grateful for the overwhelmingly positive response to our initial public offering (IPO), which was oversubscribed 2.97 times and today is a family of 596 shareholders. As a company, we are honoured by your trust, and this response reinstates our faith in the business strategy and a promising future. This is a big moment for all of us at KMEW, heralding a new beginning in our 7 years of services since inception. The support we receive from you continues to inspire us to work harder.

### **Global overview**

To say the world is in uncharted waters would be an understatement. The adverse impact of a mix of the pandemic, armed conflict and climate change has exposed the fragility of the global system that we had largely considered as having competently learned how to manage itself. It has now dawned on governments across the world that the implications of this multidimensional crisis are hard to predict, may complicate further and that signs of its damaging effects — uncontrolled inflation, disrupted food supplies, increased human displacement, exposed healthcare machinery, stalled education levels and faltering job creation ecosystems — are evident and testing the resilience of every nation.

The overarching takeaway is that despite global instability, India has fared better than almost any other major nation. While there were situations over the past 24 months when it appeared that events were getting out of control, we must give credit where credit is due — India was able to bounce back each time, a testimony to our nation's resilience.

### **Future demand outlook and our diversification strategy**

As far as the future prospects, we are confident that the Indian port infrastructure is expected to grow in the long-term. This will provide an accelerating growth opportunity to ancillary support industries such as dredging companies. The government is also focusing on expanding the sea infrastructure to allow direct trade lines to its ports. This will avoid transit ports thereby reducing the lead times for critical supplies and improve the financial viability of the local ports and also further the growth of geographies. Government is intending to reduce the project timelines of these infra projects by incentivising the ancillary industries for speedy execution and delivery. Few of the estimated market sizes are (a) Port Ancillary Craft Market Size (500 Plus crafts, Rs. 2,000 Crores Annual Basis) (b) Dredging Market (Govt and Private Port, Defence, Shipyard and Oil PSU Business Rs. 5,000 Crores annual basis, and (c) River Dredging Potential Business (Rs. 5,000 Cr annual basis).

KMEW is proud of its portfolio of its legacy services which have

gained huge national importance for the reasons of national security, trade and service opportunities. Our portfolio of services includes dredging and other key port related ancillary services, shipbuilding, conducting hydrographic surveys, pilotage services, patrolling services, ship mooring services, repair, refit services of naval and merchant ships, and providing technical solutions for maintenance and operations of vessels, etc. In the years to come, these services will strongly emerge as opportunities of great potential for the company's growth story for our industry.

Considering the bright future outlook, we have strategised to diversify into new business segments like developing Fishing Harbours, river dredging, rock dredging, entering into Cutter Suction Dredger (CSD) Market, ship building etc. They all are in our consideration for our medium to long term growth story. KMEW has been able to exhibit its operational and managerial expertise in managing various services with firm commitment. Our critical focus on having a judicious capital management has helped us in undertaking prudent investment decisions on acquisition of new vessels and technology. We have demonstrated our competency through various projects undertaken across geographies and fierce global competition

#### Operation front at KMEW

We are delighted to report that the Company has shown an immense resilience in its financial performance, even under market distress. Our operational revenue was up by 84% and EBIDTA up by 53% on Y-o-Y FY22 basis. Our capital management strategy to reduce debt overhang by repaying the debts before the contract tenure has helped us to reduce the cost of debt to 7.5% vis-à-vis over 15% earlier. All thanks to our competent and professional team of all disciplines and their dedication to performance excellence.

KMEW also considers FY22 as a watershed year. We have secured the largest dredging project in our history - the award of our first International contract in assistance with the Government of India to build the strategic port at Sittwe, Myanmar. The project is a collaboration between India and Myanmar and is valued at Rs. 118 Crores with a project tenure of 2.5 years and further extendable by an additional 2 years. The project is financed by the Ministry of External Affairs as part of its Kaladan MultiModal Transit Transport Project, located near the mouth of the Kaladan River.

Currently, we have a strong order book of more than Rs. 210 crores with an average tenure of 2.5 years. On the operations side, FY22 saw us successfully executing 4 dredging contracts and completed more than 6 million cubic meters of dredging.

We have invested in expanding our fleet assets with new additions to the current fleet strength of 9. Two more fleets are in pipeline to be ready by December 2022.

We have been able to manage and maintain healthy financial and operational jurisprudence. All our contracts have a project duration between 36 Months to 84 Months. On a cautious note, our investments in assets are committed only after award of secured long term government contract. Our strong receivable cycle ensure that all liabilities are accounted in less than 45 days as evidenced for last 7 years with GOI.

We have sufficient financial, operational and managerial muscle to compete and bid for single Contract worth Rs.200 Cr thus assuring us of little to no competition. Our long-term debts are

#### Vision 2025

- Strategic tie ups with strategic Partners to create Special Purpose Vehicles (SPVs) with the objective to enter sand mining and Cutter Suction Dredger (CSD) Market
- Venture into Coastal /Inland Dredging,
- Optimize Capacity Utilization.
- Expansion of our geographical presence to nearby countries.
- Enhancement of the Fleet.
- Reducing Capital & Operational Costs.
- Enhancement of market share in maintenance dredging and more participation in capital dredging in India.

aligned with contract duration so that it is ensure that the entire debt is repaid within 60-70% of contract completion.

#### Outlook

The Indian dredging and marine time industry is likely to experience significant expansion in the coming years. The government's plans to create new waterways and ports, as well as upgrade and expand the current ports, will account for the majority of this expansion. The demand for dredging is estimated to reach about 170 million cubic metres in the coming years at existing major ports. In addition, at least eight dredging projects are being considered at existing non-major ports, with an estimated 18 million cubic metres of material to be dredged as part of these projects. Furthermore, the six new ports planned under Sagarmala will create opportunities in the dredging market.

The identification of 106 additional national waterways has created significant potential. Over 200 million cubic metres of dredging volume has been assessed for the next decade for the existing five waterways as well as the 32 new waterways that have been identified as viable for development. Given this increase in dredging requirements, the sector presents ample opportunities.

#### Employees and Society Welfare

We recognise and appreciate our human resources and their constant value-additions. They are our strategic business partners and play a prominent role in supporting and driving our business strategies. Although our major challenge will be to find the right mix of people with domain expertise and skill- sets appropriate for projects requiring high degree of technical skills. We aim to develop competencies of our people by training them in the latest developments in their respective domain.

We have always ensured on boarding the right talent across all the levels of the organisation. We have also provided right work environment for the growth of our employees, ensuring complete job satisfaction. Our employees adapted the 'new covid normal' situation in a very quick time and continued to display same levels of commitment even during the lockdowns and the subsequent waves of pandemic.

#### Thanking note

We are all passing through a crisis of unprecedented magnitude, and we would like to thank Team "KMEW" as well as our customers, vendors and other stakeholders for the confidence and trust they have reposed in us. We also thank our fellow Board Members for their invaluable support in guiding the Company and enabling another year of growth.



# KNOWLEDGE PAYS WITH AN EFFICIENT MANAGEMENT



**Mr. Saurabh Daswani**, Managing Director

Mr. Daswani has completed his graduation from Gujarat University in the field of Commerce. He has also attained an A+ Grade in Post-Graduation Diploma in Business Administration with specialization in Finance. He is also an Inter CA and CS. He has more than 6 years of hands on experience in overall management of the Organisation. His expertise lies in the field of Budgeting and Cost Control giving a most profitable scenario. His roll entails complete grasp over the P&L Account of the KMEW Group. His acumen includes placing strategic bids for various long-term government contracts, project financing, preparing and analyzing MIS. His judgement over capital expenditure and excellent vendor management has built strong and deep routed relationships benefits of which shall be reaped over the next decade by the Group.



**Mrs. Kanak Kewalramani**, Whole-time Director & CFO

Mrs. Kewalramani is a qualified Company Secretary from the Institute of Company Secretaries of India and obtained certification in the year 2008. She completed her bachelorette from State Law College, Bhopal (M.P). She has also attained an A+ Grade in Post-Graduation Diploma in Business Administration with specialization in Finance. She has 12 years of experience in the field of compliance, law, finance and taxation. She is also responsible for the entire accounts, finance, legal and compliances of the Company. Before joining the Group, she was employed with Access Healthcare Services Private Limited, Rendezvous Sports Private Limited and Sanwaria Agro Oils Limited in the compliance and finance team. She was honored by Dena Bank as a Young Women Entrepreneur on International Women's Day 2019. She has contributed in ensuring timely repayments building a strong credit history of the Group.



**Mr. Jagat Jiban Biswas**, Non-Executive Additional Director

Mr Biswas has in depth knowledge of Marine Industry and has an experience of more than 43 years in Marine and Engineering field. After graduating from T.S. Rajendra, Mumbai in 1978, he cleared Competency Examination son Nautical Sciences from DG (Shipping), India. He also acquired Fellowship in Hydrography from India and Pilot's License for river Hugli. Mr. Biswas is experienced in managing a large department of Kolkata Port Trust under Ministry of Shipping, GOI comprising more than 200 Class-I Officers and 1000 employees. He has been managing a fleet of about 50 vessels of Kolkata Port including hired vessels comprising Dredgers, Pilot and survey vessels, tugs etc. He has the experience of handling many large value contracts. Mr. Biswas worked as Director, Marine Department, Kolkata Port Trust, primarily dealing with Conservancy, Port operations, Pilotage, Dredging, Hydrographic Surveying, Marine Projects and allied Legal matters. He was also in charge of General Administration Department including Estate Division, Traffic Department and Hydraulic Study Department of Kolkata Port Trust.



**Mr. Ashish Mohandas**, Independent Director

Mr. Mohandas is a Bachelors of Science in Mathematics from Mahatma Gandhi University, Kottayam and Post Graduate Diploma in Marketing from Tolani Institute of Management Studies, Kutch. He is a Highly professional and experienced Business Manager with over 12 years' experience for MNCs across various states in India.

His experience in the Sales, Marketing & Training in the Construction and Automotive Industries along with his extreme attention to detail and his skills to keep the team motivated has helped many companies achieve turnaround in low market share areas.



### Mr. Sandip Zaveri, Independent Director

Mr. Zaveri is a Bachelors of Engineering from Mumbai University and M.S. Chemical from Stevens Institute of Technology, USA. He has a vast experience of 25 years in the Chemical industry.

He is working as an Executive Director in Chemiesynth Group since last 25 years. He has been instrumental in establishing and working with different Joint Venture partners including with one of the largest chemical MNC's in the world.



### Mr. Sujay Kewalramani, CEO

Mr. Sujay Kewalramani has completed his M.Sc. in Naval Architecture and Marine Engineering from University of New Orleans and completed his B.E. in Naval Architecture and Marine Engineering from State University of New York Maritime College. He has also completed his Post Graduation Diploma in Business Management from Emeritus Institute of Management. Mr. Kewalramani has over 15 years of experience in ship building, repairing, marine operations and dredging industry and has undertaken capital dredging projects like deepening of Kandla Port, Cochin Port, Mumbai Port, and Maintenance dredging of Mumbai Port, Goa port, New Mangalore Port, Paradip Port, Kolkata Port, Karikal Port and Karwar Port.

Apart from dredging work he has 6 Months sailing Experience and Holder of USCG License for sailing as 3rd Engineer for unlimited power steam, diesel and gas turbines. He also holds an Airplane Pilot License for recreational purposes.

Mr. Kewalramani plays a Pivotal role in Incorporation and establishment of KMEW Group since 2013 and has built an order book of Rs. 150 Cr. He is responsible for the management of assets worth Rs. 38 crores for KMEW Group and leads a team of 80 employees.



### Mr. Dinesh Kewalramani, Chief Operations Officer

Mr. Dinesh Kewalramani has done his Bachelors in Marine Mechanical Engineering from Suny Maritime University of New York and has completed his Masters in Marine Mechanical Engineering from the university of New Orleans. He has wide experience of 12 years in the field of Dredging at various major ports of India and had been a part of teams executing Dredging contracts worth more than 1000 Crores in last 12 years. With his wide range of experience and expertise in the operations of marine crafts he is looking after the complete operations of the business which has helped the Company to reduce the down time of all the crafts to zero or negligible.



### Mr. Pinkesh Kewalramani, Chief Technical Officer

Mr. Pinkesh Kewalramani has done his Bachelors in Mechanical Engineering from Indus Engineering of Technology & Engineering, Ahmedabad. Mr. Kewalramani has over 7 years of experience in the field of ship building, repairing, refitting, testing, docking & dock-planning of Marine crafts. With his wide range of experience and expertise in the technical field, he is looking after the new construction, day to day repairs and maintenance of fleet, monitors fuel and vessels efficiency, analysis technical problems, asses feasibility and devises new approaches and alternative solutions, coordinates work with project manager and guides junior staff and technical personnel.



### **Ms. Ruchi Nishar,** Company Secretary

Ms. Ruchi Nishar is an Associate Member of the Institute of Company Secretaries of India and a Law Graduate. She has secured an All India 18th Rank in CS Foundation. Miss Nishar has an experience of 2 years in the field of Corporate Law, Listing Regulations, FEMA Compliances, Legal Drafting and other Compliances. She looks after overall corporate governance and secretarial matters of the Company.



#### **CORPORATE INFORMATION**

##### **STATUTORY AUDITOR**

M/s. R. V. Luharuka & Co LLP

##### **INTERNAL AUDITOR**

M/s. RSSA & Associates

##### **SECRETARIAL AUDITOR**

M/s. Deepak Kewaliya & Co.

##### **BANKERS**

HDFC Bank  
Bank of Maharashtra  
IndusInd Bank

##### **REGISTRAR AND SHARE TRANSFER AGENTS**

LINK INTIME INDIA PRIVATE LIMITED  
C-101, 1 Floor, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400083  
Maharashtra, India

##### **REGISTERED OFFICE**

Office No. 402, Sai Samarath Business Park,  
Deonar Village Road, Govandi (East)  
Mumbai - 400088, Maharashtra, India



## Directors' Report

To  
The Members of,  
**Knowledge Marine & Engineering Works Limited**

Your Directors with great pleasure present herewith their 07<sup>th</sup> Annual Report on the business and operations of the Company together with the standalone & consolidated audited financial statements for the year ended 31<sup>st</sup> March, 2022.

### FINANCIAL SUMMARY:

The financial highlights of the Company for the year under review are summarized below:

(INR in Lacs.)

Particulars	Standalone		Consolidated	
	2021-2022	2020-2021	2021-2022	2020-2021
Revenue from Operations	4946.95	2631.21	6110.63	3328.22
Other Income	43.21	7.46	51.08	13.36
<b>Total Revenue</b>	<b>4990.16</b>	<b>2638.67</b>	<b>6161.71</b>	<b>3341.58</b>
Total Expenses	2374.91	1732.05	3360.93	2389.47
Profit Before Exceptional Items and Tax	2615.25	906.62	2800.78	952.11
Exceptional Items	-	-	-	4.33
<b>Profit Before Tax</b>	<b>2615.25</b>	<b>906.62</b>	<b>2800.78</b>	<b>947.77</b>
Tax Expenses:				
Current Year Tax	578.65	174.53	622.62	180.22
Relating to Prior Years	-	-	-	-
Deferred tax	88.43	79.68	91.38	84.34
MAT Credit	-	-	-	-
Total Tax Expenses	667.08	254.21	714.00	264.57
<b>Profit After Tax</b>	<b>1948.17</b>	<b>652.41</b>	<b>2086.78</b>	<b>683.20</b>
<b>Earnings Per Share</b>	<b>19.03</b>	<b>8.57</b>	<b>19.89</b>	<b>8.98</b>

### NATURE OF COMPANY'S BUSINESS

Your Company has three major business segments Dredging, Owning, and Operating Marine and ancillary Crafts and Repair and Maintenance of Marine crafts and Marine infrastructure.

### STATE OF COMPANY'S AFFAIRS – STANDALONE

During the year under review, Revenue from operations has been increased from Rs. 2631.21 Lacs in FY 2020-21 to Rs. 4946.95 Lacs in FY 2021-22. Your directors are glad to inform that there is significant increase in Percentage of profit of the company from 24.79% in the last year to 39.38% in the current financial year.

Your Directors are putting all their efforts to economize the cost and improve the profitability of the Company. Your Directors are hopeful for the bright future of the Company in the years to come.

### STATE OF COMPANY'S AFFAIRS – CONSOLIDATED

During the year under review, Revenue from operations has been increased from Rs. 3328.22 Lacs in FY 2020-21 to Rs. 6110.63 Lacs in FY 2021-2022. Further the percentage in Profit after Tax has significantly increased from 20.53% in F.Y. 2020-21 to 34.15% for F.Y. 2021-22.

In the FY 2021-22, the Company is holding 50% shareholding in KMEW Offshore Private Limited, 70% in M/s Indian Ports Dredging Private Limited and 74% in M/s. Knowledge Infra Ports Private Limited.

In accordance with the Companies Act, 2013 and other applicable Accounting Standard on consolidated financial statements, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2022, the audited consolidated financial statements forms part of this report.

### CHANGE IN THE NATURE OF BUSINESS

There were no changes in the nature of the business of the Company during the year under review.



## Directors' Report (Contd.)

### DIVIDEND

With a view to deploy the profits into the future expansion and growth of your Company, Board of Directors has not recommended any dividend for the year.

### RESERVE

All of the amount of Profit is transferred to General Reserve during the year under review.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board comprises of following Directors and Key Managerial Personnel (KMP):

Sr. No.	Name	Designation	DIN
1	Mr. Saurabh Daswani	Managing Director	07297445
2	Mrs. Kanak Kewalramani	Whole-Time Director & Chief Financial Officer	06678703
3	Mr. Jagat Jiban Biswas*	Additional Non-Executive Director	07311532
4	Mr. Sandip Zaveri	Independent Director	00158876
5	Mr. Ashish Mohandas	Independent Director	08708036
6	Mr. Sujay Kewalramani	Chief Executive Officer	KMP
6	Mr. Dinesh Kewalramani	Chief Operating Officer	KMP
7	Ms. Ruchi Nishar**	Company Secretary & Compliance Officer	KMP

\* Mr. Jagat Jiban Biswas was appointed as an Additional Non-Executive Director of the Company by the Board at their Board Meeting held on 07<sup>th</sup> January, 2022.

\*\* Ms. Ruchi Nishar was appointed as the Company Secretary & Compliance Office of the Company at the Board Meeting held on 18<sup>th</sup> February, 2022.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under the Companies Act, 2013.

### NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the year under review Board of Directors met 07 (Seven) times and Independent Directors once on 07<sup>th</sup> January, 2022, details of which are summarized below:

Sr. No.	Date of Meeting	No. of Directors attended the meeting
1	28/06/2021	5 (Five)
2	25/08/2021	5 (Five)
3	06/09/2021	5 (Five)
4	13/11/2021	5 (Five)
5	07/01/2022	4 (Four)
6	18/01/2022	5 (Five)
7	18/02/2022	4 (Four)

The Board as on 31<sup>st</sup> March, 2022 comprises of 5 (Five) Directors out of which two Directors are Non-Executive Independent Directors, one Additional Non-Executive Director and one is Whole-Time Director and one Director is Managing Director who is responsible for the day-to-day management of the Company subject to the supervision, direction and control of the Board of Directors. The Company satisfies the criteria of having minimum number of independent directors in the board as per the provisions of Companies Act 2013.

## Directors' Report (Contd.)

### NUMBER OF MEETINGS ATTENDED BY DIRECTORS

Sr. No.	Name of Director	No. of Meeting attended	Number of Membership in Boards of Other Companies*	No. of Membership/ Chairmanship in Other Companies*
1	Mr. Saurabh Daswani	7 (Seven)	NIL	NIL
2	Mrs. Kanak Kewalramani	7 (Seven)	NIL	NIL
3	Mr. Jagat Jiban Biswas	2 (Two)	NIL	NIL
4	Mr. Sandip Zaveri	7 (Seven)	1(One)	NIL
5	Mr. Ashish Mohandas	6 (Six)	NIL	NIL

\*Excludes directorships in Private Limited Companies, Section 25 Companies, Foreign Companies. Membership/Chairmanship in Committee of Directors includes Audit Committee and Stakeholders' Relationship/Grievance Committee of Directors only. This does not include Membership/Chairmanship in Committee of Directors of Knowledge Marine & Engineering Works Limited.

### DECLARATION OF INDEPENDENT DIRECTOR

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company has made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

### DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Pursuant to the requirements under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has enacted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work Place and has an Internal Complaints Committee. There were no cases filed during the year under review.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

### RISK MANAGEMENT POLICY

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. Company recognizes that the risk is an integral part of business and is committed to managing the risk in proactive and efficient manner. The Company had adopted Risk Management System to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the system establishes a structured and disciplined approach to Risk Management.

The management is however, of the view that none of the risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize. The risk management framework is reviewed periodically by the Board and Audit Committee.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3) (c) of the Companies Act, 2013 and also on the basis of discussions with the Statutory Auditors of the Company from time to time, the Board of Directors, to the best of its knowledge and ability confirm that:

- in the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed and there are no material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- they have taken proper and sufficient care 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;
- they have prepared the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2022 on a going concern basis;

## Directors' Report (Contd.)

- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has a proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:

- (a) Providing assurance regarding the effectiveness and efficiency of operations;
  - (b) Efficient use and safeguarding of resources;
  - (c) Compliance with policies, procedures and applicable laws and regulations; and
  - (d) Transactions being accurately recorded and reported timely.
- (d) The Company has a budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.

### MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which financial statements relates as on the date of this report.

### INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE

The Board of Directors have adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and is available on our website <http://www.kmew.in>

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

### REPORTING OF FRAUDS

There were no instances of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board under Section 143(12) of the Act and the rules made thereunder.

### PARTICULARS OF EMPLOYEES

The details of employees remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable and given in Annexure B.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO

Conservation of energy, technology absorption is not applicable as company was not engaged in the manufacturing activity. No foreign exchange was earned during the period. However, the foreign exchange outflow during the period under this report was Rs. 29,93,045.43/- (41718 USD).

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

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year under review, the Company did not enter into any Material transaction (as defined in the Company's policy on related party transactions) with the related parties. All related party transactions are placed before the Audit Committee for review. Prior omnibus approval is obtained for related party transactions on a yearly basis for transactions which are repetitive in nature. All other transactions of the Company with related parties were in the ordinary course of business and at an arm's length. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable. Details of transactions with related parties are disclosed in the Notes to the Financial Statements, forming a part of this Annual Report.

## Directors' Report (Contd.)

### DETAILS OF COMMITTEE OF DIRECTORS (AS ON 31<sup>ST</sup> MARCH, 2022)

#### A. AUDIT COMMITTEE

The composition of Audit Committee consists of two independent directors and Whole-Time Director & CFO. The terms of reference stipulated by the Board to the Audit Committee are as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

During the financial year ended 31<sup>st</sup> March, 2022, Audit Committee meetings were held on the following dates:

(1) 28<sup>th</sup> June, 2021 (2) 06<sup>th</sup> September, 2021 and (3) 13<sup>th</sup> November, 2021

Attendance of Committee members during 2021-22 is as follows:

Name	Chairman/Member	No. of Audit committee meetings	No. of Audit Committee meetings attended
Mr. Sandip Zaveri (Independent Director)	Chairman	3	3
Mr. Ashish Mohandas (Independent Director)	Member	3	3
Mrs. Kanak Kewalramani (Whole-Time Director & CFO)	Member	3	3

#### B. NOMINATION AND REMUNERATION COMMITTEE

During the financial year ended 31<sup>st</sup> March, 2022, the Nomination & Remuneration Committee Meetings were held on the following dates:

(1) 07<sup>th</sup> January, 2022 (2) 18<sup>th</sup> February, 2022

The Composition of Nomination and Remuneration Committee:

Name	Chairman/Member	No. of NRC meetings	No. of NRC meetings attended
Mr. Ashish Mohandas (Independent Director)	Chairman	2	2
Mr. Sandip Zaveri (Independent Director)	Member	2	2
Mr. Jagat Jiban Biswas (Non-Executive Director)	Member	1	1

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has in place the Stakeholders Relationship Committee ("SRC") for the redressal of the grievances of security holders of the Company.

During the financial year ended 31<sup>st</sup> March, 2022, the Stakeholders Relationship Committee Meeting was held on the following date:

(1) 18<sup>th</sup> February, 2022

The Composition, Meetings and Attendance of the committee is as follows:

Name	Chairman/Member	No. of SRC meetings	No. of SRC meetings attended
Mr. Sandip Zaveri (Independent Director)	Chairman	1	1
Mr. Saurabh Daswani (Managing Director)	Member	1	1
Mrs. Kanak Kewalramani (Whole-Time Director & CFO)	Member	1	1

## Directors' Report (Contd.)

### ANNUAL RETURN

In accordance with the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the companies are required to publish a copy of the Annual Return on its website, The Extract of Annual Return is available on our website [www.kmew.in](http://www.kmew.in).

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern. The Policy provides adequate safeguard against victimization of director(s) / employee(s) who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism. The Policy is available on the website of the Company <http://www.kmew.in>.

### CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of the Companies Act, 2013, various circulars and clarifications issued by the Ministry of Corporate Affairs, the Company is not required to constitute a CSR Committee as on date. The Board of the Company is thereby authorized and responsible to carry out all the functions of the CSR Committee.

The CSR Report on the activities undertaken during the year is provided as an Annexure-C to this Report. The CSR Policy is available on the website of the Company at the link: [www.kmew.in](http://www.kmew.in).

### POLICIES OF THE COMPANY

The Board of Directors has formulated the following policies which are available on website of the company <http://www.kmew.in>.

1. Code Of Business Conduct for Directors and Senior Executives
2. Nomination and Remuneration Policy
3. Vigil Mechanism / Whistle Blower Policy
4. Insider Trading - Code of Conduct
5. Fair Disclosure Policy
6. Preservation of Documents and Archival Policy
7. Policy on Determination of Materiality of Events/Information
8. Policy for Related Party Transaction
9. Sexual Harassment Policy
10. CSR Policy

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31<sup>st</sup> March, 2022, the Company has Two subsidiary Companies and one Associate Company. The details of the same are as under: -

Sr. No.	Name of Company	Corporate Identification Number	Nature of Company	Percentage of shareholding
1	KMEW Offshore Private Limited	U74999MH2017PTC291379	Associate Company	50%
2	Indian Ports Dredging Private Limited	U74999MH2017PTC292712	Subsidiary Company	70%
3	Knowledge Infra Ports Private Limited	U74999MH2019PTC324093	Subsidiary Company	74%

A statement containing the salient features of the financial statement of subsidiary in the prescribed form AOC-1 is provided as Annexure A to this Directors' Report. The statement also provides the details of performance, financial position of the subsidiary.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report.



## Directors' Report (Contd.)

### DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

### STATUTORY AUDITORS

M/s. R.V. Luharuka & Co LLP, Chartered Accountants (FRN:100164W/W1000174) were appointed as the Statutory Auditor of the Company at the 06<sup>th</sup> Annual General Meeting of the Company to hold office for a period of 5 years till the conclusion of the Eleventh Annual General Meeting of the Company. M/s. R. V. Luharuka & Co LLP, Chartered Accountants have provided the standalone & consolidated financial statements of the Company for the Financial Year 2021-22 which forms part of this Annual Report. The Statutory Auditors have submitted an unmodified opinion on the audit of financial statements for the Financial Year 2021-22 and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Deepak Kewaliya & Co., Practicing Company Secretary were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2021-22.

Secretarial audit report of the Company as provided by M/s. Deepak Kewaliya & Co.; Practicing Company Secretary is annexed to this Report as Annexure-D.

### INTERNAL AUDITORS

Pursuant to the Section 138 and other applicable provisions, if any, of the Companies Act, 2013, M/s. RSSA & Associates, Chartered Accountants were appointed as the Internal Auditors of the Company for the financial year 2021-22.

### MAINTENANCE OF COST RECORDS AND COST AUDITORS

During the year under review, provisions of the Section 148 of Companies Act, 2013, is not applicable to the Company. Therefore, maintenance of cost records and appointment of cost auditor is not required.

### AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Auditors' Report and Secretarial Auditors' Report do not contain any qualifications, reservations or adverse remarks.

### SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

### CHANGES IN SHARES CAPITAL

The paid-up share capital of the Company as at 31<sup>st</sup> March, 2022 was Rs. 10,23,60,000/- (Rupees Ten Crores Twenty-Three Lakhs and Sixty Thousand) divided into 1,02,36,000 (One crore Two Lakhs Thirty-six Thousand) Equity Shares at a face value of Rs. 10 (Ten) each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights neither granted any stock options nor sweat equity

### CORPORATE GOVERNANCE

Regulation 15(2) (a) of the Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 is not applicable to SME Listed Companies. Hence compliance with Corporate Governance provisions as per Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 are not applicable to company.

### FORMAL ANNUAL EVALUATION:

An annual evaluation of the Board's own performance, Board committees and individual directors was carried out pursuant to the provisions of the Act in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by	Criteria
1.	Each Individual director	Nomination and Remuneration Committee	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.

## Directors' Report (Contd.)

Sr. No.	Performance evaluation of	Performance evaluation performed by	Criteria
2.	Independent directors	Entire Board of Directors excluding the director who is being evaluated	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.
3.	Board, and its committees	All directors	Board composition and structure; effectiveness of Board processes, information and functioning, fulfilment of key responsibilities, performance of specific duties and obligations, timely flow of information etc. The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings.

### HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### DETAILS OF SIGNIFICANT CHANGES (i.e. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREOF, INCLUDING

Ratio	FY 21-22	FY 20 - 21	Change (%)	Reason
Interest Coverage Ratio	13.95	8.47	64.69%	Note1
Debt -Equity	0.46	0.45	2.22%	
Net Profit Margin (%)	39%	25%	56%	
Return on Net Worth	1.9	0.6	216.66%	
Operating Profit Margin (%)	0.56	0.41	36.58%	
Debtors Turnover	26.96	35.46	23.97%	
Total Debts to Total Assets Ratio	0.25	0.28	10.71%	
Long Term Debts to Working Capital	2.15	1.10	95.45%	Note 2
Inventory Turnover ratio	NA	NA	NA	Note 3

#### Notes:

1. There was a surge in the revenue of the Company due to Dredging Contract at the Sittwe Port, Myanmar bagged by the Company which led to such significant change in the ratios of the Company.
2. Increase in Long Term Loan on purchase of Fixed Assets to the Company.
3. The Company is into service industry and hence does not possess any inventory.

### ACKNOWLEDGEMENT

Your directors place on records their sincere thanks to business associates, shareholders, consultants and various government authorities for their continued support. The Directors also thank the executive, employees and staff of the Company for their valuable services and support during the year.

For and on behalf of the Board of Directors  
**Knowledge Marine & Engineering Works Limited**

Date: 26/08/2022  
 Place: Mumbai

**Saurabh Daswani**  
 Managing Director  
 DIN: 07297445

**Kanak Kewalramani**  
 Director & CFO  
 DIN: 06678703

## Directors' Report (Contd.)

### ANNEXURE- A

#### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

Sl. No.	Particulars		
		1	2
	Name of the subsidiary	Indian Ports Dredging Private Limited	Knowledge Infra Ports Private Limited
	The date since when subsidiary was acquired	20.03.2017	15.04.2019
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April-March	April-March
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
	Share capital	1,00,000	1,00,000
	Reserves & surplus	1,06,49,533	91,00,274
	Total assets	1,57,03,918	8,47,47,629
	Total Liabilities	1,57,03,918	8,47,47,629
	Investments	-	-
	Turnover	5,42,86,641	27,28,96,984
	Profit before taxation	38,77,056	69,82,597
	Provision for taxation	9,93,481	17,57,306
	Profit after taxation	28,83,575	52,25,291
	Proposed Dividend	NIL	NIL
	% of shareholding	70	74

Names of subsidiaries which are yet to commence operations- NIL

Names of subsidiaries which have been liquidated or sold during the year- NIL

#### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate Company	KMEW Offshore Private Limited
Latest audited Balance Sheet Date	31/03/2022
Shares of Associate held by the company on the year end	Equity
No. of shares	7,50,000
Amount of Investment in Associate Company	Rs. 75,00,000/-
Extent of Holding (in %)	50
Description of how there is significant influence	Holding 50% shares in the Associate Company
Reason why the associate/joint venture is not consolidated	Considered in Consolidation
Net worth attributable to shareholding as per latest audited Balance Sheet	3,72,50,714
Profit/Loss for the year	76,93,056
Considered in Consolidation	Yes
Not Considered in Consolidation	-

There are no Joint Venture Company.

- Names of associates or joint ventures which are yet to commence operations: - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year.- NIL

For and on behalf of the Board of Directors  
**Knowledge Marine & Engineering Works Limited**

Date: 26/08/2022  
Place: Mumbai

**Saurabh Daswani**  
Managing Director  
DIN: 07297445

**Kanak Kewalramani**  
Director & CFO  
DIN: 06678703

## Directors' Report (Contd.)

### Annexure B

The information as required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2018 is given hereunder.

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sr No.	Name of Director/KMP	Ratio to Remuneration of Median Remuneration
<b>Executive Directors</b>		
i.	Saurabh Daswani	24.25
ii.	Kanak Kewalramani	24.25
<b>Non-Executive Directors</b>		
i.	Jagat Jiban Biswas	1.936
ii.	Sandip Zaveri*	-
iii.	Ashish Mohandas*	-

\* Non-executive Independent Directors were paid sitting fees. Sitting fee do not constitute an element of remuneration.

- The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Sr No.	Name of Director/KMP	Percentage Increase in Remuneration
i.	Saurabh Daswani	0.00%
ii.	Kanak Kewalramani	0.00%
iii.	Jagat Jiban Biswas	-
iv.	Sandip Zaveri	-
v.	Ashish Mohandas	-
vi.	Sujay Kewalramani	-
vii.	Dinesh Kewalramani	39.59%
viii.	Pinkesh Kewalramani	19.14%
ix.	Ruchi Nishar	-

Note: Mr. Jagat Jiban Biswas, Non-Executive Director and Ms. Ruchi Nishar, Company Secretary have joined the Company on 07<sup>th</sup> January, 2022 and 18<sup>th</sup> February, 2022 respectively so previous year comparative data is not available.

- The percentage increase in the median remuneration of employees in the financial year: There is an increase of 22.76% in the median remuneration of employees in the financial year.
- The number of permanent employees on the rolls of company  
There were 87 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with percentile increase in the managerial remuneration:  
Average percentile increases in the salaries of the employee other than the Managerial Personnel in the Financial Year 2021-22 was 17.23% and the increase in the salary of the Managerial Personnel was 14.99%.  
There is no direct relationship between the average increase in remuneration and Company performance. The Company takes various things like inflation, market trend and other related issue at the time of increase in remuneration of the employee. The individual performance is also one of the major criteria in increase of remuneration.
- Affirmation that the remuneration is as per the remuneration policy of the company:  
The Directors hereby confirm that the Company is paying remuneration to Directors & Employees as per the remuneration policy of the Company.
- Statement showing details of employees of the company as per Rule 5(2) and Rule 5(3) of the Companies Act, 2013:  
NA
- The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:  
During the financial year none of the employee received remuneration in excess of that drawn by the Managing Director or Whole-time director of the Company.

For and on behalf of the Board of Directors

**Knowledge Marine & Engineering Works Limited**

**Saurabh Daswani**  
Managing Director  
DIN: 07297445

**Kanak Kewalramani**  
Director & CFO  
DIN: 06678703

Date: 26/08/2022  
Place: Mumbai

## Directors' Report (Contd.)

### Annexure-C

#### Annual Report on Corporate Social Responsibility Activities

[As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

To implement CSR Initiatives in both letter and spirit through appropriate procedures and reporting and to initiate projects that benefit the community at large.

2. Composition of CSR Committee:

As per the provisions of the Companies Act, 2013, various circulars and clarifications issued by the Ministry of Corporate Affairs, the Company is not required to constitute a CSR Committee as on date. The Board of the Company is thereby authorized and responsible to carry out all the functions of the CSR Committee.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company at [www.kmew.in](http://www.kmew.in).
4. 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 (attach the report): Not Applicable
5. 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:

Si. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	FY 2018-19	NIL	NIL
2	FY 2019-20		
3	FY 2020-21		
	Total	NIL	NIL

6. Average net profit of the Company as per section 135(5): Rs. 4,87,19,047/-
7. (a) Two percent of average net profit of the Company as per section 135(5): Rs. 9,74,381/-  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
 (c) Amount required to be set off for the financial year, if any: NIL  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 9,74,381/-
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent				
	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 Fund	Amount	Date of Transfer
9,74,390	Nil	-	-	Nil	-

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

As per Annexure I to this Report

- (c) Details of CSR amount spent against other than ongoing projects for the financial year: NA
- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: Not applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): During the year ended 31<sup>st</sup> March, 2022, the Company has spent Rs. 9,74,390.



## Directors' Report (Contd.)

(g) Excess amount for set off, if any:

Si. No.	Particulars	Amount (in Rs.)
1	Two percent of average net profit of the Company as per section 135(5)	9,74,381
2	Total amount spent for the financial year	9,74,390
3	Excess amount spent for the financial year [(ii)-(i)]	9
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years [(iii)- (iv)]	9

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable  
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):
- a) Date of creation or acquisition of the capital asset(s): None  
 b) Amount of CSR spent for creation or acquisition of capital asset: Nil  
 c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable  
 d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors  
**Knowledge Marine & Engineering Works Limited**

Date: 26/08/2022  
 Place: Mumbai

**Saurabh Daswani**  
 Managing Director  
 DIN: 07297445

**Kanak Kewalramani**  
 Director & CFO  
 DIN: 06678703

## Directors' Report (Contd.)

### Annexure I to Annexure C

#### Details of CSR Amount spent against ongoing projects for the Financial Year

Si. 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 for the project (in Rs.).	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District						Name	CSR Registration No.
1.	Heal Bundelkhand	Livelihood	No	Madhya Pradesh	Bundelkhand	3 months	9,74,390	9,74,390	0	No	Well wisher Education & Social Welfare Society	06/09/01/09221

## Directors' Report (Contd.)

### Annexure-D

#### Form No. 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 No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Knowledge Marine & Engineering Works Limited**  
Office No. 402, Sai Samarath Business Park,  
Deonar Village Rd. Govandi East,  
Mumbai – 400 088  
Email – info@kmew.in

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Knowledge Marine & Engineering Works Limited hereinafter referred as the "Company").

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my Opinion thereon. Based on my 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, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 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 there under **(Not applicable)**;
- (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 thereunder to 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) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 & The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable during the period under review)**
  - g) 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;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the period under review)**
  - i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **(Not applicable during the period under review)**
  - j) The Securities and Exchange Board of India (Issue & Listing of Non-Convertible & Redeemable Preference Shares) Regulations, 2013; **(Not applicable during the period under review)**

## Directors' Report (Contd.)

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

- (i) Secretarial Standards with regard the meeting of Board of Directors (SS-1) and for General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

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

### I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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 with well 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.

All decisions were carried out unanimously and no dissent was captured and recorded as part of the minutes.

**I further report that** based on the review of compliance mechanism of the Company, 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.

For **Deepak Kewaliya & Co.,**  
Practicing Company Secretary

Place: Mumbai  
Date: 05<sup>th</sup> May, 2022  
UDIN: A022333D000274035

**CS Deepak Kewaliya**  
Mem No: ACS – 22333  
CoP No: 21607

# Management Discussion and Analysis

## Industry Background and Future Projection

A report by Future Market Insights (FMI) expects the global **dredging market** to reach a valuation of **US\$ 15.6 Bn** in 2022, and **US\$ 22.3 Bn** by 2032, at a CAGR of **3.7%**. The government sector activities such as coastal protection, trade activities, and mining projects, currently account for more than **40%** of **dredging services**.

East Asia is expected to be a dominant player with a booming mining and trade activities, with a share of **29.6%** in the global share. Seaports will account for predominant share of dredging services which need to carry out maintenance repeatedly due to soil erosion or soil degradation in the area. Underground mining is another activity that will account for almost **27%** of the dredging services share.

Investment is to rebound in industrialized & developing economies, emerging markets, as well buoyed by domestic demand. Emergence of the mega-cities most of which are in flood-prone zones, will further boost the growth of dredging services.

After a strong recovery in 2021, short-term indicators of global economy indicate slowdown of economic activity. As per the World Economic Outlook, the estimated global growth is projected to decline from 6.1 % in FY 2021 to 3.6 % in FY 2022–23. Further, the global trade growth is projected to slow from an estimated 10.1 % in FY 2021 to 5 % and 4.4% in FY 2022 and FY 2023 respectively. The estimated global dredging market of USD 15.7 Bn in FY 2022, is projected to reach USD 21.4 Bn by FY 2032, growing with a CAGR of 3.3% from FY 2022 to FY 2032.

Sales in the dredging market grew at **1.2%** CAGR during 2017 to 2021 and as per FMI, the demand is expected to grow by **3.1%** in 2022, mainly due to **dredging services requirement** for port and coastal related activities such as land protection, reclamation, development and trade maintenance activities.

With the growth of the oil and gas sector, the need for **dredging** is increasing at an exponential rate. According to the International Energy Agency's (IEA) publication 'Oil 2020- Analysis,' global oil production capacity is expected to exceed 5.9 million barrels per day (mbpd) by 2025 basis the demand for distillate fuel consumption of 4.0 mbpd on average by 2022.

## Sectors impacting Dredging Services

The prospects of dredging industry are intertwined with the broader developments in the global trade in sectors like power, infrastructure, construction and tourism. The boom in construction sector especially of new airports and beach reclamations accounts for a sizeable share of total revenues generated by dredging companies. Hence the outlook on global seaborne remains buoyant, with global projects, likely to provide growth opportunities to dredging manufacturers.

The oil and gas segment is projected to create an absolute dollar opportunity of more than **US\$ 1.6 Bn** during the forecast period for the **dredging service providers**.

**Dredging service providers** will be benefiting from increasing expenditure on different energy infrastructure projects such as offshore wind farms. Currently, there are 162 offshore wind farms are running worldwide and 26 more are under construction currently. The energy infrastructure projects alone will create an absolute dollar opportunity of more than **US\$ 875.9 Mn** for FY2022.

**Dredging services** demand is buoyed by the increasing demand from infrastructure projects especially in the energy sector, such as hydro, solar, and other renewable energy industries.

Dredging services are also critical to manage coastline protection & its dynamic nature for trade, for beach replenishment. The imminent risk of flooding due to natural disasters and aftereffects of climate change, etc have a direct impact on highly populated coastal lines considering the expected half of world's population live within 100 Kms of shoreline by 2030.

Similarly, in the gulf region, focus is on restoring the barrier islands and wetlands that provide natural storm protection. The CPRA intends to restore 18 dredging an area covering 79 million cubic yards of dredged material to develop or nourish over 14,000 acres of coastal wetlands, during the fiscal year 2023.

Tourism is another sector which will boost the need for dredging services either through beach replenishment and reclamation projects. As per data from World Tourism Organization (UNWTO), FY 2020 saw an estimated 210 Mn of international tourist arrivals, an over 87% fall vis-a-vis FY 2019. The leisure activity is expected to hold a valuation of over USD 823 mn in FY 2022.

Tourism industry, despite the global geo-political uncertainty and pandemic, is projected to grow at a brisk pace in the foreseeable future, providing opportunities to dredging service providers in the due course.

## Market Analysis

The US **dredging market** is projected to grow at a CAGR of **2.1%** and expected to be worth around **US\$ 1.5 Bn**, by the end of 2032 driven by increasing investments for the improvement of port infrastructure and growing mineral output.



## Management Discussion and Analysis (Contd.)

East Asia **dredging market** is mainly led by China which is expected to hold **25%** of the share in 2022. **Dredging equipment manufacturers** are expected to benefit by China's efforts to create growth opportunities for increasing its global trade and supporting maintenance activities to support its well-developed oil & gas industry.

In India, there is an urgent and emerging focus for self-dependence on fuel technology resulting in industries such as energy, mining, and oil and gas, propelling the demand for dredging service. The increasing capital investments and maintenance dredging activities at Indian ports will drive the growth of the dredging services in the coming years with sales projected to increase at a **3.4% CAGR**, reaching a valuation of **US\$ 796.6 Mn** by 2032.

### Measures undertaken to expand the markets

One of the critical factors impeding the growth in the dredging market is the emission. To manage and maintain strict emission norms, manufacturers of dredging equipment are adapting and innovative practices through technological development. Alternate eco-friendly fuels, **dredge monitoring systems** and equipment upgrades are undertaken to improve efficiency and production of the dredging services sector.

Major companies operating in the global dredging market are increasingly becoming competitive by offering standalone and customer-specific solutions or a bouquet of solutions. These companies thrive on their USPs like specialized contracts and agreements, new product development, and partnerships as part of their growth strategies to maintain their market position.

### Policy Support

The Sagarmala Programme is a flagship initiative by the GoI under the Ministry of Shipping to promote port-led development in the country by exploiting our vast coastline, waterways and their strategic location on key international maritime trade routes. The objective is to aid and support India's logistics sector thus making maritime infrastructure to be the harbingers of growth and drivers of economic activity in coastal areas.

The project is expected to cost US\$120 billion to exploit the potential of our 7,517 km long coastline, 14,500 km of potentially navigable waterways and its strategic location on key international maritime trade routes. The investment is directed towards building new mega ports, modernizing existing ports, developing of 14 Coastal Economic Zones (CEZs) and Coastal Economic Units, enhancing port connectivity via road, rail, multi-modal logistics parks, pipelines & waterways.

Besides, it will promote coastal community development, and generate around 10 million direct and indirect employment opportunities for the locals.

With the setting up of modern world-class Ports and its integration with the development of the Industrial clusters & hinterland, and efficient distribution systems through multi-modal transportation, India will see a boost in its merchandise exports by US\$110 billion.

Government of India's grant of financial assistance for shipbuilding contracts under its Financial Assistance Policy will set the tone for many potential investments by the shipyards.

The draft Inland Vessels Bill, 2020 is to address new standards of safety and environment regulation and the current technology changes.

The Inland Vessels Bill, 2021 in lieu of the Inland Vessels Act, 1917, provides for the regulation of inland vessel navigation by States including the registration of vessels, and safe carriage of goods and passengers.

Make in India is a major national programme of the GoI to facilitate investment in domestic manufacturing, foster innovation, enhance skill development, protect intellectual property and build best in class manufacturing infrastructure in the country. The programme ensures purchase preference to domestic suppliers/contractors.

As per the new guidelines framed by the shipping ministry, all the state-owned ports are directed to finalize capital and maintenance dredging contracts on the basis of open competitive bidding. Further, the directive ensures that any Indian firm owning Indian flag dredgers shall have the first right of refusal if their rate is within 10% of the lowest price quoted by a foreign dredging contractor in a public tender.

### Growth Strategies

#### Fishing Harbour

Our extensive experience in the related structure and our well-established networks and relationships, we plan to develop and operate fishing harbour, an adjacency area for our portfolio of services. We have already submitted commercial proposals to various Fisheries Departments and are expecting the bid finalization soon.

## Management Discussion and Analysis (Contd.)

### Cutter Suction Dredgers (CSDs)

Plans are afoot to tie up with a strategic partner to create a Special Purpose Vehicle (SPV) with the objective is to enter sand mining segment. CSDs are high-cost hydraulic dredger equipment, are critical for all major dredging projects and will dredge nearly all kinds of terrains and soils. These equipment are specifically used where the ground is too hard for trailing suction hopper dredgers.

### Ship Building

With new opportunities coming out of government projects like Sagarmala, Ship Building will be an emerging sector which will have a huge potential in the mid to long term. We intend to create a new vertical for construction of ships and other floating vessels in partnership with a major Indian shipyard. Our strong and existing relationship with key Government agencies will be leveraged to cater to their new fleet requirements

### Internal Control Systems and their Adequacy:

KMEW strongly believes in a tightly integrated process driven approach to monitor the performance of all its core functions to drive a set of well-defined objectives. All the functions have well documented SOPs, KPIs against which all the activities of the function are audited at regular intervals. All the critical functions are subjected to strict compliance of their policies which are reviewed periodically to ensure its alignment to prevailing government policies and regulatory acts. The internal control systems mandates checks and balances to help the Company to assure the safety and security of all its infrastructures and assets and its authorized use. The Audit Committee is empowered to evaluate policy adequacy and to initiate measures to strengthen them.

### Human Resource

We believe our "Human Resources" as our key assets. We support all HR initiatives that drive performance excellence and promote a culture of camaraderie & team spirit amongst our employees. Our primary focus is on recognising internal talent for which we periodically put the employees to various departments to find their right fit and help them to realize their full potential.

The performance management system is strongly oriented to build a sense of ownership and accountability amongst our employees. Our integrated HR system fully takes care of Recruitment to Retirement policies. Our strong belief in employee empowerment is focused on creating an employee-friendly and Best Place to Work environment.

### Safety and Health

Our audit framework is strongly interwoven with our standard operations cycle and involves periodic safety and environmental audits. The framework also ensures regular employee health check-ups and their training related to safety. We strictly abide by the provisions of the central acts like CLRA ie., the employment of contract labour, the regulation of their terms and conditions of service and wherever possible, its abolition obligations on the contractor like provision of rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages, etc. We, as the principal employer, are aware of our obligations, penalties, for contravention of the provisions of the CLRA and hence, monitor performance of the contractors at regular intervals.



# FINANCIAL SECTION

# Independent Auditor's Report

To the Members of

**M/s Knowledge Marine & Engineering Works Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying financial statements of M/s Knowledge Marine & Engineering Works Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ('Act'), as amended in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit / loss account 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), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

### Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### Information other than the Financial Statements and Auditor's Report thereon.

Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report but does not include the Standalone 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 such 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.

### Management's and Board of Directors' Responsibility for the Standalone Financial Statements

Company's Management and 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 and presentation of these standalone financial statements in term of the requirements of the Act that give a true and fair view of the financial position, profit and loss (financial performance), and cash flows of the Company in accordance with the accounting principles generally accepted in India, and as per Indian GAAP as 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Management and Directors of the Company, as aforesaid.

## Independent Auditor's Report *(Contd.)*

In preparing the financial statements, management and Board of Directors are 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 / Board of Directors 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 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 auditors' 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 for the year ended 31st March 2022 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, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in **Annexure "A"** a statement on the matters specified in the said order, to the extent applicable.



## Independent Auditor's Report (Contd.)

- 2) Further, as required by Section 143 (3) of the Act, based on our audit report, we report, to the extent applicable to 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 of the aforesaid financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements 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 relevant books of account maintained for the purpose of preparation of the standalone financial statements;
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2014, as amended;
  - e) On the basis of 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial Reporting.
  - g) In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanation given to us:
    - (i) Company does not have any pending litigations which would impact its financial position.
    - (ii) Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses, and
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - i)
    - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; [Refer note 11 (h) of the Additional note to financial statements.]
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and [Refer note 11 (h) of the Additional note to financial statements.]
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement;
  - j) The Company has not declared or paid any dividend during the year

For **R V Luharuka & Co LLP**  
Chartered Accountants  
FRN: 105662W/W100174

**Ramesh Luharuka**  
Partner

MRN: 031765

UDIN – 22031765AINDCN4116

Place: Mumbai  
Date – 6th May, 2022

## Annexure A to the Independent Auditor's Report

### Annexure A to the Independent Auditor's Report of even date to the members of M/s Knowledge Marine & Engineering Works Limited on the financial statements for the twelve months period ended 31st March 2022.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's fixed assets
  - a. [A] Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
[B] The Company has no intangible assets, hence not applicable.
  - b. The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
  - c. According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
  - d. According to the information and explanation given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e. According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
- ii. In respect of the Company's Inventory
  - a. As explained to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
  - b. Company is in the business of providing services related to Shipping and does not have any physical inventories. Accordingly, reporting under clause 3(ii) is not applicable to the Company. However, during the course of services there are some consumables used which are purchased as per the requirement.
  - c. As disclosed in note C to the financial statements, the Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from Banks during the year on the basis of security of current assets of the Company. The monthly statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments and granted Corporate Guarantees to its subsidiaries / associates / Joint Ventures during the year, details of such investments and guarantees are stated in sub-clause (a) below.

- a. I. To Subsidiaries, Joint Ventures, Associates – Investments (Rs. In lakhs)

S. No.	Name of the Subsidiaries	Aggregate amount during the year	Balance outstanding as on 31.03.2022
1	M/s KMEW Offshore Private Limited	75.00	75.00
2	M/s Indian Ports Dredging Private Limited	0.70	0.70
3	M/s Knowledge Infra Ports Private Limited	0.74	0.74

- II. To Subsidiaries, Joint Ventures, Associates – Corporate Guarantees (Rs. In Lakhs)

S. No.	Name of the Subsidiaries	Aggregate amount during the year	Balance outstanding as on 31.03.2022
1	M/s KMEW Offshore Private Limited	200.00	200.00
2	M/s Indian Ports Dredging Private Limited	70.00	70.00

Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any loans to parties other than subsidiaries, Joint Ventures and Associates.

- b. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the investments and corporate guarantees given are, prima facie, not prejudicial to the interest of the Company.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, since no loans have been provided so accordingly the provisions of Clause 3(iii) c, d, e and f of the

## Annexure A to the Independent Auditor's Report (Contd.)

Order are not applicable to the Company.

- iv. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments made have been complied with by the Company. Further, in our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable. Accordingly, the requirement to report on clause 3 (iv) of the order is not applicable to that extent to the company.
- v. According to the information and explanation given to us, the company has not accepted any deposits, whether the directives issued by the Reserve Bank of India, and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence the provisions of clause (v) of Paragraph 3 are not applicable to the Company.
- vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. a. In our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- b. Company is not declared wilful defaulter by any bank or financial institution or other lender;
- c. According to the information and explanation given to us, term loans were raised during the year. On an overall examination of the financial statements of the Company, an amount of Rs. 12.75 crores were raised by the Company as Term loan for acquiring and modification of the vessel River Pearl 8 (Ex Cauvery) during the current financial year.
- d. According to the information and explanation given to us, the funds raised for short term basis have not been utilized for long term purposes by the company.
- e. According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- f. According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. The Company has raised moneys by way of initial public offer or further public offer (including debt instruments) in March, 2021 and the proceeds of the IPO is also used in the Financial Year 21-22 as follows:-

(Rs. In Lakhs)

Object of an Issue	Allocation of funds	Funds Utilised in the FY 2020-2021	Funds Utilised in the FY 2021-2022	Balance
Issue Expenses	105.11	75.16	0.00	0.00
Working Capital Requirement	760.00	0.00	760.00	0.00
General Corporate Purpose	147.21	0.00	177.16	0.00
<b>Total</b>	<b>1012.32</b>	<b>75.16</b>	<b>937.16</b>	<b>0.00</b>

According to the information and explanation given to us, the surplus amount of issue expenses i.e. Allocation minus utilized in the FY 2020-2021, is utilized towards General Corporate Purpose as was mentioned by the Company in the Objects of an issue of Prospectus dated 2<sup>nd</sup> March, 2021.

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no preferential allotment of optionally convertible debentures and hence, not applicable.

## Annexure A to the Independent Auditor's Report (Contd.)

- xi. a. During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the management, there are no whistle blower complaints received by the Company during the year. Therefore, clause xi(c) of paragraph 3 is not applicable.
- xii. Company is not Nidhi Company and hence Clause (xii) of the Companies (Auditor's) Report Order 2020 is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Standards.
- xiv. a. The Company has an internal audit system commensurate with the size and nature of its business.
- b. The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable.
- xvii. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of Paragraph 3 of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 incapable 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. [Refer note no 1.13 of the significant policies and notes to standalone accounts.
- xx. a. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 in respect of other than ongoing project. Accordingly, clauses (xx)(a) of Paragraph of the Order are not applicable.
- b. In our opinion and according to the information and explanations given to us, there are no ongoing project as per section 135 of the Companies Act. Accordingly, clauses (xx)(b) of Paragraph 3 of the Order are not applicable.
- xxi. Clause xxi of the CARO 2020 is not applicable in the report on the standalone financials of the Company.

For **RV Luharuka & Co LLP**  
Chartered Accountants  
FRN: 105662W/W100174

**Ramesh Luharuka**  
Partner

MRN: 031765

UDIN – 22031765AINDCN4116

Place: Mumbai  
Date – 6th May, 2022

## **Annexure B to the Independent Auditor's Report**

**Annexure B to the Independent Auditor's Report of even date to the members of Knowledge Marine and Engineering Works Limited on the financial statements for year ended on 31<sup>st</sup> March 2022.**

**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 Knowledge Marine & Engineering Works Limited ("the Company") as of 31<sup>st</sup> March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 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.

### **Management's Responsibility for Internal Financial Controls**

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 ("ICAI"). 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 with reference to these Financial Statements 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 as specified under Section 143(10) of the Act, 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 with reference to these Financial Statements 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 with reference to these Financial Statements 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 internal financial controls over financial reporting with reference to these Financial Statements.

### **Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements**

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 with reference to these Financial Statements 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.

## Annexure B to the Independent Auditor's Report *(Contd.)*

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Financial Statements, 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.

Place: Mumbai  
Date – 6th May, 2022

For **R V Luharuka & Co LLP**  
*Chartered Accountants*  
FRN: 105662W/W100174

**Ramesh Luharuka**  
*Partner*

MRN: 031765  
UDIN – 22031765AINDCN4116



## Significant Accounting Policies and Notes to Standalone Accounts

### NOTE – A

#### Corporate Information

Knowledge Marine & Engineering Works Limited (Formerly known as Knowledge Marine & Engineering Works Private Limited), having registered office at Office no. 402, Sai Samarth Business Park, Deonar Village Road, Govandi (East), Mumbai – 400088 Maharashtra, was incorporated on 26<sup>th</sup> October, 2015 under Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra (CIN-L74120MH2015PLC269596). Company is engaged in the business of Owning, Chartering/Hiring along with manning, operation and technical maintenance of Marine Crafts, Dredging and Repairs/Maintenance of Marine Crafts and Marine Infrastructure and allied works in India. Company has been changed from Private Limited Company to Limited company on 31<sup>st</sup> January, 2020. Company is listed on SME Platform of Bombay Stock Exchange w.e.f. 22<sup>nd</sup> March, 2021.

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1.1. Basis of Preparation

The Financial Statements of the Company have been prepared and presented under the historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act 2013 (the Act) and the accounting principles generally accepted in India and comply with the Accounting Standards notified under section 133 of the Companies act 2013 read with Rules of the Companies (accounts) rules 2014, (as amended) and the relevant provisions of the Companies Act, 2013 to the extent applicable.

Accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All the Assets and liabilities have been classified as current or non-current as per criteria set out in Schedule III to the Act. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operation cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

##### 1.2. Uses of Estimates

The preparation of the Financial Statements in conformity with Indian Accounting Standard requires Management to make Judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures relating to contingent assets and liabilities at the end of the reporting period. Example of such estimates includes provision for doubtful debts, income taxes etc. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future period.

##### 1.3. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenues from contract services provided during the year are recognised, as and when the services are rendered, based on the agreements/arrangements with the concerned parties. Unbilled revenue is recognized to the extent not billed at the year end. The company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from Revenue.

Claims for damages etc. against the contractors/service providers are recognized on due basis, as and when the certainty to receive the claim is ascertained.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

##### 1.4. Inventories:

As company is into service industry, no inventories are there with the company. During the course of business material required by the company as input were consumed during the year and were expensed out accordingly.

##### 1.5. Tangible Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any subsidy/ reimbursement/ contribution received for installation and acquisition of any fixed assets is shown as deduction in the year of receipt. Capital work- in progress is stated at cost.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future

## Significant Accounting Policies and Notes to Standalone Accounts (Contd.)

benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets derecognized.

### 1.6. Depreciation

Depreciable amount of an item of property, plant and machinery, equipments, furniture is allocated on a systematic basis over its useful life. Depreciation on assets is provided on straight line method using the rates arrived at based on the useful lives estimated as prescribe in schedule II of the Companies Act 2013. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company.

Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Depreciation on fixed assets added/disposed off during the year/period is provided on pro-rata basis with reference to the date of addition/disposal. Individual assets costing upto Rs.5,000 are depreciated in full in the year of purchase.

Residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives for the current and comparative periods are as follows:

Assets Class	Useful Lives (in years) -as per Companies Act 2013	Useful Lives (in years) -as estimated by the Company
Ship	14 years	14 years
Computer	3 Years	3 Years
Machinery	8 Years	8 Years
Office Furniture	10 Years	10 Years
Office Equipment	8 Years	8 Years

### 1.7. Foreign Exchange Transactions/Translation

Transactions denominated in foreign currencies (if any) are recorded at the exchange rate prevailing on the date of transactions and any gain or loss on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

### 1.8. Taxes on Income

Tax expense comprises current and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

Carrying amount of deferred tax assets are reviewed at each reporting date and are adjusted for its appropriateness.

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

## Significant Accounting Policies and Notes to Standalone Accounts (Contd.)

### 1.9. Employee Benefits

Defined Contribution plans:-

- (i) Company's contributions due / payable during the year towards provident fund are recognized in the profit and loss account. The Company has no obligation other than the contribution payable to the provident fund.
- (ii) Company has no policy of encashment and accumulation of leave. Therefore, no provision of Leave Encashment is being made.
- (iii) Employee Gratuity Fund Scheme is the Defined Benefit Plan. Cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.
- (iv) Short Term Employee Benefits if any, are paid along with salary and wages on a month to month basis, bonus to employees are charged to profit and loss account on the basis of actual payment on year to year basis.

### 1.10. Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. Cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in values is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### 1.11. Borrowing costs

Borrowing cost includes interest and finance charges. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### 1.12. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### 1.13. Financial Ratios

The Financial Ratios of the Company are as follows:

Sr. No.	Ratios	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March 2021
1.	<b>Interest Coverage Ratio</b>		
	Numerator (EBIT)	Rs. 28,17,12,433/-	Rs. 10,28,05,523/-
	Denominator (Interest Expenses)	Rs. 2,01,87,399/-	Rs. 1,21,43,690/-
	Ratio	13.95	8.47
	% Change	64.84	
	Reason for Change	Increase in earnings more than the increase in the interest cost as compared to last year	
2.	<b>Debt -Equity</b>		
	Numerator (Total Debt)	Rs.20,71,53,541/-	Rs.11,29,67,976 /-

## Significant Accounting Policies and Notes to Standalone Accounts (Contd.)

Sr. No.	Ratios	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March 2021
	Denominator (Shareholder Equity)	Rs. 44,83,23,618/-	Rs. 25,35,06,770/-
	Ratio	0.46	0.45
	% Change	03.69	
	Reason for Change	No major change in percentage as compared to last year	
<b>3.</b>	<b>Net Profit Margin (%)</b>		
	Numerator (Net Profit after tax)	Rs. 19,48,16,848 /-	Rs. 6,52,41,451 /-
	Denominator (Revenue)	Rs. 49,46,94,677/-	Rs. 26,31,20,927/-
	Ratio	0.39	0.25
	% Change	58.83	
	Reason for Change	Due to increase in the revenue and profits of the Company due to exceptional Dredging Contract at the Sittwe Port, Myanmar bagged by the Company in the current financial year	
<b>4.</b>	<b>Return on Net Worth</b>		
	Numerator (Net Income)	Rs. 19,48,16,848 /-	Rs. 6,52,41,451/-
	Denominator (Net Equity)	Rs. 10,23,60,000/-	Rs. 10,23,60,000/-
	Ratio	1.90	0.64
	% Change	198.61	
	Reason for Change	Due to increase in margins of the Company due to exceptional Sittwe Dredging Contract	
<b>5.</b>	<b>Operating Profit Margin (%)</b>		
	Numerator (Operating Income)	Rs. 27,73,91,524 /-	Rs. 10,71,69,119 /-
	Denominator (Revenue)	Rs. 49,46,94,677 /-	Rs. 26,31,20,927/-
	Ratio	0.56	0.41
	% Change	37.67	
	Reason for Change	Due to increase in margins of the Company due to exceptional dredging contract at Sittwe, Myanmar	
<b>6.</b>	<b>Debtors Turnover</b>		
	Numerator (Credit Sales)	Rs. 49,46,94,677 /-	Rs. 26,31,20,927 /-
	Denominator (Average Debtors)	Rs. 1,83,48,617/-	Rs. 74,20,411 /-
	Ratio	26.96	35.46
	% Change	(23.97)	
	Reason for Change	Timely receipts of payments	
<b>7.</b>	<b>Total Debts to Total Assets Ratio</b>		
	Numerator (Total Debts)	Rs. 20,71,53,541 /-	Rs. 11,29,67,976 /-
	Denominator (Total Assets)	Rs. 81,38,35,192 /-	Rs. 40,92,21,259 /-
	Ratio	0.25	0.28
	% Change	(7.79)	
	Reason for Change	No major changes as compared to last year	

## Significant Accounting Policies and Notes to Standalone Accounts (Contd.)

Sr. No.	Ratios	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March 2021
8.	<b>Long Term Debts to Working Capital</b>		
	Numerator (Long term debts)	Rs. 13,15,31,688 /-	Rs. 7,38,97,979 /-
	Denominator (Working capital)	Rs. 6,12,79,725/-	Rs. 6,74,23,067 /-
	Ratio	2.15	1.10
	% Change	95.83	
	Reason for Change	Increase in Long Term Loan for purchase of the Vessel River Pearl 8. The same is deployed for Sittwe Dredging Contract	
9.	<b>Inventory Turnover ratio</b>		
	Numerator (Cost of Goods Sold)	NA	
	Denominator (Average Inventory)		
	Ratio		
	% Change		
	Reason for Change	The Company is in the Service Sector hence does not possess Inventories.	
10.	<b>Debt Service Coverage Ratio</b>		
	Numerator (Net Operating Income)	Rs. 29,85,87,120 /-	Rs. 11,97,62,874 /-
	Denominator (Total Debt Service)	Rs. 6,26,31,503/-	Rs. 6,88,40,100/-
	Ratio	4.77	1.74
	% Change	174.03	
	Reason for Change	Due to exceptional margins of the company in the current financial year	
11.	<b>Return on Equity Ratio</b>		
	Numerator (Net Income)	Rs. 19,48,16,848/-	Rs. 6,52,41,451/-
	Denominator (Shareholders Equity)	Rs. 10,23,60,000 /-	Rs. 10,23,60,000/-
	Ratio	1.90	0.64
	% Change	198.61	
	Reason for Change	Due to change in Profit Margins	
12.	<b>Return on Capital Employed</b>		
	Numerator (EBIT)	Rs. 28,17,12,433 /-	Rs. 10,28,05,523 /-
	Denominator (Capital Employed)	Rs. 60,70,65,739 /-	Rs. 34,53,18,041/-
	Ratio	0.46	0.30
	% Change	55.87	
	Reason for Change	Due to addition of new fixed assets during the financial year	
13.	<b>Trade Payables Turnover Ratio</b>		
	Numerator (Net Credit Purchase)	Rs. 44,47,04,266/-	Rs. 18,83,20,570/-
	Denominator (Average Creditors)	Rs. 2,90,05,243 /-	Rs. 83,41,964/-
	Ratio	15.33	22.58
	% Change	(32.09)	
	Reason for Change	Due to increase in purchase cost	

**Significant Accounting Policies and Notes to Standalone Accounts (Contd.)**

Sr. No.	Ratios	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March 2021
14.	<b>Net Capital Turnover Ratio</b>		
	Numerator (Total Sales)	Rs. 49,46,94,677/-	Rs. 26,31,20,927/-
	Denominator (Shareholders Equity)	Rs. 10,23,60,000/-	Rs. 10,23,60,000/-
	Ratio	4.83	2.57
	% Change	88.01	
	Reason for Change	Due to increase in sales of the Company during the current financial year	
15.	<b>Current Ratio</b>		
	Numerator (Current Assets)	Rs. 26,80,49,179 /-	Rs. 13,13,26,285 /-
	Denominator (Current Liabilities)	Rs. 20,67,69,454 /-	Rs. 6,39,03,218 /-
	Ratio	1.30	2.06
	% Change	(36.92)	
	Reason for Change	Due to increase in current assets of the Company and decrease in current liabilities of the company during the current financial year	

**1.14. Foreign Currency Transactions:**

The Company has not earned any foreign exchange during the year. However, the foreign exchange outflow during the period under this report was Rs. 29,93,045.43/- (41718 USD).

**1.15. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluting potential equity shares.

**1.16. Provisions, Contingent Liabilities & Contingent Assets****a) Provisions**

A provision is recognized only when there is present obligations as a result of past event and when a reliable estimate of the amount of obligation can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**b) Contingent Liabilities**

Contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**1.17. Leases****Where the company is Lessee**

Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognized as expense in the profit and loss account on a straight-line basis over the lease term.

**Where the company is Lessor**

Assets given on operating leases are included under fixed assets. Rent (lease) income is recognized in the statement of Profit and Loss on accrual basis. Direct costs, including depreciation are recognized as an expense in the statement of profit and loss.



**Balance Sheet as at 31st March, 2022**

(` In Lakhs)

PARTICULARS	NOTES	AUDITED 31.03.2022 One Year	AUDITED 31.03.2021 One Year
<b>A) EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share capital	B	1,023.60	1,023.60
(b) Other Equity	B	3,459.64	1,511.47
		<b>4,483.24</b>	<b>2,535.07</b>
<b>2. Non Current Liabilities</b>			
(a) Long Term Borrowings	C	1,315.32	738.98
(b) Deferred Tax Liabilities (Net)	D	262.84	174.41
(c) Long Term Provision	E	9.26	4.73
		<b>1,587.42</b>	<b>918.11</b>
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings	C	756.22	390.70
(b) Trade Payables	F		
(i) Total Outstanding dues of micro and small enterprises		17.10	3.64
(ii) Total Outstanding dues of creditors other than micro and small enterprises		545.68	13.68
(c) Other Current Liabilities	G	120.30	14.74
(d) Short Term Provisions	H	628.39	216.27
		<b>2,067.69</b>	<b>639.03</b>
<b>Total</b>		<b>8,138.35</b>	<b>4,092.21</b>
<b>B) ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets	S		
I) Tangible Assets			
(i) Gross Block		5,457.39	2,732.44
(ii) Depreciation		552.53	342.93
(iii) Net Block		<b>4,904.86</b>	<b>2,389.51</b>
(b) Capital Work in Progress		180.80	285.36
(c) Non-Current Investment	I	372.21	104.08
		<b>553.01</b>	<b>389.44</b>
<b>2. Current Assets</b>			
(a) Trade Receivables	J	320.35	46.62
(b) Cash and Cash equivalents	K	1,836.78	985.58
(c) Other Current Assets	L	523.36	281.06
		<b>2,680.48</b>	<b>1,313.26</b>
<b>Total</b>		<b>8,138.35</b>	<b>4,092.21</b>

See accounting policies and accompanying notes forming part of the financial statements Balance Sheet Abstract and Company Profile.

As per our report of even date

**For R.V.Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

Company Secretary &amp; Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022

## Statement of Profit and Loss for the year ended 31st March, 2022 (` In Lakhs)

PARTICULARS	NOTES	AUDITED 31.03.2022 One Year	AUDITED 31.03.2021 One Year
1 Revenue From Operations	M	4,946.95	2,631.21
2 Other Income	N	43.21	7.46
<b>3 Total Revenue (1+2)</b>		<b>4,990.16</b>	<b>2,638.67</b>
<b>4 Expenditure</b>			
(a) Direct Expenses	O	1,461.77	1,111.68
(b) Employee Benefit Expenses	P	257.25	191.98
(c) Finance Cost	Q	201.87	121.44
(d) Depreciation and Amortisation Expenses	S	209.60	172.53
(e) Other Expenses	R	244.41	134.42
<b>5 Total Expenditure 4(a) to 4(e)</b>		<b>2,374.91</b>	<b>1,732.05</b>
<b>6 Profit/(Loss) Before Tax (3-5)</b>		<b>2,615.25</b>	<b>906.62</b>
<b>7 Tax Expense:</b>			
(a) Tax Expense for Current Year		578.65	174.53
(b) MVAT Credit		-	-
(c) Deferred Tax		88.43	79.68
<b>Net Current Tax Expenses</b>		<b>667.08</b>	<b>254.20</b>
<b>8 Profit/(Loss) for the Year (6-7)</b>		<b>1,948.16</b>	<b>652.41</b>
9 Earning per Equity Share	T		
(a) Basic		19.03	8.57
(b) Dilluted		19.03	8.57

As per our report of even date

**For R.V.Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

Company Secretary &amp; Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022

## Statement of Cash Flows for the year ended 31st March, 2022

(` In Lakhs)

PARTICULARS	AUDITED 31.03.2022 One Year	AUDITED 31.03.2021 One Year
<b>A) Cash Flow From Operating Activities :</b>		
Net Profit before tax	2,615.25	906.62
Adjustment for :		
Depreciation and amortization	209.60	172.53
Interest Paid	201.87	121.44
Interest Income	(28.58)	(6.10)
Preliminary expense Written Off	75.16	-
Deferred Tax Liabilities (Net)	-	-
Provision For gratuity Expenses	4.96	-
<b>Operating profit before working capital changes</b>	<b>3,078.27</b>	<b>1,194.49</b>
Changes in Working Capital		
(Increase)/Decrease in current Assets	(317.46)	(151.47)
(Increase)/Decrease in current Liabilities	-	70.70
(Decrease)/Increase in Current Assets	-	55.16
(Decrease )/Increase in Current Liabilities	-	(80.60)
Increase/(Decrease) in Trade Payables	545.46	(132.20)
Increase/(Decrease) in Other Current Liabilities	105.56	4.73
(Increase)/Decrease in Trade Receivable	(273.72)	-
Increase/(Decrease) in Short Term Provisions, etc	411.70	-
<b>Cash generated from operations</b>	<b>3,549.80</b>	<b>960.80</b>
Less:- Income Taxes paid	(578.65)	(183.17)
<b>Net cash flow from operating activities</b> <b>A</b>	<b>2,971.15</b>	<b>777.62</b>
<b>B) Cash Flow From Investing Activities :</b>		
Increase in Capital Workin Progress	(180.79)	(540.71)
Purchase of Fixed Assets	(2,439.58)	52.15
Investment made in Non Current Assets	(268.14)	-
Dividend Income	-	6.10
Interest Income	28.58	-
<b>Net cash flow from investing activities</b> <b>B</b>	<b>(2,859.93)</b>	<b>(482.46)</b>
<b>C) Cash Flow From Financing Activities :</b>		
Proceeds from Issue of Share Capital	-	273.60
Increase/(Decrease) in Short Term Borrowings	365.52	(137.84)
Increase/(Decrease) in Long Term Borrowings	576.34	(116.13)
Interest Paid	(201.87)	(121.44)
Share Security Premium	-	738.72
Bank Balance not considered as Cash and Cash equivalent	--	-
<b>Net cash flow from financing activities</b> <b>C</b>	<b>739.98</b>	<b>636.92</b>
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	851.20	932.08
Cash equivalents at the beginning of the year	985.58	53.50
<b>Cash equivalents at the end of the year</b>	<b>1,836.78</b>	<b>985.58</b>

See accounting policies and accompanying notes forming part of the financial statements and Company Profile.

As per our report of even date

For R.V.Luharuka &amp; Co LLP

Chartered Accountants

FRN NO. 105662W/W100174

C A Ramesh Luharuka

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

Knowledge Marine &amp; Engineering Works Limited

Saurabh Daswani

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

Kanak Kewalramani

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

Ruchi Nishar

Company Secretary &amp; Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022

## Notes to Financial Statements

(` In Lakhs)

## Note B SHARE CAPITAL

Particulars	31.03.2022	31.03.2021
<b>Share Capital</b>		
<b>Authorised Share Capital</b>		
1,05,00,000 Equity shares (Previous Year 40,00,000 Equity Share) of Rs.10 each	1,050.00	1,050.00
<b>Issued, Subscribed and Paid up Share Capital</b>		
1,02,36,000 Equity Shares (Previous Year 25,00,000 Equity Share) of Rs. 10 each with voting right	1,023.60	1,023.60
<b>Total</b>	<b>1,023.60</b>	<b>1,023.60</b>

## Reserves &amp; Surplus

Particulars	31.03.2022	31.03.2021
<b>Capital Reserve</b>		
Security Premium	738.72	738.72
<b>General Reserve</b>		
Surplus in Profit and Loss account		
Opening Balance	772.75	628.98
add - Profit during the Year	1,948.17	652.41
Less - Bonus Issue during the year	-	500.00
Less - Profit and Loss Appropriation (Last Year Provision)	-	8.64
<b>Balance as at the end of Financial Year</b>	<b>3,459.64</b>	<b>1,511.47</b>

- Terms/rights attached to equity shares:
  - The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
  - In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
- Company does not have any Revaluation Reserve.
- The reconciliation of the number of Equity shares outstanding as at: -

Particulars	31.03.2022	31.03.2021
Number of shares at the beginning	102.36	25.00
Add: Bonus Share Issued	-	50.00
Add: Fresh Issue of shares	-	27.36
Number of shares at the end	102.36	102.36

- The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	31.03.2022	31.03.2021
Saurabh Daswani	15.00	15.00
Pinkesh Kewalramani	15.00	15.00
Kanak Kewalramani	40.31	40.31

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

**Note C STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS**

Particulars	31.03.2022		31.03.2021	
	Long Term	Short Term	Long Term	Short Term
From Banks Secured	1,315.32	756.22	738.98	385.57
From Banks Unsecured			-	0.48
Unsecured From Related Parties			-	4.65
<b>Total</b>	<b>1,315.32</b>	<b>756.22</b>	<b>738.98</b>	<b>390.70</b>

**Notes:-**

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in Note-C (A) and Note-C (B).

**(A) - Statement Of Principal Terms Of Secured Loans And Assets Charged As Security**

Number of Lender	Type of Loan	Rate of Interest	Loan Tenure	Primary & Collateral Security	Re-Payment Schedule	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
HDFC Bank	Working Capital Term Loan under ECGL scheme	7.50%	5 years	Collateral Security:- Residential Property of Director Kanak S. Kewalramani located at Chembur, Mumbai	Moratorium of 2 Years then Monthly EMI of Rs. 3,87,615/- beginning from 07.05.2024	124.61	
	Term Loan	7.50%	2.6 Years		Moratorium of 6 Months then Monthly EMI of Rs. 57,37,448/- beginning from 07.05.2022	1,275.00	
	Car Loan	7.54%	3 Years		Monthly EMI of Rs. 27,438/- beginning from 07.01.2021	7.93	
	Term Loan	7.50%	5 Years		Monthly EMI of Rs. 3,00,569/- beginning from 07.07.2021	130.91	
	Working Capital Term Loan under ECGL scheme	8.25%	48 Months		Moratorium of 7 months after that Monthly EMI of Rs. 2,64,195/- beginning from 07.07.2021	64.73	84.00
	Term Loan	7.50%	48 Months		Monthly EMI of Rs. 9,66,752/- beginning from 07.01.2021	285.52	374.78
	Term Loan	7.50%	60 Months		Monthly EMI of Rs. 4,54,394/- beginning from 07.03.2021	182.83	221.05
	Cash Credit facility	7.50%	12 Months	Book Debts and Current assets	-	-	105.61
IndusInd Bank	Term Loan	12.51%	48 Months	Primary Security: TSHD River Pearl 4; Collateral Security: Residential Property located at Walkeshwar, Mumbai	Monthly EMI of Rs. 13,88,260/- beginning from 07.10.2019		339.11
<b>TOTAL</b>						<b>2,071.54</b>	<b>1,124.54</b>

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

Notes:-

- The Personal Guarantee of Mr. Saurabh Daswani, Managing Director, Mrs. Kanak Kewalramani, Director & CFO are involved in all the loans mentioned above.

**(B) - Statement of Terms and Conditions of Unsecured Loans****Unsecured From Banks**

Number of Lender	Rate of Interest	Loan Tenure	Re-Payment Schedule	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
IndusInd Bank	18.75%	36 Months	Monthly EMI of Rs. 70,137/- beginning from 18.12.2018		0.48
<b>TOTAL</b>				-	<b>0.48</b>

**Unsecured From Related Parties**

Name of Related Party	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
Kanak Kewalramani	-	4.65
<b>Total</b>	-	<b>4.65</b>

**Note D STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

Particulars	31.03.2022	31.03.2021
<b>Opening Balance (A)</b>		
Opening Balance of Deferred Tax (Asset) / Liability	174.41	94.73
Add/ Less - (DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	88.43	79.68
<b>Closing Balance of Deferred Tax (Asset) / Liability (B)</b>	262.84	174.41
Current Year Provision (B-A)	88.43	79.68

**Note E STATEMENT OF LONG TERM PROVISION**

Particulars	31.03.2022	31.03.2021
Long Term Provision for Gratuity	9.26	4.73
<b>Total</b>	<b>9.26</b>	<b>4.73</b>

**Note F STATEMENT OF TRADE PAYABLES**

Particulars	31.03.2022	31.03.2021
<b>For Goods &amp; Services</b>		
Micro, Small and Medium Enterprises	17.10	3.64
Other than Micro, Small and Medium Enterprises	545.68	13.68
<b>Total</b>	<b>562.78</b>	<b>17.32</b>

Notes:-

- Out of the total MSME creditors outstanding as on 31st March 2022 none of the creditors were outstanding for more than 45 days from the issuance of Invoice. Most of the creditors of the company were paid within the period as agreed at the



**Notes to Financial Statements (Contd.)**

(` In Lakhs)

time of issue of invoice.

**Note G STATEMENT OF OTHER CURRENT LIABILITIES**

Particulars	31.03.2022	31.03.2021
Duties and Liabilities Payable	120.30	14.74
Duties and Liabilities	-	-
<b>Total</b>	<b>120.30</b>	<b>14.74</b>

**Note H STATEMENT OF SHORT TERM PROVISIONS**

Particulars	31.03.2022	31.03.2021
Salaries, Wages Payable	37.86	24.87
Other Expenses / Provision	1.13	3.58
Provision for taxes	578.65	174.53
Provision for Interest	9.57	7.10
Provision for Audit Fees and Other Expenses	1.18	6.20
<b>Total</b>	<b>628.39</b>	<b>216.27</b>

**Note I STATEMENT OF NON CURRENT INVESTMENT**

Particulars	31.03.2022	31.03.2021
Investment in KMEW Offshore Private Limited	75.00	75.00
Investment in Indian Ports Dredging Pvt Ltd	0.70	0.70
Long Term Fixed Deposit	170.22	27.64
Investment in Knowledge Infra Ports P. Ltd	0.74	0.74
Other Deposit (Retention Money)	125.55	-
<b>Total</b>	<b>372.21</b>	<b>104.08</b>
<b>Aggregate amount of quoted investments</b>	-	-
<b>Aggregate amount of unquoted investments</b>	<b>372.21</b>	<b>104.08</b>

**Note J STATEMENT OF TRADE RECEIVABLES**

Particulars	31.03.2022	31.03.2021
Outstanding for a period exceeding 6 months (Unsecured and considered Good)	-	-
Secured, Considered Good	-	-
unsecured, considered good	-	-
Less - Provision for doubtful debts	-	-
<b>Sub-total (A)</b>	-	-
Outstanding for a period not exceeding 6 months	-	-
Secured, considered good	-	-
unsecured, considered good	320.35	46.62
<b>Sub Total (B)</b>	<b>320.35</b>	<b>46.62</b>
<b>Total</b>	<b>320.35</b>	<b>46.62</b>

## Notes to Financial Statements (Contd.)

(` In Lakhs)

## Notes:-

- Trade Receivable to the Company is considered good as all the Balance Confirmation from the existing party have been received and dully tallied by the management. Therefore company has not made any provision for doubtful debts.

**Note K STATEMENT OF CASH & CASH EQUIVALENTS**

Particulars	31.03.2022	31.03.2021
Cash in Hand	0.57	4.86
Balances with Banks	1,440.35	392.16
Fixed Deposit with Banks	395.86	588.56
<b>Total</b>	<b>1,836.78</b>	<b>985.58</b>

## Notes:-

- Fixed Deposits having maturities of less than 12 months are considered in current assets.

**Note L STATEMENT OF OTHER CURRENT ASSETS**

Particulars	31.03.2022	31.03.2021
Balance with Revenue Authorities (TDS/Advance Tax/GST)	454.59	168.73
Receivable from Banks	-	0.12
Loans and Advances	-	14.26
Advance to Creditors	22.96	-
Deposits	45.81	22.79
<b>Total (A)</b>	<b>523.36</b>	<b>205.90</b>
Preliminary Expense (IPO Issue Expense)	-	75.16
<b>Total (B)</b>	<b>-</b>	<b>75.16</b>
<b>Total (A) + (B)</b>	<b>523.36</b>	<b>281.06</b>

## Notes:-

In Accordance with accounting Standard 29 Preliminary Expense has been completely written off during the first year of its occurrence.

**Note M STATEMENT OF REVENUE FROM OPERATIONS**

Particulars	Audited 31.03.2022	Audited 31.03.2021
Charter & Hire Income	4,918.99	2,544.71
Repair and Maintenance	-	5.33
Management Support Services	27.96	81.18
<b>Total</b>	<b>4,946.95</b>	<b>2,631.21</b>

**Note N STATEMENT OF OTHER INCOME**

Particulars	Audited 31.03.2022	Audited 31.03.2021
Sale of Scrap	9.45	-
Discount Received	-	1.36
Sundry Balance written Back	5.18	-
Interest Income	28.58	6.10
<b>Total</b>	<b>43.21</b>	<b>7.46</b>

**Notes to Financial Statements (Contd.)**

(` In Lakhs)

**Note O DIRECT EXPENSES**

Particulars	Audited 31.03.2022	Audited 31.03.2021
Crew Expenses	387.10	288.26
Fuel Charges	100.30	59.02
Repair and Maintenance	39.23	44.31
Sub Contracting Charges	571.22	334.56
Contractual Deductions	232.38	279.17
Office Site Expenses	28.48	7.35
Ship Management Fees	36.95	27.25
Transportation Charges	3.56	7.67
Stores, Spares & Consumable	62.54	64.09
<b>Total</b>	<b>1,461.77</b>	<b>1,111.68</b>

**Note P STATEMENT OF EMPLOYEE BENEFITS EXPENSE**

Particulars	Audited 31.03.2022	Audited 31.03.2021
Salary	145.39	90.54
Gratuity	4.96	4.94
Staff Welfare Expenses	5.48	9.93
Directors Remuneration	80.63	77.78
Employee Health Insurance and Medical	5.63	2.24
Employee Benefit Expenses	15.16	6.55
<b>Total</b>	<b>257.25</b>	<b>191.98</b>

**Note Q STATEMENT OF FINANCE COST**

Particulars	Audited 31.03.2022	Audited 31.03.2021
Finance Charges	128.68	102.86
Bank Guarantee Charges	40.85	2.96
Other Financial Charges	32.34	15.62
<b>Total</b>	<b>201.87</b>	<b>121.44</b>

## Notes to Financial Statements (Contd.)

(` In Lakhs)

## Note R STATEMENT OF OTHER EXPENSES

Particulars	Audited 31.03.2022	Audited 31.03.2021
<b>Audit Fees</b>		
Statutory Auditor Fee	1.29	2.12
Tax Audit Fee	0.98	1.25
Internal Audit Fee	1.50	1.25
Other Services	1.85	0.55
Secretarial Audit	0.47	0.45
<b>Others</b>		
Business Promotion Expenses	2.34	0.60
Commission and Brokerage	-	0.92
Director Sitting Fees	1.60	1.60
Electricity Expenses	2.14	1.88
Agency and Survey Charges	16.10	5.37
Insurance	30.97	37.33
Rates and Taxes	9.14	2.55
Legal & Professional Charges	29.88	40.68
Listing Compliances	2.87	-
Office Expenses	6.50	3.88
Printing & Stationery Expenses	2.35	1.57
Office Rent	13.12	11.43
Donation	-	0.15
ROC Filing and Other Registration	0.22	7.07
Telephone Exp	0.36	0.29
Travelling Expenses	35.34	13.13
CSR Expense	9.74	-
Preliminary Expense W/o	75.16	-
Tender Expenses	0.48	0.35
<b>Total</b>	<b>244.41</b>	<b>134.42</b>

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

## Note S FIXED ASSETS

ASSETS	Gross block (Cost / Valuation)				Impairment				Depreciation / Obsolescence / Amortisation				Net block			
	As at 01-04-2021	Additions	Deductions Adjustments	Translation	As at 31-03-2022	As at 01-04-2021	Provided	Reversed	As at 31-03-2022	Upto 01-04-2021	For the 12 Months	Deductions Adjustments	Translation	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
<b>(A) Tangible Assets</b>																
Plant and equipments																
SHIPS	2,689.83	2,693.11	-	-	5,382.94	-	-	-	-	331.84	200.27	-	-	532.10	4,850.84	2,357.99
Machinery	2.81	3.60	-	-	6.41	-	-	-	-	0.41	0.46	-	-	0.87	5.54	2.40
Furniture & Fixtures	16.31	0.23	-	-	16.54	-	-	-	-	0.29	1.56	-	-	1.85	14.69	31.59
Computer and Others	18.01	4.56	-	-	22.57	-	-	-	-	8.19	4.55	-	-	12.74	9.84	10.78
Vehicles	-	21.37	-	-	21.37	-	-	-	-	-	1.17	-	-	1.17	20.20	-
<b>(B) Intangible Assets</b>																
Tally Software (18-12-2020)	0.36	-	-	-	0.36	-	-	-	-	0.02	0.07	-	-	0.09	0.27	0.34
(C) Capital Work in Progress RP-9		14.64			14.64											
(D) Capital Work in Progress RP-10		166.15			166.15											
<b>Total</b>	<b>2,732.44</b>	<b>2,905.73</b>	-	-	<b>5,638.18</b>	-	-	-	-	<b>342.93</b>	<b>209.60</b>	-	-	<b>552.53</b>	<b>4,904.85</b>	<b>2,406.04</b>
Previous year	2,477.09	540.70	-	-	3,017.81	-	-	-	-	170.40	172.53	-	-	342.93	2,389.51	2,306.70

## C. Depreciation and amortisation relating to continuing operations

Particulars	Audited 31.03.2022	Audited 31.03.2021
Depreciation and amortisation for the year on tangible assets as per Note 6 A	209.60	172.53
Depreciation and amortisation for the year on intangible assets as per Note 6 B	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	209.60	172.53

## Note T EARNING PER SHARE

Particulars	Audited 31.03.2022	Audited 31.03.2021
Net profit after tax (Rs.)	1,948.16	652.41
Weighted average number of equity Shares outstanding During the Year	102.36	76.12
Basic earnings per share (Rs)	19.03	8.57
Diluted earnings per share (Rs)	19.03	8.57

## Note U ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

## 1. Statement of Contingent Liabilities

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Bank Guarantees	4,81,86,125	1,08,00,000
Other Commitments (Corporate Guarantees)	2,70,00,000	2,78,31,000

As on 31<sup>st</sup> March, 2022, the company has outstanding Bank Guarantees of Rs. 4,81,86,125/- but the Fixed Deposits of Rs. 1,70,98,755 are lien marked by the Bank for such Bank Guarantees.

## Notes to Financial Statements (Contd.)

(` In Lakhs)

## 2. Related Party Disclosure

## (a) Names of related parties and description of relationship:

- Holding Company Nil
- Subsidiary Indian Ports Dredging Private Limited  
Knowledge Infra Ports Private Limited
- Associates KMEW Offshore Private Limited
- Key Management Personnel **Board of Director**
  - a) Saurabh Daswani – Managing Director
  - b) Kanak Kewalramani – Whole time Director & CFO
  - c) Jagat Jiban Biswas – Non Executive Director
- Independent Director **Directors**
  - a) Sandip Satishbhai Zaveri
  - b) Ashish Mohandas

**KMP**

  - a) Sujay Mohanlal Kewalramani – Chief Executive Officer (CEO)
  - b) Dinesh Kewalramani, Chief Operating Officer (COO)
  - c) Ruchi Nishar, Company Secretary Cum Compliance Officer
- Other Related party a) Kamal Marine & Engineering Works Private Limited

## (b) Transaction carried out with related parties in the ordinary course of business is as follows:

(Amount in Rs.)

S. No.	Name of Related Party	Relation	Nature of Payment	Opening Value as on 31.03.2021	Transaction Value	Amount as on 31.03.2022
1	Pinkesh Kewalramani	Member/ Relative	Salary	-	16,94,028	-
2	Pinkesh Kewalramani	Member/ Relative	Expense reimbursed incurred on behalf of Company	-	3,80,741	-
3	Saurabh Daswani	Managing Director	Expense reimbursed Incurred on behalf of Company	-	3,96,273	-
4	Saurabh Daswani	Managing Director	Directors Remuneration	-	38,78,400	4,59,392
5	Kanak Sujay Kewalramani	Director & CFO	Directors Remuneration	2,64,877	38,78,400	2,36,161
6	Kanak Sujay Kewalramani	Director & CFO	Loan From Director Repaid	4,65,484	(4,65,484)	-
7	Kanak Sujay Kewalramani	Director & CFO	Expense reimbursed incurred on behalf of Company	-	53,016	-
8	Harekrishna Shipping Agency	Related to Director	Service Charges	-	13,70,000	-
9	Dinesh Kewalramani	Interest in Voting Power	Salary	-	33,28,524	-
10	Dinesh Kewalramani	Interest in Voting Power	Expense reimbursed incurred on behalf of Company	-	16,68,851	-
11	D K Contractor	Other Related Party	Management Contract	-	27,31,129	24,924



## Notes to Financial Statements (Contd.)

S. No.	Name of Related Party	Relation	Nature of Payment	Opening Value as on 31.03.2021	Transaction Value	Amount as on 31.03.2022
12	Sujay Kewalramani	Relative of Director	Expense reimbursed incurred on behalf of Company	-	5,45,196	-
13	Sujay Kewalramani	Relative of Director	Salary	-	15,85,428	-
14	Indian Ports Dredging Private Limited	Subsidiary	Charter & Hire Income – Revenue	-	4,10,14,250	36,87,060
15	Knowledge Infra Ports Private Limited	Subsidiary	Contractual Deductions	-	2,21,28,583	-
16	Knowledge Infra Ports Private Limited	Subsidiary	Charter & Hire Income - Revenue	28,75,118	18,23,53,200	2,29,57,907
17	KMEW Offshore Private Limited	Associate	Crew Wages Income	-	27,95,683	11,09,125
18	Kamal Marine & Engineering Works Pvt Ltd	Other Related Party	Construction of Capital Assets	-	16,80,00,000	5,23,54,524
19	M/s KMEW Offshore Private Limited	Associate	Corporate Guarantee	2,30,86,000	-	2,00,00,000
20	M/s Indian Ports Dredging Private Limited	Subsidiary	Corporate Guarantee	70,00,000	-	70,00,000

Director's remuneration for the year 2021-2022 is as per limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

All related party contracts/arrangements have been entered in ordinary course of business and are approved by the Board of Directors.

### 3. Disclosure relating to Employee Benefits

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

#### A) Actuarial Assumptions

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Discount rate	7.25 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

#### B) Amount to be recognised in the Balance Sheet

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of the obligation at the end of the period	9,90,074	4,93,943
Fair value of plan assets at end of period	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	9,90,074	4,93,943
Funded Status - Surplus/ (Deficit)	(9,90,074)	(4,93,943)

**Notes to Financial Statements (Contd.)****C) Expenses recognised in the statement of Profit & Loss account**

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest cost	35,811	5,607
Current service cost	3,98,405	2,14,373
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Net actuarial (gain)/loss recognized in the period	61,915	1,93,859
Expenses to be recognized in P&L	4,96,131	4,13,839

**D) Changes in Present Value of Obligation**

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of the obligation at the beginning of the period	4,93,943	80,104
Interest cost	35,811	5,607
Current service cost	3,98,405	2,14,373
Past Service Cost	0	0
Benefits paid (if any)	0	0
Actuarial (gain)/loss	61,915	1,93,859
Present value of the obligation at the end of the period	9,90,074	4,93,943

**E) Changes in defined benefit obligations**

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening gross defined benefit liability/ (asset)	4,93,943	80,104
Expenses to be recognized in P&L	4,96,131	4,13,839
Benefits paid (if any)	0	0
Closing gross defined benefit liability/ (asset)	9,90,074	4,93,943

**4. Segment Reporting**

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard – 17 Segment Reporting.

**5. Provisions (AS 29 Disclosure)**

(Amount in Rs.)

Sl. No.	Particulars	Amount 31.03.2022	Amount 31.03.2021
1	Audit Fee	6,09,250	5,62,000
2	Tax Expenses	5,78,64,626	1,74,04,018
3	Corporate Dividend	Nil	Nil

**6. Trade Receivable ageing schedule**

Current outstanding as on 31.03.2022

(Amount in Rs.)

Current outstanding as on 31.03.2022	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
a) Undisputed Trade receivables — considered good	3,19,56,906	77,880	-	-	-	3,20,34,786
<b>Total</b>	<b>3,19,56,906</b>	<b>77,880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,20,34,786</b>

## Notes to Financial Statements (Contd.)

Current outstanding as on 31.03.2021	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
a) Undisputed Trade receivables — considered good	46,62,449	-	-	-	-	46,62,449
<b>Total</b>	<b>46,62,449</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,62,449</b>

7. No Loans or Advances are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment,

### 8. Trade Payable

(Amount in Rs.)

Aging schedule as on 31.03.2022	Outstanding for following periods from due date of payment				
	Less than 1 year	Less than 1-2 year	Less than 2-3 years	More than 3 years	Total
MSME	17,09,856	-	-	-	17,09,856
Others	5,45,68,535	-	-	-	5,45,68,535
Disputed dues – MSME	-	-	-	-	-
Disputed dues – others	-	-	-	-	-
<b>Total</b>	<b>5,62,78,391</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,62,78,391</b>

Aging schedule as on 31.03.2021	Outstanding for following periods from due date of payment				
	Less than 1 year	Less than 1-2 year	Less than 2-3 years	More than 3 years	Total
MSME	3,63,909	-	-	-	3,63,909
Others	13,68,186	-	-	-	13,68,186
Disputed dues – MSME	-	-	-	-	-
Disputed dues – others	-	-	-	-	-
<b>Total</b>	<b>17,32,095</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,32,095</b>

### 9. Capital WIP ageing

CWIP	Amount in CWIP for a period of				
	Less than 1 year	Less than 1-2 year	Less than 2-3 years	More than 3 years	Total
Projects in progress	1,80,79,605	-	-	-	1,80,79,605
Projects temporarily suspended	-	-	-	-	-

### 10. CSR Note

Corporate Social Responsibility (CSR) Expenditure

(Rs. In Lacs)

Particulars	2021-22	2020-21
Amount required to be spent as per Section 135 of the Act	9.74	-
<b>Amount spent during the year on:</b>		
1. Project 'Heal Bundelkhand'	9.74	-
<b>Total</b>	<b>9.74</b>	<b>-</b>

**Notes to Financial Statements (Contd.)**

Particulars	As at 31st March 2022	As at 31st March 2021
Amount required to be spent by the company during the year	9.74	-
Amount of the expenditure incurred	9.74	-
Reason for shortfall	-	-
Nature of CSR Activities	Livelihood	-

**11. Additional regulatory information****a. Details of Benami Property held**

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**b. Wilful Defaulter**

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet

**c. Relationship with Struck off Companies**

The Company do not have any transactions with companies struck off.

**d. Registration of charges or satisfaction with Registrar of Companies (ROC)**

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period

**e. Compliance with number of layers of companies**

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**f. Compliance with approved Scheme(s) of Arrangements**

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**g. Discrepancy in utilization of borrowings**

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings

**h. Utilisation of Borrowed funds and share premium:**

- A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company.
- B. The Company has not received any fund from any party(s) (funding Party) with the understanding that the Company shall whether , directly or indirectly lend or invest in other persons or entities identified by on behalf of the Company (ultimate beneficiary) or provide any guarantee, security or like on behalf of the ultimate beneficiaries.

**i. Undisclosed income**

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**j. Details of Crypto Currency or Virtual Currency**

The company has not traded or invested in Crypto currency or Virtual Currency.

## Notes to Financial Statements (Contd.)

12. During the year ended 31<sup>st</sup> March, 2022 the revised Schedule VI notified under the Companies Act, 2013, is applicable to the Company. The Company has reclassified previous year figures to confirm to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

As per our report of even date

**For R.V.Luharuka & Co LLP**

*Chartered Accountants*

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

*Partner*

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited**

**Saurabh Daswani**

*Managing Director*

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

*Whole Time Director & CFO*

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

*Company Secretary & Compliance Officer*

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022

## Independent Auditor's Report

To the members of

**M/s Knowledge Marine & Engineering Works Limited**

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

### Opinion

We have audited the accompanying Consolidated Financial Results (the 'Statement') of M/s Knowledge Marine & Engineering Works Limited ("the Holding Company") including its subsidiaries and associate (M/s Knowledge Infra Ports Private Limited, M/s Indian Ports Dredging Pvt. Ltd., M/s KMEW offshore Pvt. Ltd.) (the Holding Company and its subsidiaries / associate together referred to as the "Group"), which comprises of the Consolidated Balance Sheet as at 31st March 2022, the consolidated Profit & Loss statement and consolidated cash flow statement for the year then ended and notes to the Financial Statements, including a summary of the 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 Companies Act, 2013 (act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including accounting standards as prescribed (GAAP), of the state of affairs of the Company as at 31st March 2022 and its consolidated net profit, its cash flow and other financial information.

### Basis for Opinion

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

### Key Audit Matters

Key Audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### Information other than the Consolidated Financial Statements and Auditor's Report thereon.

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report, but does not include the Consolidated Financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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 Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statement in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit and consolidated cash flows of the holding company including its subsidiaries / associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Companies included in Holding Company and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its jointly controlled entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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

## Independent Auditor's Report (Contd.)

or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Holding Company and its jointly controlled entity are responsible for assessing the ability of the Holding Company and its jointly controlled entity 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 Holding Company and its jointly controlled entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Holding Company and its jointly controlled entity are responsible for overseeing the financial reporting process of the Holding Company and its jointly controlled entity

### Auditors Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial statement 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this statements.

As part of audit 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 Consolidated 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal with reference to 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 ability of the Holding Company and its jointly controlled entity 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modified 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information/ financial statements of the entity or business activities within the Holding Company and its jointly controlled entity to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entity included in the Statement, of which we are the independent auditors.

We communicate with those charged with governance of the holding company and such other entity included in the consolidated financial statements of which we are the independent auditor's 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 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 matter that may reasonably be thoughts to bear on our independence, and where applicable, related safeguards.



## Independent Auditor's Report *(Contd.)*

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

As required by the Companies (Auditor's Report) Order, 2020 ("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 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable as under;

(xxi) There is no any qualification or adverse remark by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial Statement.

As required by Section 143 (3) of the Act, based on our audit and other financial information of the subsidiary, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under the Act, read with the relevant rules (As amended);
- e. On the basis of the written representations received from the directors of the Holding Company and its subsidiaries /associates and taken on record by the Board of Directors of the Holding Company and its controlled entities, none of the directors is disqualified as on 31 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 over financial reporting of the Holding Company and its jointly controlled entity and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company and its jointly controlled entity's Internal Financial Controls over financial Reporting; and
- g. As required by section 197(16) of the Act, based on our audit, we report that the Holding Company paid remuneration to their directors during the year ended 31 March 2022, in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the 2 subsidiary company and 1 associate covered under the Act, has not paid or provided for any managerial remuneration during the year ended 31 March 2022
- h. 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us
  - i. There are no pending litigations which might have an impact on the consolidated financial position of the Group.
  - ii. The Holding Company and its jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its jointly controlled entity incorporated in India;
  - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its jointly controlled entity to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its jointly controlled entity ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; [Refer note 11 (h) of the Additional note to financial statements.]

## Independent Auditor's Report *(Contd.)*

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its jointly controlled entity from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its jointly controlled entity shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and [Refer note 11 (h) of the Additional note to financial statements.]
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.; and
- i. The Holding Company and its jointly controlled entity has not declared or paid any dividend during the year.

For **R V Luharuka & Co LLP**

*Chartered Accountant*

FRN – 105662W/W100174

**Ramesh Luharuka**

*Partner*

Mem No. 031765

UDIN – 22031765AINDLV347

Date : 06/05/2022

Place : Mumbai

## Annexure A to the Independent Auditor's Report

### Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013.

#### Opinion

In conjunction with our audit of the consolidated financial statements of Knowledge Marine & Engineering Works Limited (the Holding Company) and its subsidiaries as at and for the year ended 31st March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries / associate and such company incorporated in India under the Companies Act, 2013 which is its jointly controlled entity, as of that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

#### Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). 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.

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 judgement, 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 internal financial controls system with reference to these Consolidated Financial Statements.

#### Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting with reference to consolidated financial statements 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.

## Annexure A to the Independent Auditor's Report *(Contd.)*

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **R V Luharuka & Co LLP**

*Chartered Accountant*

FRN – 105662W/W100174

**Ramesh Luharuka**

*Partner*

Mem No. 031765

UDIN – 22031765AINDLV347

Date : 06/05/2022

Place : Mumbai

## Significant Accounting Policies and Notes to Consolidated Accounts

### NOTE – A

#### To the Consolidate Financial Statements for the year ended 31st March, 2022

#### Corporate Information

Knowledge Marine & Engineering Works Limited (Formerly known as Knowledge Marine & Engineering Works Private Limited), having registered office at Office no. 402, Sai Samarth Business Park, Deonar Village Road, Govandi (East), Mumbai – 400088 Maharashtra, was incorporated on 26th October, 2015 under Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra (CIN- L74120MH2015PLC269596). Company has been changed from Private Limited Company to Limited company on 31st January, 2020. Company is listed on SME Platform of Bombay Stock Exchange w.e.f. 22nd March, 2021. Financial Statement comprises financial statements of the Company and its subsidiaries and associates companies (collectively referred to as the “Group”) for the year ended 31st March 2022. The Group is primarily engaged in the business of Dredging, Owning, and Operating Marine and ancillary Crafts and Repair and Maintenance of Marine crafts and Marine infrastructure.

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1.1. Basis of Preparation

The Financial Statements of the Company have been prepared and presented under the historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act 2013 (the Act) and the accounting principles generally accepted in India and comply with the Accounting Standards notified under section 133 of the Companies act 2013 read with Rules of the Companies (accounts) rules 2014, (as amended) and the relevant provisions of the Companies Act, 2013 to the extend applicable.

Accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All the Assets and liabilities have been classified as current or non-current as per criteria set out in Schedule III to the Act. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operation cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

##### 1.2. Uses of Estimates

The preparation of the Financial Statements in conformity with Indian Accounting Standard requires Management to make Judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures relating to contingent assets and liabilities at the end of the reporting period. Example of such estimates includes provision for doubtful debts, income taxes etc. Management periodically assesses whether there is an indication that an assets may be impaired and makes provision in the account for any impairment losses estimated. Contingencies are recorded when it is probable that a liabilities will be incurred and the amount can be reasonably estimated. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates and the difference between actual results and the estimates are recognized in the periods in which the results are known/materialize.

##### 1.3. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenues from contract services provided during the year are recognised, as and when the services are rendered, based on the agreements/arrangements with the concerned parties. Unbilled revenue is recognized to the extent not billed at the year end. The company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from Revenue.

Claims for damages etc. against the contractors/service providers are recognized on due basis, as and when the certainty to receive the claim is ascertained.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

##### 1.4. Inventories:

As Group is into service industries and therefore no inventories are there with the company. During the course of business material required by the company as input were consumed during the year and were expensed out accordingly.

## Significant Accounting Policies and Notes to Consolidated Accounts (Contd.)

### 1.5. Tangible Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any subsidy/ reimbursement/ contribution received for installation and acquisition of any fixed assets is shown as deduction in the year of receipt. Capital work- in progress is stated at cost.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets derecognized.

### 1.6. Depreciation

The depreciable amount of an item of property, plant and machinery, equipments, furniture is allocated on a systematic basis over its useful life. Depreciation on assets is provided on straight line method using the rates arrived at based on the useful lives estimated as prescribed in schedule II of the Companies Act 2013. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Accounting Policies, Changes in Accounting Estimates and Errors.

Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in the Statement of Profit and Loss unless it is included in the carrying amount of another asset.

Depreciation on fixed assets added/disposed off during the year/period is provided on pro-rata basis with reference to the date of addition/disposal. Individual assets costing upto Rs. 5000 are depreciated in full in the year of purchase.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives for the current and comparative periods are as follows:

Assets Class	Useful Lives (in years) -as per Companies Act, 2013	Useful Lives (in years) -as estimated by the Company
Ship	14	14
Computer	3	3
Machinery	8	8
Office Furniture	10	10
Office Equipment	8	8

### 1.7. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

### 1.8. Borrowing Cost

Borrowing cost includes interest. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## Significant Accounting Policies and Notes to Consolidated Accounts (Contd.)

### 1.9. Foreign Exchange Transactions/Translation

Transactions denominated in foreign currencies (if any) are recorded at the exchange rate prevailing on the date of transactions and any gain or loss on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

### 1.10. Taxes on Income

Tax expense comprises current and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date and are adjusted for its appropriateness.

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

### 1.11. Employee Benefits

Defined Contribution plans: -

(i) Company's contributions due / payable during the year towards provident fund are recognized in the profit and loss account. The Company has no obligation other than the contribution payable to the provident fund.

(ii) Company has no policy of encashment and accumulation of leave. Therefore, no provision of Leave Encashment is being made.

(iii) Employee Gratuity Fund Scheme is the Defined Benefit Plan. Cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

(iv) Short Term Employee Benefits if any, are paid along with salary and wages on a month-to-month basis, bonus to employees are charged to profit and loss account on the basis of actual payment on year to year basis.

### 1.12. Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost.

However, provision for diminution in values is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### 1.13. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.



## Significant Accounting Policies and Notes to Consolidated Accounts (Contd.)

### 1.14. Financial Ratios:

The Financial Ratios of the Company are as follows:

Sr. No.	Ratios	As on 31st March, 2022	As on 31st March, 2021
<b>1.</b>	<b>Interest Coverage Ratio</b>		
	Numerator (EBIT)	Rs. 30,49,14,794/-	Rs. 11,22,29,806/-
	Denominator (Interest Expense)	Rs. 2,48,37,052/-	Rs. 1,70,19,180/-
	Ratio	12.28	6.59
	% Change	86.17	
	Reason for Change	Increase in earnings more than the increase in the interest cost as compared to last year	
<b>2.</b>	<b>Debt-Equity Ratio</b>		
	Numerator (Total Debt)	Rs. 26,39,88,828/-	Rs. 16,94,35,907/-
	Denominator (Shareholders Equity)	Rs. 49,78,89,339/-	Rs. 28,92,11,119/-
	Ratio	0.53	0.59
	% Change	(9.50)	
	Reason for Change	No major change in percentage as compared to last year	
<b>3.</b>	<b>Net Profit Margin (%)</b>		
	Numerator (Net Profit after tax)	Rs. 20,86,78,221/-	Rs. 6,83,20,527/-
	Denominator (Revenue)	Rs. 61,10,63,016/-	Rs. 33,28,21,873/-
	Ratio	34%	21%
	% Change	66.36	
	Reason for Change	Due to increase in the revenue and profits of the Company due to exceptional Dredging Contract at the Sittwe Port, Myanmar bagged by the Company in the current financial year	
<b>4.</b>	<b>Return on Net Worth</b>		
	Numerator (Net Income)	Rs. 20,86,78,221/-	Rs. 6,83,20,527/-
	Denominator (Net Equity)	Rs. 10,23,60,000/-	Rs. 10,23,60,000/-
	Ratio	2.04	0.67
	% Change	205.44	
	Reason for Change	Due to increase in margins of the Company due to exceptional Sittwe Dredging Contract	
<b>5.</b>	<b>Operating Profit Margin (%)</b>		
	Numerator (Operating Income)	Rs. 30,44,22,484/-	Rs. 11,58,55,560/-
	Denominator (Revenue)	Rs. 61,10,63,016/-	Rs. 33,28,21,873/-
	Ratio	49.82%	34.81%
	% Change	43.12	
	Reason for Change	Due to increase in margins of the Company due to exceptional dredging contract at Sittwe, Myanmar	

**Significant Accounting Policies and Notes to Consolidated Accounts (Contd.)**

Sr. No.	Ratios	As on 31st March, 2022	As on 31st March, 2021
<b>6.</b>	<b>Debtors Turnover Ratio</b>		
	Numerator (Credit Sales)	Rs. 61,10,63,016/-	Rs. 33,28,21,873/-
	Denominator (Average Debtors)	Rs. 2,16,98,801/-	Rs. 1,71,31,961/-
	Ratio	28.16	19.43
	% Change	44.96	
	Reason for Change	Receipts of sales made in the month of March, 2022 in the next financial year	
<b>7.</b>	<b>Total Debts to Total Assets Ratio</b>		
	Numerator (Total Debt)	Rs. 26,39,88,828/-	Rs. 16,94,35,907/-
	Denominator (Total Assets)	Rs. 93,67,95,521/-	Rs. 51,03,58,704/-
	Ratio	0.28	0.33
	% Change	(15.12)	
	Reason for Change	No major changes as compared to last year	
<b>8.</b>	<b>Long Term Debts to Working Capital Ratio</b>		
	Numerator (Long Term Debt)	Rs. 17,17,57,833/-	Rs. 11,63,53,132/-
	Denominator (Working Capital)	Rs. 10,76,35,772/-	Rs. 11,85,17,426/-
	Ratio	1.60	0.98
	% Change	62.54	
	Reason for Change	Increase in Long Term Loan for purchase of the Vessel River Pearl 8. The same is deployed for Sittwe Dredging Contract	
<b>9.</b>	<b>Inventory Turnover Ratio</b>		
	Numerator (Cost of goods sold)	NA	
	Denominator (Average Inventory)		
	Ratio		
	% Change		
	Reason for Change	The Company is in the Service Industry and thus does not possess Inventory.	
<b>10.</b>	<b>Debt Service Coverage Ratio</b>		
	Numerator (Net Operating Income)	Rs. 32,92,59,536/-	Rs. 13,24,41,245/-
	Denominator (Total Debt Service)	Rs. 8,31,80,679/-	Rs. 8,95,37,251/-
	Ratio	3.96	1.48
	% Change	167.61	
	Reason for Change	Due to exceptional margins of the company in the current financial year	
<b>11.</b>	<b>Return on Equity Ratio</b>		
	Numerator (Net Income)	Rs. 20,86,78,221/-	Rs. 6,83,20,527/-
	Denominator (Shareholders Equity)	Rs. 10,23,60,000/-	Rs. 10,23,60,000/-
	Ratio	2.04	0.67
	% Change	66.28	
	Reason for Change	Due to change in Profit Margins	

## Significant Accounting Policies and Notes to Consolidated Accounts (Contd.)

Sr. No.	Ratios	As on 31st March, 2022	As on 31st March, 2021
<b>12.</b>	<b>Return on Capital Employed</b>		
	Numerator (EBIT)	Rs. 30,49,14,794/-	Rs. 11,17,96,311/-
	Denominator (Capital Employed)	Rs. 70,11,01,553/-	Rs. 42,74,27,130/-
	Ratio	0.43	0.26
	% Change	66.28	
	Reason for Change	Due to addition of new fixed assets during the financial year	
<b>13.</b>	<b>Net Capital Turnover Ratio</b>		
	Numerator (Total Sales)	Rs. 61,10,63,016/-	Rs. 33,28,21,873/-
	Denominator (Shareholder's Equity)	Rs. 10,23,60,000/-	Rs. 10,23,60,000/-
	Ratio	5.97	3.25
	% Change	83.60	
	Reason for Change	Due to increase in sales of the Company during the current financial year	
<b>14.</b>	<b>Current Ratio</b>		
	Numerator (Current Assets)	Rs. 34,33,29,740/-	Rs. 20,14,49,001/-
	Denominator (Current Liabilities)	Rs. 23,56,93,968/-	Rs. 22,11,47,584/-
	Ratio	1.46	0.91
	% Change	59.91	
	Reason for Change	Due to increase in current assets of the Company and decrease in current liabilities of the company during the current financial year	

### 1.15. Foreign Currency Transactions:

The Company has not earned any foreign exchange during the year. However, the foreign exchange outflow during the period under this report was Rs. 29,93,045.43/- (41718 USD).

### 1.16. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluting potential equity shares.

### 1.17. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### 1.18. Provisions, Contingent Liabilities & Contingent Assets

#### a) Provisions

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can

## Significant Accounting Policies and Notes to Consolidated Accounts *(Contd.)*

be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### **b) Contingent Liabilities**

A Contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

### **1.19. Leases**

#### **Where the Company is Lessee**

Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognized as expense in the profit and loss account on a straight-line basis over the lease term.

#### **Where the Company is Lessor**

Assets given on operating leases are included under fixed assets. Rent (lease) income is recognized in the statement of Profit and Loss on accrual basis. Direct costs, including depreciation are recognized as an expense in the statement of profit and loss.

**Consolidated Balance Sheet as at 31st March, 2022**

(` In Lakhs)

PARTICULARS	NOTES	AUDITED 31.03.2022 One Year	AUDITED 31.03.2021 One Year
<b>A) EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share capital	B	1,023.60	1,023.60
(b) Other Equity	B	3,712.87	1,677.09
		<b>4,736.47</b>	<b>2,700.69</b>
<b>2. Share Minority Interest</b>		242.42	191.42
<b>3. Non Current Liabilities</b>			
(a) Long Term Borrowings	C	1,717.58	1,163.53
(b) Deferred Tax Liabilities (Net)	D	305.28	213.90
(c) Long Term Provision	E	9.26	4.73
		<b>2,032.12</b>	<b>1,382.16</b>
<b>4. Current Liabilities</b>			
(a) Short Term Borrowings	C	922.31	530.83
(b) Trade Payables	F		
(i) Total Outstanding dues of micro and small enterprises		19.27	3.64
(ii) Total Outstanding dues of creditors other than micro and small enterprises		597.55	46.14
(c) Other Current Liabilities	G	139.04	24.49
(d) Short Term Provisions	H	678.77	224.22
		<b>2,356.94</b>	<b>829.32</b>
<b>Total Liabilities (3+4)</b>		<b>4,389.06</b>	<b>2,211.48</b>
<b>Total Liabilities and Equity</b>		<b>9,367.96</b>	<b>5,103.59</b>
<b>B) ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets	S		
(i) Tangible Assets		5,257.50	2,776.01
(ii) Intangible assets		0.09	0.09
(b) Capital Work in Progress		180.80	285.36
(c) Non-Current Investment	I/M	496.27	27.64
		<b>5,934.66</b>	<b>3,089.10</b>
<b>2. Current Assets</b>			
(a) Current investments	I	-	5.87
(b) Inventories	J	18.88	32.98
(c) Trade receivables	K	394.28	39.69
(d) Cash and cash equivalents	L	2,256.91	1,153.12
(e) Short-term loans and advances	M	-	14.38
(f) Other current assets	M	763.23	768.44
<b>Total Current Assets</b>		<b>3,433.30</b>	<b>2,014.49</b>
<b>Total Assets</b>		<b>9,367.96</b>	<b>5,103.59</b>

See accounting policies and accompanying notes forming part of the financial statements Balance Sheet Abstract and Company Profile.

As per our report of even date

**For R.V.Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

Company Secretary &amp; Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022

## Consolidated Profit and Loss for the year ended 31st March, 2022 <sup>(` In Lakhs)</sup>

PARTICULARS	NOTES	AUDITED 31.03.2022 One Year	AUDITED 31.03.2021 One Year
I. Revenue From Operations	N	6,110.63	3,328.22
II. Other Income	O	51.08	13.36
III. <b>Total Revenue (I+II)</b>		<b>6,161.71</b>	<b>3,341.58</b>
IV. <b>Expenditure</b>			
(a) Direct Expenses	P	2,284.03	1,598.52
(b) Employee benefits expense	Q	268.31	198.80
(c) Finance costs	R	248.37	170.19
(d) Depreciation and amortization expense	S	243.45	206.45
(e) Other expenses	T	316.77	215.51
V. <b>Total expenses</b>		<b>3,360.93</b>	<b>2,389.48</b>
VI. <b>Profit before exceptional and extraordinary items and tax (III-V)</b>		<b>2,800.78</b>	<b>952.11</b>
VII. Prior Period Item		-	4.33
VIII. <b>Profit before tax after extraordinary items (VI-VII)</b>		<b>2,800.78</b>	<b>947.77</b>
IX. <b>Tax expense:</b>			
(1) Current tax expense for current year		622.62	180.22
(2) Deferred tax		91.38	84.34
(3) MAT Credit			-
X. <b>Profit/ (Loss) after tax for the period (VIII - IX)</b>		<b>2,086.78</b>	<b>683.20</b>
XI. Minority Interest in income		51.00	12.91
XII. Share of Profit / Loss in associate companies		87.61	17.88
XIII. <b>Profit available for distribution</b>		<b>2,035.78</b>	<b>652.41</b>
XIV. <b>Earnings per equity share:</b>	U		
(a) Basic		19.89	8.98
(b) Dilluted		19.89	8.98

As per our report of even date

**For R.V.Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

Company Secretary &amp; Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022

## Consolidated Cash Flows for the year ended 31st March, 2022

(` In Lakhs)

PARTICULARS	AUDITED 31.03.2022 One Year	AUDITED 31.03.2021 One Year
<b>A) Cash Flow From Operating Activities :</b>		
Net profit before Tax & Extraordinary Items	2,800.78	947.77
Adjustment for :		
Depreciation	243.45	206.45
Interest Income	(36.45)	(12.00)
Finance Cost	248.37	170.19
Loss on Sale of Fixed Assets	-	-
<b>Operating profit before working capital changes</b>	<b>3,256.14</b>	<b>1,312.41</b>
Increase/Decrease in Other Current Assets / Current Assets	5.21	(586.27)
Increase/Decrease in Short Term Advances	14.38	(12.38)
Decrease/Increase in Trade Receivable	(354.59)	2,632.26
Increase in Inventory	14.10	(6.03)
Decrease In Current Investment	5.87	-
Increase in Short Term Provisions	454.55	88.62
Decrease/Increase in Other Current Liability	114.55	(186.73)
Decrease In Trade Payables	567.04	(209.55)
Adjustments for :		
Loans and Advances given		
Provisions	4.54	4.93
<b>Cash generated from operations</b>	<b>4,081.80</b>	<b>668.27</b>
Income Tax Refund		(5.17)
Income Tax Paid	(622.62)	(180.22)
<b>Cash flow before Extraordinary Items</b>	<b>3,459.18</b>	<b>482.88</b>
<b>Extraordinary items</b>		-
<b>Net Cash flow from Operating Activities</b>	<b>3,459.18</b>	<b>482.88</b>
<b>B) Cash Flow From Investing Activities :</b>		
Investment In Fixed Deposit	(468.64)	113.73
Increase in Fixed Assets	(2,439.58)	(255.35)
Increase in Capital Work-in-Progress	(180.80)	(285.36)
Interest on FD	36.45	11.80
<b>Net Cash flow from / Used in Investing Activities</b>	<b>(3,052.56)</b>	<b>(414.98)</b>
<b>C) Cash Flow From Financing Activities :</b>		
Increase/Decrease in Short Loan	391.48	80.97
Increase in Paid Up Capital	-	273.60
Decrease in Loan Term Payable	554.05	-
Increase in Security Premium	-	738.72
Finance Cost	(248.37)	(170.19)
<b>Net Cash flow from / Used in Financing Activities</b>	<b>697.16</b>	<b>923.10</b>
<b>Net Decrease / Increase in Cash or Cash Equivalents (A+B+C)</b>	<b>1,103.78</b>	<b>990.99</b>
<b>Opening Cash &amp; Cash Equivalents</b>	<b>1,153.12</b>	<b>162.13</b>
Closing Cash & Cash Equivalents	2,256.91	1,153.12
Cash & Cash Equivalents comprises :		
<b>Cash &amp; Bank Balances as per BS</b>	<b>2,256.91</b>	<b>1,153.12</b>

See accounting policies and accompanying notes forming part of the financial statements and Company Profile.

As per our report of even date

**For R.V.Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

Company Secretary &amp; Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022



## Notes to Consolidated Financial Statements

(` In Lakhs)

## Note B SHARE CAPITAL

Particulars	31.03.2022	31.03.2021
<b>Share Capital</b>		
<b>Authorised Share Capital</b>		
1,05,00,000 Equity Share of Rs. 10/- each with voting rights	1,050.00	1,050.00
<b>Issued, Subscribed and Paid up Share Capital</b>		
1,02,36,000 Equity Share of Rs. 10/- each with voting rights	1,023.60	1,023.60
<b>Subscribed and paid-up:</b>		
1,02,36,000 Equity Share of Rs. 10/- each with voting rights	1,023.60	1,023.60
	<b>1,023.60</b>	<b>1,023.60</b>

## Reserves &amp; Surplus

Particulars	31.03.2022		31.03.2021	
<b>Capital Reserve</b>				
Security Premium	738.72	738.72	738.72	738.72
<b>Retained earnings:</b>				
As per last balance sheet	772.75		628.98	
Add / (Less): Transferred from:				
Profit and Loss Account	1,948.17		652.41	
Less : Bonus Issue	-		(500.00)	
Less: Profit and Loss Appropriation	-		(8.64)	
		2,720.92		772.74
Profit of Knowledge Infra Ports Private Limited (Subsidiary Company)		67.34		28.67
Profit of Indian Port Dredging Private Limited (Subsidiary Company)		74.64		54.45
Profit of KMEW Offshore Private Limited (Associate Company)		111.25		82.49
<b>Total</b>		<b>3,712.87</b>		<b>1,677.08</b>

1. Terms/rights attached to equity shares:
  - i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
  - ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
2. Company does not have any Revaluation Reserve.
3. The reconciliation of the number of Equity shares outstanding as at: -

Particulars	31.03.2022	31.03.2021
Number of shares at the beginning	102.36	25.00
Add: Bonus Share Issued	-	50.00
Add: Fresh Issue of shares	-	27.36
Number of shares at the end	102.36	102.36

**Notes to Consolidated Financial Statements (Contd.)**

(₹ In Lakhs)

4. The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	31.03.2022	31.03.2021
Saurabh Daswani	15.00	15.00
Pinkesh Kewalramani	15.00	15.00
Kanak Kewalramani	40.31	40.31

**Note C STATEMENT OF LONG TERM & SHORT TERM BORROWINGS**

Particulars	31.03.2022		31.03.2021	
	Long Term	Short Term	Long Term	Short Term
<b>Loans &amp; Advances from-</b>				
From Bank Secured	1,717.58	922.31	1,163.53	525.69
From Bank Unsecured			-	0.48
Unsecured from related parties		-	-	4.65
<b>Total</b>	<b>1,717.58</b>	<b>922.31</b>	<b>1,163.53</b>	<b>530.83</b>

**Notes:-**

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in Note-C (A) and Note-C (B)

**(A) - Statement Of Principal Terms of Secured Loans And Assets Charged as Security**

Number of Lender	Type of Loan	Rate of Interest	Loan Tenure	Primary & Collateral Security	Re-Payment Schedule	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
HDFC Bank	Working Capital Term Loan under ECGL scheme	7.50%	5 years	Collateral Security:- Residential Property of Director Kanak S. Kewalramani located at Chembur, Mumbai	Moratorium of 2 Years then Monthly EMI of Rs. 3,87,615/- beginning from 07.05.2024	124.61	
	Term Loan	7.50%	2.6 Years		Moratorium of 6 Months then Monthly EMI of Rs. 57,37,448/- beginning from 07.05.2022	1,275.00	
	Car Loan	7.54%	3 Years		Monthly EMI of Rs. 27,438/- beginning from 07.01.2021	7.93	
	Term Loan	7.50%	5 Years		Monthly EMI of Rs. 3,00,569/- beginning from 07.07.2021	130.91	
	Working Capital Term Loan under ECGL scheme	8.25%	48 Months		Moratorium of 7 months after that Monthly EMI of Rs. 2,64,195/- beginning from 07.07.2021	64.73	84.00
	Term Loan	7.50%	48 Months		Monthly EMI of Rs. 9,66,752/- beginning from 07.01.2021	285.53	374.78
	Term Loan	7.50%	60 Months		Monthly EMI of Rs. 4,54,394/- beginning from 07.03.2021	182.83	221.05
	Cash Credit facility	7.50%	Renewable every year	Book Debts and Current assets	-	-	105.61

## Notes to Consolidated Financial Statements (Contd.)

(` In Lakhs)

Number of Lender	Type of Loan	Rate of Interest	Loan Tenure	Primary & Collateral Security	Re-Payment Schedule	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
IndusInd Bank	Term Loan	12.51%	4 Years	Collateral Security: Residential Property located at Walkeshwar, Mumbai	Monthly EMI of Rs. 13,88,260/- beginning from 07.10.2019		339.11
HDFC Bank	Term Loan (KMEW Offshore)	7.50%	42 Months	Under CGTMSE	Monthly EMI of Rs. 3,88,754/- beginning from 07.01.2021	95.77	133.12
HDFC Bank	Cash Credit facility (KMEW Offshore)	7.50%	Renewable every year	Under CGTMSE	-	14.33	-
HDFC Bank	Term Loan (Knowledge Infra Ports)	7.50%	4 Years	Collateral Security: Residential Property of Director Kanak S. Kewalramani located at Chembur, Mumbai	Monthly EMI of Rs. 11,13,230/- beginning from 07.01.2021	328.78	431.56
HDFC Bank	Working Capital Term Loan under ECGL scheme	7.50%	5 Years	Collateral Security: Residential Property of Director Kanak S. Kewalramani located at Chembur, Mumbai	Moratorium of 2 Years then Monthly EMI of Rs. 3,21,809/- beginning from 07.04.2024	129.47	-
<b>TOTAL</b>						<b>2,639.89</b>	<b>1,689.22</b>

## (B) - Statement of Terms and Conditions of Unsecured Loans

## Unsecured From Banks

Number of Lender	Rate of Interest	Loan Tenure	Re-Payment Schedule	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
IndusInd Bank	18.75%	36 Months	Monthly EMI of Rs. 70,137/- beginning from 18.12.2018	-	0.48
<b>TOTAL</b>				<b>-</b>	<b>0.48</b>

## Unsecured From Related Parties

Name of Related Party	Outstanding Amount as on 31.03.2022	Outstanding amount as on 31.03.2021
Kanak Kewalramani	-	4.65
<b>Total</b>	<b>-</b>	<b>4.65</b>

**Notes to Consolidated Financial Statements (Contd.)**

(` In Lakhs)

**Note D DEFERRED TAX**

The major components of deferred tax assets and deferred tax liabilities are as under:-

Particulars	31.03.2022		31.03.2021	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
<b>Difference between WDV as per Company Law and Income Tax</b>	-	1,212.88	-	473.47
Expenses allowable for tax purposes when paid/on payment of TDS	-	-	-	-
GST	-	-	-	-
Unabsorbed carried forward tax losses / depreciation	-	-	-	-
Other items giving rise to timing differences	-	-	-	-
<b>Net deferred tax (liability) / Asset</b>	<b>305.28</b>	<b>-</b>	<b>(213.90)</b>	
Deferred tax assets on acquisition of subsidiaries	-	-	-	-
Deferred tax liabilities on divestment of subsidiary	-	-	-	-
Effect of translation gain / loss	-	-	-	-
Net liability charged to the profit and loss account	-	-	-	-
	-	-	-	-
Net incremental liability	91.38			-

**Note E LONG TERM PROVISIONS**

Particulars	31.03.2022	31.03.2021
Long Term Provision for Gratuity	9.26	4.73
<b>Total</b>	<b>9.26</b>	<b>4.73</b>

**Note F TRADE PAYABLES**

Particulars	31.03.2022	31.03.2021
<b>Trade Payables:</b>		
Micro, Small and Medium Enterprise	296.81	40.60
Other	597.55	46.14
Less: Payable to Holding Company	(277.54)	(36.97)
<b>Total</b>	<b>616.82</b>	<b>49.78</b>

**Notes:-**

- Out of the total MSME creditors outstanding as on 31st March 2022 none of the creditors were outstanding for more than 45 days from the issuance of Invoice. Most of the creditors of the company were paid within the period as agreed at the time of issue of invoice.

**Note G OTHER CURRENT LIABILITIES**

Particulars	31.03.2022		31.03.2021	
	Long Term	Short Term	Long Term	Short Term
Duties and Liabilities Payable	-	139.04	-	24.49
<b>Total</b>	<b>-</b>	<b>139.04</b>	<b>-</b>	<b>24.49</b>

## Notes to Consolidated Financial Statements (Contd.)

(` In Lakhs)

## Note H SHORT TERM PROVISIONS

Particulars	31.03.2022		31.03.2021	
	Long Term	Short Term	Long Term	Short Term
Duties and Taxes Income Tax	-	623.71	-	180.59
Provision for Salary and Wages	-	39.14	-	28.90
Provision for Audit Fees and Other Expenses	-	2.13	-	6.95
Provision for Interest	-	11.77	-	7.79
Provision For Expenses	-	2.03	-	-
<b>Total</b>	-	<b>678.77</b>	-	<b>224.22</b>

## Note I CURRENT / NON CURRENT INVESTMENTS

Particulars	31.03.2022		31.03.2021	
	Long Term	Short Term	Long Term	Short Term
Fixed Deposit	170.22	-	27.64	4.82
Other Deposit (Retention Money)	125.55	-	-	-
Mutual Funds	-	-	-	1.05
<b>Total</b>	<b>295.77</b>	-	<b>27.64</b>	<b>5.87</b>
<b>Aggregate amount of quoted investments</b>	-	-	-	-
<b>Aggregate amount of unquoted investments</b>	<b>295.77</b>	-	<b>27.64</b>	<b>5.87</b>

## Note J INVENTORIES (At Lower of Cost or Net Realisable Value, as certified by the Management)

Particulars	31.03.2022	31.03.2021
Stock in Trade;		
Consumable	18.88	31.97
Lubes	-	1.01
<b>Total</b>	<b>18.88</b>	<b>32.98</b>

## Notes:-

- Group is into service industry therefore there is no stock in hand. Consumables at the end of the year is the value of Fuel and Lubes which is unconsumed as on 31.03.2022.

## Note K TRADE RECEIVABLES

Particulars	31.03.2022	31.03.2021
Trade receivable outstanding for a period exceedings six months		
Secured, considered good	-	-
Unsecured, Considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivable		
Other Trade receivables	-	-
Secured, considered good	-	-
Unsecured, Considered good	671.83	76.66
Doubtful	-	-
	671.83	76.66
Less: Receivables from Subsidiary Companies	(277.54)	(36.97)
	394.28	39.69
<b>Total</b>	<b>394.28</b>	<b>39.69</b>

**Notes to Consolidated Financial Statements (Contd.)**

(₹ In Lakhs)

**Notes:-**

1. Trade Receivable to the Company is considered good as all the Balance Confirmation from the existing party have been received and dully tallied by the management. Therefore company has not made any provision for doubtful debts.

**Note L CASH & CASH EQUIVALENT**

Particulars	31.03.2022	31.03.2021
Bank Balance		
(a) Current Accounts	1,657.54	462.79
(b) Deposit Accounts	597.53	672.29
(c) Cheque Issued but not cleared	-	-
(d) Cash in hand	1.84	18.05
<b>Total</b>	<b>2,256.91</b>	<b>1,153.12</b>

**Notes:-**

1. Fixed Deposits having maturities of less than 12 months are considered in current assets.

**Note M OTHER CURRENT ASSETS / SHORT TERM LOANS AND ADVANCES**

Particulars	31.03.2022		31.03.2021	
	Non Current	Current	Non Current	Current
Loan & Advances	-	-	-	14.38
Balance with Revenue Authorities (TDS/Advance Tax)	-	576.53	-	239.94
Deposit	-	46.95	-	24.44
Advances to Creditors	-	22.96	-	-
Long Term Advances	200.50	116.59	-	428.90
Prepaid Expenses	-	0.20	-	-
<b>Total (A)</b>	<b>200.50</b>	<b>763.23</b>	<b>-</b>	<b>693.28</b>
Preliminary Expense (IPO Issue Expense)	-	-	-	75.16
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75.16</b>
<b>Total (A) + (B)</b>	<b>200.50</b>	<b>763.23</b>	<b>-</b>	<b>768.44</b>

**Note N REVENUE FROM OPERATIONS**

Particulars	2021-22	2020-21
Sales of Service	8,593.55	5,708.92
Less: Services to Subsidiary Company	(2,482.92)	(2,380.70)
<b>Total</b>	<b>6,110.63</b>	<b>3,328.22</b>

**Note O OTHER INCOME**

Particulars	2021-22	2020-21
Sale of Scrap	9.45	-
Sundry Balance Written Back	5.18	1.36
Interest Income	36.45	12.00
<b>Total</b>	<b>51.08</b>	<b>13.36</b>

## Notes to Consolidated Financial Statements (Contd.)

(` In Lakhs)

Note P DIRECT EXPENSES				
Particulars	2021-22		2020-21	
	Cost of materials consumed			
Opening stock of fuel	32.98		26.95	
Add: Purchases of Fuel	722.91		497.43	
Add : Purchase of Lubes	1.30		4.31	
Less: Closing stock of Fuel	(18.88)		(31.97)	
Less: Closing stock of Lubes			(1.01)	
	738.32		495.71	
Less: Scrap sales	-	738.32	-	495.71
Add: Direct Expenses	28.51		2.81	
Add: Hire Charges	1,823.53		1,656.16	
Add: Material Consumed	69.50		125.12	
Add: Operating Expenses			3.09	
Add: Transportation	3.77		6.28	
Add: Repairs and Maintenance	62.15		179.28	
Add : Ship Management Fees	36.95		27.25	
Add: Contractual Deductions	461.19		496.13	
Add: Crew Charges	415.06		312.72	
Add: Subcontracting charges	1,127.96		674.68	
<b>Less: Services from Holding Company</b>	<b>(2,482.92)</b>		<b>(2,380.70)</b>	
<b>Total Cost of Material Consumed</b>	<b>1,545.71</b>	<b>2,284.03</b>	<b>1,102.81</b>	<b>1,598.52</b>

Note Q EMPLOYEE BENEFIT EXPENSES				
Particulars	2021-22		2020-21	
	Salaries, Wages and Bonus	155.66		97.84
Gratuity	4.96		4.94	
Employee Benefit Expenses	15.16		5.96	
Directors Remuneration	80.63		77.78	
Employee Medical and Health Insurance	5.63		2.24	
Staff Welfare Expenses	6.27		10.04	
<b>Total</b>	<b>268.31</b>		<b>198.80</b>	

Note R FINANCE COSTS				
Particulars	2021-22		2020-21	
	Interest on Borrowings	170.73		128.17
Foreclosure Charges	36.02		36.50	
Bank Guarantee Charges	41.62		5.53	
<b>Total</b>	<b>248.37</b>		<b>170.19</b>	



## Notes to Consolidated Financial Statements (Contd.)

(` In Lakhs)

## Note S FIXED ASSETS

ASSETS	Gross block (Cost / Valuation)				Impairment				Depreciation / Obsolescence / Amortisation				Net block			
	As at 01-04-2021	Additions	Deductions Adjustments	Translation	As at 31-03-2022	As at 01-04-2021	Provided	Reversed	As at 31-03-2022	Upto 01-04-2021	For the 12 Months	Deductions Adjustments	Translation	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
<b>(A) Tangible Assets</b>																
Plant and equipments																
SHIPS	3,178.62	2,693.11	-	-	5,871.73	-	-	-	-	438.34	233.46	-	-	671.79	5,199.94	2,740.28
Machinery	4.34	3.60	-	-	7.94	-	-	-	-	1.11	0.64	-	-	1.76	6.18	3.22
Furniture & Fixtures	21.33	0.23	-	-	21.56	-	-	-	-	1.94	2.04	-	-	3.98	17.58	34.96
Computer and Others	18.42	4.56	-	-	22.98	-	-	-	-	8.57	4.55	-	-	13.12	9.86	10.80
Vehicles	-	21.37	-	-	21.37	-	-	-	-	-	1.17	-	-	1.17	20.20	-
<b>(B) Intangible Assets</b>																
Tally Software (18-12-2020)	0.36	-	-	-	0.36	-	-	-	-	0.02	0.07	-	-	0.09	0.27	0.34
Goodwill	0.09	-	-	-	0.09	-	-	-	-	-	-	-	-	0.09	0.09	-
(C)Capital Work in Progress RP-9		14.64			14.64											
(D)Capital Work in Progress RP-10		166.15			166.15											
<b>Total</b>	<b>3,228.28</b>	<b>2,905.73</b>	-	-	<b>6,134.01</b>	-	-	-	-	<b>452.18</b>	<b>243.45</b>	-	-	<b>695.63</b>	<b>5,257.50</b>	<b>2,792.62</b>
Previous year	2,477.10	540.71	-	-	3,017.81	-	-	-	-	170.40	172.53	-	-	342.93	2,389.51	2,306.70

## C. Depreciation and amortisation relating to continuing operations

Particulars	For the Year ended 31 March, 2022	For the year ended 31 March, 2021
Depreciation and amortisation for the year on tangible assets as per Note 6 A	243.45	172.53
Depreciation and amortisation for the year on intangible assets as per Note 6 B	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	243.45	172.53

## Note T OTHER EXPENSES

Particulars	2021-22	2020-21
<b>Audit Fee</b>		
Statutory Auditor Fee	2.08	2.87
Tax Audit Fee	1.99	1.70
Internal Audit Fee	1.50	1.25
Other Services	1.85	1.15
Secretarial Audit	0.47	0.45
<b>Others</b>		
Agency and Survey Charges	18.41	7.55
Business Promotion Expenses	2.87	1.64
CSR Expense	9.74	-
Directors Sitting Fees	1.60	1.60
Donation		0.25
Electricity Expenses	2.20	1.92
Rates and Taxes	10.82	4.43
Insurance	33.59	40.08
Legal and Professional Charges	79.61	98.31
Listing Expenses	2.87	-
Office Expenses	8.50	10.46
Printing & Stationery Expenses	3.52	1.57
Preliminary Expense W/o	75.16	-

## Notes to Consolidated Financial Statements (Contd.)

Particulars	2021-22	2020-21
Office Rent	20.17	17.26
ROC Filing and Other Registration	0.35	7.35
Telephone Expenses	0.45	0.33
Tender Expenses	0.53	0.40
Travelling Expenses	38.49	14.95
<b>Total</b>	<b>316.77</b>	<b>215.51</b>

### Note U EARNING PER SHARE

(` in lakhs)

Particulars	Audited 31.03.2022	Audited 31.03.2021
Net profit after tax (Rs.)	2,035.78	670.29
Weighted average number of equity Shares outstanding During the year	102.36	76.12
Basic earnings per share (Rs)	19.89	8.98
Diluted earnings per share (Rs)	19.89	8.98

### Note V ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

#### 1. Statement of Contingent Liabilities

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Bank Guarantees	5,60,12,166	1,86,25,276
Other Commitments (Corporate Guarantees)	2,70,00,000	2,70,00,000

As on 31st March, 2022, the company has outstanding Bank Guarantees of Rs. 4,81,86,125/- but the Fixed Deposits of Rs. 1,70,98,755 are lien marked by the Bank for such Bank Guarantees.

#### 2. Related Party Disclosure

##### (a) Names of related parties and description of relationship:

- Holding Company Nil
  - Subsidiary Indian Ports Dredging Private Limited  
Knowledge Infra Ports Private Limited
  - Associates KMEW Offshore Private Limited
  - Key Management Personnel **Board of Director**
    - a) Saurabh Daswani – Common Director in Holding, Subsidiary & Associate
    - b) Kanak Kewalramani – Common Director in Holding, Subsidiary & Associate
    - c) Jagat Jiban Biswas – Non-Executive Director
  - Independent Director **Directors**
    - a) Sandip Satishbhai Zaveri
    - b) Ashish Mohandas
- KMP**
- a) Sujay Mohanlal Kewalramani – Chief Executive Officer (CEO)
  - b) Dinesh Kewalramani, Chief Operating Officer (COO)
  - c) Ruchi Nishar, Company Secretary Cum Compliance Officer

## Notes to Consolidated Financial Statements (Contd.)

- Subsidiary Director Vishal Jain
- Relative of Key Management Personal
  - a) S P Infra
  - b) Harekrishna Shipping Agency
  - c) M G Contractors
  - d) Kaya Marine
  - e) S K Contractor
- Other Related party
  - a) Dinesh Kewalramani
  - b) D K Contractors
  - c) Kamal Marine and Engineering Works Private Limited

### (b) Transaction carried out with related parties in the ordinary course of business is as follows:

(Amount in Rs.)

S. No.	Name of Related Party	Relation	Nature of Payment	Opening Value as on 31.03.2021	Transaction Value	Amount as on 31.03.2022
1	Pinkesh Kewalramani	Member/Relative	Salary	-	16,94,028	-
2	Pinkesh Kewalramani	Member/Relative	Expense reimbursed incurred on behalf of Company	-	3,80,741	-
3	Saurabh Daswani	Managing Director	Expense reimbursed Incurred on behalf of Company	-	3,96,273	-
4	Saurabh Daswani	Managing Director	Directors Remuneration	-	38,78,400	4,59,392
5	Kanak Sujay Kewalramani	Director & CFO	Directors Remuneration	2,64,877	38,78,400	2,36,161
6	Kanak Sujay Kewalramani	Director & CFO	Loan From Director Repaid	4,65,484	(4,65,484)	-
7	Kanak Sujay Kewalramani	Director & CFO	Expense reimbursed incurred on behalf of Company	-	53,016	-
8	Harekrishna Shipping Agency	Related to Director	Service Charges	-	13,70,000	-
9	Dinesh Kewalramani	Interest in Voting Power	Salary	-	33,28,524	-
10	Dinesh Kewalramani	Interest in Voting Power	Expense reimbursed incurred on behalf of Company	-	16,68,851	-
11	D K Contractor	Other Related Party	Management Contract	-	27,31,129	24,924
12	Sujay Kewalramani	Relative of Director	Expense reimbursed incurred on behalf of Company	-	5,45,196	-
13	Sujay Kewalramani	Relative of Director	Salary	-	15,85,428	-
14	Indian Ports Dredging Private Limited	Subsidiary	Charter & Hire Income – Revenue	-	4,10,14,250	36,87,060
15	Knowledge Infra Ports Private Limited	Subsidiary	Contractual Deductions	-	2,21,28,583	-
16	Knowledge Infra Ports Private Limited	Subsidiary	Charter & Hire Income - Revenue	28,75,118	18,23,53,200	2,29,57,907
17	KMEW Offshore Private Limited	Associate	Crew Wages Income	-	27,95,683	11,09,125

## Notes to Consolidated Financial Statements (Contd.)

S. No.	Name of Related Party	Relation	Nature of Payment	Opening Value as on 31.03.2021	Transaction Value	Amount as on 31.03.2022
18	Kamal Marine & Engineering Works Pvt Ltd	Other Related Party	Construction of Capital Assets	-	16,80,00,000	5,23,54,524
19	M/s KMEW Offshore Private Limited	Associate	Corporate Guarantee	2,30,86,000	-	2,00,00,000
20	M/s Indian Ports Dredging Private Limited	Subsidiary	Corporate Guarantee	70,00,000	-	70,00,000

Director's remuneration for the year 2021-2022 is as per limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

All related party contracts/arrangements have been entered in ordinary course of business and are approved by the Board of Directors

### c) Transaction carried out in Subsidiary with related parties in the ordinary course of business is as follows:

#### KNOWLEDGE INFRA PORTS PRIVATE LIMITED

(Amount in Rs)

S. No.	Name of Related Party	Relation	Nature of Payment	Opening Balance	Transaction	Closing Balance
1	Knowledge Marine & Engineering Works Limited	Holding Company	Hire Charges (Expense)	28,75,119	2,00,82,788	2,29,57,907-

#### INDIAN PORTS DREDGING PRIVATE LIMITED

(Amount in Rs)

Sl. No.	Name of Related Party	Relation	Nature of Payment	Amount 31.03.2022	Amount 31.03.2021
1.	Knowledge Marine & Engineering Works Limited	Holding Company	Hire Charges (Expense)	36,87,060	-

#### KMEW OFFSHORE PRIVATE LIMITED

(Amount in Rs)

Sl. No.	Name of Related Party	Relation	Nature of Payment	Amount 31.03.2022	Amount 31.03.2021
1.	Knowledge Marine & Engineering Works Ltd.	Associate Company	Contract	11,09,125	8,21,394

### 3. Disclosure relating to Employee Benefits

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

#### A) Actuarial Assumptions

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Discount rate	7.25 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

## Notes to Consolidated Financial Statements (Contd.)

### B) Amount to be recognised in the Balance Sheet

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of the obligation at the end of the period	9,90,074	4,93,943
Fair value of plan assets at end of period	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	9,90,074	4,93,943
Funded Status - Surplus/ (Deficit)	(9,90,074)	(4,93,943)

### C) Expenses recognised in the statement of Profit & Loss account

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest cost	35,811	5,607
Current service cost	3,98,405	2,14,373
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Net actuarial (gain)/loss recognized in the period	61,915	1,93,859
Expenses to be recognized in P&L	4,96,131	4,13,839

### D) Changes in Present Value of Obligation

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of the obligation at the beginning of the period	4,93,943	80,104
Interest cost	35,811	5,607
Current service cost	3,98,405	2,14,373
Past Service Cost	0	0
Benefits paid (if any)	0	0
Actuarial (gain)/loss	61,915	1,93,859
Present value of the obligation at the end of the period	9,90,074	4,93,943

### E) Changes in defined benefit obligations

(Amount in Rs.)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening gross defined benefit liability/ (asset)	4,93,943	80,104
Expenses to be recognized in P&L	4,96,131	4,13,839
Benefits paid (if any)	0	0
Closing gross defined benefit liability/ (asset)	9,90,074	4,93,943

## 4. Segment Reporting

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard – 17 Segment Reporting.

## 5. Provisions (AS 29 Disclosure)

(Amount in Rs.)

Sl. No.	Particulars	Amount 31.03.2022	Amount 31.03.2021
1	Audit Fee	7,89,250	7,42,000
2	Tax Expenses	6,22,61,599	1,80,22,259
3	Corporate Dividend	Nil	Nil

## Notes to Consolidated Financial Statements (Contd.)

### 6. Trade Receivable ageing schedule

Current outstanding as on 31.03.2022

(Amount in Rs.)

Current outstanding as on 31.03.2022	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
a) Undisputed Trade receivables- considered good	3,93,50,602	77,880	-	-	-	3,94,28,482
Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
Disputed Trade Receivables — considered good	-	-	-	-	-	-
Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>3,93,50,602</b>	<b>77,880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,94,28,482</b>

Current outstanding as on 31.03.2021	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
a) Undisputed Trade receivables — considered good	39,69,120	-	-	-	-	39,69,120
Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
Disputed Trade Receivables — considered good	-	-	-	-	-	-
Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>39,69,120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,69,120</b>

7. No Loans or Advances are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment.

## Notes to Consolidated Financial Statements (Contd.)

### 8. Trade Payable

(Amount in Rs.)

Aging schedule as on 31.03.2022	Outstanding for following periods from due date of payment				
	Less than 1 year	Less than 1-2 year	Less than 2-3 years	More than 3 years	Total
MSME	19,27,016	-	-	-	19,27,016
Others	5,97,54,535	-	-	-	5,97,54,535
disputed dues – MSME	-	-	-	-	-
Disputed dues – others	-	-	-	-	-
<b>Total</b>	<b>6,16,81,551</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,16,81,551</b>

Aging schedule as on 31.03.2021	Outstanding for following periods from due date of payment				
	Less than 1 year	Less than 1-2 year	Less than 2-3 years	More than 3 years	Total
MSME	3,63,909	-	-	-	3,63,909
Others	46,13,876	-	-	-	46,13,876
disputed dues – MSME	-	-	-	-	-
Disputed dues – others	-	-	-	-	-
<b>Total</b>	<b>49,77,785</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,77,785</b>

### 9. Capital WIP ageing

For Capital-work-in progress, following ageing schedule shall be given: CWIP aging schedule

CWIP	Amount in CWIP for a period of				
	Less than 1 year	Less than 1-2 year	Less than 2-3 years	More than 3 years	Total
Projects in progress	1,80,79,605	-	-	-	1,80,79,605
Projects temporarily suspended	-	-	-	-	-

### 10. CSR Note

Corporate Social Responsibility (CSR) Expenditure

(Rs. In Lacs)

Particulars	2021-22	2020-21
Amount required to be spent as per Section 135 of the Act*	9.74	-
<b>Amount spent during the year on:</b>		
1. Project 'Heal Bundelkhand'	9.74	-
<b>Total</b>	<b>9.74</b>	<b>-</b>

Particulars	As at 31st March 2022	As at 31st March 2021
Amount required to be spent by the company during the year	9.74	-
Amount of the expenditure incurred	9.74	-
Reason for shortfall	-	-
Nature of CSR Activities	Livelihood	-

### 11. Additional regulatory information

#### a. Details of Benami Property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.



## Notes to Consolidated Financial Statements (Contd.)

### b. Wilful Defaulter

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet

### c. Relationship with Struck off Companies

The Company do not have any transactions with companies struck off.

### d. Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

### e. Compliance with number of layers of companies

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

### f. Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act.

### g. Discrepancy in utilization of borrowings

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

### h. Utilisation of Borrowed funds and share premium:

- A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company.
- B. The Company has not received any fund from any party(s) (funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by on behalf of the Company (ultimate beneficiary) or provide any guarantee, security or like on behalf of the ultimate beneficiaries.

### i. Undisclosed income

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### j. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency.

**12.** During the year ended 31st March, 2022 the revised Schedule VI notified under the Companies Act, 2013, is applicable to the Company. The Company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

As per our report of even date

**For R.V.Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 06/05/2022

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited**

**Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date: 06/05/2022

**Kanak Kewalramani**

Whole Time Director & CFO

DIN : 06678703

Place: Mumbai

Date: 06/05/2022

**Ruchi Nishar**

Company Secretary & Compliance Officer

Mem No.: 68260

Place: Mumbai

Date: 06/05/2022



**Knowledge Marine & Engineering Works Limited**

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Deonar Village Road, Govandi (East)  
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Email: [info@kmew.in](mailto:info@kmew.in)

Website: [www.kmew.in](http://www.kmew.in)

Tel No.: 022-35530988

## Notice

**NOTICE** is hereby given that the Seventh Annual General Meeting ('AGM') of the Shareholders ('Shareholders' or 'Members') of **Knowledge Marine & Engineering Works Limited** ('Company') will be held on Friday, 30th September, 2022, at 02:00 P.M. IST through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

### ORDINARY BUSINESS:

#### 1. Adoption of audited Financial Statements and Reports thereon:

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

- a. To adopt and approve the audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2022, together with the Reports of the Board of Directors and Auditors thereon; and
- b. To adopt and approve the audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2022, together with the Report of Auditors thereon.

#### 2. Appointment of a Director in place of the one retiring by rotation

The Company is exempted from the provisions of Section 152 of Companies Act, 2013 with respect to retirement of Directors by rotation as none of the Directors of the Company are eligible to retire by rotation.

### SPECIAL BUSINESS

#### 3. Regularization of Non-Executive Director Mr. Jagat Jiban Biswas:

To consider regularization of Mr. Jagat Jiban Biswas, Additional Non-Executive Director of the Company by passing the following resolution as an Ordinary Resolution:

Brief resume of Mr. Biswas attached as **Annexure-A**.

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Jagat Jiban Biswas (DIN: 07311532), who was appointed as an additional Non-Executive Director to fill up the casual vacancy caused by demise of Previous Non-Executive Director in the meeting of the Board of Directors held on 07/01/2022 be and is hereby regularized as Non-Executive Director of the Company w.e.f. the date of the 07th AGM of the Company.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby severally authorized to do all the acts, deeds, matters and things which are necessary to give effect to the above said resolution."

#### 4. Approval for enhancing borrowing powers of the Board

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

**"RESOLVED THAT** in supersession of all the resolutions passed in this regard and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, (including any amendments thereto or reenactments thereof), consent of shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall include any Committee thereof), to borrow such sums of money from time to time, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with amount already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid-up capital and free reserves provided that the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed Rs. 100 Cr. (Rupees Hundred Crores Only).

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary of the Company, be and are hereby authorized to sign such forms/returns, and various documents as may be required to be submitted to the Registrar of Companies, Mumbai, Maharashtra or such other authorities and to do all the acts, deeds, matters and things which may be necessary to give effect to the above said resolution."

By order of Board of Directors  
**Knowledge Marine & Engineering Works Limited**

**Ruchi Nishar**

Company Secretary & Compliance Officer

M. No. A68260

Date: 05th September, 2022

Place: Mumbai

## Notice

### NOTES:

1. The explanatory statements as required under Section 102(1) of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto and forms part of this notice.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular no. 2/2022 dated 05<sup>th</sup> May, 2022, General Circular no. 21/2021 dated 14<sup>th</sup> December, 2021 read with General circular No. 02/2021 dated 13th January 2021, General Circular No. 14/2020 dated 08th April 2020, General Circular No. 17/2020 dated 13th April 2020 and General Circular No. 20/2020 dated 05th May 2020 (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12<sup>th</sup> May 2020 and 15<sup>th</sup> January 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of the Members at a common venue.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Notice Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The relevant details of the Directors, pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard 2 on General Meetings, seeking appointment / re-appointment at this AGM is enclosed as **Annexure A**.
5. Institutional shareholders/Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are requested to send a 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 at [cs.dkewaliya@gmail.com](mailto:cs.dkewaliya@gmail.com), and at [compliance@kmew.in](mailto:compliance@kmew.in). It is also requested to upload the same in the e-voting module in their login.
6. Members are requested to send all communications relating to shares, change of address, bank details, email address, etc. to the RTA at the following address: M/s. Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. If the shares are held in electronic form, then change of address and change in the Bank Accounts etc., should be furnished to their respective Depository Participants.
7. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. In compliance with the MCA Circulars and SEBI Circulars, the Annual Report for FY 2021-22, the Notice of the 7<sup>th</sup> AGM and the Instructions for e-voting are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company / respective Depository Participants. Members may also note that the Annual Report for FY 2021-22 and the Notice convening the AGM are also available on the Company's website [www.kmew.in](http://www.kmew.in), websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Link Intime India Private Limited ("LIPL") at <https://instavote.linkintime.co.in>.
9. The Members may 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 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 EGM/AGM without restriction on account of first come first served basis.
10. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act are requested to write to the Company on or before 27<sup>th</sup> September, 2022 through email on [compliance@kmew.in](mailto:compliance@kmew.in). The same will be replied by/on behalf of the Company suitably in due course of time.
12. Members holding shares either in physical form or in dematerialized form, as on Friday, 23<sup>rd</sup> September, 2022 i.e. cut-off date, who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [compliance@kmew.in](mailto:compliance@kmew.in) or by sending an application for the same at the registered office of the

## Notice

Company situated at Office no 402, Sai Samarth Business Park, Deonar Village Rd, Govandi (East), Mumbai-400088 on or before 27<sup>th</sup> September, 2022. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

### 13. Voting through electronic means

- a. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility of 'e-voting' to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given hereinbelow. The Company has engaged the services of Link Intime India Private Limited, who will provide the e-voting facility for casting votes using remote e-voting system (e-voting from a place other than venue of the AGM) ('remote e-voting') as well as e-voting during the proceeding of the AGM ('e-voting at the AGM').
- b. The remote e-voting period commences **on Tuesday, 27<sup>th</sup> September, 2022 (11.00 A.M. IST)** and ends on **Thursday, 29<sup>th</sup> September, 2022 (5.00 P.M. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **Friday, 23<sup>rd</sup> September, 2022 i.e. cut-off date**, may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- c. Any person who acquires shares of the Company and becomes a shareholder of the Company after sending of the Notice and holding shares as of the cut-off date of e-voting, may obtain the login ID and password by sending a request at [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in). However, if he/she is already registered with LIPL for remote e-voting, then he/she can use his/her existing user ID and password for casting the vote.
- d. The Board of Directors has appointed M/s. Deepak Kewaliya & Co. (Proprietor, Mr. Deepak Kewaliya), Practicing Company Secretary having Membership No. A22333 and Certificate of Practice No. 21607, as Scrutinizers to scrutinize the voting process in a fair and transparent manner.
- e. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall provide, not later than two (2) working days of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, Who shall countersign the same and declare the result of the voting forthwith.
- f. The results shall be declared forthwith by the Chairperson or a person so authorized by him/her in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer's Report shall be placed to the stock exchanges, LIPL and will also be displayed on the Company's website.

### Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

#### 1. Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.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

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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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

### 2. Individual Shareholders holding securities in demat mode with CDSL

Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.

After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.

Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

### 3. 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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

### 4. Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -
  - A. **User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
  - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.  
*\*Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*
    - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
    - Click "confirm" (Your password is now generated).
3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.



## Notice

### Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

### Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

### Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

### Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 22-23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password**'?
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

### Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".



## Notice

### Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

➤ Select the **"Company"** and **'Event Date'** and register with your following details:

**A. Demat Account No. or Folio No:** Enter your 16-digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

➤ Click **"Go to Meeting"** (You are now registered for InstaMeet and your attendance is marked for the meeting).

### Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request on or before 27<sup>th</sup> September, 2022 with the company on [compliance@kmew.in](mailto:compliance@kmew.in) or by sending an application to the Registered Office of the Company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.**

### Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16-digit Demat Account No./ Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

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Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

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### ANNEXURE TO THE NOTICE

#### Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013.

##### ITEM NO. 3:

This Explanatory Statement is provided as per Section 102 of the Act.

Mr. Jagat Jiban Biswas (DIN: 07311532) was appointed as an Additional Non-Executive Director of the Company to fill up the casual vacancy caused by demise of Previous Non-Executive Director in the meeting of the Board of Directors held on 07/01/2022. As per the current provisions of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements), 2015, Mr. Jagat Jiban Biswas (DIN: 07311532) is not disqualified from being appointed as a Director in terms of section 164 of the Act. The appointment of Mr. Jagat Jiban Biswas (DIN: 07311532) as the Non-Executive Director needs to be regularized as Director in this AGM.

Brief resume of Mr. Jagat Jiban Biswas (DIN: 07311532), nature of his expertise in specific functional areas and names of Companies in which he holds directorships and memberships/chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 with the stock exchanges, are provided in **Annexure - A**.

Copy of the draft letter for appointment of Mr. Jagat Jiban Biswas (DIN: 07311532) as Director, setting out terms and conditions are available for inspection by members at the registered office of the company.

The Board is of the Opinion that Mr. Biswas's is an asset for the Company and his experience in the industry will add value to the growth of the Company. Mr. Biswas will contribute wholesomely in the decision making of the Company.

None of the other Directors and KMP are related and interested in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the notice for approval by the shareholders.

##### ITEM NO. 4:

As per the provisions of Section 180 of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Members in the General Meeting by a Special Resolution, borrow the monies apart from temporary loans (loans viz., means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up Capital, Security premium account and the Free Reserves of Company, that is to say, reserves not set apart for any specific purposes.

Keeping in view of the Company's business expansion and its growth plans, it is considered appropriate to increase the aforesaid limit of borrowings. Your approval is therefore sought, to authorize the Board to borrow up to Rs. 100 Cr. (Rupees Hundred Crores Only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as outstanding, at any time as set out in the resolution.

The borrowing limit and to create charges, hypothecations, mortgages/equitable mortgages, on movable and/or immovable properties is proposed to be enhanced to such an extent that the sum(s) so borrowed under this resolution and remaining outstanding at any time shall not exceed in the aggregate of Rs. 100 Cr. (Rupees Hundred Crore Only). It is, therefore, necessary for the Members to pass Special Resolutions under Section 180 and other applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the notice for approval by the shareholders.

## Notice

### ANNEXURE-A

#### PROFILE OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS 07TH ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

<b>Name</b>	Mr. Jagat Jiban Biswas (DIN: 07311532)
<b>Date of Birth</b>	17/12/1959
<b>Date of first appointment</b>	07/01/2022
<b>Expertise in Specific functional areas</b>	Mr. Jagat Jiban Biswas is a graduate from T. S. Rajendra college, Mumbai and has certificate degree of Nautical Sciences from DG (Shipping), India. He has fellow membership in Hydrography from India and also has Pilot's License for river Hugli. Mr. Biswas has in depth knowledge of Marine Industry and has an experience of more than 43 years in Marine and Engineering field. He is experienced in managing a large department of Kolkata Port Trust under Ministry of Shipping, GOI comprising more than 200 Class-I Officers and 1000 employees. He also worked as Director, Marine Department, Kolkata Port Trust, primarily dealing with Conservancy, Port operations, Pilotage, Dredging, Hydrographic Surveying, Marine Projects and allied Legal matters.
<b>Terms and Conditions for appointment/ re-appointment</b>	Regularisation as the Non-executive Director of the Company
<b>Remuneration last drawn / remuneration sought to be paid</b>	Rs. 21,71,300/-
<b>Directorships held in other companies</b>	NIL
<b>Memberships/ Chairmanships of committees across other companies</b>	NIL
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NA
<b>Number of Meetings of the Board of Directors attended during the year</b>	Two (2)
<b>Shareholding in the Company</b>	0.12%
<b>Justification of Appointment</b>	NA