



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

Date: 05<sup>th</sup> September, 2023

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

**Subject: Annual Report for the Financial year 2022-23**

| <b>Scrip 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 2022-23.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

For **Knowledge Marine & Engineering Works Limited**

**Ritika Sharma**  
**Company Secretary & Compliance Officer**  
M. No. A40852

Encl. as above



DRIVEN BY  
**GROWTH**  
ANCHORED TO  
**VALUES**





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### Board and Management Report

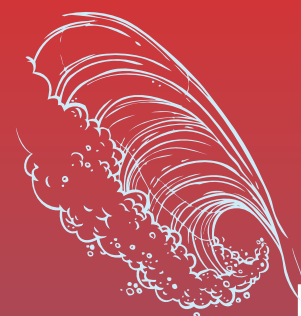
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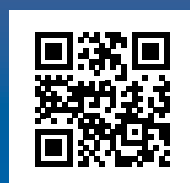
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**Walt Disney once said “If you can dream it, you can do it.”**

And that is the quintessential meaning of perseverance. Perseverance is the ruler whereby one can measure of success or at least how much sacrifice one is willing to make in the name of success.

It is an attitude of persisting one single idea, discipline, ideal, rules to achieve success, to achieve a goal; in spite of facing n-number of difficulties, hurdles, etc.

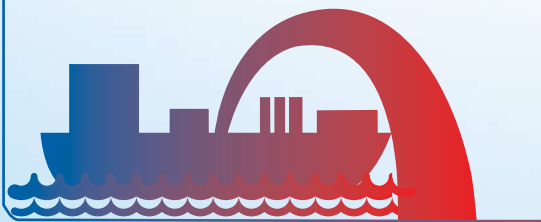
And this attitude have always inspired us to expand with foresightedness, enrich our domain expertise with a robust infrastructure and engage with various stakeholders in the domestic and international market of marine engineering infrastructure to achieve sustainable leadership.



## Knowledge Marine, one of the leading players in the dredging industry

Maritime transport is the backbone of international trade and the global economy. Global seaborne trade has gathered momentum and more than half of the world's trade today, both in volume and value, is carried by sea and handled by ports worldwide. Trend watchers are predicting a mass migration worldwide from interior regions to coastal areas. This means cities and ports are fast expanding in the direction of the water. Keeping up with the growing volume of maritime transport requires a strong domain knowledge of waterway maintenance and development. To this end, the sectorial expertise possessed by us at Knowledge Marine and Engineering Works Limited comes in handy.

Being one of the significant players in the domestic dredging and marine infrastructure industry, we have played a significant role in connecting the farthest corners of marine transport in India and creating a solid foundation for the future through a mix of resource, talent and technology.



**The year-on-year growth derived by us is only through our vision, foresightedness & a successful business model.**



Our significant presence into the Dredging services, Owning & Operating Marine Crafts and Repairs and Maintenance / Refits of Marine Crafts & Marine Infrastructure has enabled us to meet customer requirements in a better and faster way.

We took multiple initiatives across our business verticals: we bagged newer orders, and focused on the delivery timelines of the existing projects. In addition we strengthened our Balance Sheet through a significant increase in our PAT and Gross Block.

At Knowledge Marine, in the process, we have laid a strong foundation for sustained growth in the future – through our patience, persistence and above all, through our power of perseverance.

### Major Customers

- Deendayal Port Authority
- Haldia Port Authority
- Kolkata Port Authority
- Vizag Port Authority
- Dredging Corporation of India
- RKEC Projects Ltd
- Ministry of External Affairs for project at Sittwe, Myanmar



# Our foundations



At Knowledge Marine & Engineering Works Limited (KMEW), we are focused on serving the country and contributing to the national efforts of developing marine infrastructure through operational facilitation, project execution, research and innovation and transparent conduct. The bedrock of this philosophy is anchored on our vision and mission.



## 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.



# Knowledge Marine & Engineering Works Limited, a quick read

## Overview

Incorporated during 2015 as Knowledge Marine & Engineering Works Private Limited and later on converted to a public limited Company during 2020 and was renamed at Knowledge Marine and Engineering Works Limited (KMEW). The Company provide marine engineering services like dredging at various ports of India; carrying out repair & refit services of naval & merchant ships; conducting hydro graphic & magnetometer surveys; providing technical solutions

for maintenance and operations of vessels. Today, "KMEW" is a name synonym within the domestic marine infrastructure and engineering services and have evolved from a small ship-repair unit to a dredging and ship-owning company. Innovative approach, technical expertise and a committed team has helped the Company to cater to its clients in a resolute and responsible manner.

## Management bandwidth

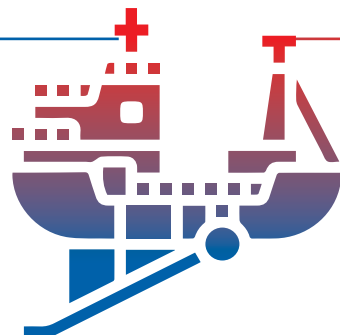
Headed and jointly promoted by the young generation of Kewalramanis and Daswanis and well backed by a team of dedicated and industry rich professionals.

**Leading**  
One of India's young and leading dredging Company

**Mumbai**  
Corporate Headquarter

**3**  
Business verticals with strong synergies

|   |  |  |
|---|--|--|
| <b>Rs.20,152 Lakhs</b><br>Total Revenue<br>as on March 31, 2023 | <b>Rs.20,284 Lakhs</b><br>Order Book<br>as on March 31, 2023 | <b>34%</b><br>EBIDTA<br>as on March 31, 2023     |
| <b>Rs.7,000 Lakhs</b><br>Gross Block<br>as on March 31, 2023    | <b>7</b><br>Major client-tele<br>as on March 31, 2023        | <b>120+</b><br>Team size<br>as on March 31, 2023 |







## Promoters Insight

*Dear Shareowners*

Fortune favours the brave and energetic. Don't look back-forward, infinite energy, infinite enthusiasm, infinite daring and infinite patience, then great deeds can be accomplished.

*Said the great ascetic, Swami Vivekananda*

We extend our heartfelt salutations to our glorious motherland on the celebration of the 77th year of Independence "Azadi Ka Amritmahotsav". Gifted with abundant resources and benefited by a sizable, youthful, and industrious populace, our nation is strategically poised in the current global economic landscape. It is anticipated that our GDP will more than double in the forthcoming decade, achieving annual growth rates surpassing 7%. Undoubtedly, by 2030, India will emerge as a \$5 trillion economy, securing its position as the world's third largest nation in terms of GDP.

Today the world is looking at India with a greater hope than at any time in the past, the philosophy of the great visionary becomes our guiding light. The world sees in India opportunities for partnership and as a catalyst that will have a definite role in lifting the global economy out of the slump.

India's presidency at the current G20 summit is the pure testament of its inspired leadership.

The remarkable narrative of India serves as a symbol of hope, establishing it as a global consumer. Its economic advancement is, arguably, the most accelerated worldwide. The magnitude, velocity, and impact of its structural changes were unimaginable just a few years prior. Acknowledging the impressive progress made, India showcases commendable resilience amidst globally challenging economic times. Today, India stands as the world's most valuable asset class. Backed by these positivities and through a series of strong reforms' agenda being pursued since last decade backed a series of path-breaking measures which includes PM Gati Shakti, National Logistics Policy, the PLI scheme and the Sagarmala Project to boost domestic manufacturing

and aid better transportation.

### Navigating a Successful Decade

We take immense pleasure in commemorating a significant milestone as we celebrate a decade of our journey. It all started back when we established ourselves as a ship repair company under the name 'Kamal Marine & Engineering Works Private Limited,' equipped with a team of 40 skilled engineers. During this period, we served esteemed clients such as L&T Ship Building and the Naval Dockyard, Mumbai, building a reputation for excellence in our services. As we progressed, we keenly observed the government's privatization efforts in port handling operations, recognizing the immense potential it held. Our vision was to leverage this opportunity to enhance port efficiency, reduce turnaround time, and make a mark in the industry. Consequently, in 2015, with vast promoters experience of over 18 years in the industry, we made a transformative decision and gave birth to 'Knowledge Marine & Engineering Works Ltd.' Entering the port handling sector, where entry barriers are high, was a strategic move, and our prior experience of working with the Indian Navy in 2013 bolstered our credentials. This played a pivotal role in enabling us to bid for our first project in 2016, marking the beginning of an exciting journey. Since then, we have continuously grown and expanded our horizons. Our dedication and commitment to delivering quality services have not only earned us success in the domestic market but also allowed us to secure our first international contract in 2021, which stands as a testament to our capabilities.

We embarked on our sailing journey by independently constructing our inaugural vessel, capitalizing on our expertise and advanced technology know-how. As the years passed, we continued to expand our fleet, successfully adding 12 vessels to our portfolio, boasting a combined asset value of Rs. 7,000 Lakhs. Along the way, we have also grown our workforce, currently employing over 120 dedicated employees.

### Industry opportunities and outlook

The Indian shipping industry has experienced remarkable growth in terms of ship numbers, gross tonnage, and the employment of seafarers. The fleet of ships registered under the Indian flag has increased from 1,205 in 2014 to 1,526 as of 2023, underscoring the country's dedication to bolstering its maritime presence.

India's major ports have achieved a significant milestone, handling a record-breaking cargo volume of 795 million tonnes in the fiscal year 2022-23. This represents a notable 10% increase compared to the previous year's cargo

handling. Notably, four or five major ports, including Syama Prasad Mookerjee Port (Kolkata), Deendayal (Kandla), Jawaharlal Nehru Port, and Paradip Port have contributed to this achievement by recording their highest-ever cargo volumes. The successful execution of transactions worth about Rs 5,000 crores has surpassed the asset monetization target for FY23, which was set at around Rs. 3,700 crores. This financial success reflects the growing importance and potential of the maritime sector in India.

Today, the domestic ports are getting ready to handle larger amounts of cargo by accommodating bigger ships and aiming to meet global standards in port infrastructure. This effort is driven by the desire to achieve economies of scale. To achieve this, ports are focusing on enhancing their basic infrastructure, such as deepening channels, introducing mechanization, and building more berths. This push for better infrastructure will create a higher demand for the dredging industry, as they play a crucial role in these improvement projects.

The Indian dredging industry is currently valued at around USD 1.5 billion and is expected to grow in the future. In terms of volume, the size of the Indian dredging market is approximately 121 million cubic meters (mcm). Out of this, around 80 mcm is dedicated to dredging activities in major ports.

### Key Government Initiatives

The Central Government's key Sagarmala project is meant to improve ports and waterways infrastructure. The country has already made significant progress and by 2024 projects worth Rs. 2.12 trillion are expected to be completed. To enhance efficiency at major ports, the government is working on reducing turnaround times. The current turnaround time has already been reduced to 26.58 hours, and the aim is to further bring it down to under 20 hours soon.

The country possesses a vast network of 111 Indian National Waterways consisting of rivers, canals, and creeks, spanning 20,375 Kms across 24 states. Some of these waterways are suitable for mechanized crafts. There are several ongoing initiatives like Jal Marg Vikas, Arth Ganga & Arth Brahmaputra, Inland Vessels Bill, Land Use Policy for Inland Waterways, and Dredging Policy for Inland Waterways. These efforts are focused on enhancing navigation channels, allowing day and night navigation, and creating better terminals for smooth movement of ships and cargo.

Under the National Perspective Plan (NPP), the Inter-Linking of Rivers project has been conceived by the National Water Development Agency (NWDA). The agency have identified



“ During FY 2022-23, we experienced remarkable growth, witnessing our operational revenue surge by approximately 3.3 times on a year-on-year basis to reach Rs. 20,152 Lakhs. ”

30 links (16 in the Peninsular region and 14 in the Himalayan region). The main goal of this project is to efficiently manage water resources in India by connecting rivers through a network of reservoirs and canals. This will have several benefits, such as:

- Improving irrigation and recharging groundwater.
- Reducing persistent floods in certain areas and addressing water shortages in other parts of the country.

We at Knowledge Marine & Engineering Works are fully geared to top these opportunities and become a leader in the domestic marine engineering and infrastructure segment.

#### 2022-23 in review

2022-23 was a year that saw our Company moving in the right direction. Thanks to every member who has worked relentlessly and to management's philosophy to focus on efficient, cost effective and time bound project execution.

During FY 2022-23, we experienced remarkable growth, witnessing our operational revenue surge by approximately 3.3 times on a year-on-year basis to reach Rs. 20,152 Lakhs. Our EBITDA also saw a significant increase of 112%, reflecting our consistent efforts to maintain a margin of around 30-40%. During this successful year, we added two vessels to our fleet, both of which are now operating at Mangrol Port.

Our dedication to expanding into new segments remains unwavering, and we take pride in announcing our consecutive contract wins in the fishing harbour sector. Currently, our order book stands at an impressive Rs. 20,284 Lakhs, with new bids worth approximately Rs. 1,10,000 Lakhs submitted. With a 50% success ratio in securing orders, we are confident in venturing into new segments, given our established credibility in the industry.

We are delighted to share that we have achieved a major milestone, completing over 75% of our first international contract, collaborating with the Government of India to construct the strategic port in Sittwe, Myanmar.

Maintaining an exceptional 100% vessel utilization rate, our investments in assets are strategically committed only after securing long-term government contracts. This approach has proven to be a key factor in our success and growth.

#### Sound Governance & Sustainability

We are committed to high standards in corporate governance and aim to implement best practices beyond compliance requirements. Our Board currently comprises professional directors, from varied backgrounds and considerable working experience. The Company had also adopted various measures for a cordial working relation between the workers and the management. Workshops are being organized on a regular basis to impart training to the Company's personnel and also to make them aware of the developments in the Industry.

As a socially responsible corporate citizen, we always undertake significant steps to uplift the morale of the people and betterment of the environment in our surrounding through sustainable operational practices.

#### Concluding note

On behalf of the entire board, we would like to extend our sincere gratitude to all the stakeholders including banks, financial institutions, central & state governments, customers, vendors and business associates for their unremitting cooperation, support and encouragement. We would also like to thank our valuable 'human capital' for their continued passion and dedication towards the Company. Finally and again we would like to thank the Board for their valuable guidance and express our deepest gratitude to all the shareholders for their continued support and confidence in the Company.

With warm regards

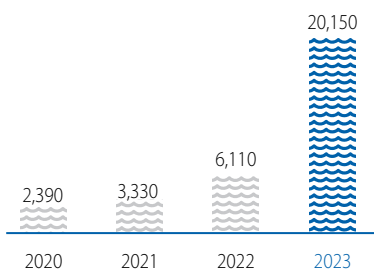
**Team KMEW**

# Expanding with foresightedness and achieving success

Knowledge Marine & Engineering Works Limited is today recognised as one of the key partner within the Marine Infrastructure and Engineering business in India with a strong balance sheet. With lower capex due to in-house capability of designing & building fleets and a prudent business model which ensures capital investment only post contract wins, we continue to be suitably positioned to invest in our long-term growth.

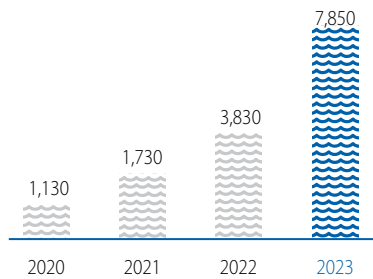
## Revenue from operation

(Rs. in Lakhs)



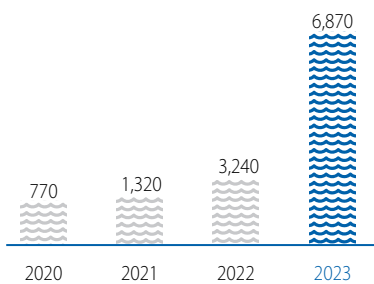
## Gross Profit

(Rs. in Lakhs)



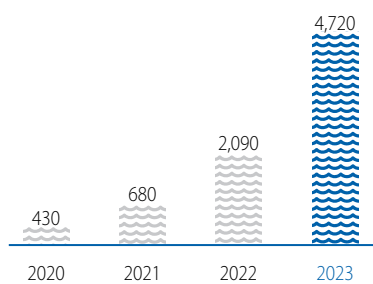
## EBIDTA

(Rs. in Lakhs)



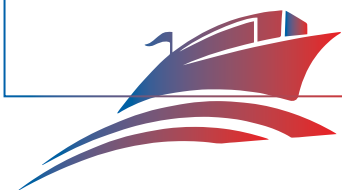
## PAT

(Rs. in Lakhs)



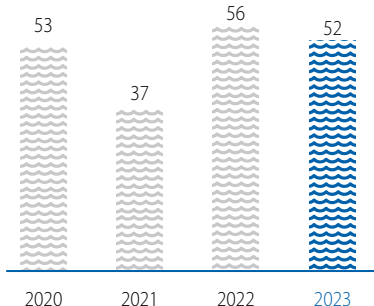
## Result

Our net debt-to-equity ratio of 0.18x provides us with sufficient bearing to explore market opportunities that are low on risk and high on long-term value creation.



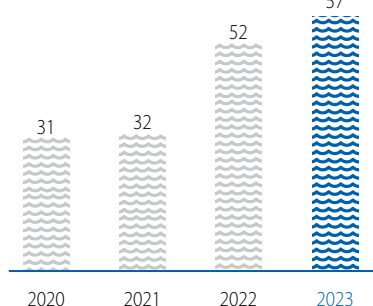
## Return on Equity

(%)



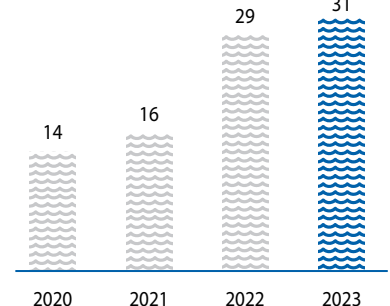
## Return on Capital Employed

(%)



## Return on Assets

(%)





# Enriching our domain expertise through our infrastructure and service motto

For efficient movement and connectivity of both passengers and goods, the nation need a robust marine time infrastructure development programme. In order to accelerate the development of infrastructure, it is important for all parties involved - including the government, regulators, engineering companies, investors & lenders, manufacturers, and vendors - to work together and meticulously fulfil their individual tasks.

At Knowledge Marine & Engineering Works Limited, our passion towards serving the nation is as intense as our passion for quality service and on-time delivery. It is demonstrated by the fact that currently we are working on more than 10 important projects, with a total fleet of 12 marine crafts and valued at Rs.7,000 Lakhs deployed at various locations an achievement that attests to our commitment to robust marine infrastructure creation for the benefit of people and society at large.

## Result

Today our Books are Net Cash positive with Rs. 4,140 Lakhs as on March 31, 2023.



1

### Dredging

- Capital Dredging
- Maintenance Dredging

2

### Owning, Operating and Chartering of Port Ancillary Crafts

- Pilot Boats
- Fast Speed Patrol Boats for Security & Patrolling Services
- Mooring Boats
- Service Boats

3

### Ship Building and Repair of Marine Crafts

- Building Ships, Boats etc.
- Repair, refit services of marine crafts



## Dredging Marine Assets: Constructed and Deployed



### River Pearl – 2

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Grab Hopper Dredger<br>deployed at Kolkata Port |
| <b>Vessel Speed</b>               | : 6 knots   |
| <b>Gross/Net Vessel Tonnage</b>   | : 622/201   |
| <b>Year built/rebuilt/builder</b> | : 2016, Dhanotra Engg Works                       |
| <b>Dimension (L/B/H) in mtrs.</b> | : 51.0 x 12.0 x 3.6                               |
| <b>Loaded Draft in mtrs.</b>      | : 3.1   |
| <b>Engine Make</b>                | : Cummins   |
| <b>BHP/RPM</b>                    | : 325x2   |



### River Pearl – 4

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Trailing Suction Hopper Dredger<br>deployed at Kolkata Port |
| <b>Vessel Speed</b>               | : 10 knots  |
| <b>Gross/Net Vessel Tonnage</b>   | : 1,520 / 456   |
| <b>Year built/rebuilt/builder</b> | : 2019, IHC Dredgers  |
| <b>Dimension (L/B/H) in mtrs.</b> | : 76.0 x 13.0 x 5.5   |
| <b>Loaded Draft in mtrs.</b>      | : 4.0   |
| <b>Engine Make</b>                | : Smith-Man   |
| <b>BHP/RPM</b>                    | : 900 x 2   |



### River Pearl – 8

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Trailing Suction Hopper Dredger<br>deployed at Sittwe Port, Myanmar |
| <b>Vessel Speed</b>               | : 12 knots  |
| <b>Gross/Net Vessel Tonnage</b>   | : 2,326 / 698   |
| <b>Year built/rebuilt/builder</b> | : 2004, Cochin Shipyard   |
| <b>Dimension (L/B/H) in mtrs.</b> | : 69.9 x 14.6 x 5.4   |
| <b>Loaded Draft in mtrs.</b>      | : 4.6   |
| <b>Engine Make</b>                | : Catterpillar  |
| <b>BHP/RPM</b>                    | : 1,700 x 2 / 1,000 x 2   |



### River Pearl – 11

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Self-Propelled Hopper Barge deployed<br>at Mangrol port |
| <b>Vessel Speed</b>               | : 8 knots   |
| <b>Gross/Net Vessel Tonnage</b>   | : 613/184   |
| <b>Year built/rebuilt/builder</b> | : 2017  |
| <b>Dimension (L/B/H) in mtrs.</b> | : 48.6 x 13.0 x 3.25                                      |
| <b>Loaded Draft in mtrs.</b>      | : 2.75  |
| <b>Engine Make</b>                | : Cummins KT-1150   |
| <b>BHP/RPM</b>                    | : 450 x 2 / 1800 x 2                                      |





**River Pearl – 12**

|                                   |  |
|-----------------------------------|--|
| <b>Description</b>                | : Backhoe Dredger deployed at Mangrol Port |
| <b>Vessel Speed</b>               | : NA                                       |
| <b>Gross/Net Vessel Tonnage</b>   | : 238/77                                   |
| <b>Year built/rebuilt/builder</b> | : 2010                                     |
| <b>Dimension (L/B/H) in mtrs.</b> | : 36.0 x 11.0 x 2.5                        |
| <b>Loaded Draft in mtrs.</b>      | : 1.70                                     |
| <b>Engine Make</b>                | : NA                                       |
| <b>BHP/RPM</b>                    | : NA                                       |

**Port Ahnciliary Crafts: Constructed and Deployed**



**River Pearl – 1**

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Survey-cum-pilot boat deployed at Kolkata |
| <b>Vessel Speed</b>               | : 12 knots                                  |
| <b>Gross/Net Vessel Tonnage</b>   | : 113 / 34                                  |
| <b>Year built/rebuilt/builder</b> | : 2017, Katala Shipyard                     |
| <b>Dimension (L/B/H) in mtrs.</b> | : 24.5 x 5.5 x 3.0                          |
| <b>Loaded Draft in mtrs.</b>      | : 1.3                                       |
| <b>Engine Make</b>                | : Cummins                                   |
| <b>BHP/RPM</b>                    | : 600 x 2                                   |



**River Pearl – 3**

|                                   |                                     |
|-----------------------------------|-------------------------------------|
| <b>Description</b>                | : Pilot Boat deployed at Vizag Port |
| <b>Vessel Speed</b>               | : 14 knots                          |
| <b>Gross/Net Vessel Tonnage</b>   | : 34.66 / 10.39                     |
| <b>Year built/rebuilt/builder</b> | : 2019, Wadia Shipbuilders          |
| <b>Dimension (L/B/H) in mtrs.</b> | : 15.6 x 4.2 x 2.3                  |
| <b>Loaded Draft in mtrs.</b>      | : 1.3                               |
| <b>Engine Make</b>                | : Scania                            |
| <b>BHP/RPM</b>                    | : 350 x 2 / 2,300                   |



**River Pearl – 5**

|                                   |  |
|-----------------------------------|--|
| <b>Description</b>                | : Fast Speed Patrol Boat for Coastal & Port Security at Vizag Port |
| <b>Vessel Speed</b>               | : 20 knots   |
| <b>Gross/Net Vessel Tonnage</b>   | : 33/10  |
| <b>Year built/rebuilt/builder</b> | : 2021, Synergy Shipbuilders                                       |
| <b>Dimension (L/B/H) in mtrs.</b> | : 14.8 x 4.4 x 2.10  |
| <b>Loaded Draft in mtrs.</b>      | : 0.9  |
| <b>Engine Make</b>                | : Cummins  |
| <b>BHP/RPM</b>                    | : 455 x 2 / 2,100  |



### River Pearl – 6

|                                   |  |
|-----------------------------------|--|
| <b>Description</b>                | : Mooring Launches deployed at Vadinar, Deendayal Port |
| <b>Vessel Speed</b>               | : 11 knots   |
| <b>Gross/Net Vessel Tonnage</b>   | : 16/5   |
| <b>Year built/rebuilt/builder</b> | : 2021, Synergy Shipbuilders                           |
| <b>Dimension (L/B/H) in mtrs.</b> | : 11.0 x 3.5 x 1.9                                     |
| <b>Loaded Draft in mtrs.</b>      | : 1.1  |
| <b>Engine Make</b>                | : Ashok Leyland  |
| <b>BHP/RPM</b>                    | : 120 x 2 / 2,400                                      |



### River Pearl – 7

|                                   |  |
|-----------------------------------|--|
| <b>Description</b>                | : Mooring Launches deployed at Vadinar, Deendayal Port |
| <b>Vessel Speed</b>               | : 11 knots   |
| <b>Gross/Net Vessel Tonnage</b>   | : 16/5   |
| <b>Year built/rebuilt/builder</b> | : 2021, Synergy Shipbuilders                           |
| <b>Dimension (L/B/H) in mtrs.</b> | : 11.0 x 3.5 x 1.9                                     |
| <b>Loaded Draft in mtrs.</b>      | : 1.1  |
| <b>Engine Make</b>                | : Ashok Leyland  |
| <b>BHP/RPM</b>                    | : 120 x 2 / 2,400                                      |



### River Pearl – 9

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Fast Speed Patrol Boat deployed at Vishakapatnam Port |
| <b>Vessel Speed</b>               | : 16.4 knots  |
| <b>Gross/Net Vessel Tonnage</b>   | : 20/7  |
| <b>Year built/rebuilt/builder</b> | : 2022, Synergy Shipbuilders                            |
| <b>Dimension (L/B/H) in mtrs.</b> | : 13.1 x 3.8 x 1.9                                      |
| <b>Loaded Draft in mtrs.</b>      | : 0.8   |
| <b>Engine Make</b>                | : Weichai   |
| <b>BHP/RPM</b>                    | : 326 x 2 / 2100  |



### River Pearl – 10

|                                   |   |
|-----------------------------------|---|
| <b>Description</b>                | : Service Boat deployed at Deendayal Port |
| <b>Vessel Speed</b>               | : 10 knots                                |
| <b>Gross/Net Vessel Tonnage</b>   | : 122/37                                  |
| <b>Year built/rebuilt/builder</b> | : 2023, Synergy Shipbuilders              |
| <b>Dimension (L/B/H) in mtrs.</b> | : 21.0 x 7.2 x 3.0                        |
| <b>Loaded Draft in mtrs.</b>      | : 3.0                                     |
| <b>Engine Make</b>                | : Cummins                                 |
| <b>BHP/RPM</b>                    | : 500 x 2 / 1,800                         |

## Engaging with stakeholders to achieve leadership

At Knowledge Marine & Engineering Works Limited, we profess a simple approach for success in a challenging business and sustainability. This approach is encapsulated in the 3S strategy Principle.

# Sector. Strength. Strategy

**Sector indicates our focus on the marine infrastructure services. Over the years, this focus has translated into core competence, brand recall of a specialist and sectoral respect. We bid for contracts with a minimum 30% EBIDTA margin and thus have been successful with a 50% strike ratio on the tenders where we have participated and currently our order book stands to Rs.20,284 Lakhs (as on March 31, 2023). Going forward we aim to bid for projects worth Rs.1,10,000 Lakhs.**

Strength indicates our specialised focus on the dredging services which helps us to generate 97% of our current revenue. Over the years, this core strength has made it possible to turn around various contracts awarded to us in the shortest time to the complete satisfaction of our demanding customers.

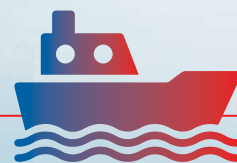
Strategy indicates our principal focus on the waterways geographies within India where we are deeply familiarized. Currently, we are working on 9 different projects on the domestic front. Simultaneously, we are striving to

broaden our geographical presence to surrounding areas and have triumphantly secured the Kaladan Multi-Modal Transit Transport Project (KMTTP) in Sittwe, Myanmar, bestowed by the Ministry of External Affairs. This expansion is not just aimed at establishing our brand equity, but it is also anticipated to improve our financial equilibrium and enable us to stand against global standards.

The combination of these three imperatives made it possible for the Company to report attractive viability across implementation formats, projects and market cycles.

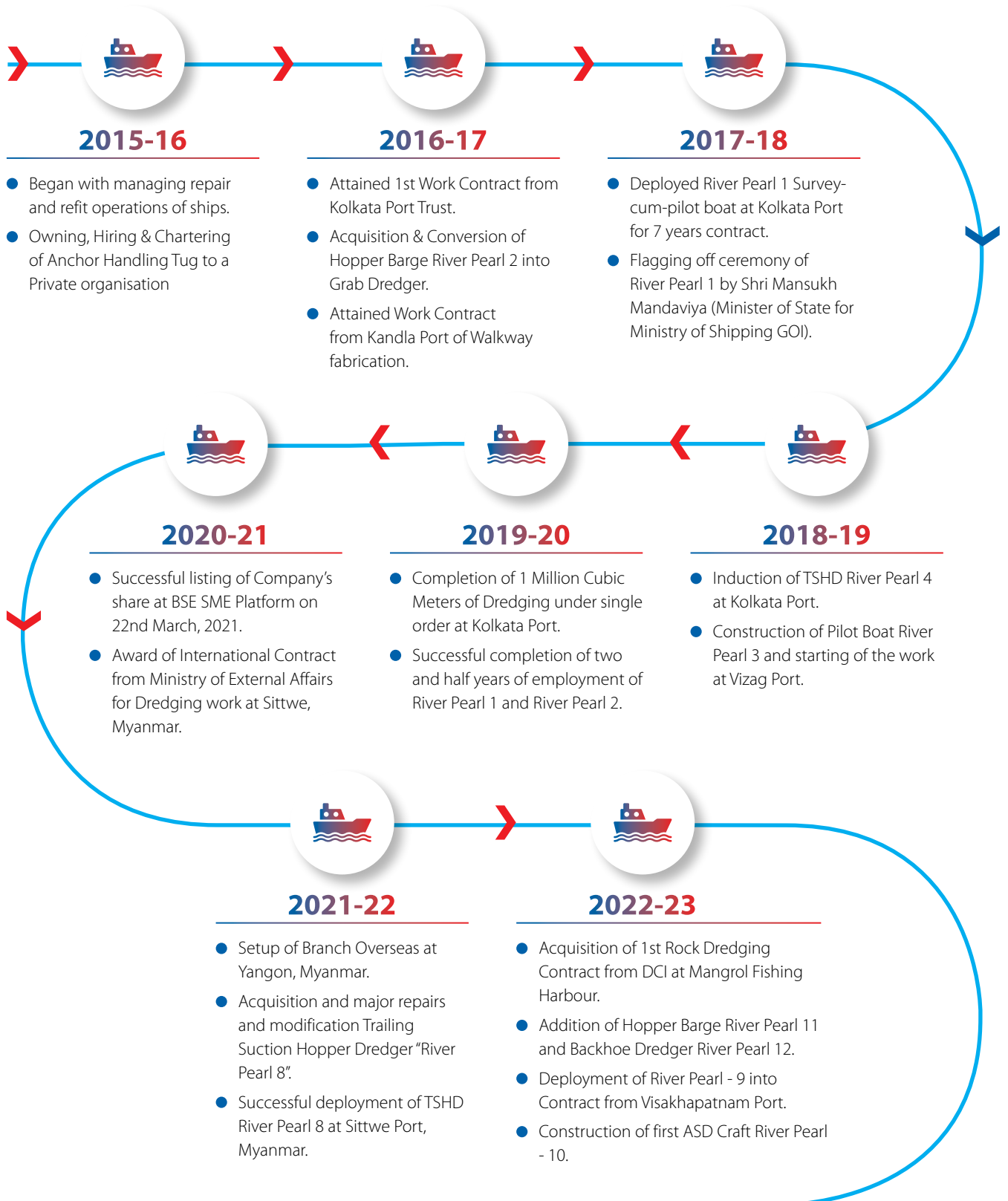
## Result

Our vessel utilisation stands at 100%.





# Our testament of execution and delivery while expanding, enriching and engaging



# Believing in the concept of inclusion

**We are only as good as our people.**

Yes, this is exactly what we believe. Business, like life itself, can be challenging and demanding. However, we train our people to accelerate the pace of process innovation and focus on sustainable delivery, despite the odds. At Knowledge Marine, we always try to bring on board the right industry talent, impart adequate training and focus on long term retention of talent. We have an open and transparent environment, where each person is given the full liberty to share his/her ideas and contribute to organisational growth and sustainability.

Talent Management at our Company involves the design and implementation of strategies, policies and systems to ensure that highly qualified individuals can be attracted, recruited and retained. This is clearly visible from the diverse skill set of our workforce. The focus on cultivating the entrepreneurial mindset within the organization has led us not only to empower the aspirations of our people but also, implement innovative solutions through efficient decision making. Our skilled team of over 120 human resource personnel including the technical & non-technical staff drives execution excellence. The company's well-structured and dedicated team ensures on-time project delivery and consistent quality. Through initiatives like employee engagement in decision making, annual get-together, etc, the Company aims to foster a sense of equality and diversity amongst its human resource.

## Result

The Company  
invested Rs.394.28  
Lakhs towards  
various Employee  
Welfare Expenses





## Corporate information



**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. 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. 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.



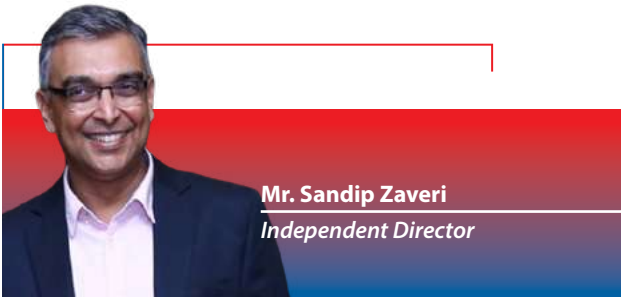
**Mr. Dinesh Kewalramani**  
*Chief Operations Officer*

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.



**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.



**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.



**Ms. Ritika Sharma**  
*Company Secretary & Compliance Officer*

Ms. Ritika Sharma is a Qualified Company Secretary and an Associate Member of the Institute Of Company Secretaries Of India. And has also done her CA IPCC (Inter). She has completed her graduation in B.Com (Hon's, Accountancy) from Calcutta University and has an experience of 2.5 Years in the field of Corporate and allied laws.

**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  
CSB Bank

**REGISTRAR AND SHARE TRANSFER AGENTS**

Link Intime India Private Ltd.  
C-101, 1 Floor, 247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai – 400083

**REGISTERED OFFICE**

Office No. 402,  
Sai Samarth Business Park,  
Deonar Village Road,  
Govandi (East)  
Mumbai – 400 088,  
Maharashtra

## Directors' Report

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

Your Directors with great pleasure present herewith their 08th Annual Report on the business and operations of the Company together with the standalone & consolidated audited financial statements for the year ended 31st March, 2023.

### FINANCIAL SUMMARY:

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

(INR in Lacs.)

| Particulars                             | Standalone       |                 | Consolidated     |                 |
|---|------------------|-----------------|------------------|-----------------|
|   | 2022-2023        | 2021-2022       | 2022-2023        | 2021-2022       |
| Revenue from Operations                 | 19,472.44        | 4,946.95        | 20,152.96        | 6,110.63        |
| Other Income                            | 124.51           | 43.21           | 138.22           | 51.08           |
| <b>Total Revenue</b>                    | <b>19,596.95</b> | <b>4,990.16</b> | <b>20,291.18</b> | <b>6,161.71</b> |
| Total Expenses                          | 13,339.31        | 2,374.91        | 13,953.34        | 3,360.93        |
| Profit Before Exceptional Items and Tax | 6,257.64         | 2,615.25        | 6,337.84         | 2,800.78        |
| Exceptional Items                       | -                | -               | -                | -               |
| <b>Profit Before Tax</b>                | <b>6,257.64</b>  | <b>2,615.25</b> | <b>6,337.84</b>  | <b>2,800.78</b> |
| Tax Expenses:                           |                  |                 |                  |                 |
| Current Year Tax                        | 1,464.76         | 578.65          | 1,487.08         | 622.62          |
| Relating to Prior Years                 | -                | -               | -                | -               |
| Deferred tax                            | 132.97           | 88.43           | 130.83           | 91.38           |
| Total Tax Expenses                      | 1,597.73         | 667.08          | 1,617.91         | 714             |
| Profit After Tax                        | 4,659.91         | 1,948.17        | 4,719.93         | 2,086.78        |
| <b>Earnings Per Share</b>               | <b>44.83</b>     | <b>19.03</b>    | <b>45.26</b>     | <b>19.89</b>    |

### NATURE OF COMPANY'S BUSINESS

Your Company has three major business segments Dredging, Owning and Operating Marine ancillary Crafts, 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. 4,946.95 Lacs in FY 2021-22 to Rs. 19,472.44 Lacs in FY 2022-23. Further, Profit After Tax is achieved as Rs. 6,257.64 Lakhs as against Rs. 2,615.25 Lakhs last 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. 6,110.63 Lacs in FY 2021-22 to Rs. 20,152.96 Lacs in FY 2022-2023. Further, Profit After Tax is achieved as Rs. 6,337.84 Lakhs as against Rs. 2,800.78 Lakhs last year.

In the FY 2022-23 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 31st March, 2023, 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.

### 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):



## Directors' Report (Contd.)

| 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 | 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      |
| 7       | Ms. Ritika Sharma*     | Company Secretary & Compliance Officer        | KMP      |

### Note:

\* Ms. Ritika Sharma was appointed as the Company Secretary & Compliance Officer of the Company at the Board Meeting held on 28th October, 2022.

\*Ms. Ruchi Nishar served as Company Secretary & Compliance Officer of the Company from 18th February, 2022 to 28th October 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 05th January, 2023 during the year ended 31st March, 2023, details of which are summarized below:

| Sr. No. | Date of Meeting | No. of Directors attended the meeting |
|---------|-----------------|---------------------------------------|
| 1       | 06.05.2022      | 5 (five)                              |
| 2       | 26.08.2022      | 4 (four)                              |
| 3       | 28.10.2022      | 5 (five)                              |
| 4       | 14.11.2022      | 5 (five)                              |
| 5       | 05.01.2023      | 4 (four)                              |
| 6       | 17.03.2023      | 5 (five)                              |
| 7       | 28.03.2023      | 4 (four)                              |

The Board as on 31st March, 2023 comprises of 5 (Five) Directors out of which one Director is Non-Executive Non-Independent Directors, two Directors are Independent Directors, one is Whole-Time Director and the other 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.

### 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    | 6 (Seven)               | NIL  | NIL   |
| 2       | Mrs. Kanak Kewalramani | 7 (Seven)               | NIL  | NIL   |
| 3       | Mr. Jagat Jiban Biswas | 7 (Seven)               | NIL  | NIL   |
| 4       | Mr. Sandip Zaveri      | 5 (Five)                | 1(One)   | NIL   |
| 5       | Mr. Ashish Mohandas    | 7 (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 M/s 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.

## Directors' Report (Contd.)

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 of 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:

- (a) in the preparation of the annual accounts for the Financial Year ended 31st March, 2023, the applicable accounting standards have been followed and there are no material departures;
- (b) 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;
- (c) 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;
- (d) they have prepared the Annual Accounts for the Financial Year ended 31st March, 2023 on a going concern basis;
- (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

- (a) 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:
  - (b) Providing assurance regarding the effectiveness and efficiency of operations;
  - (c) Efficient use and safeguarding of resources;
  - (d) Compliance with policies, procedures and applicable laws and regulations; and

- (e) Transactions being accurately recorded and reported timely.
- (f) 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 <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. Whereas no foreign exchange earned during the period. However, the foreign exchange outflow during the period under review was Rs. 937.87 Lakhs (11,65,258 USD and 7,350 SGD).

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

## Directors' Report (Contd.)

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.

### DETAILS OF COMMITTEE OF DIRECTORS (AS ON 31ST MARCH, 2023)

#### A. AUDIT COMMITTEE

The composition of Audit Committee consists of two independent directors and Whole-Time Director. 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 31st March, 2023, Audit Committee meetings were held on the following dates:

(1) 06th May, 2022 (2) 26th August, 2022 (3) 14th November, 2022 (4) 5th January, 2023, and (5) 17th March 2023.

Attendance of Committee members during 2022-23 is as follows:

| Name  | Chairman/Member | No. of Audit committee meetings | No. of Audit Committee meetings attended |
|---|-----------------|---------------------------------|--|
| Mr. Sandip Zaveri<br>(Independent Director)           | Chairman        | 5                               | 5  |
| Mr. Ashish Mohandas<br>(Independent Director)         | Member          | 5                               | 5  |
| Mrs. Kanak Kewalramani<br>(Whole-Time Director & CFO) | Member          | 5                               | 5  |

#### B. NOMINATION AND REMUNERATION COMMITTEE

During the financial year ended 31st March, 2023, the Nomination & Remuneration Committee Meeting was held once on 28th October, 2023.

The Composition of Nomination and Remuneration Committee:

| Name   | Chairman/Member | No. of NRC meetings | No. of NRC meetings attended |
|--|-----------------|---------------------|------------------------------|
| Mr. Ashish Mohandas<br>(Independent Director)      | Chairman        | 1                   | 1                            |
| Mr. Sandip Zaveri<br>(Independent Director)        | Member          | 1                   | 1                            |
| Mr. Jagat Jiban Biswas<br>(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 31st March, 2023, the Stakeholders Relationship Committee Meeting was held on 28th October, 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<br>(Independent Director)           | Chairman        | 1                   | 1                            |
| Mr. Saurabh Daswani<br>(Managing Director)            | Member          | 1                   | 1                            |
| Mrs. Kanak Kewalramani<br>(Whole-Time Director & CFO) | Member          | 1                   | 1                            |

#### 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 [www.kmew.in](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



## Directors' Report (Contd.)

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 [www.kmew.in](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
11. Whistle Blower Policy.
12. Terms and conditions of appointment of Independent Director.
13. Code of conduct of Insider trading.
14. Policy of Material Group Company Creditors and Litigations.
15. Familiarization Programmes for ID

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2023, the Company has Two subsidiary Companies and one Associate Company. The details of the same areas under: -

| Sr. No. | Name of Company                       | Corporate Identification Number | Nature of Company  | Percentage of shareholding |
|---------|---------------------------------------|---------------------------------|--------------------|----------------------------|
| 1       | KMEW Offshore Private Limited         | U74999MH2017 PTC291379          | Associate Company  | 50%                        |
| 2       | Indian Ports Dredging Private Limited | U74999MH2017 PTC292712          | Subsidiary Company | 70%                        |
| 3       | Knowledge Infra Ports Private Limited | U74999MH2019 PTC324093          | 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, 2018, the Management's discussion and analysis is set out in this Annual Report.

### 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 06th 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 2022-23 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 2022-23 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 2022-23.

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 2023-24.

### 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.

## Directors' Report (Contd.)

### 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 31st March, 2023 was Rs. 10,80,10,000/- (Rupees Ten Crores Eighty Lakhs and Ten Thousand) divided into 1,08,01,000 (One crore Eight Lakhs One 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 were 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. |

| 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.<br>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 22-23 | FY 21 - 22 | Change (%) | Reason |
|------------------------------------|----------|------------|------------|--------|
| Interest Coverage Ratio            | 29.79    | 13.95      | 113.45%    | Note 1 |
| Debt -Equity                       | 0.18     | 0.46       | -60.86%    | Note 2 |
| Net Profit Margin (%)              | 23.93%   | 39.38%     | -39.23%    | Note 3 |
| Return on Equity                   | 0.36     | 0.43       | -16.28%    | Note 4 |
| Operating Profit Margin (%)        | 35.23%   | 61.18%     | -42.41%    | Note 5 |
| Debtors Turnover                   | 6.38     | 26.96      | 76.33%     | Note 6 |
| Total Debts to Total Assets Ratio  | 0.12     | 0.25       | 52%        | Note 7 |
| Long Term Debts to Working Capital | 0.07     | 2.14       | 96.73%     | Note 8 |
| Inventory Turnover ratio           | NA       | NA         | NA         | Note 9 |

### Notes:

1. Company has taken some short-term credit facilities in the year which marginally increased the short term debt during

## Directors' Report (Contd.)

the year. And, there was a surge in the revenue of the Company due to existing and new contracts bagged by the Company which led to such significant increase in EBIT as compared to last year. Increase in revenue was high as compared to increase in interest component. Therefore interest coverage ratio has been increased positively by 113.45% as compared to last year.

2. Due to preferential allotment during the year capital employed of the company has been gradually increased resulting decrease in ratio. Further, there is also surge in profit of the Company as compared to increase in debt of the Company. Therefore, there is decrease in debt to equity of the Company.
3. During the year, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company as compared to last year.
4. During the year under review, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company as compared to last year.
5. During the year the company has issued fresh Share Capital with premium in the form of Preferential allotment. Return on capital employed will be gradually increased in the coming year as the income will be equated evenly. Further, during the year an assets has also been introduced by the Company due to which there is increase in Deferred Tax provisioning which leads to reason for decrease.

6. The increase in debtors have reduced in proportion to sales as compared to last year due to timely payment of the invoices raised. Hence the ratio has been improved.
7. During the year Company has repaid most of its debts and current assets of the company were drastically increased as compared to last year, hence the ratio has been improved.
8. During the year most of the debts has been repaid by the company and there was no further increase in the long term loans. Further Current assets of the Company has been increased drastically which result in increase in the working capital. Hence the ratio has been improved.
9. The Company is into service industry and hence does not possess any inventory.

### SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable secretarial standards issued by the Institute of Company Secretaries of India.

### 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: 29/08/2023  
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                                     |
|         | Sl. No.   |                                       |                                       |
|         | Name of the subsidiary  | Indian Ports Dredging Private Limited | Knowledge Infra Ports Private Limited |
| 2       | Name of the subsidiary  | Indian Ports Dredging Private Limited | Knowledge Infra Ports Private Limited |
| 3       | The date since when subsidiary was acquired   | 20.03.2017                            | 15.04.2019                            |
| 4       | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | April-March                           | April-March                           |
| 5       | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA                                    | NA                                    |
| 6       | Share capital   | 1,00,000                              | 1,00,000                              |
| 7       | Reserves & surplus  | 1,37,96,000                           | 1,25,90,000                           |
| 8       | Total assets  | 1,82,07,000                           | 3,64,54,000                           |
| 9       | Total Liabilities   | 1,82,07,000                           | 3,64,54,000                           |
| 10      | Investments   | -                                     | -                                     |
| 11      | Turnover  | 4,65,26,000                           | 20,06,47,000                          |
| 12      | Profit before taxation  | 42,04,000                             | 46,64,000                             |
| 13      | Provision for taxation  | 10,58,000                             | 11,74,000                             |
| 14      | Profit after taxation   | 31,46,000                             | 34,90,000                             |
| 15      | Proposed Dividend   | NIL                                   | NIL                                   |
| 16      | % of shareholding (in percentage)   | 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  | 31/03/2023                                  |
| 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 | 3,74,43,000                                 |
| Profit/Loss for the year   | (6,35,000)                                  |
| 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**

**Saurabh Daswani**

Managing Director

DIN: 07297445

**Kanak Kewalramani**

Director & CFO

DIN: 06678703

Date: 29/08/2023

Place: Mumbai

## 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      | 20.11  |
| ii.                            | Kanak Kewalramani    | 20.11  |
| <b>Non-Executive Directors</b> |                      |  |
| i.                             | Jagat Jiban Biswas   | 11.43  |
| ii.                            | Sandip Zaveri*       | -  |
| iii.                           | Ashish Mohandas*     | -  |

#### Note:-

- Non-executive Independent Directors were paid sitting fees. Sitting fee do not constitute an element of remuneration.
  - Significant change in Ratio of Mr. Biswas as last year he was appointed in the month of January, 2022 and only three months' salary was considered for FY 2021-2022 as compared to full year salary during the FY 2022-2023.
- 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   | 78%                                 |
| iv.    | Sandip Zaveri        | -                                   |
| v.     | Ashish Mohandas      | -                                   |
| vi.    | Sujay Kewalramani    | -                                   |
| vii.   | Dinesh Kewalramani   | 3.79%                               |
| viii.  | Pinkesh Kewalramani  | 21.53%                              |
| ix.    | Ritika Sharma        | -                                   |

#### Note:

Ms. Ritika Sharma, Company Secretary have joined the Company on 28th October, 2022 so previous year comparative data is not available.

For and on behalf of the Board of Directors

Date: 29/08/2023  
Place: Mumbai

- The percentage increase in the median remuneration of employees in the financial year:** There is an increase of 20.59% in the median remuneration of employees in the financial year.

- The number of permanent employees on the rolls of company**

Company has total of 100 employees on the rolls of the Company as on 31st March, 2023.

- Average percentile increase already made in the salaries of employees other than the managerial personal 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 personal in the Financial Year 2022-23 was 50.66% due to increase in number of employees and the increase in the salary of the Managerial Personal was 17.10%.

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.

### Knowledge Marine & Engineering Works Limited

**Saurabh Daswani**  
Managing Director  
DIN: 07297445

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

## 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 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 2020-21     | NIL   | NIL  |
| 2       | FY 2021-22     |   |  |
| 3       | FY 2022-23     |   |  |
|         | Total          | NIL   | NIL  |

##### 6. Average net profit of the Company as per section 135(5): Rs. 13,16,50,800/-

##### 7. (a) Two percent of average net profit of the Company as per section 135(5): Rs. 26,33,016/-

(b) Surplus arising out of the CSR projects or programs 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. 26,33,016/-

| 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 |
| 26,33,016  | 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 31st March, 2023, the Company has spent Rs. 26,33,016.

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

| Si. No. | Particulars   | Amount (in Rs.) |
|---------|---|-----------------|
| (i)     | Two percent of average net profit of the Company as per section 135(5)                                      | 26,33,016       |
| (ii)    | Total amount spent for the financial year   | 26,33,016       |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | 0               |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0               |
| (v)     | Amount available for set off in succeeding financial years [(iii)- (iv)]                                    | 0               |

##### 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):



## Directors' Report (Contd.)

- 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: 29/08/2023  
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.      | Birds and Animals Hospital at Sunpura Noida & Shahada, Maharashtra. | Animal welfare   | NO                   | Uttar Pradesh            | Greater Noida | 16-18 Months     | 26,33,016                                  | 26,33,016  | NIL   | No  | Sansthanam Abhay Daanam                               | CSR00001492          |

## Directors' Report (Contd.)

### Annexure-D

#### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

[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, 2023 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, 2023 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 not applicable to the Company during the Audit Period)
- (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 and amendments made thereunder;

- 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 & Sweat Equity) Regulations, 2021;
- 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 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2021; (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)

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

## Directors' Report (Contd.)

(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. (There was no change in the composition of the board in FY 22-23)

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as per the applicable provisions of the Companies Act, 2013, 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.

I further report that during the period under review, the Company has issued and allotted 5,65,000 Equity Shares on Preferential Basis (Preferential Issue).

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

Place: Mumbai  
Date: May 19, 2023  
UDIN: A022333E000339683

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



## Directors' Report (Contd.)

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

Our Secretarial Report of the even date, for the financial year 2022-23 is to be read along with this letter:

### Management's Responsibility:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

### Auditor's Responsibility:

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

5. Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

### Disclaimer:

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.
7. We have not verified the correctness and appropriateness of financial records and/or books of accounts of the Company.

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

Place: Mumbai  
Date: May 19, 2023  
UDIN: A022333E000339683

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

# Management Discussion and Analysis

## BUSINESS OVERVIEW

Knowledge Marine & Engineering Works Limited is an India-based company engaged in the business of Dredging, Owning, Chartering/Hiring along with manning, operation and technical maintenance of Marine Crafts and Repairs/Maintenance of Marine Crafts and Marine Infrastructure and allied works in India and Myanmar. Its fleets include pilot boat, speed patrol boat, survey boat, grab dredger, trailing suction hopper dredger, mooring launches and service boat. Its operational marine assets include River Pearl 1, River Pearl 2, River Pearl 3, River Pearl 4, River Pearl 5, River Pearl 6, River Pearl 7, River Pearl 8, River Pearl 9, River Pearl 10, River Pearl 11 and River Pearl 12. Its subsidiaries and Associate Company includes Indian Ports Dredging Private Limited, Knowledge Infra Ports Private Limited and KMEW Offshore Private Limited.

## GLOBAL DREDGING INDUSTRY

Dredging is an excavation operation that is generally done at least partially underwater in shallow water locations to collect bottom sediments and dispose of them at a new site. It is a method of moving natural resources from one section of the sea environment to another using specialized dredging vessels. Dredging's major goal is to maintain rivers and ports passable, as well as to build new ports, coastal protection, land reclamation, and the extraction of sediments such as sand and gravel for use in the building industry.

The global dredging market size is expected to grow from \$12.11 billion in 2022 to \$12.58 billion in 2023 at a compound annual growth rate (CAGR) of 3.9%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The dredging market is expected to grow to \$14.39 billion in 2027 at a CAGR of 3.4% (source: The Global Research Company).

The Asia Pacific dredging market is experiencing growth largely due to the region's growing population. This increase has led to a higher demand for oil exploration and telecommunications sourced from underwater locations, driving up the need for subsea activities. The main hotspots for these activities in Asia Pacific can be found primarily in Vietnam, Australia, China, Malaysia, and Indonesia. Similarly, the North American dredging market is also growing, attributed to a surge in offshore oil & gas activities. The demand within the dredging market has also observed an uptick in European countries like France, Germany, and the UK due to an accelerated increase in marine activities. Forecast trends suggest growth in demand for the dredging market in regions like Latin America and the Middle East & Africa in the forthcoming future. As per estimates, Latin America and the Middle East & Africa are

going to see exponential growth in demand for dredging services.

## Outlook

The rising urbanization and the prevalence of market players demanding raw materials supplies have been driving the growth of the market. The rising demands of supply of raw materials across the globe have led to an increase in trading activities. This has ultimately led to the rise in the growth of the market. Moreover, the rising urbanization and constructional activities have also led to the growth of the dredging market. The growing investment in environmentally friendly and sustainable technologies further offers numerous growth opportunities to the dredging market. Additionally, the rising need for sedimentation-preserving activities and the adoption of advanced technologies for such activities is also boosting the market's growth. The rising construction of ports and waterways are also the factors creating significant lucrative growth opportunities for the market. But the high costs and the investment costs required for the initial setup and maintenance of the systems are further expected to obstruct market growth.

## INDIAN DREDGING INDUSTRY

The Indian dredging market is driven largely by the trade segment, with dredging demand coming from major and non-major ports. At present, the annual dredging market in India for major ports is estimated to be approximately 80 million cubic metres (MCM), and the total dredging market stands at about 121 MCM with maintenance dredging consulting to be around 70% of the domestic market (Source: India Infoline and Indian Infrastructure). Indian ports are gearing themselves up to handle more cargo by accommodating deep draft vessels, and aspire to meet international port infrastructure standards in order to achieve economies of scale. As a result, ports are taking measures to improve basic infrastructure such as deepening and widening channels, creating new dock arms, and implementing automation. A parliamentary committee has also recommended increasing the draft depth of all ports under the Sagarmala Programme, as per their respective cargo profiles, to handle larger vessels. The development of new Greenfield ports will also drive the demand for dredging. Given these prospects, coupled with new developments coming in from Navy, national waterways and off shore exploration, scope of Indian dredging industry seems vast.

## Outlook

**Essential Role of Indian Shipping Industry in the Economy:** The Indian shipping industry has consistently been a significant component of the country's economic sector, notably in cargo transportation. The industry is crucial in the transportation of crude oil, petroleum products, and other cargos. It is worth noting that maritime transport facilitates a substantial portion of the country's trade - approximately 95% in volume and 68% in value.

## Management Discussion and Analysis (Contd.)

Additionally, the ports within the country handle nearly 90% of EXIM (Export-Import) cargo by volume and around 70% by value.

### **Expanding Port Capacity and Enhancing Efficiency:**

With the constant growth in trade needs, the expansion of port capacity has been given top priority. Alongside expanding the major ports' capacities, the government has initiated steps to optimize operational efficiencies. This incorporation is achieved through mechanization, digitization, and simplifying processes. Resultantly, over the years, there has been a notable increase in the installed capacity and the amount of cargo handled by the major ports. Parameters such as average turnaround time and average output per ship berth day have also seen significant improvements. This strategic progress and prioritization have evolved the shipping industry to be more efficient and reliable.

As per studies carried out in the Sagarmala Programme, projections suggest a considerable escalation in cargo traffic at Indian ports to approximately 2500 MMTPA by 2025, a substantial rise from the present handling capacity of 1500 MMTPA. This strategic blueprint takes into account several key elements, including enhancing the operational efficiency of the ports, increasing the capacity of existing ports, and introducing new port developments. As part of Project Unnati, international performance standards have been adopted to amplify efficiency and productivity key performance indicators (KPIs) across 12 major ports. All these abodes well for the domestic dredging industry.

(Source: India Infoline)

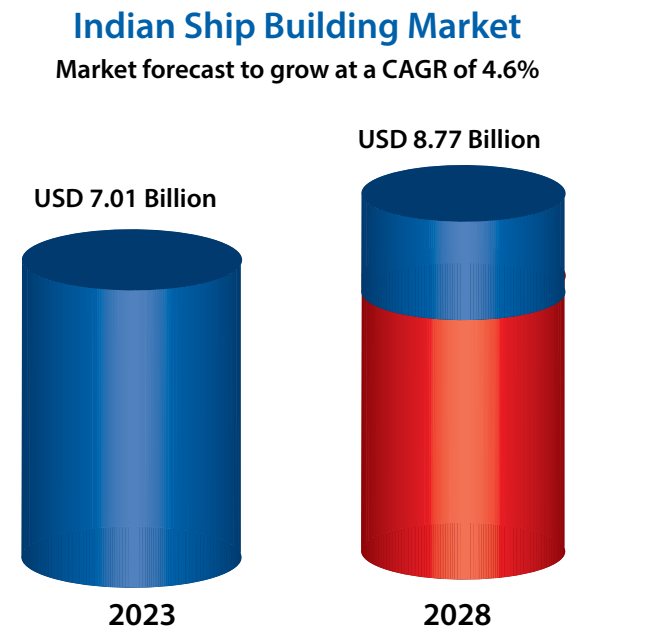
Guidelines on undertaking dredging at major ports issued by Ministry of Shipping: The Ministry of Ports, Shipping and Waterways has issued fresh Dredging guidelines for all Major Ports to follow. According to the updated guidelines, Major Ports with management control of a Ports Owned Dredging Company have authorization to assign dredging projects to the firm, following board approval from the Trustee/Director of the Port. It is stipulated that whenever this method of project allotment is implemented, the principle of competitive market price discovery, considering the same quality and conditions, should be adhered to. This guideline aims to guarantee top efficiency in cost, time, and quality during the execution of dredging projects. The Ministry of Shipping now mandates all major ports to invite open competitive bids for both capital and maintenance dredging tasks. This development is predicted to facilitate the dredging service provider Company in securing more projects directly from the promoter ports.

### **GLOBAL SHIPBUILDING INDUSTRY AND OUTLOOK**

The need to import and export goods, as sparked by globalization, made shipbuilding an important strategic industry. Although Europe remains a crucial market for the production of cruise vessels, the East Asian region dominates shipbuilding with China, South Korea, Japan being the largest shipbuilding nations in the world. China

alone received 49% of all shipbuilding orders in 2021, making it a global shipbuilding powerhouse. The ship demolition activity is also centered in South East Asia, with Bangladesh, India, and Pakistan accounting for about 76% of the global ship scrapping activity (Source: Statista). As per estimates, the Shipbuilding market is expected to surpass USD 53,310 million by 2027, which is an increase from its current value of USD 34,000 million in 2022. This growth is projected to have a compound annual growth rate (5.5%) between 2023 and 2027 (Source: Market Watch).

India is endowed with a 7,500 km coastline and an infrastructure of 14 major ports and 200 minor/intermediate ports offers vast opportunities in ship building and ship repairing services. India's Ship Building Market is estimated to be USD 7.11 Bn in 2023 and is expected to reach USD 8.76 Bn by 2028, growing at a CAGR of 4.57%.



(Source: Research and Markets)

As per estimates, the central plans to offer cash subsidies, lower taxes and other incentives to bolster its shipbuilding industry. The plans include subsidies so that at least 50 new vessels can be built as well as the granting of "infrastructure status" to the industry which would help with financing from banks. In addition to significantly increasing production volumes in the shipbuilding industry, the central government state support program's strategic goal is to boost the capacity of the national merchant fleet. This includes maintaining the export cargo base and assuring raw materials and merchandise import into the country.

### **INDIA INLAND WATERWAYS INDUSTRY**

India has an extensive network of inland waterways, including rivers, canals, and backwaters, covering over 20,000 kilometers in length. Inland water transport has enormous potential in India as a mode of transportation for both passengers and cargo. Priority development

## Management Discussion and Analysis (Contd.)

of National Waterway-1 was undertaken through the Jal Vikas Marg Project (JVMP), which includes Arth Ganga, it is expected to give an economic boost of Rs.1,000 crores to the economy over the next five years. The government is eyeing an investment of Rs. 35,000 crores by 2047 to create a network of waterways in the country. The inland waterways can play a crucial role in realising Prime Minister (PM) vision of making India a zero-carbon emission country by 2070.

### SAGARMALA PROJECT

India has 7,517 Km long coastline with 14,500 Km of potentially navigable waterways and strategic location on key international maritime trade routes. To promote port-led development in the country, the government has introduced Sagarmala Programme. 802 projects totalling Rs.5.54 Lakh crore worth of investment have been identified to be implemented under the Programme by 2035.

| Project Theme                 | Total           |                        | Completed       |                        | Under Implementation |                        |
|-------------------------------|-----------------|------------------------|-----------------|------------------------|----------------------|------------------------|
|                               | No. of Projects | Project Cost (Rs. Cr.) | No. of Projects | Project Cost (Rs. Cr.) | No. of Projects      | Project Cost (Rs. Cr.) |
| Port Modernization            | 241             | 2,60,419               | 68              | 27,019                 | 56                   | 35,471                 |
| Port Connectivity Enhancement | 208             | 1,36,331               | 35              | 19,489                 | 69                   | 84,410                 |
| Port Led Industrialization    | 33              | 1,19,846               | 2               | 45,865                 | 21                   | 72,806                 |
| Coastal Community Development | 76              | 8,434                  | 16              | 1,423                  | 15                   | 1,373                  |
| Coastal Shipping & IWT        | 244             | 28,918                 | 24              | 993                    | 50                   | 15,869                 |
| <b>Total</b>                  | <b>802</b>      | <b>5,53,948</b>        | <b>185</b>      | <b>94,789</b>          | <b>201</b>           | <b>2,09,829</b>        |

### MARITIME INDIA VISION 2030

The country's maritime sector plays a crucial role in its overall trade and growth, with 95% of the country's trade volume and 65% of the trade value being undertaken through maritime transport.

With the objective of propelling India to the forefront of the Global Maritime Sector, Ministry of Ports, Shipping and Waterways has formulated Maritime India Vision 2030 (MIV 2030), a blueprint to ensure coordinated and accelerated growth of India's maritime sector. MIV 2030 identifies over 150 initiatives across 10 themes covering all the facets of the Indian maritime sector and is a comprehensive effort to define and meet national maritime objectives.

| Develop Best-in-class Port Infrastructure |   |         |               |
|---|---|---------|---------------|
| Category                                  | KPI Metric  | Current | Target (2030) |
| World class Mega Ports                    | No. of Major ports with 300 MTPA+ cargo handling capacity           | -       | 3 ports       |
|   | No. of ports with 18m+ draft availability to handle main line calls | 5       | 9 ports       |
| Transshipment hub                         | % of India cargo transshipment handled by Indian ports              | 25%     | >75%          |
| Infrastructure modernization              | % of Cargo handled by PPP/ Captive/O&M parties across Major Ports   | 51%     | >85%          |

### INTER LINKING OF RIVERS

The Indian Rivers Inter-link is a large-scale civil engineering project that aims to effectively manage water resources in India by linking Indian rivers by a network of reservoirs and canals to: Enhance irrigation and groundwater recharge, reduce persistent floods in some parts and water shortages in other parts of India. Under the National Perspective Plan (NPP), the National Water Development Agency (NWDA) has identified 30 links (16 under Peninsular Component & 14 under Himalayan Component) for preparation of Feasibility Reports (FRs). Estimated cost for all Inter Linking of Rivers projects is Rs. 8.44 lakh crore. Currently, Ken-Betwa Link project is the first ILR project under NPP, which is under implementation.

### FINANCIAL OVERVIEW

The financial statements of the company were compiled adhering to the Indian Accounting Standards (also known as 'Ind AS'), as per the notification from the Ministry of Corporate Affairs following Section 133 of the Companies Act 2013 ('Act'), along with the Companies (Indian Accounting Standards) Rules 2015 as they have been updated, and other relevant clauses within the Act. The credit facilities of the Company have received affirmation, noted by a long-term rating of CRISIL BBB/Stable and a short-term rating of CRISIL A3+. The forecast for the long-term rating continues to be stable.

**Its brief financial performance for 2022-23 basis Consolidated financials is given below:**

(Amount in Rs. Lakhs)

| Particulars                   | For Year ended March 31, 2023 | For Year ended March 31, 2022 |
|-------------------------------|-------------------------------|-------------------------------|
| Revenue from Operations       | 2,0152.96                     | 6,110.63                      |
| EBITDA                        | 7,006.64                      | 3,292.62                      |
| Depreciation and Finance cost | 435.82                        | 243.45                        |
| Profit before tax             | 6,337.84                      | 2,800.78                      |
| Tax expenses                  | 1,487.08                      | 622.62                        |
| Net Profit                    | 4,719.93                      | 2,086.78                      |



## Management Discussion and Analysis (Contd.)

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios, alongwith detailed explanations thereof including:

| Ratios                                | 2022-23 | 2021-22 | % Change | Reason (if more than 25% change)  |
|---------------------------------------|---------|---------|----------|---|
| Debtors Turnover                      | 6.75    | 28.16   | 76.03%   | The increase in debtors have reduced in proportion to sales as compared to last year due to timely payment of the invoices raised. Hence the ratio has been improved.   |
| Net capital turnover ratio (in times) | 18.65   | 5.96    | 212.92%  | Due to increase in revenue, capital turnover ratio increased.   |
| Current Ratio                         | 2.04    | 1.46    | 39.72%   | Excess cash flow to the company has been invested in Short term FD's therefore, current ratio has been improved.  |
| Debt-Equity Ratio                     | 0.18    | 0.56    | (67.86%) | Fresh Capital and security premium has been received during the year due to preferential allotment of shares therefore capital employed of the company has been gradually increased resulting decrease in ratio. Further, there is also surge in profit of the Company as compared to increase in debt of the Company. Therefore, there is decrease in debt to equity of the Company. |
| Net Profit Margin (%)                 | 23%     | 33%     | (32%)    | During the year, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company   |

### RISKS AND CONCERNS

The Company is exposed to normal industry risk factors. The Company manages these risks, by maintaining a prudent financial profile and by following healthy business and risk management practices.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control and risk management system is organised and adapted in accordance with the principles and criteria accredited as per the applicable laws and regulations. It is an essential part of the general organisational structure of the Company and engages a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, observing and supporting committees. The control and risk committee and the head of the audit department work under the supervision of the Board-appointed Statutory Auditors.

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Knowledge Marine considers that its dynamic edge lies within its people. The Company's people bring to the stage a cross industry experience, technological experience

and domain knowledge. The Company's HR culture is embedded in its ability to abolish age-old norms in a bid to improve competitiveness. The Company always takes decisions which are in accordance with the professional and personal goals of employees, thereby achieving an ideal work-life balance and improving pride association. The Company maintains and enjoys harmonious relations with its human resource at all levels.

### CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectations and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

# Business Responsibility and Sustainability Report

## SECTION A General disclosures

### SECTION B Management and process disclosures

### SECTION C Principle-wise performance disclosure

|                    |   |
|--------------------|---|
| <b>Principle 1</b> | Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable        |
| <b>Principle 2</b> | Businesses should provide goods and services in a manner that is sustainable and safe   |
| <b>Principle 3</b> | Businesses should respect and promote the well-being of all employees, including those in their value chains                        |
| <b>Principle 4</b> | Businesses should respect the interests of and be responsive to all its stakeholders  |
| <b>Principle 5</b> | Businesses should respect and promote human rights  |
| <b>Principle 6</b> | Businesses should respect and make efforts to protect and restore the environment   |
| <b>Principle 7</b> | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent |
| <b>Principle 8</b> | Businesses should promote inclusive growth and equitable development  |
| <b>Principle 9</b> | Businesses should engage with and provide value to their consumers in a responsible manner  |

## SECTION A : General disclosures

### I. Details of the listed entity

|     |  |   |
|-----|--|---|
| 1.  | Corporate Identity Number (CIN) of the Company                                       | L74120MH2015PLC269596   |
| 2.  | Name of the Company  | Knowledge Marine & Engineering Works Limited (KMEWL)  |
| 3.  | Year of Incorporation  | 2015  |
| 4.  | Registered office address  | Office No. 402, Sai Samarth Business Park, Deonar Village Road, Govandi (East), Mumbai, MH 400088                           |
| 5.  | Corporate office address   | Office No. 402, Sai Samarth Business Park, Deonar Village Road, Govandi (East), Mumbai, MH 400088                           |
| 6.  | E-mail   | info@kmew.in  |
| 7.  | Telephone  | +91 (22) 35530988   |
| 8.  | Website  | www.kmew.in   |
| 9.  | Financial year for which reporting is being done                                     | 2022-2023   |
| 10. | Name of the Stock Exchange(s) where shares are listed                                | BSE (SME Exchange)  |
| 11. | Paid-up Capital  | Rs.1080.10 Lakhs  |
| 12. | Name and contact details (telephone, email address) of the person for BRSR Reporting | Ritika Sharma (Company Secretary & Compliance Officer),<br>Contact No: +91 (22) 35530988<br>Email: compliance@kmew.in       |
| 13. | Reporting boundary   | Disclosures made in this report are on a standalone basis and pertain only to Knowledge Marine & Engineering Works Limited. |

### II. PRODUCTS/SERVICES

#### 14. Details of business activities (accounting for 90% of the turnover):

| S. NO. | DESCRIPTION OF MAIN ACTIVITY | DESCRIPTION OF BUSINESS CODE | DESCRIPTION OF BUSINESS ACTIVITY |
|--------|------------------------------|------------------------------|----------------------------------|
| 1.     | Service                      | Dredging                     | 97%                              |

## Business Responsibility and Sustainability Report (Contd.)

### 14. Details of business activities (accounting for 90% of the turnover):

| S. No. | Product/Services   | NIC Code | % Of Total Turnover Contributed |
|--------|--|----------|---------------------------------|
| 1.     | Construction of waterways, harbors and river works, dredging and waterways | 4902     | 100%                            |

### III. OPERATIONS

#### 1. Number of locations where plants and/or operations/offices of the entity are situated: -

| LOCATION      | NUMBER OF PLANTS | NUMBER OF OFFICES | TOTAL |
|---------------|------------------|-------------------|-------|
| National      | NA               | 1                 | 1     |
| International | NA               | -                 | -     |

The registered office of the Company is situated in Mumbai, India. The Company has no plants. Ships and Boats of the Company trade in Indian as well as international waters. However, operations of the Company are being conducted in 4 National locations and 1 International Location.

#### 17. Markets served by the entity:

##### a. Number of locations

| LOCATIONS                        | NUMBER |
|----------------------------------|--------|
| National (No. of States)         | 4      |
| International (No. of Countries) | 1      |

KMEWL serves Indian as well as international markets. Substantial assets of the Company are ships, which are operating across the world, in view of which they cannot be identified by any particular geographical area.

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

##### c. Briefly explain the types of customers

KMEWL provides its services majorly to the Government of India as most of the Contracts are Government Contracts. Customers of the Company are Ministry of External Affairs, Dredging corporation of India and Major Ports of India such as Syama Prasad Mookerjee Port, Kolkata, Deendayal Port Authority (Erstwhile Kandla Port Authority), Visakhapatnam Port Authority and United India Marine Services.

### IV. EMPLOYEES

#### 18. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

| S. No.                             | PARTICULARS                             | TOTAL (A) | MALE    |           | FEMALE  |           |
|------------------------------------|---|-----------|---------|-----------|---------|-----------|
|                                    |   |           | NO. (B) | % (B / A) | NO. (C) | % (C / A) |
| <b>EMPLOYEES (HEAD OFFICE)</b>     |   |           |         |           |         |           |
| 1.                                 | Permanent (D)                           | 25        | 21      | 84%       | 4       | 16%       |
| 2.                                 | Other than Permanent (E)                | -         | -       | -         | -       | -         |
| 3.                                 | Total employees (D + E) (1)             | 25        | 21      | 84%       | 4       | 16%       |
| <b>EMPLOYEES (Off Shore Staff)</b> |   |           |         |           |         |           |
| 4.                                 | Permanent (D)                           | -         | -       | -         | -       | -         |
| 5.                                 | Other than Permanent (E)                | 75        | 75      | 100%      | -       | -         |
| 6.                                 | Total Employees (D+E) (2)               | 75        | 75      | 100%      | -       | -         |
| 7.                                 | Total Employees ((D+E) (1) + (D+E) (2)) | 100       | 96      | 96%       | 4       | 4%        |
| <b>WORKERS- (Not Applicable)</b>   |   |           |         |           |         |           |
| 4.                                 | Permanent (F)                           | -         | -       | -         | -       | -         |
| 5.                                 | Other than Permanent (G)                | -         | -       | -         | -       | -         |
| 6.                                 | Total workers (F + G)                   | -         | -       | -         | -       | -         |

## Business Responsibility and Sustainability Report (Contd.)

### b. Differently abled Employees and workers: Nil

| S. No                              | PARTICULARS                              | TOTAL (A) | MALE    |           | Female  |           |
|------------------------------------|--|-----------|---------|-----------|---------|-----------|
|                                    |  |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |  |           |         |           |         |           |
| 1.                                 | Permanent (D)                            | -         | -       | -         | -       | -         |
| 2.                                 | Other than Permanent (E)                 | -         | -       | -         | -       | -         |
| 3.                                 | Total differentlyabled employees (D + E) | -         | -       | -         | -       | -         |
| <b>DIFFERENTLY ABLED WORKERS</b>   |  |           |         |           |         |           |
| 4.                                 | Permanent (F)                            | -         | -       | -         | -       | -         |
| 5.                                 | Other than permanent (G)                 | -         | -       | -         | -       | -         |
| 6.                                 | Total differentlyabled workers (F + G)   | -         | -       | -         | -       | -         |

### 19. Participation/Inclusion/Representation of women

| Permanent (D)                            | Total (A) | NO. AND PERCENTAGE OF FEMALES |         |
|--|-----------|-------------------------------|---------|
|  |           | No. (B)                       | % (B/A) |
| Other than Permanent (E)                 | 5         | 1                             | 20%     |
| Total differentlyabled employees (D + E) | 1         | 1                             | 100%    |

### 20. Turnover rate for permanent employees and workers

|                     | Fy 2022-23                  |        |       | Fy 2021-22                   |        |       | Fy 2020-21   |        |       |
|---------------------|-----------------------------|--------|-------|------------------------------|--------|-------|--|--------|-------|
|                     | Turnover Rate In Current Fy |        |       | Turnover Rate in Previous Fy |        |       | (Turnover Rate In The Year Prior To The Previous Fy) |        |       |
|                     | Male                        | Female | Total | Male                         | Female | Total | Male   | Female | Total |
| Permanent Employees | 8.33%                       | 4.16%  | 12.5% | 5%                           | 10%    | 15%   | 6.25%  | 0      | 6.25% |
| Permanent Workers   | Not Applicable              |        |       |                              |        |       |  |        |       |

## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

### 1. Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary/ associate companies/joint ventures(a) | Indicate whether holding /subsidiary /associate /joint venture | %Age of shares held by listed entity | Does the entity indicated at coloumn a, participate in the business responsibility initiatives of the listed entity? (Yes/no) |
|--------|---|--|--------------------------------------|---|
| 1.     | KMEW Offshore Private Limited   | Associate  | 50%                                  | No  |
| 2.     | Indian Ports Dredging Private Limited                                   | Subsidiary   | 70%                                  | No  |
| 3.     | Knowledge Infra Ports Private Limited                                   | Subsidiary   | 74%                                  | No  |

Note: the above details are as on March 31, 2023

## VI. CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: Rs. 19,472.44 Lakhs

(iii) Net worth: Rs. 13,098.17 Lakhs

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:



## Business Responsibility and Sustainability Report (Contd.)

| Stakeholder Group From Whom Complaint Is Received | Grievance Redressal Mechanism In Place(Yes/ No) (If Yes,Then Provide Web-Link For Grievance Redressal Policy)  | Fy 2022-23 Current Financial Year         |  |         | Fy 2021-22 Previous Financial Year        |  |         |
|---|--|---|--|---------|---|--|---------|
|   |  | Number Of Complaints Filed During TheYear | Number Of Complaints Pending Resolution At Close Of The Year | Remarks | Number Of Complaints Filed During TheYear | Number Of Complaints Pending Resolution At Close Of The Year | Remarks |
| Shareholders                                      | Yes, KMEWL has a Grievance redressal mechanism in place for all of its stakeholder. The policy can be accessed through below web link: <a href="http://www.kmew.in/investor-information.html#">http://www.kmew.in/investor-information.html#</a> | -   | -  | -       | -   | -  | -       |
| Employees and workers                             |  | -   | -  | -       | -   | -  | -       |
| Customers   |  | -   | -  | -       | -   | -  | -       |
| Value Chain Partners                              |  | -   | -  | -       | -   | -  | -       |
| Other (please specify)                            |  | -   | -  | -       | -   | -  | -       |

### 24. Overview of the entity's material responsible business conduct issues

KMEWL periodically conduct materiality assessments to understand key topics that could significantly impact the environment and social matters that present a risk or an opportunity to the business.

Details of the top 3 high priority topics of KMEWL have been disclosed as follows:-

| SL. No. | Material Issue Identified | Indicate Whether Risk Or Opportunity (R/O) | Rationale For Identifying The Risk/ Opportunity  | In Case Of Risk, Approach To Adapt Or Mitigate   | Financial Implications Of The Risk Or Opportunity (Indicate Positive Or Negative Implications) |
|---------|---------------------------|--|--|--|--|
| 1.      | Severe Weather Conditions | Risk                                       | Dredging operations are impacted by any natural phenomenon like cyclone, heavy rains, wind etc. Thus, without considering the impact that climate change will have on port infrastructure we will be placing our fundamental business asset at risk. | Our strategies for mitigating these weather-related risks include:<br>◀ Placing the equipment in a sheltered area so as to reduce the risk of breakdown<br>▶ Reduce the use of fuels that emit gases which add to the rise in temperatures and thus are detrimental to controlling weather changes. We actively seek new technologies to meet these IMO standards. | Negative   |

## Business Responsibility and Sustainability Report (Contd.)

| SL. No. | Material Issue Identified   | Indicate Whether Risk Or Opportunity (R/O) | Rationale For Identifying The Risk/ Opportunity   | In Case Of Risk, Approach To Adapt Or Mitigate                       | Financial Implications Of The Risk Or Opportunity (Indicate Positive Or Negative Implications) |
|---------|---|--|---|--|--|
| 2.      | Climate Change and rise in sea levels   | Opportunity                                | Due to climate change the sea water levels are rising and the low-lying lands are submerging underwater. This allows for new land reclamation or rising of low-lying land areas by dredging the near by sea areas. This generates large business  | Investment in assets that will allow for land creation by reclaiming | Positive   |
| 3.      | Scarcity of Aggregates and large scale land based quarrying due to environmental impact | Opportunity                                | Business of mining from the sea for aggregates such as sand and stone are being adapted in large part of the world. As the area of the sea is larger than land mass it allows for larger opportunity. Countries such as United Kingdom, United Arab Emirates, Singapore, Bahrain, Maldives have been sourcing sand for construction purposes and land reclamation purposes. |  | Positive   |

### SECTION B: management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements. These are briefly as under:

- P1** Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
- P2** Businesses should provide goods and services in a manner that is sustainable and safe
- P3** Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4** Businesses should respect the interests of and be responsive to all its stakeholders
- P5** Businesses should respect and promote human rights
- P6** Businesses should respect and make efforts to protect and restore the environment
- P7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8** Businesses should promote inclusive growth and equitable development
- P9** Businesses should engage with and provide value to their consumers in a responsible manner

## Business Responsibility and Sustainability Report (Contd.)

### 1. Policy and Management processes

| Disclosure Questions   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|----|----|----|----|----|----|----|----|
| Policy and Management Processes  |   |    |    |    |    |    |    |    |    |
| 1. a. Whether your entity's policy /policies cover each principle and its core elements of the NGRBCs. (Yes/No)  | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| b. Has the policy been approved by the Board? (Yes/No)   | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| c. Web Link of the Policies, if available  | <a href="http://www.kmew.in/investor-information.html">http://www.kmew.in/investor-information.html</a>   |    |    |    |    |    |    |    |    |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)  | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/ No)   | Y   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 4. Name of the national and international Codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <ul style="list-style-type: none"> <li>• ISO 9001:2015 for Quality management system</li> <li>• ISO 45001:2018 for Health and Safety management system.</li> <li>• ISO 14001:2015 for Environment management system.</li> </ul>   |    |    |    |    |    |    |    |    |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.   | Please refer to the Chairman Message as given in Page No. 6 of the Annual Report<br><a href="http://www.kmew.in/investor-information.html#">http://www.kmew.in/investor-information.html#</a>   |    |    |    |    |    |    |    |    |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.  | Our Annual Report shows the initiative and steps taken by the Company towards sustainability, we have identified our ESG focused areas and materiality topics during the Financial Year under review. We will present the performance of the Company and specific commitments in the years to come. |    |    |    |    |    |    |    |    |

### GOVERNANCE, LEADERSHIP AND OVERSIGHT

#### 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:

Please refer to Management's Speech at Page No. 35 for the same.

#### 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

- a) Captain Jagat Jiban Biswas Non Executive Director
- b) Mr. Saurabh Daswani Managing Director
- c) Mrs. Kanak Kewalramani WTD & CFO

#### 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

No, The Company does not have a specified committee for decision making on sustainability related issues. However, such issues, if any, shall be placed before the Board of Directors and various Committees of Directors / Senior Management personnel as per their terms of reference from time to time.

#### 10. Details of Review of NGRBCs by the Company

| Subject for Review  | a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee   |    |    |    |    |    |    |    |    |
|---|---|----|----|----|----|----|----|----|----|
|   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action   | The performance against the policies of the Company is reviewed by department heads / director / board committees / board members, wherever applicable from time to time. |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | The performance against the policies of the Company is reviewed by department heads / director / board committees / board members, wherever applicable from time to time. |    |    |    |    |    |    |    |    |

## Business Responsibility and Sustainability Report (Contd.)

|   |  |    |    |    |    |    |    |    |    |
|---|--|----|----|----|----|----|----|----|----|
| Subject for Review  | b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)  |    |    |    |    |    |    |    |    |
|   | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action   | Policies of the Company are reviewed periodically or on need basis by department heads, business heads or the functional heads. The efficacy of the policies shall be reviewed and necessary changes shall be implemented. |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances | As per the requirement of laws applicable to the company.  |    |    |    |    |    |    |    |    |

### 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.:

No.

### 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1** Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

### ESSENTIAL INDICATORS

#### 1. Percentage coverage by training and awareness programs on any of the Principles during the financial year

| S. No | Segment                           | Total Number of Training & Awareness Programmes Held | Topics / Principles Covered Under The Training   | % Age Of Persons In Respective Category Covered By The Awareness Programmes |
|-------|-----------------------------------|--|--|---|
| 1     | Board of Directors                | 7  | Updates and awareness related to regulatory changes are conducted for the Board of Directors & KMPs. Topics covered:<br>1. Corporate Governance<br>2. Companies Act, 2013<br>3. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015<br>4. SEBI PIT Regulations 2015.<br>5. Business Ethics<br>6. POSH, Policy as laid down by the government.<br>7. Code of Conduct Policy   | 100%  |
| 2     | Key Managerial Personnel          |  |  |   |
| 3     | Employees other than BOD and KMPs | 11   | Various skill development and knowledge upgradation trainings were conducted for employees including the following trainings:<br>1. Code of Conduct with key learnings on Regulation, Monitoring and reporting by Designated Person.<br>2. Communication and Interpersonal Skills<br>3. Time Management and Critical Thinking<br>4. Financial Wellbeing<br>5. Environment, Health and Safety<br>6. Making aware about the whistle blower mechanism.<br>7. POSH, Policy as laid down by the government<br>8. Risk Management<br>9. Skill up gradation Training Programmes<br>10. Risk Management<br>11. Introduction to ESG Profile | 90%   |
| 4     | Workers                           | -  | -  | -   |



## Business Responsibility and Sustainability Report (Contd.)

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

No material monetary & non-monetary fines/penalties were paid in FY 2022-23.

### Monetary

|                 | NGRBC Principle | Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions | Amount (In Inr) | Brief Of TheCase | Has An Appeal Been Preferred? (Yes/No) |
|-----------------|-----------------|---|-----------------|------------------|--|
| Penalty/ Fine   | Nil             | Nil   | 0.00            | Nil              | Nil                                    |
| Settlement      | Nil             | Nil   | 0.00            | Nil              | Nil                                    |
| Compounding fee | Nil             | Nil   | 0.00            | Nil              | Nil                                    |

### Non-Monetary

|              | NGRBC Principle | Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions | Brief Of The Case | Has An Appeal Been Preferred? (Yes/No) |
|--------------|-----------------|---|-------------------|--|
| Imprisonment | Nil             | Nil   | Nil               | No                                     |
| Punishment   | Nil             | Nil   | Nil               | No                                     |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed-

Not Applicable

| Case Details | Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions |
|--------------|---|
| NA           | NA  |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The policy related to the prevention of bribery and corruption is embedded in the Company's Code of Business Conduct and Ethics for the Board of Directors and Members of Senior Management as well as the Code of Business Conduct and Ethics for all other employees, Whistler Blower Policy and HR Policies and Practices. The said policies prohibit inducements and require compliance with the anti-corruption and anti-bribery laws. Copy of all these policies are available on the website of the Company, [www.kmew.in](http://www.kmew.in)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

|            | FY 2022-23<br>CURRENT FINANCIAL YEAR | FY 2021-22<br>PREVIOUS FINANCIAL YEAR |
|------------|--------------------------------------|---------------------------------------|
| Director's | 0.00                                 | 0.00                                  |
| KMP's      | 0.00                                 | 0.00                                  |
| Employees  | 0.00                                 | 0.00                                  |
| Workers    | 0.00                                 | 0.00                                  |

6. Details of complaints with regard to conflict of interest:

|  | FY 2022-23<br>CURRENT FINANCIAL YEAR |         | FY 2021-22<br>PREVIOUS FINANCIAL YEAR |         |
|--|--------------------------------------|---------|---------------------------------------|---------|
|  | Number                               | Remarks | Number                                | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0.00                                 | NA      | 0.00                                  | NA      |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0.00                                 | NA      | 0.00                                  | NA      |

## Business Responsibility and Sustainability Report (Contd.)

### 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

**PRINCIPLE 2** Businesses should provide goods and services in a manner that is sustainable and safe

#### ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|       | Fy 2022-23 Current Financial Year | Fy 2021-22 Previous Financial Year | Details of Improvement in Environmental and Social Impacts |
|-------|-----------------------------------|------------------------------------|--|
| R&D*  | 0                                 | 0                                  | 0  |
| CSPEX | 0                                 | 0                                  | 0  |

\*We are not a manufacturing entity. We are in the business of dredging and chartering of marine crafts. Hence R&D is not very significant. However, Company plans to make substantial capital investment in the areas of electrification of Equipments/ dredgers and ancillary crafts.

#### 2. a. Does the entity have procedures in place for sustainable sourcing?

The Company is into a business of dredging and Owning, Chartering along with Manning and Technical Maintenance of Marine Crafts which does not involve sourcing of raw materials as an input for manufacturing any end product. Most of the Company's supplies to vessels are finished products, for example engine spares which are procured from maker or licensee, consumables from reputed oil majors, paint and chemical from manufacturers, general stores from ship chandlers who procure multiple line items from the market, consolidate and deliver them on board. So, in essence, the Company does not procure any raw material as input to our business activities. However, the Company looks for following criteria while selecting its vendor for a prospective business –

- (i) Sourcing from reputable suppliers known in the industry.
- (ii) Vendors are maintaining registration under local/ regional laws.
- (iii) Vendors are complying to National and International applicable legislations.
- (iv) Vendors are maintaining management systems under ISO 9001 and 14001 or any other equivalent systems wherever applicable.

#### b. If yes, what percentage of inputs were sourced sustainably?

Not applicable.

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Being a service provider, KMEWL does not have any products to reclaim for reusing and recycling. However food waste generated on board during normal operation of ship are handled as per vessel specific garbage management plan and landed ashore to approved reception facilities for further processing. For the e-waste generated at shore offices, the Company will tie up with approved local recyclers. The Company tries to re-use the old laptops as far as possible before opting for disposal to recyclers.

#### 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Not applicable

**PRINCIPLE 3** Businesses should respect and promote the well-being of all employees, including those in their value chains

## Business Responsibility and Sustainability Report (Contd.)

### ESSENTIAL INDICATORS

#### 1. a. Details of measures for the well-being of Employees.

| Category  | %age of Employees Covered By |                  |             |                    |             |                    |            |                    |             |                    |          |
|---|------------------------------|------------------|-------------|--------------------|-------------|--------------------|------------|--------------------|-------------|--------------------|----------|
|   | Total (A)                    | Health Insurance |             | Accident Insurance |             | Maternity benefits |            | Paternity benefits |             | Daycare Facilities |          |
|   |                              | Number (B)       | % (B/A)     | Number (C)         | % (C/A)     | Number (D)         | % (D/A)    | Number (E)         | % (E/A)     | Number (F)         | % (F/A)  |
| <b>Permanent Employees (On shore staff)</b>                       |                              |                  |             |                    |             |                    |            |                    |             |                    |          |
| Male  | 21                           | 21               | 100%        | 21                 | 100%        | 0                  | 0%         | 21                 | 100%        | -                  | -        |
| Female  | 4                            | 4                | 100%        | 4                  | 100%        | 4                  | 100%       | 0                  | 0%          | -                  | -        |
| <b>Total</b>  | <b>25</b>                    | <b>25</b>        | <b>100%</b> | <b>25</b>          | <b>100%</b> | <b>4</b>           | <b>16%</b> | <b>21</b>          | <b>84%</b>  | <b>-</b>           | <b>-</b> |
| <b>Other than Permanent Employees (floating/ Off Shore staff)</b> |                              |                  |             |                    |             |                    |            |                    |             |                    |          |
| Male  | 75                           | 75               | 100%        | 75                 | 100%        | -                  | -          | 75                 | 100%        | -                  | -        |
| Female  | -                            | -                | -           | -                  | -           | -                  | -          | -                  | -           | -                  | -        |
| <b>Total</b>  | <b>75</b>                    | <b>75</b>        | <b>100%</b> | <b>75</b>          | <b>100%</b> | <b>-</b>           | <b>-</b>   | <b>75</b>          | <b>100%</b> | <b>-</b>           | <b>-</b> |

#### b. Details of measures for the well-being of workers: NA

| Category                              | %age of Employees Covered By |                  |          |                    |          |                    |          |                    |          |                    |          |
|---------------------------------------|------------------------------|------------------|----------|--------------------|----------|--------------------|----------|--------------------|----------|--------------------|----------|
|                                       | Total (A)                    | Health Insurance |          | Accident Insurance |          | Maternity benefits |          | Paternity benefits |          | Daycare Facilities |          |
|                                       |                              | Number (B)       | % (B/A)  | Number (C)         | % (C/A)  | Number (D)         | % (D/A)  | Number (E)         | % (E/A)  | Number (F)         | % (F/A)  |
| <b>Permanent Employees</b>            |                              |                  |          |                    |          |                    |          |                    |          |                    |          |
| Male                                  | -                            | -                | -        | -                  | -        | -                  | -        | -                  | -        | -                  | -        |
| Female                                | -                            | -                | -        | -                  | -        | -                  | -        | -                  | -        | -                  | -        |
| <b>Total</b>                          | <b>-</b>                     | <b>-</b>         | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> |
| <b>Other than Permanent Employees</b> |                              |                  |          |                    |          |                    |          |                    |          |                    |          |
| Male                                  | -                            | -                | -        | -                  | -        | -                  | -        | -                  | -        | -                  | -        |
| Female                                | -                            | -                | -        | -                  | -        | -                  | -        | -                  | -        | -                  | -        |
| <b>Total</b>                          | <b>-</b>                     | <b>-</b>         | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> |

#### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits                | Fy 2022-23 Current Financial Year                 |  |  | Fy 2021-22 Previous Financial Year                 |  |  |
|-------------------------|---|--|--|--|--|--|
|                         | No. of Employees Covered As A% of Total Employees | No. of Workers Covered As A % of Total Workers | Deducted and Deposited with the Authority (Y/N/N.A.) | No. Of Employees Covered As A % of Total Employees | No. of Workers Covered As A % of Workers | Deducted And Deposited With The Authority (Y/N/N.a.) Total |
| PF                      | 100%  | NA   | Yes  | 100%   | NA                                       | Yes  |
| Gratuity                | 100%  | NA   | Yes  | 100%   | NA                                       | Yes  |
| ESI                     | 100%  | NA   | Yes  | 100%   | NA                                       | Yes  |
| Others-Pension/ Annuity | 100%  | NA   | Yes  | 100%   | NA                                       | Yes  |

Note\*- All the eligible employees are covered for gratuity benefits.

#### 3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company welcomes and encourages diversity in its office premises. The Company's facilities have the necessary infrastructure in place to ensure access and inclusion for differently abled staff.

## Business Responsibility and Sustainability Report (Contd.)

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company encourages diversity in the workplace. KMEWL is an Equal Opportunity Employer and does not follow or support any discrimination based on caste, gender, sexual orientation, religion, ethnicity or physical disabilities. All employees are expected to be respectful towards each other and not promote or tolerate any form of discrimination.

The Policy can be accessed here <http://www.kmew.in/investor-information.html#>

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

No employee has taken a parental leave in the last year.

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes

|   |                                |  |
|---|--------------------------------|--|
| 1 | Permanent employee             | We have instilled the Grievance Redressal Mechanism in place to resolve the issues of employees. It covers Violation of the Company's Code, such as Business Integrity, Sexual Harassment, Prevention of Fraud, Rights to Intellectual Property and Data Protection. The contact details are mentioned in our Whistle Blower Policy. The investigation of the complaints is done both internally as well as through an external investigator if decided by the Audit committee. The investigation is generally completed within 45 days after filing of the complaint. |
| 2 | Other than Permanent Employees | Grievance redressal mechanism as per NUSI-ICCSA CBA (NIC) as per ICC shipping association for floating staff.  |
| 3 | Permanent Workers              | NA   |
| 4 | Other than Permanent Worker    | NA*  |

\*The Company has not employed any worker

### 7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

The company does not have any Trade Unions.

### 8. Details of training given to employees and workers:

| Category                                | Fy 22-23 Current Financial Year |                               |            |                      |            | Fy 21-22 Previous Financial Year |                               |            |                      |            |
|---|---------------------------------|-------------------------------|------------|----------------------|------------|----------------------------------|-------------------------------|------------|----------------------|------------|
|   | Total (A)                       | On Health And Safety Measures |            | On Skill Upgradation |            | Total (D)                        | On Health and Safety Measures |            | On Skill Upgradation |            |
|   |                                 | No.(B)                        | %(B/A)     | No.(C)               | %(C/A)     |                                  | No.(E)                        | %(E/D)     | No.(F)               | %(F/D)     |
| <b>Employees (Ho)</b>                   |                                 |                               |            |                      |            |                                  |                               |            |                      |            |
| Male                                    | 21                              | 21                            | 100        | 18                   | -          | 19                               | 19                            | 100        | 15                   | -          |
| Female                                  | 4                               | 4                             | 100        | 4                    | -          | 4                                | 4                             | 100        | 4                    | 100        |
| <b>Total</b>                            | <b>25</b>                       | <b>25</b>                     | <b>100</b> | <b>-</b>             | <b>-</b>   | <b>23</b>                        | <b>23</b>                     | <b>100</b> | <b>-</b>             | <b>-</b>   |
| <b>Employees (Shore Floating Staff)</b> |                                 |                               |            |                      |            |                                  |                               |            |                      |            |
| Male                                    | 75                              | 75                            | 100        | 75                   | 100        | 63                               | 63                            | 100        | 63                   | 100        |
| Female                                  | -                               | -                             | -          | -                    | -          | -                                | -                             | -          | -                    | -          |
| <b>Total</b>                            | <b>75</b>                       | <b>75</b>                     | <b>100</b> | <b>75</b>            | <b>100</b> | <b>63</b>                        | <b>63</b>                     | <b>100</b> | <b>63</b>            | <b>100</b> |
| <b>Workers</b>                          |                                 |                               |            |                      |            |                                  |                               |            |                      |            |
| Male                                    | -                               | -                             | -          | -                    | -          | -                                | -                             | -          | -                    | -          |
| Female                                  | -                               | -                             | -          | -                    | -          | -                                | -                             | -          | -                    | -          |
| <b>Total</b>                            | <b>-</b>                        | <b>-</b>                      | <b>-</b>   | <b>-</b>             | <b>-</b>   | <b>-</b>                         | <b>-</b>                      | <b>-</b>   | <b>-</b>             | <b>-</b>   |



## Business Responsibility and Sustainability Report (Contd.)

### 9. Details of performance and career development reviews of employees and worker:

| Category                                    | Fy 22-23 Current Financial Year |         |        | Fy 21-22 Previous Financial Year |         |        |
|---|---------------------------------|---------|--------|----------------------------------|---------|--------|
|   | TOTAL (A)                       | NO. (B) | %(B/A) | TOTAL (C)                        | NO. (D) | %(C/D) |
| <b>Employees (HO)</b>                       |                                 |         |        |                                  |         |        |
| Male  | 21                              | 21      | 100    | 19                               | 19      | 100    |
| Female                                      | 4                               | 4       | 100    | 4                                | 4       | 100    |
| <b>Total</b>                                | 25                              | 25      | 100    | 23                               | 23      | 100    |
| <b>Employees (Off Shore Floating Staff)</b> |                                 |         |        |                                  |         |        |
| Male  | 75                              | 75      | 100    | 63                               | 63      | 100    |
| Female                                      | -                               | -       | -      | -                                | -       | -      |
| <b>Total</b>                                | 75                              | 75      | 100    | 63                               | 63      | 100    |
| <b>Workers-Not Applicable</b>               |                                 |         |        |                                  |         |        |
| Male  | -                               | -       | -      | -                                | -       | -      |
| Female                                      | -                               | -       | -      | -                                | -       | -      |
| <b>Total</b>                                | -                               | -       | -      | -                                | -       | -      |

### 10. Health and safety management system:

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. Company has implemented as follows:-

Office: Our workplace is certified by IRS for adherence to OSHAS norms. The building is manned by security on a 24x7 basis and is supported by surveillance cameras. Proper AMC are in place for maintenance of water purifiers. Fire safety drills are conducted twice a year to familiarize staff on evacuation protocols. Fire detectors and alarms are placed at all floors of the building and tested regularly.

Ships: Besides meeting the requirements under ISM code and MLC, all ships are certified for ISO 45001:2018 standard which takes care of Occupational, Health and Safety aspect on board. All seafarers are provided with good quality food, safe drinking water, hygienic living accommodations on board, safe working environment, control on work hours, onboard recreational facilities, insurance covers and adequate internet access to stay connected with family and friends. Additionally, ship crew can avail 24x7 remote medical support for illnesses and injuries. Company's vessels are fitted with adequate life-saving and fire-fighting appliances which are maintained at all times, periodically inspected and tested. Ship Crews are trained to use them in case of emergencies.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

To ensure adherence to prescribed safety norms, Company has appointed officials to carry out inspections and assessments of potential hazards that could harm crew on board. Teams interact with the crew and explain hazards and risks involved in allocated activities. Company's vessels are fitted with adequate life-saving and fire-fighting appliances which are maintained at all times, periodically inspected and tested. Ship Crews are trained to use them in case of emergencies.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, the ship crew and office employees can report any work-related hazards to their respective heads through suggestion kits, and direct communication. The management takes immediate action on receiving any such complaint.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Medical Health insurance facilities are provided to office employees and Ship Crew to cover all their medical exigencies.

## Business Responsibility and Sustainability Report (Contd.)

### 11. Details of safety related incidents, in the following format:

|   |   |           |   |   |
|---|---|-----------|---|---|
| 1 | Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0 | 0 |
|   |   | Workers   | 0 | 0 |
| 2 | Total recordable work-related injuries  | Employees | 0 | 0 |
|   |   | Workers   | 0 | 0 |
| 3 | No. of fatalities   | Employees | 0 | 0 |
|   |   | Workers   | 0 | 0 |
| 4 | High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0 | 0 |
|   |   | Workers   | 0 | 0 |

### 11. Describe the measures taken by the entity to ensure a safe and healthy workplace

Refer point no. 10 above.

### 12. Number of Complaints on the following made by employees

There was no complaint received by employees & workers regarding Health & safety and Working conditions across the different locations in the current year as well as in the previous year.

### 13. Assessments for the year

|                             | % Of Your Plants And Offices That Were Assessed (By Entity Or Statutory Authorities Or Third Parties)  |
|-----------------------------|--|
| Health and safety practices | IRS conducts OHSAS audit annually and the office is certified.   |
| Working Conditions          | 100% of the company's ships are assessed on regular basis by the agencies such as IRS/RINA who are accredited with International Association of Classification Societies. Ships are also assessed on regular basis by Gujarat Maritime Board and Maharashtra Maritime Board. |

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Company shall take following corrective actions to address safety related incidents:-

- (i) All incidents shall be investigated thoroughly as per KMEWL Safety Guidelines on Incident Reporting.
- (ii) All Investigation and learning shall be shared across sites to ensure non-occurrence of similar incidents.
- (iii) Also, employees and workers shall be encouraged to report maximum number of unsafe acts and conditions to eliminate such incidents

**PRINCIPLE 4:** Businesses should respect the interests of and be responsive to all its stakeholders

### ESSENTIAL INDICATORS

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

Any category of individual, body corporate or organisation that adds value to the business of the Company, has significant interest in or impact on the business or operations of the Company is identified as a key stakeholder. Such identification is done by the Company based on internal deliberations.

We have categorized the key stakeholders based on the following attributes:

- (a) Dependency - Stakeholders who are directly dependent on the organizations activities, products, services or on whom the organization is dependent to operate.
- (b) Responsibility - Stakeholders towards whom the organisation has legal, commercial, operational, or moral / ethical responsibilities.

## Business Responsibility and Sustainability Report (Contd.)

### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group   | Whether Identified As Vulnerable Marginal Group (Yes/ No) | Channels Of Communication (Emails, Sms, Newspaper, Phamphlets, Advertesement, Community Meetings, Notice Board, Website, Other)                          | Frequency Of Engagement (Annually/ Half Yearly/ Quarterly/ Others-Please Specify) | Purpose And Scope Of Engagement Including Key Topics And Concerns Raised During Such Engagement  |
|---|---|--|---|--|
| Shareholders/ Investors.  |   | Earnings Call, Analyst Meet, Press Releases<br>Letters, reports, emails, website of the Company and stock exchanges, newspaper Advertisements, meetings. | Quarterly/Half yearly/ Need-based.  | <ul style="list-style-type: none"> <li>Communicating material business developments</li> <li>Sharing financial and operational results</li> <li>Seeking consent of the shareholders on certain business related matters</li> <li>Communication with investors, Press Release, Exponential growth, Complaints and grievances</li> </ul> |
| Employees   |   | Letters, emails, website of the Company, pamphlets, intranet, notice board, office memos, watsapp group.   | Ongoing basis   | <ul style="list-style-type: none"> <li>Human resource policies and rules</li> <li>Career management and growth prospects</li> <li>Work culture, health and safety matters</li> <li>Business Review Meetings</li> </ul>   |
| Bankers and other financial institutions  |   | Letters, emails, website of the Company and stock exchanges, newspaper advertisements, meeting   | As and when required  | <ul style="list-style-type: none"> <li>Credit Rating, Governance</li> <li>Communicating material business development</li> <li>Further Requirement</li> </ul>  |
| Customers, suppliers and intermediaries engaged by the Company, such as agents, contractors, etc. |   | Letters, emails, website of the Company and stock exchanges, newspaper advertisement, meetings, watsapp groups.  | Ongoing basis   | <ul style="list-style-type: none"> <li>Business related matters</li> <li>Marketing activities, Online engagement through the website and linked-in</li> <li>Business Requirements</li> </ul>   |
| Society   |   | Through CSR programs   | Annually  | <ul style="list-style-type: none"> <li>Improved employment opportunities, better Services, Enhanced Standard of Living</li> </ul>  |
| Regulators  |   | Mandatory regulatory filings, Periodical submission of business Performance, Written communications, In-person meetings, website.                        | Need-based/ quarterly/Half yearly/ Annually                                       | <ul style="list-style-type: none"> <li>Compliance with rules and regulations</li> <li>Timely reporting through various compliance-based forms Business Requirements related</li> </ul>   |

## Business Responsibility and Sustainability Report (Contd.)

### PRINCIPLE 5 Businesses should respect and promote human rights

#### ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category                      | Fy 22-23 Current Financial Year |                                      |        | Fy 21-22 Previous Financial Year |         |        |
|-------------------------------|---------------------------------|--------------------------------------|--------|----------------------------------|---------|--------|
|                               | Total (A)                       | No. Of Employees/Workers Covered (B) | %(B/A) | Total (C)                        | No. (D) | %(C/D) |
| <b>Employees</b>              |                                 |                                      |        |                                  |         |        |
| Permanent                     | 25                              | 25                                   | 100%   | 23                               | 23      | 100%   |
| Other than permanent          | 75                              | 75                                   | 100%   | 63                               | 63      | 100%   |
| Total Employees               | 100                             | 100                                  | 100%   | 86                               | 86      | 100%   |
| <b>Workers-Not Applicable</b> |                                 |                                      |        |                                  |         |        |
| Male                          | -                               | -                                    | -      | -                                | -       | -      |
| Female                        | -                               | -                                    | -      | -                                | -       | -      |
| <b>Total</b>                  | -                               | -                                    | -      | -                                | -       | -      |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category                      | Fy 22-23 Current Financial Year |                       |        |                        |        | Fy 21-22 Previous Financial Year |                       |        |                        |        |
|-------------------------------|---------------------------------|-----------------------|--------|------------------------|--------|----------------------------------|-----------------------|--------|------------------------|--------|
|                               | Total (A)                       | Equal To Minimum Wage |        | More Than Minimum Wage |        | Total (D)                        | Equal To Minimum Wage |        | More Than Minimum Wage |        |
|                               |                                 | NO.(B)                | %(B/A) | NO.(B)                 | %(B/A) |                                  | NO. (E)               | %(E/D) | NO.(F)                 | %(F/D) |
| <b>EMPLOYEES</b>              |                                 |                       |        |                        |        |                                  |                       |        |                        |        |
| Permanent                     |                                 |                       |        |                        |        |                                  |                       |        |                        |        |
| Male                          | 21                              | -                     | -      | 21                     | 100    | 19                               | -                     | -      | 19                     | 100    |
| Female                        | 4                               | -                     | -      | 4                      | 100    | 4                                | -                     | -      | 4                      | 100    |
| Other than permanent          |                                 |                       |        |                        |        |                                  |                       |        |                        |        |
| Male                          | 75                              | -                     | -      | 75                     | 100    | 63                               | -                     | -      | 63                     | 100    |
| Female                        | -                               | -                     | -      | -                      | -      | -                                | -                     | -      | -                      | -      |
| <b>WORKERS-NOT APPLICABLE</b> |                                 |                       |        |                        |        |                                  |                       |        |                        |        |
| Permanent                     |                                 |                       |        |                        |        |                                  |                       |        |                        |        |
| Male                          | -                               | -                     | -      | -                      | -      | -                                | -                     | -      | -                      | -      |
| Female                        | -                               | -                     | -      | -                      | -      | -                                | -                     | -      | -                      | -      |
| Other than permanent          |                                 |                       |        |                        |        |                                  |                       |        |                        |        |
| Male                          | -                               | -                     | -      | -                      | -      | -                                | -                     | -      | -                      | -      |
| Female                        | -                               | -                     | -      | -                      | -      | -                                | -                     | -      | -                      | -      |

3. Details of remuneration/salary/wages in the following format:

|                                  | Male   |  | Female |  |
|----------------------------------|--------|--|--------|--|
|                                  | Number | Median Remuneration/Salary/Wages Of Respective Category* | Number | Median Remuneration/Salary/Wages Of Respective Category* |
| Board of Directors (BOD)         | 4      | Rs. 39.00 Lakhs Per Annum                                | 1      | Rs. 39.00 Lakhs Per Annum                                |
| Key Managerial Personnel         | 4      | Rs. 17.38 Lakhs Per Annum                                | 1      | Rs. 1.94 Lakhs Per Annum                                 |
| Employees other than BoD and KMP | 91     | Rs. 1.85 Lakhs Per Annum                                 | 2      | Rs. 3.43 Lakhs Per Annum                                 |
| Workers                          | NA     | NA   | NA     | NA   |

\*We have 2 executive directors and 1 Non Executive Director who are paid compensation, rest are independent directors to whom no sitting fees is paid.

## Business Responsibility and Sustainability Report (Contd.)

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the entity has its Human Resource department to take care of human rights of the employees and resolve their grievances in the workplace.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has grievance box in office for shore staff and Company Procedures Manual – 16 (CPM 16) based on Maritime Labour Convention for floating staff for redressal of all grievances of the employees including human rights issues, if any. Trainings are given on different level to female employees on Prevention of Sexual Harassment.

### 6. Number of complaints on the following made by employees and workers:

|                                   | FY 2022-23 CURRENT FINANCIAL YEAR |   |   | FY 2021-22 PREVIOUS FINANCIAL YEAR |   |   |
|-----------------------------------|-----------------------------------|---|---|------------------------------------|---|---|
| Sexual Harassment                 | 0                                 | 0 | 0 | 0                                  | 0 | 0 |
| Discrimination at workplace       | 0                                 | 0 | 0 | 0                                  | 0 | 0 |
| Child Labour                      | 0                                 | 0 | 0 | 0                                  | 0 | 0 |
| Wages                             | 0                                 | 0 | 0 | 0                                  | 0 | 0 |
| Other Human Rights related issues | 0                                 | 0 | 0 | 0                                  | 0 | 0 |

### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Sexual Harassment (Prevention, Prohibition and Redressal) Policy of the Company prevents engaging in retaliatory acts against any employee who reports incident of alleged sexual harassment or participates in proceedings relating thereto. It is the policy of the Company to ensure that aggrieved employees or witnesses are not victimized or discriminated against. Such persons also have access to the Internal Complaints Committee which is authorized to take appropriate disciplinary action.

The Whistle Blower Policies of the Company offer protection to the whistle blowers against any unfair treatment such as retaliation, demotion, suspension/termination of service etc. Similar protection is given to any employee assisting in the said investigation. The whistle blowers may raise their concern to the Managing Director, the Audit Committee, Compliance Officer or Designated Person Ashore.

### 8. Do human rights requirements form part of your business agreements and contracts?

Yes. The human rights requirements pertaining to employees are covered under the employment rules, Maritime Labour Convention and local collective bargaining agreement (NUSI-ICCSA CBA (NIC)) requirements.

### 9. Assessments for the year:

| Section                           | % Of Your Plants And Offices That Were Assessed (By Entity Or Statutory Authorities Or Third Parties)   |
|-----------------------------------|---|
| Sexual Harassment                 | 100 % of our offices were assessed by the company   |
| Discrimination at workplace       | 100 % of our offices were assessed by the company   |
| Child Labour                      | 100 % of our offices were assessed by the company   |
| Forced Labour/ Involuntary Labour | 100 % of our offices were assessed by the company   |
| Wages                             | 100 % of our offices were assessed by the company   |
| Others-                           | All the Offices, Locations and ships are assessed on regular basis by the respective authorities.<br>IRS conducts OHSAS audit annually and the office is certified. |

### 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There was no need to take any corrective actions as no significant risk/ concern arose from the above assessment. Effective system of internal control is placed to improve the efficiency of work.



## Business Responsibility and Sustainability Report (Contd.)

### PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment

#### ESSENTIAL INDICATORS

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter   | FY 2022-23<br>(Current Financial Year)  | FY 2021-22<br>(Previous Financial Year) |
|---|---|---|
| Total electricity consumption (A)   | Very minimal as all our dredgers generate electricity from generators on board and generators uses fuel to generate electricity |   |
| Total fuel consumption (B)*   | 2118 Kilo Litres  | 2038 Kilo Litres                        |
| Energy consumption through other sources (C)  | NA  | NA                                      |
| Total energy consumption (A+B+C)  | 2118 Kilo Litres  | 2038 Kilo Litres                        |
| Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (KL/Rs.) | 10,917.52   | 32,987.01                               |
| Energy intensity (optional) – the relevant metric may be selected by the entity               | -   | -                                       |

\*Fuel is consumed by the vessels (dredgers and other marine crafts) of the Company. Out of 11 vessels, 5 vessels fuel is supplied by the employer.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. The entity is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

#### 3. Provide details of the following disclosures related to water in the following format:

| Parameter  | FY 2022-23<br>(Current Financial Year) | FY 2021-22<br>(Previous Financial Year) |
|--|--|---|
| Water withdrawal by source (in kilolitres)*                                    | -                                      | -                                       |
| (i) Surface water  | -                                      | -                                       |
| (ii) Groundwater   | -                                      | -                                       |
| (iii) Third party water  | -                                      | -                                       |
| (iv) Seawater / desalinated water  | -                                      | -                                       |
| (v) Others   | -                                      | -                                       |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)       | -                                      | -                                       |
| Total volume of water consumption (in kilolitres)                              | -                                      | -                                       |
| Water intensity per rupee of turnover (Water consumed / turnover)              | -                                      | -                                       |
| Water intensity (optional) - the relevant metric may be selected by the entity | -                                      | -                                       |

\* We are into dredging business water is only used for self consumption.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.:

No such mechanism implemented in the Company as there was no such requirement in the Company.

## Business Responsibility and Sustainability Report (Contd.)

### 5. Please provide details of air emissions (other than GHG emissions) by the entity in the following format:

Company is into dredging and ancillary crafts business no such air emission occurs in the Company

| Parameter                           | Please Specify Unit | Fy 2022-23<br>(Current Financial Year) | Fy 2021-22 (Previous<br>Financial Year) |
|-------------------------------------|---------------------|--|---|
| NOx                                 |                     |  |   |
| SOx                                 |                     |  |   |
| Particulate matter (PM)             |                     |  |   |
| Persistent organic pollutants (POP) |                     |  |   |
| Volatile organic compounds (VOC)    |                     |  |   |
| Hazardous air pollutants (HAP)      |                     |  |   |
| Others – please specify             |                     |  |   |

Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not applicable

### 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:

| Parameter  | Unit  | Fy 2022-23 (Current<br>Financial Year) | Fy 2021-22 (Previous<br>Financial Year) |
|--|---|--|---|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent |  |   |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent |  |   |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>   |   |  |   |
| <b>Total Scope 1 and Scope 2 emission intensity (optional)</b><br>– the relevant metric may be selected by the entity  |   |  |   |

Not Applicable as we use High Flash High Speed Diesel (HFHSD).

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- Not Applicable

### 7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No. company does not have any such projects.

### 8. Provide details related to waste management by the entity, in the following format:

| PARAMETER  | FY 2022-23<br>(CURRENT FINANCIAL YEAR) | FY 2021-22<br>(PREVIOUS FINANCIAL YEAR) |
|--|--|---|
| <b>Total Waste Generated (In Metric Tonnes)</b>  |  |   |
| Plastic waste (A)  |  |   |
| E-waste (B)  |  |   |
| Bio-medical waste (C)  |  |   |
| Construction and demolition waste (D)  |  |   |
| Battery waste (E)  |  |   |
| Radioactive waste (F)  |  |   |
| Other Hazardous waste. Please specify, if any. (G)   |  |   |
| Other Non-hazardous wastegenerated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) |  |   |
| <b>Total (A+B+C+D+E+F+G+H)</b>   |  |   |

Not Applicable, as the Company is into providing Dredging services and therefore do not manufacture any product for sale, however wastes generated on board during normal operation of ship and food wastes are handled as per vessel specific garbage management plan and landed ashore to approved reception facilities for further processing.

## Business Responsibility and Sustainability Report (Contd.)

| PARAMETER  | FY 2022-23<br>(CURRENT FINANCIAL YEAR) | FY 2021-22<br>(PREVIOUS FINANCIAL YEAR) |
|--|--|---|
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |  |   |
| Category of waste  | Not Applicable                         |   |
| (i) Recycled   |  |   |
| (ii) Re-used   |  |   |
| (iii) Other recovery operations  |  |   |
| <b>Total</b>   |  |   |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                              |  |   |
| Category of waste  | Not Applicable                         |   |
| (i) Incineration   |  |   |
| (ii) Landfilling   |  |   |
| (iii) Other disposal operations  |  |   |
| <b>Total</b>   |  |   |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: **NA**

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.:**

Not Applicable, as the Company is into providing Dredging services and therefore do not manufacture any product for sale, however wastes generated on board during normal operation of ship and food wastes are handled as per vessel specific garbage management plan and landed ashore to approved reception facilities for further processing.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable

| S. No. | Location of Operations/Offices | Type of Operations | Whether The Conditions Of Environmental Approval / Clearance Are Being Complied With? (Y/N)<br>If no, the reasons thereof and Corrective action taken, if any. |
|--------|--------------------------------|--------------------|--|
| -      | -                              | -                  | -  |

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not applicable

| Name and brief details of Project | Eia Notification No. | Date | Whether Conducted By Independent External Agency (Yes / No) | Results Communicated In Public Domain (Yes / No) | Relevant Web Link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| -                                 | -                    | -    | -   | -  | -                 |
| -                                 | -                    | -    | -   | -  | -                 |

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances, in the following format**

Yes Company is in compliant of all laws and no such non compliances occur in the Company.

## Business Responsibility and Sustainability Report (Contd.)

**PRINCIPLE 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

### ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/ associations :**  
KMEWL is affiliated with 1 Trade and Industry chambers/ associations.
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a memberof/ affiliated to.:**

| S. No. | Name of the trade and Industry Chambers/ Associations | Reach of trade and Industry Chambers/ Associations (State/National) |
|--------|---|---|
| 1.     | ICC Shipping Association                              | National  |

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

There was no such adverse order was issued by any regulatory authority relating to anti-competitive conduct of entity. Our entity is in compliance with all the regulations of Competition Act 2002.

**PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development**

### ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**  
Not applicable
2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**  
Not applicable
3. **Describe the mechanisms to receive and redress grievances of the community:**  
Not applicable. The nature of business of the Company does not have any impact on the community.
4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

| Environmental and social parameters relevant to the product | FY 2022-23<br>Current Financial Year   | FY 2021-22<br>Previous Financial Year |
|---|--|---------------------------------------|
| Safe and responsible usage                                  | KMEWL is into service industry no material input and output is being purchased and manufactured by KMEWL |                                       |
| Recycling and/or safe disposal                              |  |                                       |

**PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner**

### ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**  
KMEWL is into service industry, all the employers of the Company directly reach out on the number and email address mentioned on invoice/website.
2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

|   |   |  |
|---|---|--|
| Environmental and social parameters relevant to the product | Not Applicable considering the nature of Company's product and services offerings |  |
| Safe and responsible usage                                  |   |  |
| Recycling and/or safe disposal                              |   |  |

## Business Responsibility and Sustainability Report (Contd.)

### 3. Number of consumer complaints in respect of the following:

|                                | FY 2022-23<br>CURRENT FINANCIAL YEAR |                                   | REMARKS | FY 2021-22<br>PREVIOUS FINANCIAL YEAR |                                   | REMARKS |
|--------------------------------|--------------------------------------|-----------------------------------|---------|---------------------------------------|-----------------------------------|---------|
|                                | RECEIVED DURING THE YEAR             | PENDING RESOLUTION AT END OF YEAR |         | RECEIVED DURING THE YEAR              | PENDING RESOLUTION AT END OF YEAR |         |
| Data Privacy                   | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |
| Advertising                    | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |
| Cyber-security                 | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |
| Delivery of essential services | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |
| Restrictive trade practices    | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |
| Unfair Trade Practices         | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |
| Other                          | Nil                                  | Nil                               | N/A     | Nil                                   | Nil                               | N/A     |

### 4. Details of instances of product recalls on account of safety issues:

|                   | Number         | Reasons For Recall |
|-------------------|----------------|--------------------|
| Forced Recalls    | Not Applicable |                    |
| Voluntary Recalls |                |                    |

### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.

The Company has adequate systems and processes in place for protecting information assets, handling business data and to minimize and respond to cyber security incidents. Cyber security is covered as part of the risk management framework of the Company. Confidential information shared by third parties, if any, is handled as per the non-disclosure agreements entered into with them.

We have framed a policy for preservation of documents  
<http://www.kmew.in/investor-information.html#>

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.:

Not Applicable



# Independent Auditor's Report

To the Members of

**Knowledge Marine & Engineering Works Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying financial statements of Knowledge Marine & Engineering Works Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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, 2023, 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 judgement, 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.

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

## Independent Auditor's Report (Contd.)

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

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

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

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

during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended 31st March 2023 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.

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 2023 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2023 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

## Independent Auditor's Report (Contd.)

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 March 31, 2023 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.
  - 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 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;
  - 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
  - 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
  - v. The Company has not declared or paid any dividend during the year

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

**Ramesh Luharuka**  
Partner

Date: 30th May 2023  
Place : Mumbai

Mem No. 031765  
UDIN - 23031765BGYSSP5352

## Annexure A to the Independent Auditor's Report

### Annexure A to the Independent Auditor's Report of even date to the members of Knowledge Marine Engineering and Works Ltd., on the financial statements for the twelve months period ended 31<sup>st</sup> March 2023.

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

- Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- The Company has no intangible assets, hence not applicable.
- 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.
- 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.
- 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.

#### a. I. To Subsidiaries, Joint Ventures, Associates – Investments

(Rs. in Lakhs)

| Nature | Name of Subsidiary                  | Opening balance as on 1.04.2022 | Aggregate amount during the year. | Balance outstanding as on 31.03.2023 |
|--------|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------------|
| 1      | M/s KMEW Offshore Pvt. Ltd.         | 75.00                           | 0.00                              | 75.00                                |
| 2      | M/s Indian Ports Dredging Pvt. Ltd. | 0.70                            | 0.00                              | 0.70                                 |
| 3      | M/s Knowledge Infra Ports Pvt. Ltd. | 0.74                            | 0.00                              | 0.74                                 |

#### II. To Subsidiaries, Joint Ventures, Associates – Corporate Guarantee

(Rs. in Lakhs)

| Nature | Name of Subsidiary                  | Opening balance as on 1.04.2022 | Aggregate amount during the year. | Balance outstanding as on 31.03.2023 |
|--------|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------------|
| 1      | M/s KMEW Offshore Pvt. Ltd.         | 200                             | 200                               | 200 <sup>1</sup>                     |
| 2      | M/s Indian Ports Dredging Pvt. Ltd. | 70                              | 70                                | 70 <sup>2</sup>                      |

- Out of Rs. 200 Lakhs, M/s KMEW Offshore Private Limited has repaid the loan of Rs. 142 Lakhs during the year under review. M/s Knowledge Marine & Engineering Works Limited is in process of releasing the Corporate Guarantee of that extent from Banks.

- 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

- 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.
  - 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. But during the course of services there are some consumables used which are purchased as per the requirement.
  - 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.
- 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 provided corporate guarantee or security to its subsidiaries / associates / JV's during the year, details of such investments and guarantees are stated in sub-clause (a) below.

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

2. Out of Rs. 70 Lakhs, M/s Indian Ports Dredging Private Limited has reduced the credit facilities to Rs. 48 Lakhs during the year under review. Company is in process of releasing the Corporate guarantee to that extent from Banks.

Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans to any parties or subsidiaries/Joint Ventures/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 made and corporate guarantee 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 given, so accordingly the provisions of clause 3(iii) c, d, e and f of the order are not applicable to the Company.
- iv. In our opinion and according to information and explanation given to us, provisions of section 186 of the Companies Act, 2013 in respect of investments made have been complied with the Company. Further in our opinion there are no loans in respect of which provisions of Section 185 of the Companies Act, 2013 is applicable.
- 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. According to the information and explanation given to us and based on the records produced before us, the company has not defaulted in repayments of dues to financial institutions and banks;
  - b. According to the information and explanation given to us, the company is not declared as a willful defaulter by any Bank or Financial Institution or other lender;
  - c. In our opinion and according to information and explanation given to us, the company has applied the term loans for the same purpose for which they were obtained.
  - 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 not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
  - 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 raised funds by way of preferential allotment of equity shares. As informed, the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. The funds raised are proposed to be utilized towards working capital, capital expenditure, business expansion



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

and general corporate purpose. As on March 2023, Rs. 2.33 Crores is utilized and balance funds are parked in Fixed deposits.

No of shares allotted in Preferential Issue

Amount raised

5,65,000

Rs.39.55 crores

- 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 Indian Accounting Standards.
- xiv. a. Based on information and explanations provided to us and our audit procedures, in our opinion, 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.
- 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.

For **R V Luharuka & Co LLP**

Chartered Accountant

FRN: 105662W/W100174

**Ramesh Luharuka**

Partner

Mem No. 031765

UDIN - 23031765BGYSSP5352

Date: 30th May 2023

Place : Mumbai

## 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 31st March 2023.**

**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 Engineering & Works Limited ("the Company") as of 31st March 2023 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 31st March 2023, 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 Au-

dit 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.

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

**Ramesh Luharuka**  
*Partner*

Date: 30th May 2023  
Place : Mumbai

Mem No. 031765  
UDIN - 23031765BGYSSP5352

**Balance Sheet as at 31st March, 2023**

(₹ In Lakhs)

| PARTICULARS  | NOTES | AUDITED<br>31.03.2023<br>One Year | AUDITED<br>31.03.2022<br>One Year |
|--|-------|-----------------------------------|-----------------------------------|
| <b>A) EQUITY AND LIABILITIES</b>   |       |                                   |                                   |
| <b>1. Equity</b>   |       |                                   |                                   |
| (a) Equity Share capital   | B     | 1,080.10                          | 1,023.60                          |
| (b) Other Equity   | B     | 12,018.07                         | 3,459.64                          |
|  |       | <b>13,098.17</b>                  | <b>4,483.24</b>                   |
| <b>2. Non Current Liabilities</b>  |       |                                   |                                   |
| (a) Long Term Borrowings   | C     | 420.58                            | 1,315.32                          |
| (b) Deferred Tax Liabilities (Net)   | D     | 395.81                            | 262.84                            |
| (c) Long Term Provision  | E     | 16.16                             | 9.26                              |
|  |       | <b>832.56</b>                     | <b>1,587.42</b>                   |
| <b>3. Current Liabilities</b>  |       |                                   |                                   |
| (a) Short Term Borrowings  | C     | 1,993.00                          | 756.22                            |
| (b) Trade Payables   | F     |                                   |                                   |
| (i) Total Outstanding dues of micro and small enterprises                      |       | 23.18                             | 17.10                             |
| (ii) Total Outstanding dues of creditors other than micro an small enterprises |       | 2,547.87                          | 545.68                            |
| (c) Other Current Liabilities  | G     | 206.05                            | 120.30                            |
| (d) Short Term Provisions  | H     | 1,513.58                          | 628.39                            |
|  |       | <b>6,283.67</b>                   | <b>2,067.69</b>                   |
| <b>Total</b>   |       | <b>20,214.39</b>                  | <b>8,138.35</b>                   |
| <b>B) ASSETS</b>   |       |                                   |                                   |
| <b>1. Non Current Assets</b>   |       |                                   |                                   |
| (a) Fixed Assets   | S     |                                   |                                   |
| l) Tangible Assets   |       |                                   |                                   |
| (i) Gross Block  |       | 6,518.66                          | 5,457.39                          |
| (ii) Depreciation  |       | 954.50                            | 552.53                            |
| (iii) Net Block  |       | <b>5,564.16</b>                   | <b>4,904.86</b>                   |
| (b) Capital Work in Progress   | S     | 809.84                            | 180.80                            |
| (c) Non-Current Investment   | I     | 1,206.99                          | 372.21                            |
|  |       | <b>2,016.83</b>                   | <b>553.01</b>                     |
| <b>2. Current Assets</b>   |       |                                   |                                   |
| (a) Trade Receivables  | J     | 5,779.83                          | 320.35                            |
| (b) Cash and Cash equivalents  | K     | 5,328.17                          | 1,836.78                          |
| (c) Other Current Assets   | L     | 1,468.99                          | 523.36                            |
| (d) Inventories/Consumable   | M     | 56.40                             | -                                 |
|  |       | <b>12,633.40</b>                  | <b>2,680.48</b>                   |
| <b>Total</b>   |       | <b>20,214.39</b>                  | <b>8,138.35</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  
In terms of our report attached**For R. V. Luharuka & Co LLP**

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 30/05/2023

**Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date : 30/05/2023

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date : 30/05/2023

**Ritika Sharma**

Company Secretary &amp; Compliance Officer

Mem No.: A40852

Place: Mumbai

Date : 30/05/2023

## Statement of Profit and Loss for the year ended 31st March, 2023 (₹ In Lakhs)

| PARTICULARS                                | NOTES | AUDITED<br>31.03.2023<br>One Year | AUDITED<br>31.03.2022<br>One Year |
|--|-------|-----------------------------------|-----------------------------------|
| 1 Revenue From Operations                  | N     | 19,472.44                         | 4,946.95                          |
| 2 Other Income                             | O     | 124.51                            | 43.21                             |
| <b>3 Total Revenue (1+2)</b>               |       | <b>19,596.96</b>                  | <b>4,990.16</b>                   |
| <b>4 Expenditure</b>                       |       |                                   |                                   |
| (a) Direct Expenses                        | P     | 11,809.00                         | 1,461.77                          |
| (b) Employee Benefit Expenses              | Q     | 382.81                            | 257.25                            |
| (c) Finance Cost                           | R     | 217.38                            | 201.87                            |
| (d) Depreciation and Amortisation Expenses | S     | 401.97                            | 209.60                            |
| (e) Other Expenses                         | T     | 528.15                            | 244.40                            |
| <b>5 Total Expenditure [4(a) to 4(e)]</b>  |       | <b>13,339.31</b>                  | <b>2,374.89</b>                   |
| <b>6 Profit/(Loss) Before Tax (3-5)</b>    |       | <b>6,257.65</b>                   | <b>2,615.27</b>                   |
| <b>7 Tax Expense:</b>                      |       |                                   |                                   |
| (a) Tax Expense for Current Year           |       | 1,464.76                          | 578.65                            |
| (b) Deferred Tax                           |       | 132.97                            | 88.43                             |
| <b>Net Current Tax Expenses</b>            |       | <b>1,597.72</b>                   | <b>667.08</b>                     |
| <b>8 Profit/(Loss) for the Year (6-7)</b>  |       | <b>4,659.93</b>                   | <b>1,948.16</b>                   |
| 9 Earning per Equity Share                 | U     |                                   |                                   |
| (a) Basic                                  |       | 44.83                             | 19.03                             |
| (b) Dilluted                               |       | 44.83                             | 19.03                             |

As per our report of even date  
In terms of our report attached

**For R. V. Luharuka & Co LLP**  
Chartered Accountants  
FRN NO. 105662W/W100174

**C A Ramesh Luharuka**  
Partner  
M.No. 031765  
Place: Mumbai  
Date: 30/05/2023

**Saurabh Daswani**  
Managing Director  
DIN : 07297445  
Place: Mumbai  
Date : 30/05/2023

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited**

**Kanak Kewalramani**  
Whole Time Director & CFO  
DIN : 06678703  
Place: Mumbai  
Date : 30/05/2023

**Ritika Sharma**  
Company Secretary & Compliance Officer  
Mem No.: A40852  
Place: Mumbai  
Date : 30/05/2023



**Statement of Cash Flows for the year ended 31st March, 2023**

(₹ In Lakhs)

| PARTICULARS  | AUDITED<br>31.03.2023<br>One Year | AUDITED<br>31.03.2022<br>One Year |
|--|-----------------------------------|-----------------------------------|
| <b>A) Cash Flow From Operating Activities :</b>            |                                   |                                   |
| Net Profit before tax                                      | 6,257.65                          | 2,615.25                          |
| Adjustment for :   |                                   |                                   |
| Depreciation and amortization                              | 401.97                            | 209.60                            |
| Interest Paid  | 217.38                            | 201.87                            |
| Interest Income  | (124.51)                          | (28.58)                           |
| Foreign Exchange Gain and Loss                             | 5.01                              | -                                 |
| Preliminary Expense Written Off                            | -                                 | 75.16                             |
| Deferred Tax Liabilities (Net)                             | -                                 | -                                 |
| <b>Operating profit before working capital changes</b>     | <b>6,757.49</b>                   | <b>3,073.30</b>                   |
| Changes in Working Capital                                 |                                   |                                   |
| (Increase)/Increase in Current Assets                      | (945.63)                          | (317.46)                          |
| (Increase)/Decrease in Current Liabilities                 | 85.75                             | 105.56                            |
| (Increase)/Decrease in Inventory                           | (56.40)                           | -                                 |
| Increase/(Decrease) in Trade Payables                      | 2,008.27                          | 545.46                            |
| Increase/(Decrease) in Long Term Provision                 | 6.90                              | 4.96                              |
| (Increase)/Decrease in Trade Receivable                    | (5,464.49)                        | (273.72)                          |
| Increase/(Decrease) in Short Term Provisions, etc          | 885.19                            | 411.70                            |
| <b>Cash generated from operations</b>                      | <b>3,277.07</b>                   | <b>3,549.80</b>                   |
| Less:- Income Taxes paid                                   | (1,464.76)                        | (578.65)                          |
| <b>Net cash flow from operating activities</b> <b>A</b>    | <b>1,812.31</b>                   | <b>2,971.15</b>                   |
| <b>B) Cash Flow From Investing Activities :</b>            |                                   |                                   |
| Increase in Capital Work in Progress                       | (629.04)                          | (180.79)                          |
| Purchase of Fixed Assets                                   | (1,061.28)                        | (2,439.58)                        |
| Investment made in Non Current Assets                      | (834.77)                          | (268.14)                          |
| Dividend Income  | -                                 | -                                 |
| Interest Income  | 124.51                            | 28.58                             |
| <b>Net cash flow from investing activities</b> <b>B</b>    | <b>(2,400.58)</b>                 | <b>(2,859.93)</b>                 |
| <b>C) Cash Flow From Financing Activities :</b>            |                                   |                                   |
| Proceeds from Issue of Share Capital                       | 56.50                             | -                                 |
| Increase/(Decrease) in Short Term Borrowings               | 1,236.78                          | 365.52                            |
| Increase/(Decrease) in Long Term Borrowings                | (894.73)                          | 576.34                            |
| Interest Paid  | (217.38)                          | (201.87)                          |
| Share Security Premium                                     | 3,898.50                          | -                                 |
| Bank Balance not considered as Cash and Cash equivalent    | -                                 | -                                 |
| <b>Net Cash Flow From Financing Activities</b> <b>C</b>    | <b>4,079.67</b>                   | <b>739.99</b>                     |
| Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C) | 3,491.40                          | 851.21                            |
| Cash equivalents at the beginning of the year              | 1,836.78                          | 985.58                            |
| <b>Cash equivalents at the end of the year</b>             | <b>5,328.18</b>                   | <b>1,836.79</b>                   |

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

As per our report of even date  
In terms of our report attached**For R. V. Luharuka & Co LLP**  
Chartered Accountants  
FRN NO. 105662W/W100174**C A Ramesh Luharuka**  
Partner  
M.No. 031765  
Place: Mumbai  
Date: 30/05/2023**Saurabh Daswani**  
Managing Director  
DIN : 07297445  
Place: Mumbai  
Date : 30/05/2023

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Kanak Kewalramani**  
Whole Time Director & CFO  
DIN : 06678703  
Place: Mumbai  
Date : 30/05/2023**Ritika Sharma**  
Company Secretary & Compliance Officer  
Mem No.: A40852  
Place: Mumbai  
Date : 30/05/2023

## Significant Accounting Policies and Notes to Standalone Accounts

### NOTE – A

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO STANDALONE ACCOUNTS

##### 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 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 31st January, 2020. Company is listed on SME Platform of Bombay Stock Exchange w.e.f. 22nd 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 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.

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

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

| Assets Class     | Useful Lives (in years)<br>-as per Companies Act 2013 | Useful Lives (in years)<br>-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.

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:

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.

### 1.9. 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 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

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

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:

(₹ In Lakhs)

| Sr. No. | Ratios                           | As on 31 <sup>st</sup> March, 2023   | As on 31 <sup>st</sup> March 2022 |
|---------|----------------------------------|--|-----------------------------------|
| 1.      | <b>Interest Coverage Ratio</b>   |  |                                   |
|         | Numerator (EBIT)                 | 6,475  | 2,817                             |
|         | Denominator (Interest Expenses)  | 217  | 202                               |
|         | Ratio                            | 29.79  | 13.95                             |
|         | % Change                         | 113.45%  |                                   |
|         | Reason for Change                | Company has taken some short-term credit facilities in the year which marginally increased the short term debt during the year. And, there was a surge in the revenue of the Company due to existing and new contracts bagged by the Company which led to such significant increase in EBIT as compared to last year. Increase in revenue was high as compared to increase in interest component. Therefore interest coverage ratio has been increased positively by 113.45% as compared to last year. |                                   |
| 2.      | <b>Debt -Equity</b>              |  |                                   |
|         | Numerator (Total Debt)           | 2,414  | 2,072                             |
|         | Denominator (Shareholder Equity) | 13,098   | 4,483                             |
|         | Ratio                            | 0.18   | 0.46                              |
|         | % Change                         | -0.61%   |                                   |
|         | Reason for Change                | Due to preferential allotment during the year capital employed of the company has been gradually increased resulting decrease in ratio. Further, there is also surge in profit of the Company as compared to increase in debt of the Company. Therefore, there is decrease in debt to equity of the Company.   |                                   |

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

(₹ In Lakhs)

| Sr. No. | Ratios                                    | As on 31 <sup>st</sup> March, 2023  | As on 31 <sup>st</sup> March 2022 |
|---------|---|---|-----------------------------------|
| 3.      | <b>Net Profit Margin (%)</b>              |   |                                   |
|         | Numerator (Net Profit after tax)          | 4,659.91  | 1,948.17                          |
|         | Denominator (Revenue)                     | 19,472.44   | 4,946.95                          |
|         | Ratio                                     | 23.93%  | 39.38%                            |
|         | % Change                                  | -39.23%   |                                   |
|         | Reason for Change                         | During the year, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company as compared to last year.   |                                   |
| 4.      | <b>Operating Profit Margin (%)</b>        |   |                                   |
|         | Numerator (Operating Profit Income)       | 6,876.99  | 3,026.72                          |
|         | Denominator (Revenue)                     | 19,472.44   | 4,946.95                          |
|         | Ratio                                     | 35.23%  | 61.18%                            |
|         | % Change                                  | -42.41%   |                                   |
|         | Reason for Change                         | During the year under review, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company as compared to last year.  |                                   |
| 5.      | <b>Debtors Turnover</b>                   |   |                                   |
|         | Numerator (Credit Sales)                  | 19,472.44   | 4,946.95                          |
|         | Denominator (Average Debtors)             | 3,050.09  | 183.49                            |
|         | Ratio                                     | 6.38  | 26.96                             |
|         | % Change                                  | 76.33%  |                                   |
|         | Reason for Change                         | The increase in debtors have reduced in proportion to sales as compared to last year due to timely payment of the invoices raised. Hence the ratio has been improved.   |                                   |
| 6.      | <b>Total Debts to Total Assets Ratio</b>  |   |                                   |
|         | Numerator (Total Debts)                   | 2,413.58  | 2,071.54                          |
|         | Denominator (Total Assets)                | 20,214.39   | 8,138.35                          |
|         | Ratio                                     | 0.12  | 0.25                              |
|         | % Change                                  | 52%   |                                   |
|         | Reason for Change                         | During the year Company has repaid most of its debts and current assets of the company were drastically increased as compared to last year, hence the ratio has been improved.  |                                   |
| 7.      | <b>Long Term Debts to Working Capital</b> |   |                                   |
|         | Numerator (Long term debts)               | 420.58  | 1,315.32                          |
|         | Denominator (Working capital)             | 6,349.73  | 612.80                            |
|         | Ratio                                     | 0.07  | 2.14                              |
|         | % Change                                  | 96.73%  |                                   |
|         | Reason for Change                         | During the year most of the debts has been repaid by the company and there was no further increase in the long term loans. Further Current assets of the Company has been increased drastically which result in increase in the working capital. Hence the ratio has been improved. |                                   |



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

(₹ In Lakhs)

| Sr. No. | Ratios                             | As on 31 <sup>st</sup> March, 2023  | As on 31 <sup>st</sup> March 2022 |
|---------|------------------------------------|---|-----------------------------------|
| 8.      | Inventory Turnover ratio           | NA as the Company is into service industry  |                                   |
| 9.      | <b>Debt Service Coverage Ratio</b> |   |                                   |
|         | Numerator (Net Operating Income)   | 6,877   | 3,027                             |
|         | Denominator (Total Debt Service)   | 882   | 728                               |
|         | Ratio                              | 7.80  | 4.15                              |
|         | % Change                           | 87.95%  |                                   |
|         | Reason for Change                  | Profit in comparison to increase in debt to the Company has been increased gradually. Therefore, the ratio has been corrected.  |                                   |
| 10.     | <b>Return on Equity Ratio</b>      |   |                                   |
|         | Numerator (Net Income)             | 4,660   | 1,948                             |
|         | Denominator (Shareholders Equity)  | 13,098  | 4,483                             |
|         | Ratio                              | 0.36  | 0.43                              |
|         | % Change                           | -16.28%   |                                   |
|         | Reason for Change                  | During the year the company has issued fresh Share Capital with premium in the form of Preferential allotment. Return on capital employed will be gradually increased in the coming year as the income will be equated evenly. Further, during the year an assets has also been introduced by the Company due to which there is increase in Deferred Tax provisioning which leads to reason for decrease. |                                   |
| 11.     | <b>Return on Capital Employed</b>  |   |                                   |
|         | Numerator (EBIT)                   | 6,475   | 2,817                             |
|         | Denominator (Capital Employed)     | 13,930.72   | 6,070.66                          |
|         | Ratio                              | 0.46  | 0.46                              |
|         | % Change                           | No Change   |                                   |
|         | Reason for Change                  | NA  |                                   |
| 13.     | <b>Net Capital Turnover Ratio</b>  |   |                                   |
|         | Numerator (Total Sales)            | 19,472.44   | 4,946.95                          |
|         | Denominator (Share Capital)        | 1,080.10  | 1,023.60                          |
|         | Ratio                              | 18.02   | 4.83                              |
|         | % Change                           | 273.08%   |                                   |
|         | Reason for Change                  | Due to increase in revenue, capital turnover ratio increased.   |                                   |
| 14.     | <b>Current Ratio</b>               |   |                                   |
|         | Numerator (Current Assets)         | 12,633.40   | 2,680.49                          |
|         | Denominator (Current Liabilities)  | 6,283.67  | 2,067.69                          |
|         | Ratio                              | 2.01  | 1.30                              |
|         | % Change                           | 54.61%  |                                   |

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

| Sr. No. | Ratios            | As on 31 <sup>st</sup> March, 2023   | As on 31 <sup>st</sup> March 2022 |
|---------|-------------------|--|-----------------------------------|
|         | Reason for Change | Excess cash flow to the company has been invested in Short term FD's therefore, current ratio has been improved. |                                   |

### 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. 937.87 Lakhs (11,65,258 USD and 7,350 SGD).

### 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.

## Notes to Financial Statements

(₹ In Lakhs)

## Note B SHARE CAPITAL

| Particulars   | 31.03.2023      | 31.03.2022      |
|---|-----------------|-----------------|
| <b>Share Capital</b>  |                 |                 |
| <b>Authorised Share Capital</b>   |                 |                 |
| 1,10,00,000 Equity shares (Previous Year 1,05,00,000 Equity Share) of Rs.10 each                    | 1,100.00        | 1,050.00        |
| <b>Issued, Subscribed and Paid up Share Capital</b>   |                 |                 |
| 1,08,01,000 Equity Shares (Previous Year 1,02,36,000 Equity Share) of Rs. 10 each with voting right | 1,080.10        | 1,023.60        |
| <b>Total</b>  | <b>1,080.10</b> | <b>1,023.60</b> |

## Reserves &amp; Surplus

| Particulars  | 31.03.2023       | 31.03.2022      |
|--|------------------|-----------------|
| <b>Capital Reserve</b>                                     |                  |                 |
| Security Premium   | 4,637.22         | 738.72          |
| <b>General Reserve</b>                                     |                  |                 |
| Surplus in Profit and Loss account                         |                  |                 |
| Opeing Balance   | 2,720.92         | 772.75          |
| Add - Profit during the Year                               | 4,659.93         | 1,948.17        |
| Less - Bonus Issue during the year                         | -                | -               |
| Less - Profit and Loss Appropriation (Last Year Provision) | -                | -               |
| <b>Balance as at the end of Financial Year</b>             | <b>12,018.07</b> | <b>3,459.64</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                       | 31.03.2023 | 31.03.2022 |
|-----------------------------------|------------|------------|
| Number of shares at the beginning | 102.36     | 102.36     |
| Add: Bonus Share Issued           | -          | -          |
| Add: Fresh Issue of shares        | 5.65       | -          |
| Number of shares at the end       | 108.01     | 102.36     |

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

| Name of Shareholders | 31.03.2023 | 31.03.2022 |
|----------------------|------------|------------|
| Kanak Kewalramani    | 40.31      | 40.31      |
| Saurabh Daswani      | 14.00      | 15.00      |
| Pinkesh Kewalramani  | 13.96      | 15.00      |

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

(₹ In Lakhs)

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

| Particulars                    | 31.03.2023    |                 | 31.03.2022      |               |
|--------------------------------|---------------|-----------------|-----------------|---------------|
|                                | Long Term     | Short Term      | Long Term       | Short Term    |
| From Banks Secured             | 420.58        | 1,993.00        | 1,315.32        | 756.22        |
| From Banks Unsecured           | -             | -               | -               | -             |
| Unsecured From Related Parties | -             | -               | -               | -             |
| <b>Total</b>                   | <b>420.58</b> | <b>1,993.00</b> | <b>1,315.32</b> | <b>756.22</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).

**C (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 31.03.2023 | Outstanding amount as on 31.03.2022 |
|---------------------|---|------------------|-------------|--|---|-------------------------------------|-------------------------------------|
| HDFC Bank           | Working Capital Term Loan under ECGL scheme | 9.25%            | 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                              | 124.61                              |
|                     | Term Loan                                   | 9.75%            | 2.6 Years   |  | Moratorium of 6 Months then Monthly EMI of Rs. 57,37,448/- beginning from 07.05.2022      | 724.03                              | 1,275                               |
|                     | Car Loan                                    | 7.54%            | 3 Years     |  | Monthly EMI of Rs. 27,438/- beginning from 07.01.2021                                     | 5.14                                | 7.93                                |
|                     | Term Loan                                   | 9.75%            | 5 Years     |  | Monthly EMI of Rs. 3,00,569/- beginning from 07.07.2021                                   | 104.98                              | 130.91                              |
|                     | Working Capital Term Loan under ECGL scheme | 9.25%            | 48 Months   |  | Moratorium of 7 months after that Monthly EMI of Rs. 2,64,195/- beginning from 07.07.2021 | 37.81                               | 64.73                               |
|                     | Term Loan                                   | 9.75%            | 48 Months   |  | Monthly EMI of Rs. 9,66,752/- beginning from 07.01.2021                                   | 188.17                              | 285.52                              |
|                     | Term Loan                                   | 9.75%            | 60 Months   |  | Monthly EMI of Rs. 4,54,394/- beginning from 07.03.2021                                   | 141.14                              | 182.83                              |
|                     | Cash Credit facility                        | 9.50%            | 12 Months   | Book Debts and Current assets  | On Demand   | 1,037.31                            | -                                   |
| Bank of Maharashtra | Cash Credit facility                        | 8.70%            | 12 Months   | Book Debts and Current assets  | On Demand   | 0.38                                | -                                   |
| CSB Bank            | Cash Credit facility                        | 9.50%            | 12 Months   | Book Debts and Current assets  | On Demand   | 50.01                               | -                                   |
| <b>TOTAL</b>        |   |                  |             |  |   | <b>2,413.58</b>                     | <b>2,071.54</b>                     |

**Notes:-**

- The Personal Guarantee of Mr. Saurabh Daswani, Managing Director, Mrs. Kanak Kewalramani, Director & CFO are involved in all the loans mentioned above.
- Bank of Maharashtra and CSB Bank have sanctioned the Bank Guarantee Facilities of Rs. 14.50 Crores and Rs. 24 Crores respectively along with the CC Limits.

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

(₹ In Lakhs)

**C (B) - Statement of terms and Conditions of Unsecured Loans****Unsecured From Related Parties**

| Name of Related Party | Outstanding Amount as on 31.03.2023 | Outstanding amount as on 31.03.2022 |
|-----------------------|-------------------------------------|-------------------------------------|
| Kanak Kewalramani     | -                                   | -                                   |
| <b>Total</b>          | <b>-</b>                            | <b>-</b>                            |

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

| Particulars   | 31.03.2023    | 31.03.2022    |
|---|---------------|---------------|
| <b>Opening Balance (A)</b>  |               |               |
| Opening Balance of Deferred Tax (Asset) / Liability   | 262.84        | 174.41        |
| Add/ Less - (DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act. | 132.97        | 88.43         |
| <b>Closing Balance of Deferred Tax (Asset) / Liability (B)</b>  | <b>395.81</b> | <b>262.84</b> |
| Current Year Provision (B-A)  | 132.97        | 88.43         |

**Note E STATEMENT OF LONG TERM PROVISION**

| Particulars                      | 31.03.2023   | 31.03.2022  |
|----------------------------------|--------------|-------------|
| Long Term Provision for Gratuity | 16.16        | 9.26        |
| <b>Total</b>                     | <b>16.16</b> | <b>9.26</b> |

**Note F STATEMENT OF TRADE PAYABLES**

| Particulars                                    | 31.03.2023      | 31.03.2022    |
|--|-----------------|---------------|
| <b>For Goods &amp; Services</b>                |                 |               |
| Micro, Small and Medium Enterprises            | 23.18           | 17.10         |
| Other than Micro, Small and Medium Enterprises | 2,547.87        | 545.68        |
| <b>Total</b>                                   | <b>2,571.05</b> | <b>562.78</b> |

**Note G STATEMENT OF OTHER CURRENT LIABILITIES**

| Particulars                    | 31.03.2023    | 31.03.2022    |
|--------------------------------|---------------|---------------|
| Duties and Liabilities Payable | 101.27        | 120.30        |
| Duties and Liabilities         | 104.78        | -             |
| <b>Total</b>                   | <b>206.05</b> | <b>120.30</b> |

**Note H STATEMENT OF SHORT TERM PROVISIONS**

| Particulars                                 | 31.03.2023      | 31.03.2022    |
|---|-----------------|---------------|
| Salaries, Wages Payable                     | 30.25           | 37.86         |
| Other Expenses /Provision                   | 8.72            | 1.13          |
| Provision for Taxes                         | 1,464.76        | 578.65        |
| Provision for Interest                      | 7.90            | 9.57          |
| Provision for Audit Fees and Other Expenses | 1.97            | 1.18          |
| <b>Total</b>                                | <b>1,513.58</b> | <b>628.39</b> |



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

(₹ In Lakhs)

**Note I STATEMENT OF NON CURRENT INVESTMENT**

| Particulars                                     | 31.03.2023      | 31.03.2022    |
|---|-----------------|---------------|
| 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                         | 953.69          | 170.22        |
| Investment in Knowledge Infra Ports P. Ltd      | 0.74            | 0.74          |
| Other Deposit (Retention Money)                 | 176.86          | 125.55        |
| <b>Total</b>                                    | <b>1,206.99</b> | <b>372.21</b> |
| <b>Aggregate amount of quoted investments</b>   | -               | -             |
| <b>Aggregate amount of unquoted investments</b> | <b>1,206.99</b> | <b>372.21</b> |

**Note J STATEMENT OF TRADE RECEIVABLES**

| Particulars   | 31.03.2023      | 31.03.2022    |
|---|-----------------|---------------|
| Outstanding for a period exceeding 6 months (Unsecured and considered Good) | 998.18          | -             |
| Secured, Considered Good  | -               | -             |
| unsecured, considered good  | -               | -             |
| Less - Provision for doubtful debts   | -               | -             |
| <b>Sub-total (A)</b>  | <b>998.18</b>   | -             |
| Outstanding for a period not exceeding 6 months                             |                 |               |
| Secured, considered good  | -               | -             |
| Unsecured, considered good  | 4,781.65        | 320.35        |
| <b>Sub Total (B)</b>  | <b>4,781.65</b> | <b>320.35</b> |
| <b>Total</b>  | <b>5,779.83</b> | <b>320.35</b> |

**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              | 31.03.2023      | 31.03.2022      |
|--------------------------|-----------------|-----------------|
| Cash in Hand             | 2.49            | 0.57            |
| Balances with Banks      | 74.91           | 1,440.35        |
| Fixed Deposit with Banks | 5,250.77        | 395.86          |
| <b>Total</b>             | <b>5,328.17</b> | <b>1,836.78</b> |

**Notes:-**

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

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

## Note L STATEMENT OF OTHER CURRENT ASSETS

| Particulars  | 31.03.2023      | 31.03.2022    |
|--|-----------------|---------------|
| Balance with Revenue Authorities (TDS/Advance Tax/GST) | 1,430.65        | 454.59        |
| Prepaid Expense  | 4.39            | -             |
| Advance to Creditors                                   | 3.84            | 22.96         |
| Deposits   | 30.12           | 45.81         |
| <b>Total (A)</b>                                       | <b>1,468.99</b> | <b>523.36</b> |
| Preliminary Expense (IPO Issue Expense)                | -               | -             |
| <b>Total (B)</b>                                       | <b>-</b>        | <b>-</b>      |
| <b>Total (A) + (B)</b>                                 | <b>1,468.99</b> | <b>523.36</b> |

## Note M INVENTORIES

| Particulars                   | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|-------------------------------|-----------------------|-----------------------|
| Inventories - Fuel Unconsumed | 56.40                 | -                     |
| <b>Total</b>                  | <b>56.40</b>          | <b>-</b>              |

## Note N STATEMENT OF REVENUE FROM OPERATION

| Particulars                            | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|--|-----------------------|-----------------------|
| Dredging, Chartering and Hiring Income | 19,443.87             | 4,918.99              |
| Other Services                         | 28.57                 | 27.96                 |
| <b>Total</b>                           | <b>19,472.44</b>      | <b>4,946.95</b>       |

## Note O STATEMENT OF OTHER INCOME

| Particulars                  | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|------------------------------|-----------------------|-----------------------|
| Sale of Scrap                | -                     | 9.45                  |
| Sundry Balancre written Back | -                     | 5.18                  |
| Interest Income              | 124.51                | 28.58                 |
| <b>Total</b>                 | <b>124.51</b>         | <b>43.21</b>          |

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

(₹ In Lakhs)

**Note P DIRECT EXPENSES**

| Particulars                     | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|---------------------------------|-----------------------|-----------------------|
| Crew Wages and Expenses         | 585.55                | 387.10                |
| Fuel Charges                    | 1,141.09              | 100.30                |
| Less : Closing Fuel Un-Consumed | (56.40)               | -                     |
| Repair and Maintenance          | 407.93                | 39.23                 |
| Sub Contracting Charges         | 8,986.06              | 571.22                |
| Contractual Deductions          | 141.07                | 232.38                |
| Office Site Expenses            | 33.65                 | 28.48                 |
| Ship Management Fees            | 44.49                 | 36.95                 |
| Transportation Charges          | 40.21                 | 3.56                  |
| Stores, Spares & Consumable     | 485.35                | 62.54                 |
| <b>Total</b>                    | <b>11,809.00</b>      | <b>1,461.77</b>       |

**Note Q STATEMENT OF EMPLOYEE BENEFITS EXPENSE**

| Particulars               | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|---------------------------|-----------------------|-----------------------|
| Salary                    | 203.02                | 145.39                |
| Gratuity                  | 6.26                  | 4.96                  |
| Staff Welfare Expenses    | 51.03                 | 11.11                 |
| Directors Remuneration    | 99.52                 | 80.63                 |
| Employee Benefit Expenses | 22.97                 | 15.16                 |
| <b>Total</b>              | <b>382.81</b>         | <b>257.25</b>         |

**Note R STATEMENT OF FINANCE COST**

| Particulars             | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|-------------------------|-----------------------|-----------------------|
| Finance Charges         | 146.70                | 128.68                |
| Bank Guarantee Charges  | 16.36                 | 40.85                 |
| Other Financial Charges | 54.31                 | 32.34                 |
| <b>Total</b>            | <b>217.38</b>         | <b>201.87</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 01.04.2022               | Additions       | Deductions Adjustments | Translation | As at 31-03-2023 | As at 01-04-2022 | Provided | Reversed | As at 31-03-2023                           | Upto 01-04-2022 | For the 12 Months | Deductions Adjustments | Translation | Upto 31-03-2023 | As at 31-03-2023 | As at 31-03-2022 |
| <b>(A) Tangible Assets</b>                   |                                |                 |                        |             |                  |                  |          |          |  |                 |                   |                        |             |                 |                  |                  |
| (a) SHIPS (Dredgers and Other Marine Crafts) | 5,382.94                       | 1,008.04        | -                      | -           | 6,390.98         | -                | -        | -        | -  | 532.10          | 387.36            | -                      | -           | 919.47          | 5,471.51         | 4,850.84         |
| (b) Machinery                                | 6.41                           | 1.98            | -                      | -           | 8.39             | -                | -        | -        | -  | 0.87            | 1.35              | -                      | -           | 2.22            | 6.17             | 5.54             |
| (c) Office Equipments                        | 7.19                           | -               | -                      | -           | 7.19             | -                | -        | -        | -  | 3.71            | 1.46              | -                      | -           | 5.17            | 2.02             | 3.48             |
| (d) Furniture & Fixtures                     | 16.54                          | 34.15           | -                      | -           | 50.68            | -                | -        | -        | -  | 1.85            | 1.57              | -                      | -           | 3.42            | 47.26            | 14.69            |
| (e) Computer and Others                      | 22.57                          | 17.11           | -                      | -           | 39.68            | -                | -        | -        | -  | 12.74           | 7.61              | -                      | -           | 20.35           | 19.33            | 9.84             |
| (f) Vehicles                                 | 21.37                          | -               | -                      | -           | 21.37            | -                | -        | -        | -  | 1.17            | 2.54              | -                      | -           | 3.71            | 17.66            | 20.20            |
| <b>(B) Intangible Assets</b>                 |                                |                 |                        |             |                  |                  |          |          |  |                 |                   |                        |             |                 |                  |                  |
| (a) Software                                 | 0.36                           | -               | -                      | -           | 0.36             | -                | -        | -        | -  | 0.09            | 0.07              | -                      | -           | 0.16            | 0.20             | 0.27             |
| (C) Capital Work in Progress (Marine Craft)  | 166.15                         | 633.61          | -                      | -           | 799.76           | -                | -        | -        | -  | -               | -                 | -                      | -           | -               | 799.76           | 166.15           |
| (D) Capital Work In Progress (Office Space)  | -                              | 10.08           | -                      | -           | 10.08            | -                | -        | -        | -  | -               | -                 | -                      | -           | -               | 10.08            | -                |
| <b>Total</b>                                 | <b>5,623.53</b>                | <b>1,704.97</b> | <b>-</b>               | <b>-</b>    | <b>7,328.50</b>  | <b>-</b>         | <b>-</b> | <b>-</b> | <b>-</b>                                   | <b>552.53</b>   | <b>401.97</b>     | <b>-</b>               | <b>-</b>    | <b>954.50</b>   | <b>6,363.92</b>  | <b>5,071.00</b>  |
| Previous year                                | 2,732.44                       | 2,905.73        | -                      | -           | 5,638.18         | -                | -        | -        | -  | 342.93          | 209.60            | -                      | -           | 552.53          | 4,904.85         | 2,406.04         |

## C. Depreciation and amortisation relating to continuing operations

| Particulars   | For the Year ended 31 Mar, 2023 | For the Year ended 31 Mar, 2022 |
|---|---------------------------------|---------------------------------|
| Depreciation and amortisation for the year on tangible assets as per Note 6 A   | 402.00                          | 210.00                          |
| 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                 | 402.00                          | 210.00                          |

## Note T STATEMENT OF OTHER EXPENSES

| Particulars                                   | Audited 31.03.2023 | Audited 31.03.2022 |
|---|--------------------|--------------------|
| <b>Audit Fees</b>                             |                    |                    |
| Statutory Auditor Fee                         | 1.65               | 1.29               |
| Tax Audit Fee                                 | 0.98               | 0.98               |
| Internal Audit Fee                            | 2.30               | 1.50               |
| Other Services                                | 1.68               | 1.85               |
| Secretarial Audit                             | 0.50               | 0.47               |
| <b>Others</b>                                 |                    |                    |
| Business Promotion Expenses                   | 13.13              | 2.34               |
| Commission and Brokerage                      | 0.83               | -                  |
| Director Sitting Fees                         | 1.60               | 1.60               |
| Electricity Expenses                          | 2.39               | 2.14               |
| Agency and Survey Charges                     | 87.79              | 16.10              |
| Foreign Exchange Gain/Loss                    | 5.01               | -                  |
| Insurance                                     | 51.76              | 30.97              |
| Rates and Taxes                               | 29.34              | 9.14               |
| Other Statutory Registrations and Compliances | 51.11              | 3.09               |

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

(₹ In Lakhs)

| Particulars                    | Audited<br>31.03.2023 | Audited<br>31.03.2022 |
|--------------------------------|-----------------------|-----------------------|
| Legal & Professional Charges   | 83.21                 | 29.88                 |
| Office Expenses                | 7.03                  | 7.34                  |
| Printing & Stationery Expenses | 4.80                  | 2.35                  |
| Office Rent                    | 20.20                 | 13.12                 |
| Donation                       | 0.76                  | -                     |
| Travelling/Conveyance Expenses | 135.74                | 35.34                 |
| CSR Expense                    | 26.33                 | 9.74                  |
| Preliminary Expense W/o        | -                     | 75.16                 |
| <b>Total</b>                   | <b>528.15</b>         | <b>244.40</b>         |

**Note U EARNING PER SHARE**

| Particulars  | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 |
|--|--------------------------|--------------------------|
| Net profit after tax (Rs.)   | 4659.93                  | 1,948.16                 |
| Weighted average number of equity Shares outstanding During the Year | 103.95                   | 102.36                   |
| Basic earnings per share (Rs)  | 44.83                    | 19.03                    |
| Diluted earnings per share (Rs)                                      | 44.83                    | 19.03                    |

**Note U ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS****1. Statement of Contingent Liabilities**

| Particulars                              | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 |
|--|--------------------------|--------------------------|
| Bank Guarantees                          | 990.43                   | 481.86                   |
| Other Commitments (Corporate Guarantees) | 270.00                   | 270.00                   |

As on 31st March, 2023, the company has outstanding Bank Guarantees of Rs. 990.43 Lakhs but the Fixed Deposits of Rs. 658.32 Lakhs are lien marked by the Bank for such Bank Guarantees.

Out of Rs. 270 Lakhs as Corporate Guarantee Subsidiary Companies has repaid / reduced the loan/credit facilities of Rs. 164 Lakhs during the year under review and M/s Knowledge Marine & Engineering Works Limited is in process of releasing the Corporate Guarantee to that extent from Banks.

**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

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

## KMP

- a) Sujay Mohanlal Kewalramani – Chief Executive Officer (CEO)  
 b) Dinesh Kewalramani, Chief Operating Officer (COO)  
 c) Ritika Sharma, 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:

| S. No. | Name of Related Party                     | Relation                 | Nature of Payment                                 | Opening Value as on 31.03.2022 | Transaction Value during the year | Amount as on 31.03.2023 |
|--------|---|--------------------------|---|--------------------------------|-----------------------------------|-------------------------|
| 1      | Pinkesh Kewalramani                       | Member/ Relative         | Salary  | -                              | 20.63                             | -                       |
| 2      | Pinkesh Kewalramani                       | Member/ Relative         | Expenses reimbursed incurred on behalf of Company | -                              | 1.40                              | -                       |
| 3      | Saurabh Daswani                           | Director                 | Expenses reimbursed Incurred on behalf of Company | -                              | 0.091                             | -                       |
| 4      | Saurabh Daswani                           | Managing Director        | Directors Remuneration                            | 4.59                           | 38.78                             | 3.81                    |
| 5      | Saurabh Daswani                           | Managing Director        | Loan from Director                                | -                              | 150.00                            | -                       |
| 6      | Kanak Sujay Kewalramani                   | Director & CFO           | Directors Remuneration                            | 2.36                           | 38.78                             | 0.62                    |
| 7      | Dinesh Kewalramani                        | Interest in Voting Power | Salary  | -                              | 34.55                             | -                       |
| 8      | Dinesh Kewalramani                        | Interest in Voting Power | Expense reimbursed incurred on behalf of Company  | -                              | 27.03                             | -                       |
| 9      | D K Contractor                            | Other Related Party      | Management Contract                               | 0.25                           | 2.86                              | -                       |
| 10     | Sujay Kewalramani                         | Relative of Director     | Expenses reimbursed incurred on behalf of Company | -                              | 20.90                             | -                       |
| 11     | Sujay Kewalramani                         | Relative of Director     | Salary  | -                              | 15.86                             | -                       |
| 12     | Indian Ports Dredging Private Limited     | Subsidiary               | Charter & Hire Income – Revenue                   | 36.87                          | 406.64                            | 19.90                   |
| 13     | Knowledge Infra Ports Private Limited     | Subsidiary               | Contractual Deductions                            | -                              | 140.57                            | -                       |
| 14     | Knowledge Infra Ports Private Limited     | Subsidiary               | Charter & Hire Income - Revenue                   | 229.58                         | 1532.05                           | 221.88                  |
| 15     | KMEW Offshore Private Limited             | Associate                | Crew Wages Income                                 | 11.09                          | 33.71                             | 2.88                    |
| 16     | Kamal Marine & Engineering Works Pvt Ltd  | Other Related Party      | Construction of Capital Assets                    | 523.54                         | 367.50                            | 116.63                  |
| 17     | M/s KMEW Offshore Private Limited         | Associate                | Corporate Guarantee                               | 230.86                         | -                                 | 200.00                  |
| 18     | M/s Indian Ports Dredging Private Limited | Subsidiary               | Corporate Guarantee                               | 70.00                          | -                                 | 70.00                   |

Director's remuneration for the year 2022-2023 is as per limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.



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

(₹ In Lakhs)

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**

| Particulars                 | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| Discount rate               | 7.5 % per annum  | 7.25 % 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**

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Present value of the obligation at the end of the period               | 16.16            | 9.90             |
| Fair value of plan assets at end of period                             | 0.00             | 0.00             |
| Net liability/(asset) recognized in Balance Sheet and related analysis | 16.16            | 9.90             |
| Funded Status - Surplus/ (Deficit)                                     | (16.16)          | (9.90)           |

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

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Interest cost                                      | 0.712            | 0.36             |
| Current service cost                               | 5.25             | 3.98             |
| Past Service Cost                                  | 0.00             | 0.00             |
| Expected return on plan asset                      | (0.00)           | (0.00)           |
| Net actuarial (gain)/loss recognized in the period | 0.30             | 0.62             |
| Expenses to be recognized in P&L                   | 6.26             | 4.96             |

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

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Present value of the obligation at the beginning of the period | 9.90             | 4.94             |
| Interest cost  | 0.72             | 0.36             |
| Current service cost   | 5.25             | 3.98             |
| Past Service Cost  | 0.00             | 0.00             |
| Benefits paid (if any)   | 0.00             | 0.00             |
| Actuarial (gain)/loss  | 0.29             | 0.62             |
| Present value of the obligation at the end of the period       | 16.16            | 9.90             |

**E) Changes in defined benefit obligations**

| Particulars                                      | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Opening gross defined benefit liability/ (asset) | 9.90             | 4.94             |
| Expenses to be recognized in P&L                 | 6.26             | 4.96             |
| Benefits paid (if any)                           | 0.00             | 0.00             |
| Closing gross defined benefit liability/ (asset) | 16.16            | 9.90             |

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

(₹ In Lakhs)

**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)**

| Sl. No. | Particulars        | Amount<br>31.03.2023 | Amount<br>31.03.2022 |
|---------|--------------------|----------------------|----------------------|
| 1       | Audit Fee          | 7.11                 | 6.09                 |
| 2       | Tax Expenses       | 1464.76              | 578.65               |
| 3       | Corporate Dividend | Nil                  | Nil                  |

**6. Trade Receivable ageing schedule**

Current outstanding as on 31.03.2023

| Current outstanding as on<br>31.03.2023           | 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 | 4,781.65   | 998.18          | -         | -         | -                 | 5,779.83        |
| Secured, Considered Good                          | -  | -               | -         | -         | -                 | -               |
| Unsecured, Considered Good                        | -  | -               | -         | -         | -                 | -               |
| Less:- Provision for doubtful debts               | -  | -               | -         | -         | -                 | -               |
| <b>Total</b>                                      | <b>4,781.65</b>  | <b>998.18</b>   | -         | -         | -                 | <b>5,779.83</b> |

| Current outstanding as on<br>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 | 319.57   | 0.78            | -         | -         | -                 | 320.35        |
| Secured, Considered Good                          | -  | -               | -         | -         | -                 | -             |
| Unsecured, Considered Good                        | -  | -               | -         | -         | -                 | -             |
| Less:- Provision for doubtful debts               | -  | -               | -         | -         | -                 | -             |
| <b>Total</b>                                      | <b>319.57</b>  | <b>0.78</b>     | -         | -         | -                 | <b>320.35</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**

| Aging schedule as on 31.03.2023 | 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                            | 23.18  | -                  | -                   | -                 | 23.18           |
| Others                          | 2,547.87   | -                  | -                   | -                 | 2,547.87        |
| disputed dues – MSME            | -  | -                  | -                   | -                 | -               |
| Disputed dues – others          | -  | -                  | -                   | -                 | -               |
| <b>Total</b>                    | <b>2,571.05</b>  |                    |                     |                   | <b>2,571.05</b> |

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

(₹ In Lakhs)

| Aging schedule as on 31.03.2023 | 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                            | 17.10  | -                  | -                   | -                 | 17.10         |
| Others                          | 545.68   | -                  | -                   | -                 | 545.68        |
| disputed dues – MSME            | -  | -                  | -                   | -                 | -             |
| Disputed dues – others          | -  | -                  | -                   | -                 | -             |
| <b>Total</b>                    | <b>562.78</b>  | <b>-</b>           | <b>-</b>            | <b>-</b>          | <b>562.78</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     |           |
| Financial Year                 | 2022-2023                      | 2021-22 | 2022-23            | 2021-22 | 2022-23             | 2021-22 | 2022-23           | 2021-22 | 2022-2023 | 2021-2022 |
| Projects in progress           | 809.85                         | 180.80  | -                  | -       | -                   | -       | -                 | -       | 8,09.85   | 180.80    |
| Projects temporarily suspended | -                              | -       | -                  | -       | -                   | -       | -                 | -       | -         | -         |

**10. Capital CWIP**

Corporate Social Responsibility (CSR) Expenditure

| Particulars                     | FY 2022-23    |  | FY 2021-22    |  |
|---------------------------------|---------------|--|---------------|--|
| Opening CWIP                    | 180.80        |  | 285.36        |  |
| <b>Addition during the year</b> | 1,671.09      |  | 2,587.83      |  |
| Less: Capitalised               | 1,042.04      |  | 2,692.39      |  |
| <b>Closing CWIP</b>             | <b>809.85</b> |  | <b>180.80</b> |  |

**11. CSR Note**

Corporate Social Responsibility (CSR) Expenditure

| Particulars   | 2022-23      | 2021-22     |
|---|--------------|-------------|
| Amount required to be spent as per Section 135 of the Act*                        | 26.33        | 9.74        |
| <b>Amount spent during the year on:</b>   | 26.33        | 9.74        |
| 1. Project 'Heal Bundelkhand' (FY 21-22)  |              |             |
| 2. Birds and Animals Hospital at Sunpura Noida & Shahada, Maharashtra. (FY 22-23) |              |             |
| <b>Total</b>  | <b>26.33</b> | <b>9.74</b> |

| Particulars  | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------|-----------------------|
| Amount required to be spent by the company during the year | 26.33                 | 9.74                  |
| Amount of the expenditure incurred                         | 26.33                 | 9.74                  |
| Reason for shortfall                                       | -                     | -                     |
| Nature of CSR Activities                                   | Animal Welfare        | Livelihood            |

**12. 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 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 discrepancies in utilisation of borrowings.

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

- (i) 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.
- (ii) 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 indentified by on behalf of the Company (ultimate beneficiary) or provide any guarantee, security or like on behalf of the ultimate beneficiairies.

### 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.

### k. Details of Dividend

The Company has not paid any dividend during the year.

12. During the year ended 31st March, 2023 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  
In terms of our report attached  
**For R. V. Luharuka & Co LLP**  
Chartered Accountants  
FRN NO. 105662W/W100174

**C A Ramesh Luharuka**  
Partner  
M.No. 031765  
Place: Mumbai  
Date: 30/05/2023

**Saurabh Daswani**  
Managing Director  
DIN : 07297445  
Place: Mumbai  
Date : 30/05/2023

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

**Kanak Kewalramani**  
Whole Time Director & CFO  
DIN : 06678703  
Place: Mumbai  
Date : 30/05/2023

**Ritika Sharma**  
Company Secretary & Compliance Officer  
Mem No.: A40852  
Place: Mumbai  
Date : 30/05/2023

## 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 2023, 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 gives 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 2023 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

## Independent Auditor's Report (Contd.)

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 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



## Independent Auditor's Report (Contd.)

matter that may reasonably be thoughts to bear on our independence, and where applicable, related safeguards.

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

### Report on Other Legal and Regulatory Requirements

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 31st March 2023 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 31st March 2023, 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 31st March 2023.
- 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

## Independent Auditor's Report (Contd.)

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;

- 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
- 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 Accountants*

FRN: 105662W/W100174

**Ramesh Luharuka**

*Partner*

MRN: 031765

UDIN - 23031765BGYSSQ8148

Place: Mumbai

Date: 30/05/2023

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

### 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 2023, 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 2023, 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

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

company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls 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 Accountants*

FRN: 105662W/W100174

**Ramesh Luharuka**

*Partner*

MRN: 031765

UDIN: 23031765BGYSSQ8148

Place: Mumbai

Date: 30/05/2023

**Consolidated Balance Sheet as at 31st March, 2023**

(₹ In Lakhs)

| PARTICULARS  | NOTES | As at 31.03.2023 | As at 31.03.2022 |
|--|-------|------------------|------------------|
| <b>I) EQUITY AND LIABILITIES</b>   |       |                  |                  |
| <b>1. Equity</b>   |       |                  |                  |
| (a) Equity Share capital   | B     | 1,080.10         | 1,023.60         |
| (b) Other Equity   | B     | 12,320.07        | 3,712.87         |
|  |       | <b>13,400.17</b> | <b>4,736.47</b>  |
| <b>2. Share Minority Interest</b>  |       | 261.89           | 242.42           |
| <b>3. Non Current Liabilities</b>  |       |                  |                  |
| (a) Long Term Borrowings   | C     | 420.58           | 1,717.58         |
| (b) Deferred Tax Liabilities (Net)   | D     | 436.11           | 305.28           |
| (c) Long Term Provision  | E     | 16.16            | 9.26             |
|  |       | <b>872.86</b>    | <b>2,032.12</b>  |
| <b>4. Current Liabilities</b>  |       |                  |                  |
| (a) Short Term Borrowings  | C     | 1,993.00         | 922.31           |
| (b) Trade Payables   | F     |                  |                  |
| (i) Total Outstanding dues of micro and small enterprises                      |       | 24.60            | 19.27            |
| (ii) Total Outstanding dues of creditors other than micro an small enterprises |       | 2,585.88         | 597.55           |
| (c) Other Current Liabilities  | G     | 211.24           | 139.04           |
| (d) Short Term Provisions  | H     | 1,538.73         | 678.77           |
|  |       | <b>6,353.44</b>  | <b>2,356.94</b>  |
| <b>Total Liabilities (3+4)</b>   |       | <b>7,226.30</b>  | <b>4,389.06</b>  |
| <b>Total Equity &amp; Liabilities</b>  |       | <b>20,888.37</b> | <b>9,367.96</b>  |
| <b>II) ASSETS</b>  |       |                  |                  |
| <b>1. Non Current Assets</b>   |       |                  |                  |
| (a) Fixed Assets   | S     |                  |                  |
| (i) Tangible assets  |       | 5,882.96         | 5,257.50         |
| (ii) Intangible assets   |       | 0.09             | 0.09             |
| (b) Capital Work in Progress   | S     | 809.84           | 180.80           |
| (c) Non-Current Investment   | I/M   | 1,219.33         | 496.27           |
|  |       | <b>7,912.22</b>  | <b>5,934.66</b>  |
| <b>2. Current Assets</b>   |       |                  |                  |
| (a) Current investments  | I     | -                | -                |
| (b) Inventories  | J     | 114.25           | 18.88            |
| (c) Trade receivables  | K     | 5,580.05         | 394.28           |
| (d) Cash and cash equivalents  | L     | 5,599.04         | 2,256.91         |
| (e) Short-term loans and advances  | M     | -                | -                |
| (f) Other current assets   | M     | 1,682.81         | 763.23           |
|  |       | <b>12,976.15</b> | <b>3,433.30</b>  |
| <b>Total Assets</b>  |       | <b>20,888.37</b> | <b>9,367.96</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  
In terms of our report attached

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited**

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

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 30/05/2023

**Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date : 30/05/2023

**Kanak Kewalramani**

Whole Time Director & CFO

DIN : 06678703

Place: Mumbai

Date : 30/05/2023

**Ritika Sharma**

Company Secretary & Compliance Officer

Mem No.: A40852

Place: Mumbai

Date : 30/05/2023

**Consolidated Statement of Profit and Loss for the year ended 31st March, 2023**

(₹ In Lakhs)

| PARTICULARS   | NOTES | 2022-23          | 2021-22         |
|---|-------|------------------|-----------------|
| I Revenue From Operations   | N     | 20,152.96        | 6,110.63        |
| II Other Income   | O     | 138.23           | 51.08           |
| <b>III Total Revenue (1+2)</b>  |       | <b>20,291.19</b> | <b>6,161.71</b> |
| <b>IV Expenditure</b>   |       |                  |                 |
| (a) Direct Expenses   | P     | 12,302.18        | 2,284.03        |
| (b) Employee benefits expense   | Q     | 394.28           | 268.31          |
| (c) Finance costs   | R     | 233.01           | 248.37          |
| (d) Depreciation and amortization expense                                   | S     | 435.82           | 243.45          |
| (e) Other expenses  | T     | 588.09           | 316.77          |
| <b>V Total expenses</b>   |       | <b>13,953.37</b> | <b>3,360.93</b> |
| <b>VI Profit before exceptional and extraordinary items and tax (III-V)</b> |       | <b>6,337.81</b>  | <b>2,800.78</b> |
| VII Prior Period Item   |       | -                | -               |
| <b>VIII Profit before tax after extraordinary items (VI-VII)</b>            |       | <b>6,337.81</b>  | <b>2,800.78</b> |
| <b>IX Tax Expense:</b>  |       |                  |                 |
| (1) Current tax expense for current year                                    |       | 1,487.08         | 622.62          |
| (2) Deferred tax  |       | 130.83           | 91.38           |
| (3) MAT Credit  |       |                  |                 |
| <b>X Profit/ (Loss) after tax for the period (VIII - IX)</b>                |       | <b>4,719.90</b>  | <b>2,086.78</b> |
| XI Minority Interest in income  |       | 15.34            | 51.00           |
| XII Share of Profit / Loss in associate companies                           | U     | 44.67            | 87.61           |
| <b>XIII Profit available for distribution</b>                               |       | <b>4,704.57</b>  | <b>2,035.78</b> |
| <b>XIV Earnings per equity share:</b>                                       |       |                  |                 |
| (a) Basic   |       | 45.26            | 19.89           |
| (b) Dilluted  |       | 45.26            | 19.89           |

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  
In terms of our report attached

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

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 30/05/2023

For and on behalf of the board of

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

Managing Director

DIN : 07297445

Place: Mumbai

Date : 30/05/2023

**Kanak Kewalramani**

Whole Time Director &amp; CFO

DIN : 06678703

Place: Mumbai

Date : 30/05/2023

**Ritika Sharma**

Company Secretary &amp; Compliance Officer

Mem No.: A40852

Place: Mumbai

Date : 30/05/2023



**Statement of Cash Flows for the year ended 31st March, 2023**

(₹ In Lakhs)

| PARTICULARS  | For the Period<br>2022-2023 | For the Period<br>2021-22 |
|--|-----------------------------|---------------------------|
| <b>A) Cash Flow From Operating Activities :</b>                    |                             |                           |
| Net profit before Tax & Extraordinary Items                        | 6,337.81                    | 2,800.78                  |
| Adjustments for :  |                             |                           |
| Net profit before Tax & Extraordinary Items                        | 435.82                      | 243.45                    |
| Adjustments for :  | (138.05)                    | (36.45)                   |
| Interest Income  | 233.01                      | 248.37                    |
| Foreign Exchange Gain and Loss                                     | (0.17)                      |                           |
| Preliminary Expense Written Off                                    | 5.01                        |                           |
| Deferred Tax Liabilities (Net)                                     | (0.01)                      |                           |
| <b>Operating Profit before Working Capital Changes</b>             | <b>6,873.42</b>             | <b>3,256.15</b>           |
| Increase/Decrease in Other Current Assets Current Assets           | (919.58)                    | 5.21                      |
| Increase/Decrease in Short Term Advances                           | -                           | 14.38                     |
| Increase/Decrease in Trade Receivable                              | (5,190.60)                  | (354.59)                  |
| Increase in Inventory  | (95.37)                     | 14.10                     |
| Decrease In Current Investment                                     | -                           | 5.87                      |
| Increase in Long Term Provisions                                   | 6.90                        | -                         |
| Increase in Short Term Provisions                                  | 859.96                      | 454.55                    |
| Increase/Decrease in Other Current Liability                       | 72.20                       | 114.55                    |
| Increase In Trade Payables   | 1,993.66                    | 567.04                    |
| Adjustments for :  |                             |                           |
| Loans and Advances given   |                             |                           |
| Provisions   | 8.27                        | 4.54                      |
| Cash generated from Operations                                     | 3,608.86                    | 4,081.80                  |
| Income Tax Refund  |                             |                           |
| Income Tax Paid  | (1,487.08)                  | (622.62)                  |
| Cash flow before Extraordinary Items                               | 2,121.78                    | 3,459.18                  |
| Extraordinary items  |                             |                           |
| <b>Net Cash flow from Operating Activities</b> <b>A</b>            | <b>2,121.78</b>             | <b>3,459.18</b>           |
| <b>B) Cash Flow From Investing Activities :</b>                    |                             |                           |
| Investment In Fixed Deposit  | (723.06)                    | (468.64)                  |
| Increase in Fixed Assets   | (1,061.25)                  | (2,439.58)                |
| Increase in Capital Work-in-Progress                               | (629.04)                    | (180.80)                  |
| Interest on FD   | 138.05                      | 36.45                     |
| <b>Net Cash flow from / Used in Investing Activities</b> <b>B</b>  | <b>(2,275.30)</b>           | <b>(3,052.57)</b>         |
| <b>C) Cash Flow From Financing Activities</b>                      |                             |                           |
| Decrease/Increase in Short Loan                                    | 1,070.69                    | 391.48                    |
| Increase in Paid Up Capital  | 56.5                        | -                         |
| Decrease in Loan Term Payable                                      | (1,296.99)                  | 554.05                    |
| Increase in Security Premium                                       | 3,898.50                    | -                         |
| Finance Cost   | (233.01)                    | (248.37)                  |
| <b>Net Cash flow from / Used in Financing Activities</b>           | <b>3,495.68</b>             | <b>697.16</b>             |
| <b>Net Decrease / Increase in Cash or Cash Equivalents (A+B+C)</b> | <b>3,342.2</b>              | <b>1,103.8</b>            |
| Opening Cash & Cash Equivalents                                    | 2,256.91                    | 1,153.12                  |
| Closing Cash & Cash Equivalents                                    | 5,599.07                    | 2,256.91                  |
| Cash & Cash Equivalents comprises :                                |                             |                           |
| Cash & Bank Balances as per BS                                     | 5,599.04                    | 2,256.91                  |

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

As per our report of even date  
In terms of our report attached**For R. V. Luharuka & Co LLP**  
Chartered Accountants  
FRN NO. 105662W/W100174**C A Ramesh Luharuka**  
Partner  
M.No. 031765  
Place: Mumbai  
Date: 30/05/2023**Saurabh Daswani**  
Managing Director  
DIN : 07297445  
Place: Mumbai  
Date : 30/05/2023

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited****Kanak Kewalramani**  
Whole Time Director & CFO  
DIN : 06678703  
Place: Mumbai  
Date : 30/05/2023**Ritika Sharma**  
Company Secretary & Compliance Officer  
Mem No.: A40852  
Place: Mumbai  
Date : 30/05/2023

## Significant Accounting Policies and Notes to Standalone Accounts

### NOTE – A

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

##### To the Consolidate Financial Statement for the year ended 31st March, 2023

#### 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 2023. The Group is primarily engaged in the business of Owning, Chartering/Hiring along with manning, operation and technical maintenance of Marine Crafts and Repairs/Maintenance of Marine Crafts and Marine Infrastructure and allied works in India.

#### 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 asset may be impaired and makes provision in the account for any impairment losses estimated. Contingencies are recorded when it is probable that a liability 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 recognized, 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.

##### 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

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

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.

### Depreciation

The depreciable amount of an item of property, plant and machinery, equipments, furniture is allocated on a systematic basis over its useful 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. 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 recognized in the Standalone 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)<br>-as per Companies Act 2013 | Useful Lives (in years)<br>-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   |

### 1.6. 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.

### 1.7. 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.

### 1.8. 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.

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

### 1.9. 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.

### 1.10. 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 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.

### 1.11. 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.

### 1.12. 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 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 Standalone Accounts (Contd.)

### 1.13. Financial Ratios:

(₹ In Lakhs)

The Financial Ratios of the Company are as follows:

| Sr. No. | Ratios                            | As on 31 <sup>st</sup> March, 2023  | As on 31 <sup>st</sup> March 2022 |
|---------|-----------------------------------|---|-----------------------------------|
| 1.      | <b>Interest Coverage Ratio</b>    |   |                                   |
|         | Numerator (EBIT)                  | 6,571.00  | 3,049.15                          |
|         | Denominator (Interest Expenses)   | 233.00  | 248.37                            |
|         | Ratio                             | 28.20   | 12.28                             |
|         | % Change                          | 129.64%   |                                   |
|         | Reason for Change                 | Increase in earnings more than the increase in the interest cost as compared to last year. Further term loan has been prepaid by the Company during the year, therefore interest cost has been reduced.   |                                   |
| 2.      | <b>Debt-Equity Ratio</b>          |   |                                   |
|         | Numerator (Total Debt)            | 2,414   | 2,639.88                          |
|         | Denominator (Shareholders Equity) | 13,400  | 4,736.00                          |
|         | Ratio                             | 0.18  | 0.56                              |
|         | % Change                          | -67.86%   |                                   |
|         | Reason for Change                 | Fresh Capital and security premium has been received during the year due to preferential allotment of shares therefore capital employed of the company has been gradually increased resulting decrease in ratio. Further, there is also surge in profit of the Company as compared to increase in debt of the Company. Therefore, there is decrease in debt to equity of the Company.                     |                                   |
| 3.      | <b>Net Profit Margin (%)</b>      |   |                                   |
|         | Numerator (Net Profit after tax)  | 4,705.00  | 2,036.00                          |
|         | Denominator (Revenue)             | 20,152.96   | 6,110.63                          |
|         | Ratio                             | 23%   | 33%                               |
|         | % Change                          | (32%)   |                                   |
|         | Reason for Change                 | During the year, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company   |                                   |
| 4.      | <b>Return on Equity</b>           |   |                                   |
|         | Numerator (Net Income/PAT)        | 4,705.00  | 2,036.00                          |
|         | Denominator (Shareholders Fund)   | 13,400.00   | 4,736.00                          |
|         | Ratio                             | 0.35  | 0.43                              |
|         | % Change                          | -18.60%   |                                   |
|         | Reason for Change                 | During the year the company has issued fresh Share Capital with premium in the form of Preferential allotment. Return on capital employed will be gradually increased in the coming year as the income will be equated evenly. Further, during the year an assets has also been introduced by the Company due to which there is increase in Deferred Tax provisioning which leads to reason for decrease. |                                   |

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

(₹ In Lakhs)

| Sr. No. | Ratios  | As on 31 <sup>st</sup> March, 2023  | As on 31 <sup>st</sup> March 2022 |
|---------|---|---|-----------------------------------|
| 5.      | <b>Operating Profit Margin (%)</b>              |   |                                   |
|         | Numerator (Operating Income)                    | 7006.66   | 3292.60                           |
|         | Denominator (Revenue)                           | 20152.96  | 6110.63                           |
|         | Ratio   | 34.77%  | 53.88%                            |
|         | % Change  | -35.47%   |                                   |
|         | Reason for Change                               | During the year under review, some exceptional expenses such as dry docking/repairs of the vessel were incurred which reduced the margins of the Company  |                                   |
| 6.      | <b>Debtors Turnover Ratio</b>                   |   |                                   |
|         | Numerator (Credit Sales)                        | 20,152.96   | 6,110.63                          |
|         | Denominator (Average Debtors)                   | 2987.17   | 216.99                            |
|         | Ratio   | 6.75  | 28.16                             |
|         | % Change  | 76.03%  |                                   |
|         | Reason for Change                               | The increase in debtors have reduced in proportion to sales as compared to last year due to timely payment of the invoices raised. Hence the ratio has been improved.   |                                   |
| 7.      | <b>Total Debts to Total Assets Ratio</b>        |   |                                   |
|         | Numerator (Total Debt)                          | 2413.58   | 2639.89                           |
|         | Denominator (Total Assets)                      | 20,888.38   | 9367.96                           |
|         | Ratio   | 0.12  | 0.28                              |
|         | % Change  | 57.14%  |                                   |
|         | Reason for Change                               | During the year Company has repaid most of its debts and current assets of the company were drastically increased as compared to last year, hence the ratio has been improved.  |                                   |
| 8.      | <b>Long Term Debts to Working Capital Ratio</b> |   |                                   |
|         | Numerator (Long Term Debt)                      | 420.58  | 1,717.58                          |
|         | Denominator (Working Capital)                   | 6,622.74  | 1,076.36                          |
|         | Ratio   | 0.06  | 1.60                              |
|         | % Change  | 145.28%   |                                   |
|         | Reason for Change                               | During the year most of the debts has been repaid by the company and there was no further increase in the long term loans. Further Current assets of the Company has been increased drastically which result in increase in the working capital. Hence the ratio has been improved. |                                   |
| 9.      | <b>Inventory Turnover Ratio</b>                 | NA as the Company is into Service Industry  |                                   |
| 10.     | <b>Debt Service Coverage Ratio</b>              |   |                                   |
|         | Numerator (EBITDA)                              | 7,007   | 3,293                             |
|         | Denominator (Total Debt Service)                | 887   | 884                               |
|         | Ratio   | 7.90  | 3.72                              |
|         | % Change  | 112.36%   |                                   |
|         | Reason for Change                               | Profit in comparison to increase in debt to the Company has been increased gradually. Therefore, the ratio has been corrected   |                                   |



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

(₹ In Lakhs)

| Sr. No. | Ratios                              | As on 31 <sup>st</sup> March, 2023   | As on 31 <sup>st</sup> March 2022 |
|---------|-------------------------------------|--|-----------------------------------|
| 11.     | <b>Return on Capital Employed</b>   |  |                                   |
|         | Numerator (EBIT)                    | 6,571  | 3,049                             |
|         | Denominator (Capital Employed)      | 14,534.96  | 7,011.03                          |
|         | Ratio                               | 0.45   | 0.43                              |
|         | % Change                            | 4.65%  |                                   |
|         | Reason for Change                   | NA   |                                   |
| 12.     | <b>Trade Payable Turnover Ratio</b> |  |                                   |
|         | Numerator (Net Credit Purchase)     | 12,302.17  | 2,284.03                          |
|         | Denominator (Average Creditors)     | 1613.65  | 333.30                            |
|         | Ratio                               | 7.63   | 6.85                              |
|         | % Change                            | -11.39%  |                                   |
|         | Reason for Change                   | Increase in turnover leads to increase in purchases which leads to increase in creditors gradually. Creditors were paid as per their terms of credit period. |                                   |
| 13.     | <b>Net Capital Turnover Ratio</b>   |  |                                   |
|         | Numerator (Total Sales)             | 20,152.96  | 6,110.63                          |
|         | Denominator (Shareholder's Equity)  | 1,080.10   | 1,023.60                          |
|         | Ratio                               | 18.65  | 5.96                              |
|         | % Change                            | 212.92%  |                                   |
|         | Reason for Change                   | Due to increase in revenue, capital turnover ratio increased.  |                                   |
| 14.     | <b>Current Ratio</b>                |  |                                   |
|         | Numerator (Current Assets)          | 12,976.16  | 3,433.30                          |
|         | Denominator (Current Liabilities)   | 6,353.43   | 2,356.94                          |
|         | Ratio                               | 2.04   | 1.46                              |
|         | % Change                            | 39.72%   |                                   |
|         | Reason for Change                   | Excess cash flow to the company has been invested in Short term FD's therefore, current ratio has been improved.   |                                   |

### 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. 937.87 Lakhs (11,65,258 USD and 7,350 SGD).

### 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. 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 exceeds 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

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

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.

### 1.17. 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 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.

### 1.18. 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.

## Notes to Financial Statements

(₹ In Lakhs)

## Note B SHARE CAPITAL

| Particulars   | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| <b>Share Capital</b>  |                  |                  |
| <b>Authorised Share Capital</b>   |                  |                  |
| 1,10,00,000 Equity Share of Rs. 10/- each with voting rights  | 1,100.00         | 1,050.00         |
| <b>Issued:</b>  |                  |                  |
| 1,08,01,000 Equity Shares (Previous Year 1,02,36,000 Equity Share) of Rs. 10 each with voting right | 1,023.60         | 1,023.60         |
| <b>Subscribed and paid-up:</b>  |                  |                  |
| 1,02,36,000 Equity Shares (Previous Year 1,02,36,000 Equity Share) of Rs. 10 each with voting right | 1,023.60         | 1,023.60         |
| 5,65,000 Preferential Shares of Rs 10 each  | 56.50            | -                |
| <b>Total</b>  | <b>1,080.10</b>  | <b>1,023.60</b>  |

## Reserves &amp; Surplus

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| <b>Capital Reserve</b>   |                  |                  |
| Security Premium   | 4,637.22         | 738.72           |
|  | 4,637.22         | 738.72           |
| <b>Retained earnings:</b>  |                  |                  |
| As per last balance sheet  | 2,720.92         | 772.75           |
| Add / (Less): Transferred from:                                      |                  |                  |
| Profit and Loss Account  | 4,659.90         | 1,948.17         |
| Less : Bonus Issue   | -                | -                |
| Less: Profit and Loss Appropriation                                  | -                | -                |
|  | 7,380.81         | 2,720.92         |
| Profit of Knowledge Infra Ports Private Limited (Subsidiary Company) | 93.17            | 67.34            |
| Profit of Indian Port Dredging Private Limited (Subsidiary Company)  | 96.66            | 74.64            |
| Profit of KMEW Offshore Private Limited (Associate Company)          | 112.21           | 111.25           |
| <b>Total</b>   | <b>12,320.07</b> | <b>3,712.87</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                          | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------------------|------------------|------------------|
| Number of shares at the beginning    | 102.36           | 102.36           |
| Add: Bonus Share Issued              | -                | -                |
| Add: Fresh Preferential Share Issued | 5.65             | -                |
| Number of shares at the end          | 108.01           | 102.36           |

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

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

| Name of Shareholders | As at 31.03.2023 | As at 31.03.2022 |
|----------------------|------------------|------------------|
| Saurabh Daswani      | 14.00            | 15.00            |
| Pinkesh Kewalramani  | 13.96            | 15.00            |
| Kanak Kewalramani    | 40.31            | 40.31            |

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

| Particulars                       | As at 31.03.2023 |                 | As at 31.03.2022 |               |
|-----------------------------------|------------------|-----------------|------------------|---------------|
|                                   | Long Term        | Short Term      | Long Term        | Short Term    |
| <b>Loans &amp; Advances from-</b> |                  |                 |                  |               |
| From Banks Secured                | 420.58           | 1,993.00        | 1,717.58         | 922.31        |
| From Banks Unsecured              | -                | -               | -                | -             |
| Unsecured From Related Parties    | -                | -               | -                | -             |
| <b>Total</b>                      | <b>420.58</b>    | <b>1,993.00</b> | <b>1,717.58</b>  | <b>922.31</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)

#### C (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 31.03.2023 | Outstanding Amount as on 31.03.2022 |
|---------------------|---|------------------|-------------|--|---|-------------------------------------|-------------------------------------|
| HDFC Bank           | Working Capital Term Loan under ECGL scheme | 9.25%            | 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                              | 124.61                              |
|                     | Term Loan                                   | 9.75%            | 2.6 Years   |  | Moratorium of 6 Months then Monthly EMI of Rs. 57,37,448/- beginning from 07.05.2022      | 724.03                              | 1,275                               |
|                     | Car Loan                                    | 7.54%            | 3 Years     |  | Monthly EMI of Rs. 27,438/- beginning from 07.01.2021                                     | 5.14                                | 7.93                                |
|                     | Term Loan                                   | 9.75%            | 5 Years     |  | Monthly EMI of Rs. 3,00,569/- beginning from 07.07.2021                                   | 104.98                              | 130.91                              |
|                     | Working Capital Term Loan under ECGL scheme | 9.25%            | 48 Months   |  | Moratorium of 7 months after that Monthly EMI of Rs. 2,64,195/- beginning from 07.07.2021 | 37.81                               | 64.73                               |
|                     | Term Loan                                   | 9.75%            | 48 Months   |  | Monthly EMI of Rs. 9,66,752/- beginning from 07.01.2021                                   | 188.17                              | 285.52                              |
|                     | Term Loan                                   | 9.75%            | 60 Months   |  | Monthly EMI of Rs. 4,54,394/- beginning from 07.03.2021                                   | 141.14                              | 182.83                              |
|                     | Cash Credit facility                        | 9.50%            | 12 Months   | Book Debts and Current assets  | On Demand   | 1,037.31                            | -                                   |
| Bank of Maharashtra | Cash Credit facility                        | 8.70%            | 12 Months   | Book Debts and Current assets  | On Demand   | 0.38                                | -                                   |
| CSB Bank            | Cash Credit facility                        | 9.50%            | 12 Months   | Book Debts and Current assets  | On Demand   | 50.01                               | -                                   |

**Notes to 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 31.03.2023 | Outstanding Amount as on 31.03.2022 |
|------------------------|---|------------------|----------------------|---|--|-------------------------------------|-------------------------------------|
| det5 t bg5 gt5 n3m45tg | Term Loan (KMEW Offshore)                   | 7.50%            | 42 Months            | Under CGTMSE  | Monthly EMI of Rs. 3,88,754/- beginning from 07.01.2021                            | -                                   | 95.77                               |
| 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                              |
| 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>2,413.58</b>                     | <b>2,639.88</b>                     |

**Notes:-**

- The Personal Guarantee of Mr. Saurabh Daswani, Managing Director, Mrs. Kanak Kewalramani, Director & CFO are involved in all the loans mentioned above.
- Bank of Maharashtra and CSB Bank have sanctioned the Bank Guarantee Facilities of Rs. 14.50 Crores and Rs. 24.00 Crores respectively along with the CC Limits.

**UNSECURED FROM RELATED PARTIES**

| Name of Related Party | Outstanding Amount as on 31.03.2023 | Outstanding amount as on 31.03.2022 |
|-----------------------|-------------------------------------|-------------------------------------|
| Kanak Kewalramani     | -                                   | -                                   |
| <b>Total</b>          | <b>-</b>                            | <b>-</b>                            |

**Note D DEFERRED TAX**

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

| Particulars   | As at 31-03-2023    |                        | As at 31-03-2022    |                        |
|---|---------------------|------------------------|---------------------|------------------------|
|   | Deferred Tax Assets | Deferred Tax Liability | Deferred Tax Assets | Deferred Tax Liability |
| <b>Difference between WDV as per Company Law and Income Tax</b> | -                   | 1,743.78               | -                   | 1,212.88               |
| 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                   | 11.11               | -                      | -                   | -                      |
| <b>Net deferred tax (liability) / Asset</b>                     | <b>436.11</b>       |                        | <b>305.28</b>       |                        |

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

| Particulars  | As at 31-03-2023    |                        | As at 31-03-2022    |                        |
|--|---------------------|------------------------|---------------------|------------------------|
|  | Deferred Tax Assets | Deferred Tax Liability | Deferred Tax Assets | Deferred Tax Liability |
| 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 | -                   | -                      | -                   | -                      |
| Current Year Provision (B-A)                         | -                   | -                      | -                   | -                      |
| Net incremental liability                            | <b>130.83</b>       |                        | <b>91.38</b>        |                        |

## Note E LONG TERM PROVISIONS

| Particulars                      | As at 31-03-2023 | As at 31-03-2022 |
|----------------------------------|------------------|------------------|
| Long Term Provision for Gratuity | 16.16            | 9.26             |
| <b>Total</b>                     | <b>16.16</b>     | <b>9.26</b>      |

## Note F TRADE PAYABLES

| Particulars                        | As at 31-03-2023 | As at 31-03-2022 |
|------------------------------------|------------------|------------------|
| <b>Trade Payables:</b>             |                  |                  |
| Micro, Small and Medium Enterprise | 269.26           | 296.81           |
| Other                              | 2,585.88         | 597.55           |
| Less: Payable to Holding Company   | (244.67)         | (277.54)         |
| <b>Total</b>                       | <b>2,610.48</b>  | <b>616.82</b>    |

## Note G OTHER CURRENT LIABILITIES

| Particulars                    | As at 31-03-2023 |               | As at 31-03-2022 |               |
|--------------------------------|------------------|---------------|------------------|---------------|
|                                | Long Term        | Short Term    | Long Term        | Short Term    |
| Duties and Liabilities Payable | -                | 106.46        | -                | 139.04        |
| Bank OD                        | -                | -             | -                | -             |
| Contribution JV Project        | -                | 104.78        | -                | -             |
| <b>Total</b>                   | -                | <b>211.24</b> | -                | <b>139.04</b> |

## Note H SHORT TERM PROVISIONS

| Particulars                                 | As at 31-03-2023 |                 | As at 31-03-2022 |               |
|---|------------------|-----------------|------------------|---------------|
|   | Long Term        | Short Term      | Long Term        | Short Term    |
| Duties and Taxes Income Tax                 | -                | 1,487.08        | -                | 623.71        |
| Provision for Salary and Wages              | -                | 31.31           | -                | 39.14         |
| Provision for Audit Fees and Other Expenses | -                | 3.14            | -                | 2.13          |
| Provision for Interest                      | -                | 7.90            | -                | 11.77         |
| Provision For Expenses                      | -                | 9.30            | -                | 2.03          |
| <b>Total</b>                                | -                | <b>1,538.73</b> | -                | <b>678.77</b> |



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

(₹ In Lakhs)

**Note I CURRENT / NON CURRENT INVESTMENTS**

| Particulars                              | As at 31-03-2023 |            | As at 31-03-2022 |            |
|--|------------------|------------|------------------|------------|
|  | Long Term        | Short Term | Long Term        | Short Term |
| Fixed Deposit                            | 953.69           | -          | 170.22           | -          |
| Other Deposit (Retention Money)          | 176.86           | -          | 125.55           | -          |
| <b>Total</b>                             | <b>1,130.55</b>  | <b>-</b>   | <b>295.77</b>    | <b>-</b>   |
| Aggregate amount of quoted investments   | -                | -          | -                | -          |
| Aggregate amount of unquoted investments | 1,130.55         | -          | 295.77           | -          |

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

| Particulars     | As at 31-03-2023 | As at 31-03-2022 |
|-----------------|------------------|------------------|
| Stock in Trade; |                  |                  |
| Consumable Fuel | 114.25           | 18.88            |
| Lubes           | -                | -                |
| <b>Total</b>    | <b>114.25</b>    | <b>18.88</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 31.12.2023

**Note K TRADE RECEIVABLES**

| Particulars   | 31.03.2023      | 31.03.2022    |
|---|-----------------|---------------|
| Trade receivable outstanding for a period exceedings six months | 998.18          |               |
| Secured, considered good  | -               | -             |
| Unsecured, Considered good                                      | -               | -             |
| Doubtful  | -               | -             |
|   | <b>998.18</b>   | -             |
| Less: Provision for doubtful trade receivable                   | -               | -             |
|   | 998.18          |               |
| Other Trade receivables   | -               | -             |
| Secured, considered good  | -               | -             |
| Unsecured, Considered good                                      | 4,826.54        | 671.83        |
| Doubtful  | -               | -             |
|   | <b>4,826.54</b> | <b>671.83</b> |
| Less: Receivables from Subsidiary Companies                     | (244.67)        | (277.54)      |
|   | <b>4,581.87</b> | <b>394.28</b> |
| <b>Total</b>  | <b>5,580.05</b> | <b>394.28</b> |

**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.

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

## Note L CASH &amp; CASH EQUIVALENT

| Particulars          | 31.03.2023      | 31.03.2022      |
|----------------------|-----------------|-----------------|
| Bank Balance         |                 |                 |
| (a) Current Accounts | 100.13          | 1,657.54        |
| (b) Deposit Accounts | 5,493.36        | 597.53          |
| (d) Cash in hand     | 5.55            | 1.84            |
| <b>Total</b>         | <b>5,599.04</b> | <b>2,256.91</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  | As at 31-03-2023 |                 | As at 31-03-2022 |               |
|--|------------------|-----------------|------------------|---------------|
|  | Non Current      | Current         | Non Current      | Current       |
| Loan & Advances                                    |                  |                 | -                | -             |
| Balance with Revenue Authorities (TDS/Advance Tax) | -                | 1,528.08        | -                | 576.53        |
| Deposit  | -                | 30.22           | -                | 46.95         |
| Advances to Creditors                              | -                | 4.09            | -                | 22.96         |
| Long Term Advances                                 | 88.78            | 115.74          | 200.50           | 116.59        |
| Prepaid Expenses                                   | -                | 4.68            | -                | 0.20          |
| <b>Total (A)</b>                                   | <b>88.78</b>     | <b>1,682.81</b> | <b>200.50</b>    | <b>763.23</b> |
| Preliminary Expense (IPO Issue Expense)            | -                | -               | -                | -             |
| <b>Total (B)</b>                                   | <b>88.78</b>     | <b>1,682.81</b> | <b>200.50</b>    | <b>763.43</b> |
| <b>Total (A) + (B)</b>                             | <b>88.78</b>     | <b>1,682.81</b> | <b>200.50</b>    | <b>763.23</b> |

## Note N REVENUE FROM OPERATIONS

| Particulars                          | 2022-23          | 2021-22         |
|--------------------------------------|------------------|-----------------|
| Sales of Service                     | 22,254.53        | 8,593.55        |
| Less: Services to Subsidiary Company | (2,101.57)       | (2,482.92)      |
| <b>Total</b>                         | <b>20,152.96</b> | <b>6,110.63</b> |

## Note O OTHER INCOME

| Particulars                   | 2022-23       | 2021-22      |
|-------------------------------|---------------|--------------|
| Sale of Scrape                | -             | 9.45         |
| Sundry Balance Written Back   | 0.17          | 5.18         |
| Interest Income               | 134.19        | 36.45        |
| Interest on Income Tax Refund | 3.86          | -            |
| Discount                      | 0.01          | -            |
| <b>Total</b>                  | <b>138.23</b> | <b>51.08</b> |

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

(₹ In Lakhs)

| <b>Note P DIRECT EXPENSES</b>          |                  |                 |
|--|------------------|-----------------|
| <b>Particulars</b>                     | <b>2022-23</b>   | <b>2021-22</b>  |
| Cost of materials consumed             |                  |                 |
| Opening stock of fuel                  | 18.88            | 32.98           |
| Add: Purchases of Fuel and Lubes       | 1,788.80         | 724.21          |
| Less: Closing stock of Fuel and Lubes  | (114.25)         | (18.88)         |
| Less: Scrap sales                      | -                | -               |
| <b>Total</b>                           | <b>1,693.43</b>  | <b>738.32</b>   |
| Add: Direct Expenses                   | 34.65            | 28.51           |
| Add: Hire Charges                      | 1,298.35         | 1,823.53        |
| Add: Material Consumed                 | 521.26           | 69.50           |
| Add: Transportation                    | 40.52            | 3.77            |
| Add: Repairs and Maintenance           | 445.03           | 62.15           |
| Add : Ship Management Fees             | 158.49           | 36.95           |
| Add: Contractual Deductions            | 261.56           | 461.19          |
| Add: Crew Charges                      | 616.19           | 415.06          |
| Add: Subcontracting charges            | 9,334.27         | 1,127.96        |
| Less: Services from Holding Company    | (2,101.57)       | (2,482.92)      |
| <b>Total Cost of Material Consumed</b> | <b>12,302.18</b> | <b>2,284.03</b> |

| <b>Note Q EMPLOYEE BENEFIT EXPENSES</b> |                |                |
|---|----------------|----------------|
| <b>Particulars</b>                      | <b>2022-23</b> | <b>2021-22</b> |
| Salaries, Wages and Bonus               | 214.02         | 155.66         |
| Gratuity                                | 6.26           | 4.96           |
| Employee Benefit Expenses               | 22.97          | 15.16          |
| Directors Remuneration                  | 99.52          | 80.63          |
| Staff Welfare Expenses                  | 51.51          | 11.90          |
| <b>Total</b>                            | <b>394.28</b>  | <b>268.31</b>  |

| <b>Note R FINANCE COSTS</b> |                |                |
|-----------------------------|----------------|----------------|
| <b>Particulars</b>          | <b>2022-23</b> | <b>2021-22</b> |
| Interest on Borrowings      | 160.92         | 170.73         |
| Other Financial Charges     | 55.08          | 36.02          |
| Bank Gaurantee Charges      | 17.01          | 41.62          |
| <b>Total</b>                | <b>233.01</b>  | <b>248.37</b>  |

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

## Note S FIXED ASSETS &amp; DEPRECIATION

| Assets                                       | Gross block (Cost / Valuation) |                          |                           |                         |                  | Depreciation / Obsolescence / Amortisation |               |            |                         |                 | Net block        |                  |  |
|--|--------------------------------|--------------------------|---------------------------|-------------------------|------------------|--|---------------|------------|-------------------------|-----------------|------------------|------------------|--|
|  | As at 01.04.2022               | Additions and adjustment | Deductions and adjustment | Translation Adjustments | As at 31.03.2023 | Upto 01.04.2022                            | For the year  | Deductions | Translation Adjustments | Upto 31.03.2023 | As at 31.03.2023 | As at 31.03.2022 |  |
| <b>(A) Tangible Assets</b>                   |                                |                          |                           |                         |                  |  |               |            |                         |                 |                  |                  |  |
| <b>Plant and equipments</b>                  |                                |                          |                           |                         |                  |  |               |            |                         |                 |                  |                  |  |
| (a) Ships (Dredgers and Other Marine Crafts) | 5,871.70                       | 1,008.03                 | -                         | -                       | 6,879.73         | 671.76                                     | 420.50        | -          | -                       | 1,092.26        | 5,787.47         | 5,199.91         |  |
| (b) Machinery                                | 6.41                           | 1.98                     | -                         | -                       | 8.39             | 0.87                                       | 1.35          | -          | -                       | 2.22            | 6.17             | 5.54             |  |
| (c) Vehicles                                 | 21.37                          | -                        | -                         | -                       | 21.37            | 1.17                                       | 2.53          | -          | -                       | 3.70            | 17.67            | 20.20            |  |
| (d) Furniture & Fixtures                     | 21.56                          | 34.14                    | -                         | -                       | 55.70            | 3.98                                       | 2.04          | -          | -                       | 6.02            | 49.68            | 17.57            |  |
| (e) Computer                                 | 22.97                          | 17.10                    | -                         | -                       | 40.07            | 13.12                                      | 7.61          | -          | -                       | 20.73           | 19.34            | 9.85             |  |
| (f) Office Equipments                        | 8.71                           | -                        | -                         | -                       | 8.71             | 4.60                                       | 1.63          | -          | -                       | 6.23            | 2.48             | 4.11             |  |
| <b>(B) Intangible Assets</b>                 |                                |                          |                           |                         |                  |  |               |            |                         |                 |                  |                  |  |
| (a) Software                                 | 0.36                           | -                        | -                         | -                       | 0.36             | -  | -             | -          | -                       | 0.09            | 0.07             | -                |  |
| (b) Goodwill                                 | 0.09                           | -                        | -                         | -                       | 0.09             | -  | -             | -          | -                       | -               | 0.09             | 0.09             |  |
| <b>(C) Capital WIP</b>                       |                                |                          |                           |                         |                  |  |               |            |                         |                 |                  |                  |  |
| (a) Marine Craft                             | 166.15                         | 633.61                   | -                         | -                       | 799.76           | -  | -             | -          | -                       | -               | 799.76           | 166.15           |  |
| (b) Offices Space                            | -                              | 10.08                    | -                         | -                       | 10.08            | -  | -             | -          | -                       | -               | 10.08            | -                |  |
| <b>Total</b>                                 | <b>6119.32</b>                 | <b>1704.94</b>           | <b>-</b>                  | <b>-</b>                | <b>7,824.26</b>  | <b>695.50</b>                              | <b>435.66</b> | <b>-</b>   | <b>-</b>                | <b>1,131.25</b> | <b>6,692.81</b>  | <b>5,423.42</b>  |  |
| <b>Previous year</b>                         | <b>3228.27</b>                 | <b>2905.73</b>           | <b>-</b>                  | <b>-</b>                | <b>6,134.01</b>  | <b>452.18</b>                              | <b>243.45</b> | <b>-</b>   | <b>-</b>                | <b>695.63</b>   | <b>5,257.50</b>  | <b>2,792.62</b>  |  |

## C. Depreciation and amortisation relating to continuing operations

| Particulars   | For the Year ended 31 Mar, 2023 | For the Year ended 31 Mar, 2022 |
|---|---------------------------------|---------------------------------|
| Depreciation and amortisation for the year on tangible assets as per Note 6 A   | 435.66                          | 243.45                          |
| 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                 | 435.66                          | 243.45                          |

## Note T OTHER EXPENSES

| Particulars                                   | 2022-23 | 2021-22 |
|---|---------|---------|
| <b>Audit Fee</b>                              |         |         |
| Statutory Auditor Fee                         | 2.55    | 2.08    |
| Tax Audit Fee                                 | 2.03    | 1.99    |
| Internal Audit Fee                            | 2.30    | 1.50    |
| Other Services                                | 1.68    | 1.85    |
| Secretarial Audit                             | 0.50    | 0.47    |
| <b>Others</b>                                 |         |         |
| Agency and Survey Charges                     | 96.03   | 18.41   |
| Business Promotion Expenses                   | 13.57   | 2.87    |
| Brokerage & Commission                        | 0.83    | -       |
| CSR Expense                                   | 26.33   | 9.74    |
| Directors Siting Fees                         | 1.60    | 1.60    |
| Electricity Expenses                          | 2.39    | 2.20    |
| Foreign Exchange Gain/Loss                    | 5.01    | -       |
| Rates and Taxes                               | 29.39   | 10.82   |
| Other Statutory Registrations and Compliances | 51.20   | 3.22    |
| Insurance                                     | 54.19   | 33.59   |

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

(₹ In Lakhs)

| Particulars                    | 2022-23       | 2021-22       |
|--------------------------------|---------------|---------------|
| Legal and Professional Charges | 123.82        | 79.61         |
| Office Expenses                | 10.04         | 9.48          |
| Printing & Stationery Expenses | 5.71          | 3.52          |
| Preliminary Expense W/o        | -             | 75.16         |
| Office Rent                    | 22.09         | 20.17         |
| Travelling Expenses            | 136.83        | 38.49         |
| <b>Total</b>                   | <b>588.09</b> | <b>316.77</b> |

**Note U EARNING PER SHARE**

| Particulars  | 2022-23  | 2021-22  |
|--|----------|----------|
| Net profit after tax (Rs.)   | 4,704.57 | 2,035.78 |
| Weighted average number of equity Shares outstanding During the year | 108.01   | 102.36   |
| Basic earnings per share (Rs)  | 45.26    | 19.89    |
| Diluted earnings per share (Rs)                                      | 45.26    | 19.89    |

**Note V ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS****1. Statement of Contingent Liabilities**

| Particulars                              | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 |
|--|--------------------------|--------------------------|
| Bank Guarantees                          | 1055.89                  | 5,60.12                  |
| Other Commitments (Corporate Guarantees) | 270.00                   | 270.00                   |

As on 31<sup>st</sup> March, 2023, the company has outstanding Bank Guarantees of Rs. 1055.89 Lakhs but the Fixed Deposits of Rs. 658.32 Lakhs are lien marked by the Bank for such Bank Guarantees.

Out of Rs. 270 Lakhs as Corporate Guarantee Subsidiary Companies has repaid/reduced the loan/credit facilities of Rs. 164 Lakhs during the year under review and M/s Knowledge Marine & Engineering Works Limited is in process of releasing the Corporate Guarantee to that extent from Banks.

**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

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

### KMP

(a) Sujay Mohanlal Kewalramani – Chief Executive Director (CEO)

(b) Dinesh Kewalramani, Chief Operating Officer (COO)

(c) Ritika Sharma, Company Secretary & Compliance Officer

- 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:

(Rs. in Lakhs)

| S. No. | Name of Related Party                 | Relation                 | Nature of Payment                                | Opening Value as on 31.03.2022 | Transaction Value | Amount as on 31.03.2023 |
|--------|---------------------------------------|--------------------------|--|--------------------------------|-------------------|-------------------------|
| 1      | Pinkesh Kewalramani                   | Member/Relative          | Salary   | -                              | 20.63             | -                       |
| 2      | Pinkesh Kewalramani                   | Member/Relative          | Expense reimbursed incurred on behalf of Company | -                              | 1.40              | -                       |
| 3      | Saurabh Daswani                       | Director                 | Expense reimbursed Incurred on behalf of Company | -                              | 0.091             | -                       |
| 4      | Saurabh Daswani                       | Managing Director        | Directors Remuneration                           | 4.59                           | 38.78             | 3.81                    |
| 5      | Saurabh Daswani                       | Managing Director        | Loan from Director                               | -                              | 150.00            | -                       |
| 6      | Kanak Sujay Kewalramani               | Director & CFO           | Directors Remuneration                           | 2.36                           | 38.78             | 0.62                    |
| 7      | Harekrishna Shipping Agency           | Related to Director      | Service Charges                                  | -                              | -                 | -                       |
| 8      | Dinesh Kewalramani                    | Interest in Voting Power | Salary   | -                              | 34.55             | -                       |
| 9      | Dinesh Kewalramani                    | Interest in Voting Power | Expense reimbursed incurred on behalf of Company | -                              | 27.03             | -                       |
| 10     | D K Contractor                        | Other Related Party      | Management Contract                              | 0.25                           | 2.86              | -                       |
| 11     | Sujay Kewalramani                     | Relative of Director     | Expense reimbursed incurred on behalf of Company | -                              | 20.90             | -                       |
| 12     | Sujay Kewalramani                     | Relative of Director     | Salary   | -                              | 15.86             | -                       |
| 13     | Sujay Kewalramani                     | Relative of Director     | Professional Fees                                | -                              | 45.59             | -                       |
| 14     | Indian Ports Dredging Private Limited | Subsidiary               | Charter & Hire Income – Revenue                  | 36.87                          | 406.64            | 19.90                   |
| 15     | Knowledge Infra Ports Private Limited | Subsidiary               | Contractual Deductions                           | -                              | 140.57            | -                       |
| 16     | Knowledge Infra Ports Private Limited | Subsidiary               | Charter & Hire Income - Revenue                  | 229.58                         | 1532.05           | 221.88                  |



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

(₹ In Lakhs)

| S. No. | Name of Related Party                     | Relation            | Nature of Payment              | Opening Value as on 31.03.2022 | Transaction Value | Amount as on 31.03.2023 |
|--------|---|---------------------|--------------------------------|--------------------------------|-------------------|-------------------------|
| 17     | KMEW Offshore Private Limited             | Associate           | Crew Wages Income              | 11.09                          | 33.71             | 2.88                    |
| 18     | Kamal Marine & Engineering Works Pvt Ltd  | Other Related Party | Construction of Capital Assets | 523.54                         | 367.50            | 116.63                  |
| 19     | M/s KMEW Offshore Private Limited         | Associate           | Corporate Guarantee            | 230.86                         | -                 | 200.00                  |
| 20     | M/s Indian Ports Dredging Private Limited | Subsidiary          | Corporate Guarantee            | 70.00                          | -                 | 70.00                   |

Director's remuneration for the year 2022-2023 is as per limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

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

**KNOWLEDGE INFRA PORTS PRIVATE LIMITED**

| S. No. | Name of Related Party                        | Relation        | Nature of Payment     | Opening Value as on 31.03.2022 | Transaction | Amount as on 31.03.2023 |
|--------|--|-----------------|-----------------------|--------------------------------|-------------|-------------------------|
| 1      | Knowledge Marine & Engineering Works Limited | Holding Company | Hire Charges (Income) | 229.58                         | 1532.05     | 221.88                  |
| 2      | Knowledge Marine & Engineering Works Limited | Holding Company | Contractual Penalty   | -                              | 140.57      | -                       |

**INDIAN PORTS DREDGING PRIVATE LIMITED**

| S. No. | Name of Related Party                        | Relation        | Nature of Payment     | Opening Value as on 31.03.2022 | Transaction | Amount as on 31.03.2023 |
|--------|--|-----------------|-----------------------|--------------------------------|-------------|-------------------------|
| 1      | Knowledge Marine & Engineering Works Limited | Holding Company | Hire Charges (Income) | 36.87                          | 406.64      | 19.90                   |

**KMEW OFFSHORE PRIVATE LIMITED**

| S. No. | Name of Related Party                     | Relation          | Nature of Payment               | Opening Value as on 31.03.2022 | Transaction | Amount as on 31.03.2023 |
|--------|---|-------------------|---------------------------------|--------------------------------|-------------|-------------------------|
| 1      | Knowledge Marine & Engineering Works Ltd. | Associate Company | Wages & Management Exp (Income) | 11.09                          | 33.71       | 2.88                    |

**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.

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

(₹ In Lakhs)

**A) Actuarial Assumptions**

| Particulars                 | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| Discount rate               | 7.5 % per annum  | 7.25 % 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**

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Present value of the obligation at the end of the period               | 16.16            | 9.90             |
| Fair value of plan assets at end of period                             | 0.00             | 0.00             |
| Net liability/(asset) recognized in Balance Sheet and related analysis | 16.16            | 9.90             |
| Funded Status - Surplus/ (Deficit)                                     | (16.16)          | (9.90)           |

**C) Expenses recognised in the statement of Profit & Loss**

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Interest cost                                      | 0.712            | 0.36             |
| Current service cost                               | 5.25             | 3.98             |
| Past Service Cost                                  | 0.00             | 0.00             |
| Expected return on plan asset                      | (0.00)           | (0.00)           |
| Net actuarial (gain)/loss recognized in the period | 0.30             | 0.62             |
| Expenses to be recognized in P&L                   | 6.26             | 4.96             |

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

| Particulars  | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Present value of the obligation at the beginning of the period | 9.90             | 4.94             |
| Interest cost  | 0.72             | 0.36             |
| Current service cost   | 5.25             | 3.98             |
| Past Service Cost  | 0.00             | 0.00             |
| Benefits paid (if any)   | 0.00             | 0.00             |
| Actuarial (gain)/loss  | 0.29             | 0.62             |
| Present value of the obligation at the end of the period       | 16.16            | 9.90             |

**E) Changes in defined benefit obligations**

| Particulars                                      | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Opening gross defined benefit liability/ (asset) | 9.90             | 4.94             |
| Expenses to be recognized in P&L                 | 6.26             | 4.96             |
| Benefits paid (if any)                           | 0.00             | 0.00             |
| Closing gross defined benefit liability/ (asset) | 16.16            | 9.90             |

**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.

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

(₹ In Lakhs)

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

| Sl. No. | Particulars        | Amount<br>31.03.2023 | Amount<br>31.03.2022 |
|---------|--------------------|----------------------|----------------------|
| 1       | Audit Fee          | 7.11                 | 7.89                 |
| 2       | Tax Expenses       | 1597.72              | 6670.81              |
| 3       | Corporate Dividend | Nil                  | Nil                  |

**6. Trade Receivable ageing schedule**

Current outstanding as on 31.03.2023

| Current outstanding as on<br>31.03.2023           | 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 | 4581.87  | 998.18          | -         | -         | -                 | 5580.05        |
| Secured, Considered Good                          | -  | -               | -         | -         | -                 | -              |
| Unsecured, Considered Good                        | -  | -               | -         | -         | -                 | -              |
| Less:- Provision for doubtful debts               | -  | -               | -         | -         | -                 | -              |
| <b>Total</b>                                      | <b>4581.87</b>   | <b>998.18</b>   | -         | -         | -                 | <b>5580.05</b> |

| Current outstanding as on<br>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 | 394.28   | -               | -         | -         | -                 | 394.28        |
| Secured, Considered Good                          | -  | -               | -         | -         | -                 | -             |
| Unsecured, Considered Good                        | -  | -               | -         | -         | -                 | -             |
| Less:- Provision for doubtful debts               | -  | -               | -         | -         | -                 | -             |
| <b>Total</b>                                      | <b>394.28</b>  | -               | -         | -         | -                 | <b>394.28</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**

| Aging schedule as on 31.03.2023 | 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                            | 24.60  | -                  | -                   | -                 | 24.60          |
| Others                          | 2585.88  | -                  | -                   | -                 | 2585.88        |
| Disputed dues – MSME            | -  | -                  | -                   | -                 | -              |
| Disputed dues – others          | -  | -                  | -                   | -                 | -              |
| <b>Total</b>                    | <b>2610.48</b>   | -                  | -                   | -                 | <b>2610.48</b> |

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

| 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  | -                  | -                   | -                 | 19.27         |
| Others                          | 597.55   | -                  | -                   | -                 | 597.55        |
| Disputed dues – MSME            | -  | -                  | -                   | -                 | -             |
| Disputed dues – others          | -  | -                  | -                   | -                 | -             |
| <b>Total</b>                    | <b>616.82</b>  | <b>-</b>           | <b>-</b>            | <b>-</b>          | <b>616.82</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 |         |           |         |           |         |                   |         | Total             |           |
|--------------------------------|--------------------------------|---------|-----------|---------|-----------|---------|-------------------|---------|-------------------|-----------|
|                                | Less than 1 year               |         | 1-2 years |         | 2-3 years |         | More than 3 years |         | More than 3 years | Total     |
| Financial Year                 | 2022-2023                      | 2021-22 | 2022-23   | 2021-22 | 2022-23   | 2021-22 | 2022-23           | 2021-22 | 2022-2023         | 2021-2022 |
| Projects in progress           | 809.85                         | 180.80  | -         | -       | -         | -       | -                 | -       | 8,09.85           | 180.80    |
| Projects temporarily suspended | -                              | -       | -         | -       | -         | -       | -                 | -       | -                 | -         |

## 10. Capital CWIP

| Particulars              | FY 2022-2023 |  | FY 2021-2022 |  |
|--------------------------|--------------|--|--------------|--|
| Opening CWIP             | 180.80       |  | 285.36       |  |
| Addition during the year | 1671.09      |  | 2587.83      |  |
| Less: Capitalised        | 1042.04      |  | 2692.39      |  |
| Closing CWIP             | 809.85       |  | 180.80       |  |

## 11. CSR Note

Corporate Social Responsibility (CSR) Expenditure

| Particulars  | 2022-23      | 2021-22     |
|--|--------------|-------------|
| Amount required to be spent as per Section 135 of the Act*   | 26.33        | 9.74        |
| Amount spent during the year on :<br>1. Project 'Heal Bundelkhand' (FY 21-22)<br>2. Birds and Animals Hospital at Sunpura Noida & Shahada, Maharashtra. (FY 22-23) | 26.33        | 9.74        |
| <b>Total</b>   | <b>26.33</b> | <b>9.74</b> |

| Particulars  | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------|-----------------------|
| Amount required to be spent by the company during the year | 26.33                 | 9.74                  |
| Amount of the expenditure incurred                         | 26.33                 | 9.74                  |
| Reason for shortfall                                       | -                     | -                     |
| Nature of CSR Activities                                   | Animal Welfare        | Livelihood            |

## Notes to Financial Statements (Contd.)

(₹ In Lakhs)

### 12. 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

#### 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 discrepancies in utilisation of borrowings

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

- (i) 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.
- (ii) 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 indentified by on behalf of the Company (ultimate beneficiary) or provide any guarantee, security or like on behalf of the ultimate beneficiairies.

#### 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.

#### k. Details of Dividend

The Company has not paid any dividend during the year.

13. During the year ended 31st March, 2023 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  
In terms of our report attached

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

Chartered Accountants

FRN NO. 105662W/W100174

**C A Ramesh Luharuka**

Partner

M.No. 031765

Place: Mumbai

Date: 30/05/2023

**Saurabh Daswani**

Managing Director

DIN : 07297445

Place: Mumbai

Date : 30/05/2023

**Kanak Kewalramani**

Whole Time Director & CFO

DIN : 06678703

Place: Mumbai

Date : 30/05/2023

**Ritika Sharma**

Company Secretary & Compliance Officer

Mem No.: A40852

Place: Mumbai

Date : 30/05/2023

For and on behalf of the board of

**Knowledge Marine & Engineering Works Limited**







**Knowledge Marine & Engineering  
Works Limited**  
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