



**KNOWLEDGE MARINE & ENGINEERING WORKS LIMITED**

Ship Builders, Repairers, Charterers and Marine Contractors

CIN: L74120MH2015PLC269596

**Ref:- KMEW/BSE/2022-23/Reg 30/03**

**Date: 26/05/2022**

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

<b>Scrp Code</b>	<b>Symbol</b>	<b>ISIN</b>
<b>543273</b>	<b>KMEW</b>	<b>INEOCJDO1011</b>

**SUB: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 – Investor Presentation**

Dear Sir/Madam,

Pursuant to regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, please find enclosed herewith a copy of Investor Presentation of the Company on the Audited Financial Results for the Financial Year ended on 31<sup>st</sup> March, 2022.

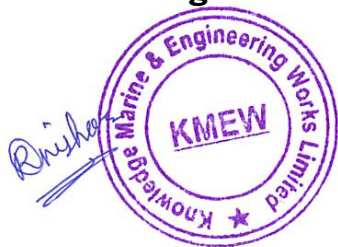
The investor Presentation may also be accessed on the website of the Company at [www.kmew.in](http://www.kmew.in).

You are requested to kindly take the same on your records.

Thanking You

Yours Faithfully

For **Knowledge Marine & Engineering Works Limited**

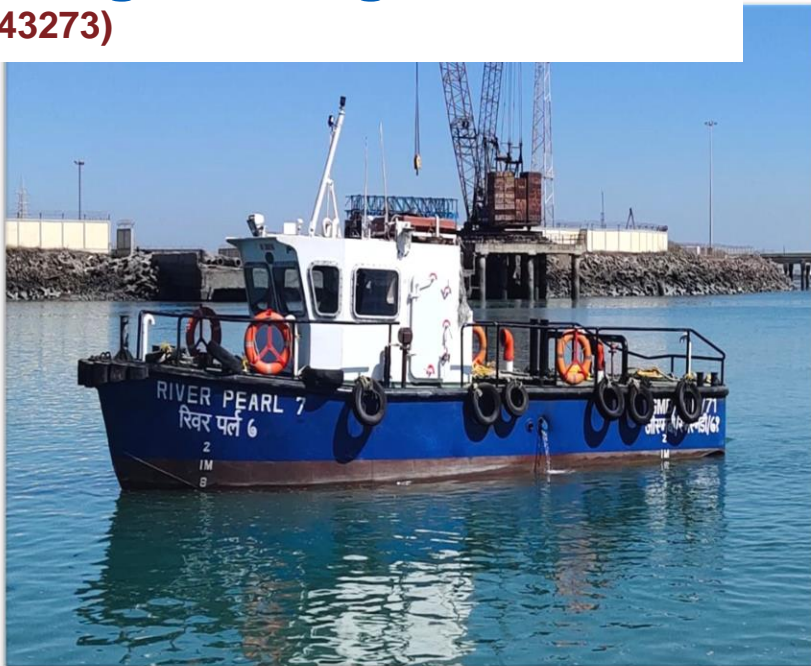


**Ruchi Nishar**  
**Company Secretary & Compliance Officer**  
**M. No. A68260**



## Knowledge Marine & Engineering Works

(BSE: 543273)



## Investor Presentation

(May 2022)

## Key Services

- Dredging across east and west coast of India
- Shipbuilding
- Conducting hydrographic surveys
- Pilotage services
- Security / Patrolling services
- Ship mooring services
- Repair, refit services of naval and merchant ships
- Providing technical solutions for maintenance and operations of vessels

## Major Customers

### Domestic Contracts

- Deendayal Port Trust
- Haldia Port Trust
- Kolkata Port Trust
- Paradip Port Trust
- Vizag Port Trust

### International Contracts

- Kaladan Multi-Modal Transit Transport Project (KMTTP), Sittwe, Myanmar (by Ministry of External Affairs)



**2015**

Incorporated



**100+**

Employees



**Rs. 182 Cr**

Orderbook

Strong revenue growth prospects with EBITDA margins of 40%+ on a sustainable basis

Lower capex due to in-house capability of designing and building fleets

Revenue and cash flow predictability due to long contract tenures > 3 years

Shorter payback period and strong cash generation with Net Debt / EBITDA of 0.12x

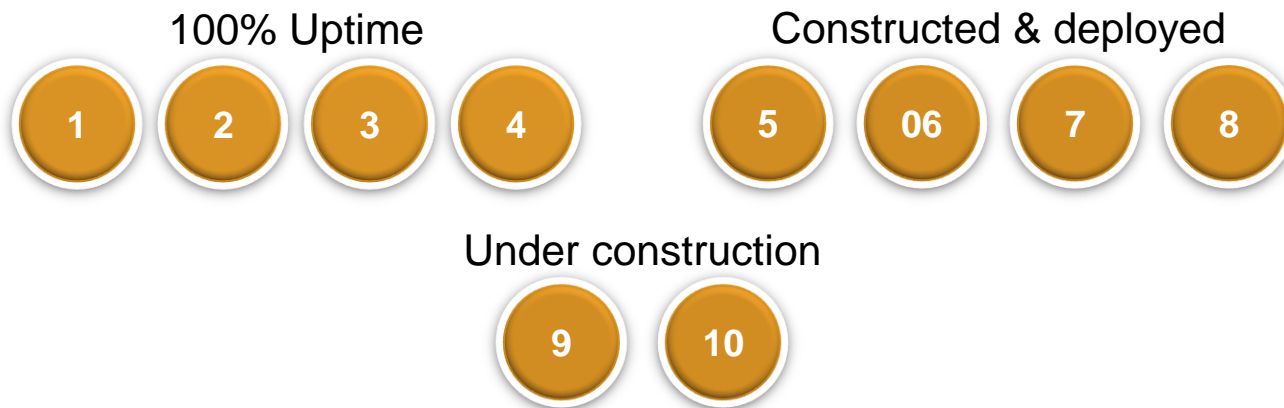
High return on capital employed of ~35%

Prudent business model with capex investment only post contract wins

## Consolidated Financial Highlights: FY2022 vs FY2021

<p><b>Total Income</b></p> <p><b>Rs. 61.6 crores</b> <i>Growth: 83.6%</i></p>	<p><b>Gross Profit</b></p> <p><b>Rs. 38.8 crores</b> <i>Margin: 62.9%</i></p>	<p><b>EBITDA</b></p> <p><b>Rs. 32.9 crores</b> <i>Margin: 53.4%</i></p>
<p><b>Net Profit</b></p> <p><b>Rs. 20.9 crores</b> <i>Margin: 33.9%</i></p>	<p><b>Net Debt</b></p> <p><b>Rs. 3.8 crores</b> <i>ND/EBITDA: 0.1x</i></p>	<p><b>Total CFO</b></p> <p><b>Rs. 34.6 crores</b> <i>EBITDA/CFO: 105%</i></p>

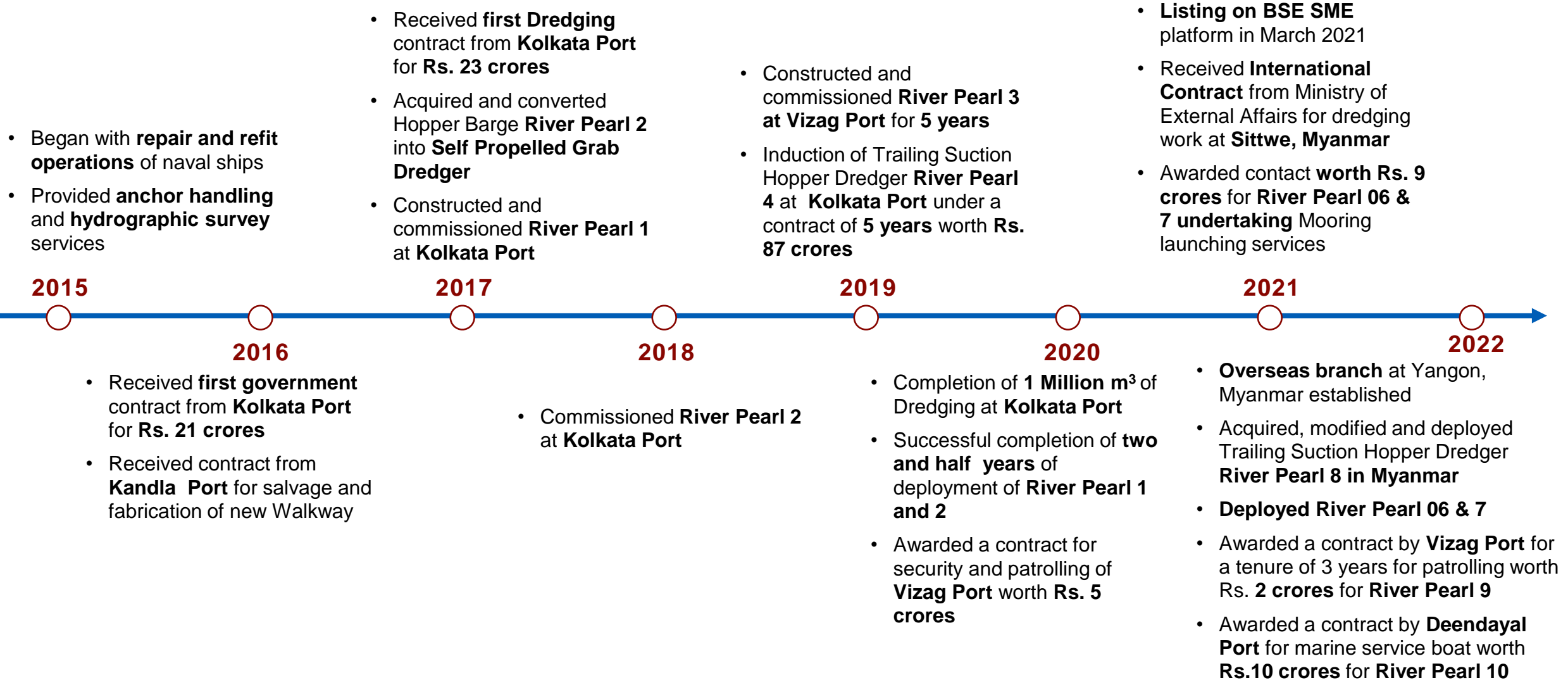
## Fleet Status: River Pearl (RP)



## FY2022 Business Highlights

- **FY22 Dredging Completed:** 1.5 million m<sup>3</sup>
- **Order Book:** Rs. 182 crores as of 31<sup>st</sup> Mar '22
- **RP 5:** Constructed and commissioned at Vizag Port
- **RP 06 & RP 7:** Constructed and commissioned at Deendayal Port
- **First International Contract:** Awarded the contract to assist the Government of India to build the strategic port at Sittwe, Myanmar. Value of Rs. 118 crores for a tenure of 2.5 years
- **RP 8:** Acquired Trailing Suction Hopper Dredger to be deployed at Sittwe, Myanmar
- **RP 9:** Awarded a contract by Vizag Port for a tenure of 3 years, extendable by 2 additional years for patrolling services under International Ship and Port Facility Security Code (ISPS) compliance
- **RP10:** Awarded a contract by Deendayal Port for a tenure 5 years, extendable by 2 years for marine service boat

# Key Events Timeline

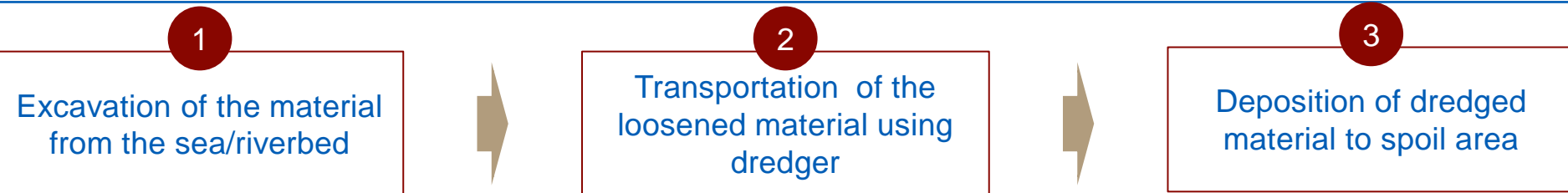


# Dredging Services Overview

## What is Dredging

- Process of removal of sediments and debris from the bottom of oceans and harbors to create navigable waterways for shipping traffic at ports
- Reclaiming dredged material to create new land
- Environmental dredging is undertaken to remove pollutants from the water bodies
- Underwater excavation used to mine minerals, sand, gravel and gold
- Dredging of dams and rivers to remove sediments from the reservoir

## Dredging Process



## Dredging Types

**Capital Dredging:** Removal of sediments which have not been previously dredged. Virgin sediments, channel creation for larger vessels

**Maintenance Dredging:** Removal of sediments accumulated in the channel since the previous dredging project

## KMEW Projects

- Sittwe Port, Myanmar








- Kolkata Port
- Haldia Port

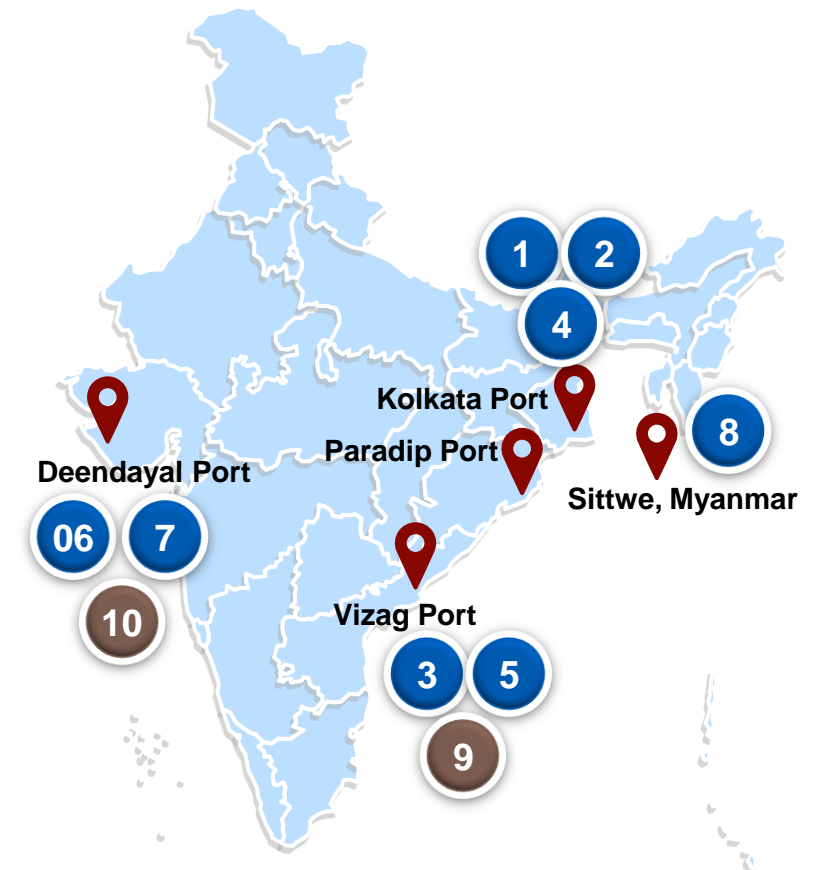
# Other Services Overview



<b>New Shipbuilding</b>	<ul style="list-style-type: none"><li>• Involves the building of large sea-going vessels, usually of steel although other materials can also be used, including wood and composites</li><li>• Shipbuilding and ship repairs, both commercial and military, are referred to as "naval engineering"</li></ul>	<b>Ship Mooring</b>	<ul style="list-style-type: none"><li>• A procedure to anchor the ship to a fixed or floating element and keep it connected during loading or unloading operations</li><li>• Safe mooring must withstand several forces, such as wind, the current, the tide and waves</li></ul>
<b>Hydrographic survey</b>	<ul style="list-style-type: none"><li>• The science of measurement and description of features which affect maritime navigation, marine construction, dredging, offshore oil exploration/offshore oil drilling and related activities</li></ul>	<b>Repair and Refit</b>	<ul style="list-style-type: none"><li>• Provides repair, refit and maintenance services</li><li>• Caters to predominantly naval and merchant ships</li><li>• Includes routine maintenance, repair and surveys to major steel renewal, engine replacement, total machinery overhaul and extensive damage repair</li></ul>
<b>Pilotage services</b>	<ul style="list-style-type: none"><li>• Providing on-board assistance to the captains of ships and other seaborne vessels to help them enter and leave the port and with any other manoeuvres within the port waters thereby ensuring their safety</li></ul>	<b>Technical Solutions</b>	<ul style="list-style-type: none"><li>• Provides technical solutions related to maintenance and operations of vessels</li></ul>
<b>Patrolling services</b>	<ul style="list-style-type: none"><li>• Patrolling patrol service at a coastal area, etc for security, observation and defense</li></ul>	<b>Critical services to support core port activity</b>	

# Ongoing Project Overview

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



- Operational Asset
- Under Construction Asset







## Project Overview

Description	Dredging and providing maintenance on Access Channel and Port basin at Sittwe Port, Myanmar and Kaladan River for Shipping and Navigation in KMTTP, Myanmar
Total Contract Size	Rs. 118 Crores
Project Commencement	January 2022
Project Tenure	<ul style="list-style-type: none"> <li>• <b>Capital Dredging</b> till November 2022</li> <li>• <b>Maintenance Dredging</b> for 2 years starting December 2022</li> </ul>
Project Partner	KMEW (Lead Partner) and Sahara Dredging
Deployed Vessel	River Pearl 8





## Strategic Importance of Sittwe Port, Myanmar for India

- Situated at the mouth of Kaladan river and is **financed by India as a part the Kaladan Multi-Modal Transit Transport Project**, which is a collaboration between India and Myanmar
- Deep underwater port on the Bay of Bengal and **will enhance the transport infrastructure** between southwestern Myanmar and north-eastern India
- Goods can be transported from **Kolkata to Sittwe port and then to Mizoram**
- Provides an **alternative route to North-East India** with the rest of the country and minimize use of narrow Siliguri corridor thereby shortening the travel time by 75%
- The port is of **geo-strategic** importance from **defense** point of view and **national security** for India

# Our Operational Marine Assets (1/2)

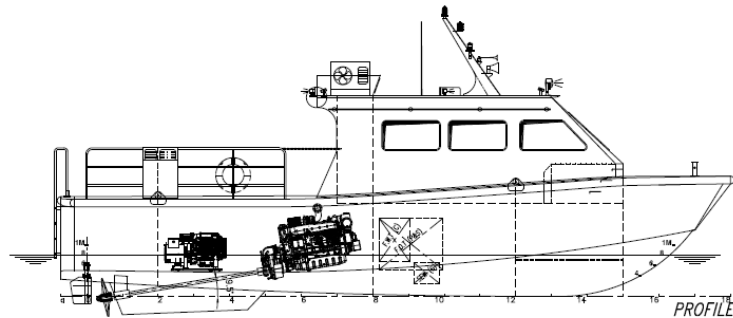
Name	Description	Vessel Speed (Knots)	Gross / Net Vessel Tonnage	Year Built / Builder	Dimension (L x B x D) mts	Loaded Draft (mts)	Engine Make	BHP / RPM
 River Pearl 1	Survey-cum-pilot boat at Kolkata	12	113 / 34	2017 Katale Shipyard	24.5 x 5.5 x 3.0	1.3	Cummins	600 x 2
 River Pearl 2	Grab Hopper Dredger at Kolkata Port	6	622 / 201	2016 Dhanotra Engg Works	51.0 x 12.0 x 3.6	3.1	Cummins	325 x 2
 River Pearl 3	Pilot Boat at Vizag Port	14	35 / 10	2019 Wadia Shipbuilders	15.6 x 4.2 x 2.3	1.3	Scania	350 x 2 / 2,300
 River Pearl 4	Trailing Suction Hopper Dredger at Kolkata Port	10	1,520 / 456	2019 IHC Dredgers	76.0 x 13.0 x 5.5	4.0	Smith-Man	900 x 2

# Our Operational Marine Assets (2/2)

Name	Description	Vessel Speed (Knots)	Gross / Net Vessel Tonnage	Year Built / Builder	Dimension (L x B x D) mts	Loaded Draft (mts)	Engine Make	BHP / RPM
 <p><b>River Pearl 5</b></p>	Fast Patrol Boat for Coastal & Port Security at Vizag Port	20	33 / 10	2021 Synergy Shipbuilders	14.8 x 4.4 x 2.2	0.9	Cummins	455 x 2 / 2,100
 <p><b>River Pearl 06</b></p>	Mooring Launches at Vadinar, Deendayal Port	11	16 / 5	2021 Synergy Shipbuilders	11.0 x 3.5 x 1.9	1.1	Ashok Leyland	120 x 2 / 2,400
 <p><b>River Pearl 7</b></p>	Mooring Launches at Vadinar, Deendayal Port	11	16 / 5	2021 Synergy Shipbuilders	11.0 x 3.5 x 1.9	1.1	Ashok Leyland	120 x 2 / 2,400
 <p><b>River Pearl 8</b></p>	Trailing Suction Hopper Dredger at Sittwe Port, Myanmar	12	2,326 / 698	2004 Cochin Shipyard	69.9 x 14.6 x 5.4	4.6	Catterpillar	1,000 x 2 / 2,200

## River Pearl 9

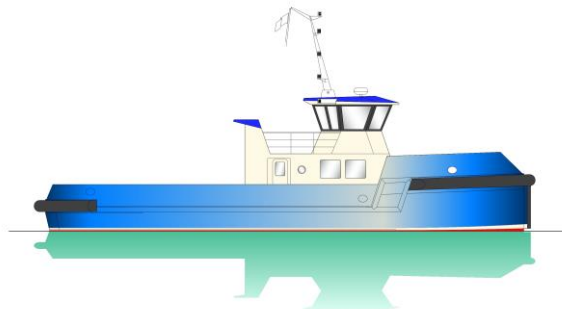
**Speed Patrol Boat for Coastal & Port Security to be deployed at Vizag Port**



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

## River Pearl 10

**Service Boat for various marine services to be deployed at Deendayal Port Trust**

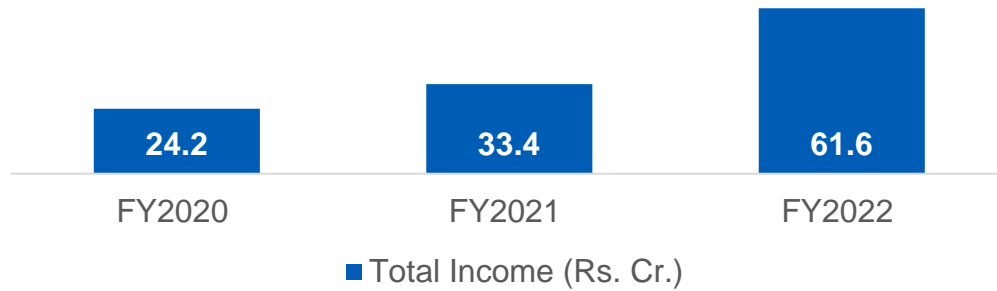


Description	Service Boat
Expected Completion / Builder	Dec 2022 / Synergy Shipyard, Goa
Dimension (Length x Breadth X Depth)	21.0 x 7.2 x 3.0
Loaded Draft	2.4
Vessel Speed	11 Knots
Main Engine Make	Cummins

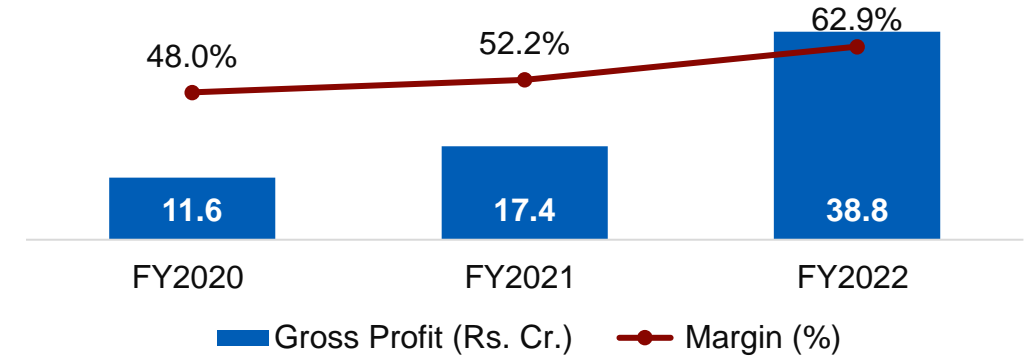
# Annual Performance Trends



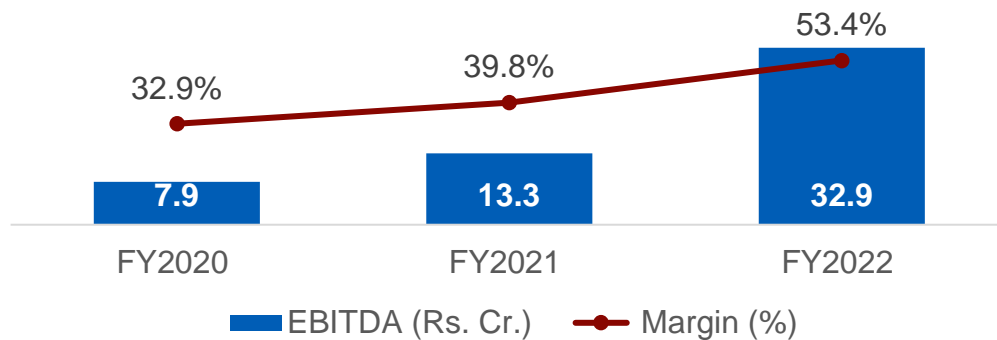
## Total Income



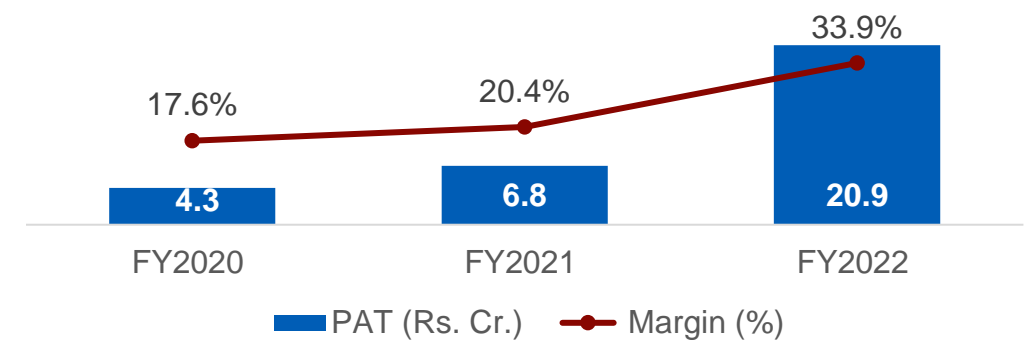
## Gross Profit and Margins



## EBITDA and Margins



## PAT and Margins

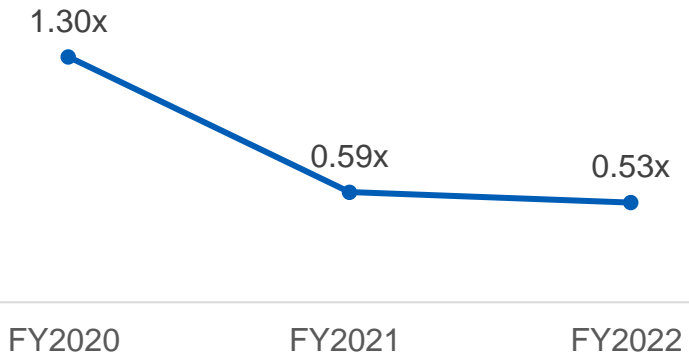


# Leverage Profile

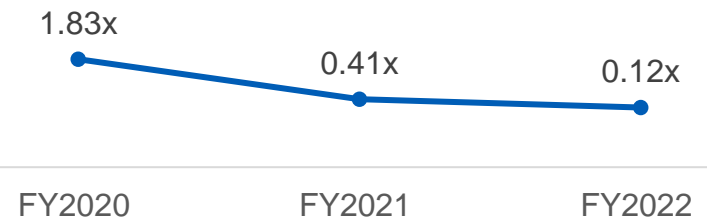
(Rs. Crores)	Mar-20	Mar-21	Mar-22
Short Term Debt	5.1	5.3	9.2
Long Term Debt	11.0	11.6	17.2
<b>Total Debt</b>	<b>16.1</b>	<b>16.9</b>	<b>26.4</b>
Cash and Cash Equivalents	1.6	11.5	22.6
<b>Net Debt</b>	<b>14.5</b>	<b>5.4</b>	<b>3.8</b>
Equity	12.4	28.9	49.8

- All existing debt facilities are aligned with the contract tenure of specific fleets and KMEW typically repays the debt before completion of tenure of any contract
- Debt consolidation has resulted in lowering of cost of debt to 7.5% currently from excess of 15% earlier
- Also reduced tenure of all debt facilities to around 4 years from over 10 years earlier

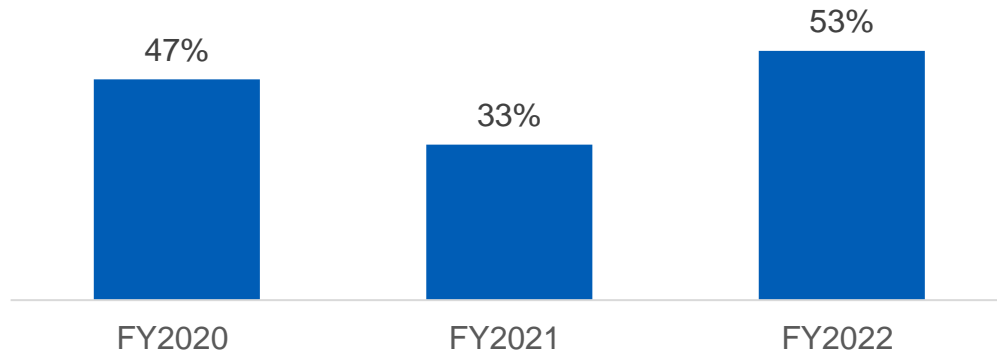
## Total Debt / Equity (x)



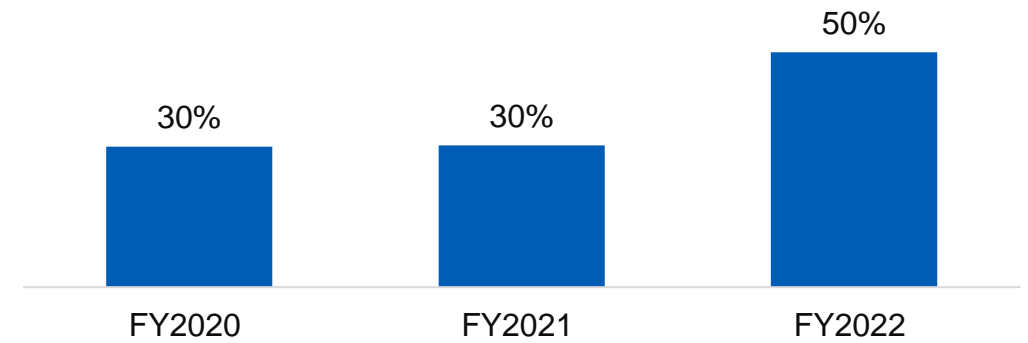
## Net Debt / EBITDA (x)



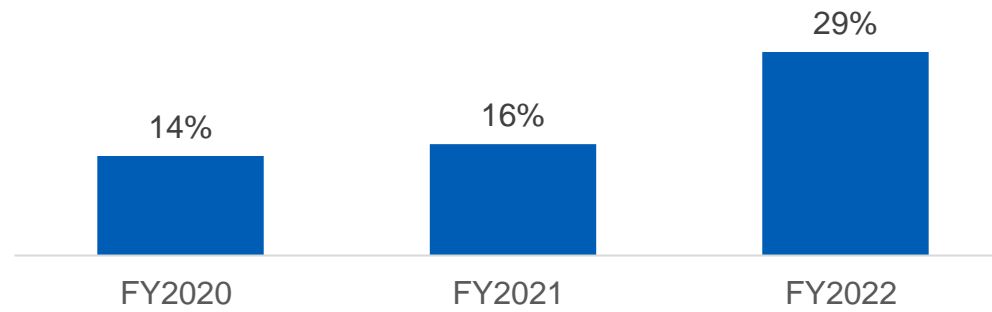
## Return on Equity



## Return on Capital Employed



## Return on Asset



## Cutter Suction Dredgers (CSDs)

- CSDs are hydraulic dredgers, have the ability to dredge nearly all kinds of soils and are used where the ground is too hard for trailing suction hopper dredgers
- Plans to tie up with a strategic partner to create a Special Purpose Vehicle (SPV) with the objective is to enter sand mining segment

## Ship Building

- New vertical of construction of ships and other floating vessels
- Plans to partnering with a major Indian shipyard to set up this division
- Leverage existing relationships with key Government agencies to cater to their fleet requirements

## Ship Scrapping

- Plans to start new vertical of ship scrapping which will provide services including breaking up of old ships
- The dismantled will be sold for re-use or as scrap
- In discussion for strategic partnership with a ship scrapping company having extensive experience of over 20 years

## Fishing Harbour

- Plans of developing and operating fishing harbour
- Submitted commercial bids with various Fisheries Departments



## Policy Support

- Sagarmala, a project of Government of India (GOI) in 2015 to set up mega ports; **modernize ports and, develop Coastal Economic Zones**
- The new Shipbuilding Financial Assistance Policy for Indian shipyards provides **financial grant, to Indian shipyards for shipbuilding contracts**
- The draft Inland Vessels Bill, 2020 is to address **new standards of safety and environment regulation** and the current technology changes
- Make in India initiative ensures **purchase preference to domestic suppliers/contractors**
- **First right of refusal, for companies owning Indian flag dredgers**, if the rate is within 10% of the lowest valid offer

## Other Opportunities

- India dredging market is expected to grow at a **CAGR of nearly 4.4% during 2020-2026**. The industry is significantly driven by the increasing demand for dredging from its major and non-major port
- Expected annual Indian **market size of \$300 Mn and \$100 Mn for maintenance dredging & for capital dredging**, respectively
- 95 % cent of Indian foreign trade volume through ports, a huge **potential for dredging and ship repair services**
- Prevailing market practice of client providing **long term contracts**, opens room for greater viability of revenue
- Dredging activity has huge **potential in India with large number of dams/ lakes** in India
- Indian inland waterways has a **network of 111 National Waterways** consisting of rivers, canals and creeks
- India has **14.5K km inland waterways and 7.5K km of coastline**

# Key Management Team



- Responsible for overall management of the organization with over 6 years of experience
- Area of expertise include budgeting and cost control
- Commerce Graduate from Gujarat University and also an Inter CA and CS and a Post Graduate Diploma in Business Administration from Symbiosis

**Saurabh Daswani**  
Managing Director



- Over 12 years of experience in the field of dredging at various major ports of India
- Track record of executing contracts over Rs. 1,000 crores in last 12 years
- Masters and Bachelors in Marine Mechanical Engg. from University of New Orleans

**Dinesh Kewalramani**  
Chief Operations Officer



- Has over 12 years of experience in the field of compliance, law, finance and taxation
- Qualified Company Secretary from the Institute of Company Secretaries of India
- A Bachelorette from State Law College, Bhopal (MP) and Post Graduate Diploma in Business Administration from Symbiosis

**Kanak Kewalramani**  
Whole Time Director and CFO



- Over 7 years of experience in the field of ship building, repairing, refitting, testing, docking and dock-planning of marine craft
- Bachelors in Mechanical Engg. from Indus Engineering of Technology and Engg., Ahmedabad

**Pinkesh Kewalramani**  
Chief Technical Officer



- Over 15 years of experience in ship building, repairing, marine and dredging industry
- Prior experiences include L&T Shipbuilding, Mercator and Adani Ports
- Masters and Bachelors in Naval Architecture and Marine Engg. from University of New Orleans

**Sujay Kewalramani**  
Chief Executive Officer



- Over 2 years of experience in the field of corporate law, listing regulations, FEMA compliances, legal drafting and other compliances
- An Associate Member of the Institute of Company Secretaries of India

**Ruchi Nishar**  
CS and Compliance Officer

# Board of Directors



**Saurabh Daswani**  
Managing Director



**Ashish M Mohandas**  
Independent Director



**Kanak Kewalramani**  
Whole Time Director and CFO



**Sandeep Zaveri**  
Independent Director



**Jagat Jiban Biswas**  
Non Executive Director

-  Audit Committee
-  Nomination & Remuneration Committee
-  Stakeholder Relationship Committee
-  Indicates Chairman of the Committee

# Income Statement



(Rs. Crores)	12M FY20	12M FY21	12M FY22
Revenue from Operations	23.9	33.3	61.1
Other Income	0.3	0.1	0.5
<b>Total Income</b>	<b>24.2</b>	<b>33.4</b>	<b>61.6</b>
<b>Expenses</b>			
Cost of Operating Expenses	12.6	16.0	22.8
Employee Benefit Expenses	1.6	2.0	2.7
Finance Cost	1.1	1.7	2.5
Depreciation and Amortisation Expenses	1.5	2.1	2.4
Other Expenses	2.0	2.2	3.2
<b>Total Expenses</b>	<b>18.9</b>	<b>23.9</b>	<b>33.6</b>
<b>Total Profit / (Loss) before Exceptional item and Tax</b>	<b>5.3</b>	<b>9.5</b>	<b>28.0</b>
Exceptional Item	0.0	0.0	0.0
<b>Total Profit / (Loss) before Tax</b>	<b>5.3</b>	<b>9.5</b>	<b>28.0</b>
Net Current Tax Expenses	1.1	2.6	7.1
<b>Total Profit / (Loss) after Tax</b>	<b>4.3</b>	<b>6.8</b>	<b>20.9</b>

# Balance Sheet



Rs. Crores

LIABILITIES	Mar-20	Mar-21	Mar-22	ASSETS	Mar-20	Mar-21	Mar-22
<b>EQUITY AND LIABILITIES</b>				<b>ASSETS</b>			
<b>Equity</b>				<b>Non-current assets</b>			
Equity share capital	2.5	10.2	10.2	Tangible assets	27.3	27.8	52.6
Other Equity	7.9	16.8	37.1	Intangible assets	0.0	0.0	0.0
Non-controlling interest	1.9	1.9	2.4	Capital work-in-progress	0.0	2.9	1.8
				Investments	1.5	0.3	5.0
<b>Total Equity</b>	<b>12.4</b>	<b>28.9</b>	<b>49.8</b>	<b>Total non-current assets</b>	<b>28.7</b>	<b>30.9</b>	<b>59.3</b>
<b>Non-current liabilities</b>				<b>Current assets</b>			
Borrowing	11.0	11.6	17.2	Inventories	0.3	0.3	0.2
Deferred tax liabilities (Net)	0.9	2.1	3.1	Financial assets			
Long term Provisions	0.0	0.0	0.0	Trade receivables	3.0	0.4	3.9
				Cash and cash equivalents	1.6	11.5	22.6
<b>Total non current liabilities</b>	<b>12.0</b>	<b>13.8</b>	<b>20.2</b>	Short-term loans and advances	0.0	0.1	0.0
<b>Current liabilities</b>				Other current assets	1.8	7.7	7.6
Borrowings	5.1	5.3	9.2				
Trade payables	2.6	0.5	6.2	<b>Total current assets</b>	<b>6.8</b>	<b>20.1</b>	<b>34.3</b>
Other current liabilities	2.1	0.2	1.4				
Provisions	1.4	2.2	7.0				
<b>Total current liabilities</b>	<b>11.2</b>	<b>8.3</b>	<b>23.8</b>				
<b>Total Equity &amp; Liabilities</b>	<b>35.5</b>	<b>51.0</b>	<b>93.7</b>	<b>Total Assets</b>	<b>35.5</b>	<b>51.0</b>	<b>93.7</b>

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Knowledge Marine & Engineering Works Limited (“KMEW” or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Knowledge Marine & Engineering Works Limited undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

## For further information, please

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

+91 22 3553 0988  
[kanak@kmew.in](mailto:kanak@kmew.in)

**Anvita Raghuram / Bijay Sharma**  
Churchgate Partners

+91 22 6169 5988  
[kmew@churchgatepartners.com](mailto:kmew@churchgatepartners.com)



## **Knowledge Marine & Engineering Works Ltd**

Office no 402, Sai Samarth Business Park,  
Deonar Village Road, Govandi (East),  
Mumbai - 400 088, India

Phone: +91 22 3553 0988

Email: [info@kmew.in](mailto:info@kmew.in)

[www.kmew.in/index.html](http://www.kmew.in/index.html)