



KNOWLEDGE MARINE & ENGINEERING WORKS LIMITED

Ship Builders, Repairers, Charterers and Marine Contractors

CIN: L74120MH2015PLC269596



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Date: June 12, 2026

To,

Listing Department

BSE Limited

P. J. Towers,

Dalal Street, Fort

Mumbai- 400001

Listing & Compliance Department

The National Stock Exchange of India Limited

Exchange Plaza, C-1 Block G,

Bandra Kurla Complex,

Bandra (E), Mumbai – 400051

Scrip Code	Symbol	ISIN
543273	KMEW	INEOCJDO1029

Sub: Transcript of Earnings Call held on June 05, 2026 on Audited Standalone and Consolidated Financial Results of the Company for the Quarter & Year ended March 31, 2026

In terms of Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended, please find attached herewith the Transcript of Earnings Call held on June 05, 2026 for the Audited Standalone and Consolidated Financial Results of Knowledge Marine & Engineering Works Limited (the “Company”) for Quarter & Year ended March 31, 2026 and the same is available on the Company’s website at <https://www.kmew.in/investor-information.html>

Kindly take the above on record and oblige.

Thanking You,

Yours Faithfully,

For **Knowledge Marine & Engineering Works Limited**

Avdhoot Kotwal

Company Secretary & Compliance Officer

Encl.: a/a



Knowledge Marine & Engineering Works Limited
FY 25 to 26 Earnings Conference Call”
June 05, 2026



**MANAGEMENT: MR. SUJAY KEWALRAMANI – CHIEF EXECUTIVE
OFFICER – KNOWLEDGE MARINE & ENGINEERING
WORKS LIMITED
MRS. KANAK KEWALRAMANI – DIRECTOR AND
CHIEF FINANCIAL OFFICER – KNOWLEDGE MARINE
& ENGINEERING WORKS LIMITED**

Moderator: Good evening, everyone, and welcome to the FY '25 to '26 Earnings Call of Knowledge Marine & Engineering Works Limited. Today on this call, we have Mr. Sujay Kewalramani, Chief Executive Officer, along with Mrs. Kanak Kewalramani, Director and Chief Financial Officer.

Before we begin with this call, I would like to give a short disclaimer. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as of today. And actual results may differ materially. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

With this, I now hand the call over to Mrs. Kanak Kewalramani for the opening remarks and providing brief about financial performance of the company. Over to you, ma'am.

Kanak Kewalramani: Thank you. Good evening, everyone.

On behalf of the management team, I would like to welcome all our shareholders, investors, analysts and stakeholders to the earnings call of Knowledge Marine & Engineering Works Limited for the financial year 2025-'26.

Thank you for joining us and for your continued trust and confidence in KMEW.

FY 25-26 has been a defining year in the evolution of our company.

Over the last decade, KMEW has transformed from a specialized maritime services company into an integrated maritime infrastructure platform with capabilities spanning dredging, marine chartering and shipbuilding.

As we completed our 10-year milestone during the year, we also entered what we believe is the next phase of our growth journey, one driven by scale, integration, long-term contracts and National Maritime opportunities.

Going ahead with the financial year 26 Financial Performance,

I am pleased to share that Financial Year 25-26 was another year of strong financial and operational execution.

For Financial Year 26, our consolidated revenue from operations stands at ₹ 256 crores compared to around ₹ 201 crores in FY 25, reflecting healthy growth across business verticals.

More importantly, we maintained robust profitability with an EBITDA of approx ₹ 97 crores and EBITDA margins of nearly 38%, demonstrating our disciplined project selection strategy and operational efficiency. Profit after tax stood at approximately ₹ 79 crores, translating into a PAT margin of approx 31%, reflecting strong earnings quality and execution excellence.

What is important here is not only the growth in numbers, but the quality and sustainability of earnings.

At KMEW, we continue to remain highly selective in project bidding with a strategic focus on contracts that meet our return thresholds and profitability expectations. Our objective is not merely to grow revenues, but to create long-term shareholders value through margin-accretive business opportunity.

Coming to Capital allocation and Balance sheet

During the year, we also strengthened our financial foundation.

The successful capital raise has further enhanced our ability to pursue growth opportunities while maintaining prudent leverage. We continue to remain disciplined in capital allocation and focused on deploying capital only towards projects with strong visibility, high returns and strategic relevance.

I would now like to bring in the focus of our stakeholders towards a strong order book providing multiyear visibility.

One of the strongest indicators of our future growth visibility is our order book.

During the year, we secured the orders of ₹ 1,075 crores, which is highest order win in the history of KMEW.

As of Financial Year 26, KMEW has a diversified order book of approx ₹ 1,400 crores spread across dredging, charter hire and shipbuilding. Importantly, a substantial portion of this order book carries long duration tenure, thereby enhancing revenue predictability and cash flow visibility.

One of the crucial project highlights is the rock dredging contract awarded by JNPA for an amount of ₹ 50 crores, which was to be executed over a period of three months.

We are glad to inform that we have successfully executed the contract with underwater control drilling and blasting which require high expertise and knowledge. For the said project, we also built and develop River Pearl 47, which is India's largest and deepest self-propelled backhoe dredger.

Coming to the execution part, we have completed 2 contracts awarded by DCI for the capital dredging work at Paradip, with total dredge quantity of 151,000 valued at INR15 crores.

We have also successfully completed one more contract awarded by DCI for the dredging project to be carried out at Pondicherry port. It is one of the vital projects wherein the scope of work involved clearing sediment deposition in the port mouth, entrance channel, approach areas and center zone by restoring the navigational debt from existing debt levels to the design depth of 5.0 meters and 8.0 meters.

Further continuing our journey of the order book, I would now like to highlight our strategic breakthrough in Green Tug segment.

We successfully secured **two Green Tug contracts from V. O. C. Port and Vishakhapatnam Port,** aggregating to ₹ 650 crores in contract value with a 15-year tenure. These projects represent not just order wins, but our entry into a future focused, high-value maritime vertical aligned with India's sustainability agenda.

India's maritime sector is undergoing a structural transition under the **Green Tug Transition Program,** which seeks to replace conventional diesel harbor tugs with cleaner, more sustainable alternatives over time. We believe KMEW is strategically positioned among a select group of domestic players with the capability to participate in this transformation.

The significance of these projects lies beyond their size. These are **long tenure, high-visibility contracts** that strengthens recurring revenue schemes and create a scalable platform for future opportunities in green maritime infrastructure.

To continue, we have also achieved a very important milestone during the year, that is our progress in **backward integration through shipbuilding.**

Historically, KMEW has operated marine assets and executed projects. Today, we are increasingly becoming a company that can also design, construct, own, deploy and maintain maritime vessel internally.

Through our shipbuilding subsidiary, we are executing major Inland Waterways Authority of India orders for building cutter suction dredgers and ancillary craft, further strengthening our presence in indigenous marine manufacturing.

We have also acquired 15 acres of land near Saphale at Palghar district to develop a state-of-the-art shipyard facility. The said land is strategically positioned in close proximity to the upcoming Vadhvan Port.

This integration and acquisition enhances our strategic positioning in 3 ways.

First, it improves capital efficiency and reduces dependency on the third-party builders;

Second, it strengthens our ability to participate in India's growing Atmanirbhar Bharat-lead maritime manufacturing ecosystem and;

Third, it creates the potential for higher margin value capture across the maritime value chain.

We see shipbuilding becoming an increasingly meaningful contributor over the coming years.

To conclude, at KMEW, we are not merely building a larger company, we are building an institution designed for long-term value creation.

As we enter our next decade, our aspiration remains ambitious but clear, to become one of India's most respected and integrated maritime infrastructure company while creating sustainable wealth for all stakeholders.

With that, I would like to thank all our shareholders, employees, customers, lenders and partners for their continued support and trust in our journey. We will now open the floor for questions. Thank you very much.

Moderator: Thank you ma'am. The first question comes from the line of Shubham Kadhi with 3A Financial Services. Please go ahead.

Shubham Kadhi: Hello management thank you for the opportunity. I had a couple of questions. First one is regarding the order book. If we compare our order book given in H1, we can see that we have only added 1 additional contract from DCI worth ₹ 50 Crores that was supposed to be executed mid win. So is there any slowdown in order booking or the demand environment or anything as such?

Sujay Kewalramani: Hi Shubham. This is Sujay Kewalramani. There is no slowdown.

Moderator: I'm sorry to interrupt. Your voice is fading away. I would request you to come closer to the mic.

- Sujay Kewalramani:** Is my voice clear?
- Moderator:** Much better, sir. Please go ahead.
- Sujay Kewalramani:** So once again, we have a bid pipeline in excess of ₹ 2,000 crores. And these orders are expected to flow in over a period of next 3 months. So there is no slowdown in either bidding or the upcoming orders.
- Shubham Kadhi:** Okay sir, and what would be the status in the Bahrain sand mining project like since it is excluded from the order book right now?
- Sujay Kewalramani:** So unless the situation stabilizes, normalizes and its business as usual, we don't intend to put any of our vessels in that region at present. So only once the situation stabilizes, then we'll look at it.
- Shubham Kadhi:** Okay, sir. And I wanted to understand more about the tax tonnage system. My doubt was that suppose if we build ships and sell them. Will the tax tonnage system be applicable for the revenue coming from those? Or is it just ships that we own and operate?
- Sujay Kewalramani:** So tonnage tax scheme is only applicable to operations of vessel and not for the profit from the shipbuilding.
- Shubham Kadhi:** Only the ones we operate, right?
- Sujay Kewalramani:** Correct.
- Shubham Kadhi:** And one last question, if I can squeeze in. What plans do we have after raising the preference issue that we did? Like do we have any expansion - capex expansion plan in the foreseeable future?
- Sujay Kewalramani:** So, the pref round that we had done, the capital that we had raised, it's already getting deployed in various phases. The same is expected to be utilized over a period of 12 to 16 months.
- Shubham Kadhi:** Okay sir, that is all from my end, I wish you the best of luck.
- Moderator:** The next question comes from the line of Gaurav Shukla with Finvestor.
- Gaurav Shukla:** Thank you for giving me the opportunity to ask questions sir. I want to ask guidance of FY 27 and FY 28. Any guidance, sir?
- Sujay Kewalramani:** So we are projecting a revenue increase of 30% year-on-year for the next 2 years.
- Gaurav Shukla:** Okay sir. And EBITDA margins -- blended EBITDA margins, sir?
- Sujay Kewalramani:** So our EBITDA margins will continue to remain between 35% to 40%.

Gaurav Shukla: Second question is regarding order book. Just -- in first call, you said that 1,000 order booked in this year. So the time line of this order book till when it is executed?

Sujay Kewalramani: So the current order book is to be executed. Some portion of it is long term, which is Green Tug orders, which are going to be executed over a period of 15 years. The balance order book is for execution between 2 to 3 years.

Moderator: The next question comes from the line of Chintan Parikh with Vyom Capital.

Chintan Parikh: Thank you for allowing me and giving me this opportunity and sir congrats on a good set of numbers. Sir, my question, as you mentioned about on the VOCPA, the green tug transition program that we got a 15-year contract. So this will be built by us in our new Saphale location? Or will it be done through third-party manufacturing facilities? And what will be time line and expected expenditure for this?

Sujay Kewalramani: So both the tugs for VOCPA and Vishakhapatnam port are going to be built at the Saphale yard by our own team. That's one of the reasons we are developing the yard because we want to enter into the construction of green tugs and conventional tugs and other small craft. And regarding the time line for construction of both the green tugs. The work has already started, major components have already been ordered. Post-monsoon, the physical construction will commence, which will complete within 9 months of post monsoon.

Chintan Parikh: Understood, sir. On the River Pearl 47, I understand that the contract for the dredging, the rock dredging contract that we have is going to get over soon or already got over. So what is the asset utilization plan for that particular machine? And do we have any such assets which will have at least 3 to 4 months of full period to upcoming monsoon?

Sujay Kewalramani: So, River Pearl 47 was an asset specially created for rock dredging in and around East and West Coast of India. There are several places that we identified that have become challenges for major ports like new Mangalore, Bombay, JNPA, Vishakhapatnam and Tuticorin, where there is hard strata.

These solutions that are possible using that particular dredger are for smaller quantities of rock dredging varying anywhere between 10,000 cubic meters to 500,000 cubic meters. There are various opportunities and bids at tendering stage right now amongst these 5 ports for the utilization of this particular vessel. We see utilization in excess of 240 days per year for River Pearl 47 in the next at least 2 to 3 years.

Chintan Parikh: Okay. Understood, sir. So on the financials, I see that we have a decent increase in short-term in current borrowing and jumped to around ₹ 114 crores, so what was the rationale behind this particular debt?

Kanak Kewalramani: So I would like to answer this question. So the short term borrowings has been increased because we have taken for our short duration of the contract, such as JNPT, which is going to be repaid in this year itself. So that has increased the current borrowing level. Also, there are certain other loans which are going to be over in this particular year itself. So that is why that number has been jumped up, but company has enough of cash. Company in good position and rich in cash, which will be repaid from the internal cash accruals itself.

Chintan Parikh: And then on the Non-current Financial Assets, we saw an increase up to ₹ 340 crores plus. So what does this include? Is it fixed deposit? Is it the preferential equity?

Kanak Kewalramani: These are fixed deposits with a maturity of more than 12 months. So that is why it is reflecting in Non-Current Investments. So that is the pref fund that we have done, plus our internal accruals plus the fixed deposits that are kept in Lien for the bank guarantee facility.

Chintan Parikh: And it includes the preferential equity amount, right?

Kanak Kewalramani: Correct, yes.

Moderator: The next question comes from the line of Krishna Shah with Mangal Keshav Financial LLP.

Krishna Shah: So we've consistently seen that the company has given 40% to 44% of EBITDA margins. But if we see the fourth quarter, we have reported margins of 27%, and revenue has also fallen slightly. So what would be the reason attributable to that?

Sujay Kewalramani: Hi Krishna, so we were executing 2 contracts, JNPA Capital dredging works under Dredging Corporation of India and Pondicherry Fishing Harbor dredging works. The JNPA contract was awarded in the month of November 2025 with 2 months of mobilization and 3 months of execution. Most of the expenditure on the contract took place in the quarter 4 of last year, whereas these are secular contracts, which have a single-stage payment upon 100% completion. And that is why no revenue was recognized in the Q4. The revenue for these contracts, the last final bill for the Pondicherry contract and the JNPA contract will be recognized in quarter 1 of this year.

Sujay Kewalramani: Situation where you find that the EBITDA margin has shrunk. But spread over the Q4 and Q1, if the EBITDA margin is to be calculated, it will be more than

40%. And if we take out expenditures made over both of these projects from Q4, the EBITDA margin will be above 40%.

Krishna Shah: Okay. That's helpful. And one more question on the tonnage tax regime. Now that we have nearly 0% of taxes for the year, can we get some color on what percentage of the fleet or -- because it's -- based on tonnage, what percent of the fleet would currently be eligible under the scheme? Or is it all of it?

Sujay Kewalramani: Any vessels that are being chartered to government of India or any private entity or engaged in any of the dredging work. So that particular segment, we will fall under the tonnage tax scheme. The shipbuilding subsidiary or the revenue generated from the shipbuilding, even in Knowledge Marine at this stage will fall under the corporate tax.

Going forward, it will be easy to bifurcate between the two because Knowledge Marine & Engineering Works Limited would be carrying out the vessel chartering and dredging business, which will fall under the tonnage tax scheme and subsidiary of Knowledge Marine, which is Knowledge Shipyard, shall be doing the shipbuilding activity will fall under corporate tax.

Krishna Shah: Okay and one last question. So with the long-term borrowing being increased and we also did a preferential issue recently, do we have any specific capex plan over the next 12 to 18 months? Or do we see any expansion towards the shipbuilding?

Sujay Kewalramani: So the capex plan presently includes buying of 2 dredgers, adding about 12,000 cubic meter of hopper capacity. This same can be implemented as early as less than 90 days, if all the things fall in place as desired by the company. Also, we are spending money for building and developing the shipyard at this stage. So yes, that is a long-term plan, which will take at least a year for development of the shipyard. But the capex that is to be done on the dredgers, the larger dredgers will be done as early as three months.

Moderator: The next question comes from the line of Vishal Verma with Convergence Capital.

Vishal Verma: Hi thank you for giving me this opportunity and congratulations for the whole team for River Pearl 47. I had a few questions, which is being answered beautifully by you regarding the EBITDA as well as the debt. Now I have one or two questions, actually. So the outstanding of ₹ 24 crores from dredging cost, for which you have already received ₹ 8 crores and the rest ₹ 16 crores is outstanding. So if you give update on that by when can we receive as well as if there is any litigation risk for that ₹ 16 crores?

Sujay Kewalramani: So we completed the Mangrol dredging contract under DCI for Mangrol Fishing Harbour for government of Gujarat. We had to build for the dredging work, so

a unit rate contract, we did certain additional work in terms of additional tolerance that was required. There was some idling and there was an interest cost. So instead of going for litigation, we have tried to work with the DCI and the state government, and we have received 2 out of the 3 additional claims preferred by the contractor. The third one is currently being discussed at various stages, and we are hopeful that we shall receive the same in the current financial year.

Vishal Verma: Got it. And the second question I had is, we are entering into shipbuilding. So if you can help us understand what type of ships or what is the size of ships you are planning to build? Is it full-fledged big vessels or smaller vessels or patrolling vessels kind of ships?

Sujay Kewalramani: So the yard is being designed for vessels from the length of 10 meters to 120 meters total length and with a beam of close to 20 meters max and a draft of 5 meters. There are various vessels which shall fall within this category being mooring boats, tug boats, surveys boats, oil tankers, barges, and they are required all over the globe, including India and the neighboring countries as well. So we are looking at smaller vessels, not the larger vessels.

Vishal Verma: Okay. So we have also plan of exporting these ships, right, to other countries?

Sujay Kewalramani: So we are doing marketing right now, in Europe. Once the yard is fully ready and functional, we have tied up with various designers who work with the ship owners in Europe and the designs that can be made functional still within this yard with the layout, we are projecting to deliver 14 vessels. When the yard is fully functional, that is being able to build and deliver 14 vessels per year. And we are currently marketing that. We believe the export orders will start flowing in either Q3 or Q4 of the current financial year.

Moderator: The next question comes from the line of Sarang Joglekar with Vimana Capital.

Sarang Joglekar: So thanks for the opportunity, my question is on the capex. FY 27, what is the capex number you're looking at?

Sujay Kewalramani: Hi Sarang, we are looking to incur and do capex between ₹ 400 crores to ₹ 500 crores in the current financial year.

Sarang Joglekar: Understood. how will be split, dredgers and shipyard?

Sujay Kewalramani: So close to ₹ 100 crores is on the shipyard. Balance will be acquisition of dredgers and tugs for the company.

Sarang Joglekar: Understood. And currently, how much is your cash balance, including the fixed deposits?

Sujay Kewalramani: So it stands in excess of ₹ 350 crores. Some of it is actually lien marked towards some of the bank guarantees given to various ports. So free cash flow would be close to ₹ 300 crores.

Sarang Joglekar: ₹ 300 crores is available for capex, right?

Sujay Kewalramani: Yes.

Sarang Joglekar: Understood. And the rest of it, you'll be able to do it through your internal accruals.

Sujay Kewalramani: It will be either through debt or we will see, if required, we'll look at the equity route as well, depending on the current market situation and the availability of the vessels in the market.

Sarang Joglekar: Your operational cash flows are also pretty strong. So that's what I'm trying to understand this ₹ 500 crores is pretty good, I mean, achievable.

Sujay Kewalramani: It is pretty much achievable, we always try to retain certain cash in the company, 30% of the top line that is to be achieved by the company. We usually keep that in cash balances.

Moderator: The next question comes from the line of Pankaj Sachdeva with Avis Capital.

Pankaj Sachdeva: Hi Good afternoon, firstly thanks a lot for the opportunity. Secondly, I apologize, I joined a little late and I missed the update management gave. So my apologies if my question is covered as part of that. So I have two questions. One is regarding the Q3 investor call we actually did last time. And there were two things which were mentioned over there. One was about the top line.

We were told that ₹ 90-odd crores top line, which we achieved in Q3 is kind of new normal for us, but we see a meaningful decrease in Q4 numbers. And I just heard that you explained one of the projects, the billing got carried forward to Q1. Is that the reason of that dip? And if yes, then what is the quantum of billing we are looking forward to achieve out of that in Q1?

In the same meeting, we were also told that the Debtors days would be in the range of 45 to 60-odd days. And then we were planning to achieve those numbers by end of this financial year, which we concluded. But the numbers which are presented to us, they show a very different picture. So if you can just help us putting some more color on that. I have a second question, I will ask once you are able to respond on this.

Sujay Kewalramani: Hi Pankaj, I would like to answer the first question. The guidance was on margins and revenue will continue to increase, not sustain the same. So a little clarity on that. But in terms of margins, we will continue to have similar margins. Regarding the debtor days, we said that we -- it falls between 45 to 60 days, and we are trying to bring them within that range.

Pankaj Sachdeva: But we are still as we speak, we are quite far away from that, right? Is there a reason for that? Or I mean is there some one long outstanding which is kind of hitting us on that? Or is there something else?

Sujay Kewalramani: So that's the ₹ 16 crores outstanding that I discussed in the call before. That's only one of the outstanding. That is not the regular billing. That's the claim that we have preferred that you are seeing, which is one-off, not for each and every billing.

Pankaj Sachdeva: Okay. And regarding the top line, sir, what is the new normal we should expect on a quarterly note? I know you explained the guidance of 30 and odd percent growth on top line for the next 2 years. Is there some quarterly guidance we can expect?

Sujay Kewalramani: So see, typically, during the monsoon Quarter 1 and Quarter 2 monsoon months, it is lower. As soon as the monsoons get over, the seasons opened up in the third and fourth quarter, the numbers are higher than the first and second quarter. I would like to restrict myself to a yearly number rather than the quarterly number at this stage.

Pankaj Sachdeva: No problem, thank you. And my second question is regarding the overseas subsidiaries, both Bahrain and Myanmar. On Bahrain, we saw a good top line, ₹ 20-odd crores with a negative EBITDA or negative margins on that account. That's one. On Myanmar, we see a significant drop on our revenue from last financial year. Can you help with some color on that?

Sujay Kewalramani: So Bahrain, we presently are not doing any operations. The vessel has been moved out and it has been gainfully deployed in India. As I mentioned in the earlier question, once the situation normalizes, there is good opportunity there, but we are presently not looking to put the vessel at risk wherein there is no evacuation plan from there, proper evacuation plans and proper insurance covers. So once the situation normalizes, we will recommence the operations in Bahrain.

Presently, there is no ongoing work in Myanmar. Even the vessel that was engaged in Myanmar has been gainfully deployed in the Port of Ghogha in the state of Gujarat right now. So that is the reason. So once the Myanmar contracts come up again and we have additional fleet, additional vessels

available for that contract, you would see revenues flowing in from that segment as well.

Moderator: The next question comes from the line of Shubham, an individual investor. Please go ahead. Since there is No response from the participant, we move to the next participant who is Saurabh Gupta with Financially Free.

Saurabh Gupta: Sir, you have just mentioned that Q4, our revenue got dipped because of one-off event and the same reason for dip in the margin. So if I adjust that and see our full year picture, then full year might be 30% growth with 40% EBITDA margin. So if we adjust and see the numbers, so as you have just told in your opening remarks that you are aspiring or doing vision of 30% growth in FY 27 and 28 with margin of 35% to 40% so is my understanding correct that going forward, our margin may dip 1% to 2% because of the pre opex that we are doing?

Sujay Kewalramani: No, the margin should not dip. We always try to sweat the asset better and better year-on-year. So margins tend to improve going forward.

Saurabh Gupta: So if I adjust and see the number, our EBITDA margin for the year of FY 26 around 40%. So are you saying that this 40% can reach 40% to 41% in coming year?

Sujay Kewalramani: There is a fair chance for that.

Saurabh Gupta: Okay. And the second question that I have, FY 26 capex, as you have told around ₹ 500 crores. So what is the funding mix for that?

Sujay Kewalramani: So we have current cash in hand. Also, we have aligned debt. And if further future projects that can be executed by the company, then we will even look at the equity option. So these are the 3 avenues available for us. We will look at cash and debt first before looking at the equity option.

Saurabh Gupta: Okay, sir. And the last question that I have is on tonnage tax sir. So what will be the tonnage tax that is applicable on us in FY 27 or 28 going forward on a consolidated basis?

Sujay Kewalramani: So tonnage tax is multiplier of the GRT (Gross Registered Tonnage) of the vessels. It's a typical calculation. It will depend on if we add further vessels to the fleet. But the percentage will not go beyond 0.1% of our revenue, which is from chartering or dredging services.

Saurabh Gupta: So on a consolidated basis, what percentage of tax we can see in FY 27 and going forward?

Sujay Kewalramani: We are looking at shipbuilding revenue, which will grow year-on-year. For the current year, we believe the shipbuilding mix will be 20% from shipbuilding, 80% from dredging and chartering services.

So the 20% revenue generated from shipbuilding and the resultant tax shall attract corporate tax and balance 80% of the revenue generated from the chartering and dredging services shall attract tonnage tax.

Moderator: The next question comes from the line of Shubham Kadhi with 3A Financial Services.

Shubham Kadhi: Hello sir thank you for the opportunity again, so I can see that the other expense increased a lot this quarter and it was the same last Q4 FY 26 as well. So is there any seasonality aspect in this? Or how do I see it?

Kanak Kewalramani: So, in quarter 4, the other expense will always be higher as compared to the 3 quarters. One of the reasons is the CSR expense that we do in quarter 4, but down the line, we will streamline that as well. We will bifurcate the CSR in third quarters or fourth quarters coming ahead. And some of our expenses relating to insurance and other falls on Q4. And the number of vessels that we add will attract other expenses as well. And the 2 projects that we told JNPT and Pondicherry also had some of the expenses fall in other expenses. So that is how the other expenses have increased.

Shubham Kadhi: Okay. Can you give the quantum of the revenue that was delayed from Q4 to Q1 on JNPA and Pondicherry?

Kanak Kewalramani: It would be approximately ₹ 60 crores.

Shubham Kadhi: Okay. And do we see any impact of the West Asia war on our operations as such, except Bahrain?

Sujay Kewalramani: So there has been a substantial rise in fuel price in purchase of bulk fuel. But then all of our contracts have a fuel pass-through. So it hasn't resulted into any negative impact on the company.

Shubham Kadhi: Okay sir, thank you very much and if I can squeeze one last one. What sort of EBITDA margin do we see in the shipbuilding side of the business?

Sujay Kewalramani: So we usually see an EBITDA margin of 35% to 40% in the dredging. For the shipbuilding, before the subsidy, it will lie between 25% to 30%. If we build in the subsidy, it will fall under the same 35% to 40% range.

Shubham Kadhi: Why is that, sir?

Sujay Kewalramani: So presently, the government of India provides for a subsidy of varying between 10% to 15% on various vessel construction. So excluding the subsidy coming in from Government of India, the EBITDA margins will be 25% to 30%. If we include the subsidy amount, then it will be between 35% to 40%.

Shubham Kadhi: And we get the subsidy when we start our operations only, right? Or is there a delay or a lag?

Sujay Kewalramani: No, the subsidy is applied on each and every vessel that is built by the shipbuilding Company and is applicable to each and every vessel. It's applied before the construction of the vessel. And usually, the decision on the subsidy comes in within 60 days of application.

Moderator: The next question comes from the line of Vishal Verma with Convergence Capital.

Vishal Verma: Sorry, I forgot to remove this from my queue. I had a question regarding the fuel pass-through contract that has just been answered. Thank you very much.

Moderator: The next question comes from the line of Nikhil, an individual investor.

Nikhil: Hello everyone, actually I have one question. Can management share the current bid pipeline for FY 26 - 27 segregated into domestic contracts being quoted and international contracts being quoted? Further, what is the approximate value of each segment and where the management see the highest probability of order wins?

Sujay Kewalramani: So presently, the ₹ 2,000 crores bid pipeline that we have as of today is for all domestic orders only. And we are not looking for adding any international orders. For the quarter three and quarter four, we will start adding international orders for the shipbuilding segment.

Out of the ₹ 2,000 crores bid pipeline that we have, the dredging shall be close to ₹ 950 crores. The shipbuilding order book will be close to ₹ 400 crores and the balance ₹ 600 crores towards the green tugs.

Moderator: The next question comes from the line of Pankaj Sachdeva with Avis Capital.

Pankaj Sachdeva: I have a very quick question. We can see a short-term borrowing in the balance sheet. We also see a ₹ 270-odd crores fixed deposit on the balance sheet. So I'm sure financially, it's not a prudent decision to have both the things lying at the same point of time. Is there a business reason or that's more of a conscious decision you guys have taken?

Sujay Kewalramani: So the short-term borrowing was for a particular project in JNPT. And the cash that you see is particularly designated for a capex acquiring of a particular

vessel. So if some component of that cash was to be utilized for this project, then we would have fallen short in the acquisition. So it's a conscious decision.

Moderator: The next question comes from the line of Harsh Shah with Avener Investment Management.

Harsh Shah: So I had a question on the subsidiary. What would be our shareholding in the subsidiary? And who would be the other shareholders for the shipbuilding subsidiary?

Sujay Kewalramani: So in the shipbuilding subsidiary, Knowledge Marine today is holding 51%. And we had acquired the shipyard and the other Taloja facility from the previous owners and the people working with the company. And going forward, that 51% will be increased to 75%, which will be owned by Knowledge Marine and the rest will be a mix of a few of the other past owners and upcoming shareholders.

Harsh Shah: Okay. And how would be the capital infusion in the subsidiary be?

Sujay Kewalramani: So presently, it is in the form of equity and equity will be infused in proportion to the shareholding.

Harsh Shah: Okay. And second question would be on how is the green tug construction progressing?

Sujay Kewalramani: So in detail, various components, machineries, thrusters, all those orders have been placed. The yard is being constructed. The assembly line is being laid. We believe as soon as the monsoon is over, you will see physical construction of the tug taking place. And before or somewhere through the mid of the upcoming monsoon in the year 27, you will see the green tugs fully constructed.

Moderator: The next question comes from the line of Saurabh Gupta with Financially Free.

Saurabh Gupta: As you have just mentioned that ₹ 60 crores of revenue of Q4 has been spill over to Q1. So is the understanding correct that Q1, we can see ₹ 110 crores or ₹ 120 crores of revenue with around 40% of EBITDA margin?

Sujay Kewalramani: See, this revenue of ₹ 60 crores will be recognized in Q1. I believe it is going to be more than ₹ 100 crores, the revenue for Q1 and EBITDA margins should be an improvement than 40%.

Saurabh Gupta: More than 40%?

Sujay Kewalramani: Yes.

Moderator:

Ladies and gentlemen, due to time constraints, we would take this as the last question for today. Any further questions can be e-mailed to the IR of the company. On behalf of Knowledge Marine & Engineering Works Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.