



ड्रेजिंग कॉर्पोरेशन ऑफ इण्डिया लिमिटेड (भारत सरकार का उपक्रम)

DREDGING CORPORATION OF INDIA LIMITED

CIN : L29222DL1976GOI008129 (A Government of India Undertaking)

प्रधान कार्यालय : "निकर्षण सदन", पल्लन क्षेत्र, विशाखपट्टणम-530 035

HEAD OFFICE : "Dredge House", Port Area, Visakhapatnam-530 035

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ISO 9001 : 2008
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COUNCIL RvA

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DCI/CS/E.1/2015

14/08/2015

The Secretary, The Stock Exchange, Mumbai 25th Floor, Rotunda Building, Phiroze, Jeejeebhoy Towers Dalal Street, Fort, Mumbai -400001	Code : 022 - 2272 523618 2041, 2037, 3719, 2039, 2061/2272 1072
The Secretary The National Stock Exchange of India Ltd. 5th Floor, Exchange Plaza, Bandra (E) Mumbai - 400051	Symbol : 022 - 26598237 DREDGECORP / 38
The Secretary The Calcutta Stock Exchange Assn. Ltd. 7, Lyons Range, Kolkata - 700001	033 - 22104492/ 22104500
The Secretary The Delhi Stock Exchange Ass. Ltd. DSE House, 3/1 Asaf Ali Road Delhi - 110002	Code : 6398 011- 46470056/ 53/54

Dear Sir,

Pursuant to clause 41 of the Listing Agreement, we are herewith furnishing the Consolidated Un-audited financial Results for the quarter/period ended 30th June, 2015 which were taken on record by the Board of Directors in its 296th meeting held on 14/08/15. The enclosed particulars may be taken as announcement to the Stock Exchange of the Consolidated Un-audited financial Results for the quarter/period ended 30th June, 2015.

2. We have taken steps to publish the Consolidated Un-audited financial Results in the "MINT" all editions in English version and "HINDUSTAN", New Delhi edition in Hindi version to meet the provisions of the aforesaid clause of the Listing Agreement.

Thanking You,

Yours faithfully,

For Dredging Corporation of India Limited

P. Aswini
14/8/15
(K.Aswini Sreekanth)
Company Secretary

DREDGING CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

VISAKHAPATNAM

Registered Office: Core-2, 1st Floor, "SCOPE Minar", Plot No.2A & 2B, Laxmi Nagar District Centre, DELHI-110 091.

Consolidated Un-Audited Financial Results for the Quarter ended 30th June, 2015**PART-I**

(₹ in lakhs)

		Quarter ended			Year ended
		30-06-2015 (Unaudited)	31-03-2015 (Audited)	30-06-2014 (Unaudited)	31-03-2015 (Audited)
1	Income from Operations				
	(a) Net Income from Operations	16746	19376	18445	72552
	(b) Other Operating Income	37	(231)	489	944
	Total Income from Operations (Net)	16783	19145	18,934	73496
2	Expenses:				
	a) Cost of materials consumed	N.A1	N.A1	N.A1	N.A1
	b) Purchases of Stock-in-Trade	N.A1	N.A1	N.A1	N.A1
	c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	N.A1	N.A1	N.A1	N.A1
	d) Employee benefits expense	2359	3057	2212	9737
	e) Depreciation and amortization expense	2572	2363	2360	9214
	f) Repairs and Maintenance	1705	5	1578	5933
	g) Fuel and Lubricants	5380	5704	8871	28708
	h) Spares and Stores	780	2309	1097	5111
	i) Other expenses	1925	1401	1018	6688
	Total expenses	14721	14839	17136	65390
3	Profit /Loss from Operations before other income , finance costs and exceptional items (1-2)	2062	4307	1798	8106
4	Other Income	258	427	89	883
5	Profit /Loss from ordinary activities before finance costs and exceptional items (3 + 4)	2320	4733	1887	8989
6	Finance costs	547	478	723	2566
7	Profit /Loss from ordinary activities after finance costs and exceptional items (5 -6)	1774	4255	1164	6423
8	Exceptional Items		0	0	114
9	Profit(+)/ Loss(-) from Ordinary Activities before tax (7+8)	1774	4255	1164	6537
10	Tax Expense	104	180	50	296
11	Net Profit(+)/ Loss(-) from Ordinary Activities after tax. (9-10)	1670	4075	1114	6241
12	Extraordinary Items(net of tax expense (₹Nil)		-	-	-
13	Net Profit(+)/ Loss(-) for the period (11-12)	1670	4075	1114	6241
14	Share of profit/loss of associates	-	-	-	-
15	Minority interest	-	-	-	-
16	Net profit/ loss after taxes, minority interest and share of profit/loss of associates	1670	4075	1114	6241
17	Paid-up equity share capital (Face Value of the share: (₹10)	2800	2800	2800	2800
18	Reserves excluding Revaluation Reserves as per Balance sheet of Previous Accounting Year	-	-	-	144632
19.i	Earnings per Share (before extraordinary items) (of ₹ 10 each) Not to be annualized				
	(a) Basic	Rs. 5.96	Rs. 14.55	Rs. 3.98	Rs. 22.29
	(b) diluted	Rs. 5.96	Rs. 14.55	Rs. 3.98	Rs. 22.29
19.ii	Earnings per Share (after extraordinary items) (of ₹ 10 each) Not to be annualised				
	(a) Basic	Rs. 5.96	Rs. 14.55	Rs. 3.98	Rs. 22.29
	(b) diluted	Rs. 5.96	Rs. 14.55	Rs. 3.98	Rs. 22.29

Part II

A	Particulars of share holding				
1	Public Shareholding: No.of shares	60,02,300	60,02,300	60,02,300	60,02,300
	Percentage of shareholding	21.44%	21.44%	21.44%	21.44%
2	Promoters and Promoter group shareholding (In the name of President of India)				
	a) Pledged/Encumbered				
	- No. of Shares	-	-	-	-
	- Percentage of shares (as a percentage of total shareholding of promoter & promoter group)	-	-	-	-
	- Percentage of shares (as a percentage of total share capital of the Company)	-	-	-	-
	b) Non-encumbered				
	- No. of Shares	21997700	21997700	21997700	21997700
	- Percentage of shares (as a percentage of total shareholding of promoter & promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a percentage of total share capital of the Company)	78.56%	78.56%	78.56%	78.56%
B	Number of investor complaints				
	i) Pending at the beginning of the quarter ended 30th June ., 2015 :	0			
	ii) Received during the quarter ended 30th June ., 2015:	12			
	iii) Disposed off during the quarter ended 30th June ., 2015:	12			
	iv) Lying unresolved as on 30th June ., 2015:	0			

Notes:

1. N A = Not applicable since DCI is not a manufacturing company.
2. Segmental reporting as per AS-17 issued by ICAI is not applicable since the Company only one segment i.e, dredging services.
3. In compliance with the notification no. GSR 627 (E) dated 29/08/2014, during the quarter ended 30/06/2015 the company changed its accounting policy on depreciation with regard to componentization of dredgers with effect from 01/04/2015. This has resulted in decrease of profit by Rs173 Lakhs and reduction in retained earnings by Rs 122 lakhs for the QE 30/06/2015.
4. Pursuant to the company claims vide its letter dated 06-06-2012 for the works executed in sethusamudram project, the company is of the view that an amount of Rs 30897 lakhs will be reimbursed by Gol to DCI to compensate the actual expenditure incurred on this project. In view of this, provision for doubtful debts has not been made in respect receivables in this regard.
5. As regards the equity investment made in Sethusamudram Corporation Ltd amounting to Rs 3000 Lakhs, the management doesnot consider any diminution in value of the investment and the same has been carried at cost during the current quarter. The Company's review petition filed before SEBI vide Lr No. DCI/CS/E.1/2015 dated 21/01/2015 is pending. SEBI vide its letter no.NSE/LIST/32058 dated 01/07/2015 has referred the Statutory Auditor's qualification on the accounts for FY 2013-14 to FRRB of ICAI. The decision of FRRB is pending.
6. The Statutory Auditors appointed by CAG have carried out the limited review of the aforesaid financial results for QE 30/06/2015 in terms of Clause 41 of the listing agreement with stock exchanges.
7. Statutory Auditors have qualified in their limited review report as under:
Quote: The company had not complied with the provisions of section 135, 149(1), 149(4), 177 and 178 of the Companies Act, 2013. At this stage, we are unable to comment on the consequential impact of non-compliance of these provisions if any.
Unquote.
8. Company's Reply to Statutory Auditor's Qualification is as under:
The Company is a Government of India Undertaking and as per the Articles of Association of the Company, the Directors are to be appointed by the President of India. The issue of appointment of requisite number of independent directors, women director, has been taken up with the administrative Ministry - Ministry of Shipping and the same is pending with them. Constitution of different committees as required under the Act, will be taken up after the appointment of the said Directors by the Ministry of Shipping. The said qualification has no impact on the profit of the Company for the year.
9. The above financial results have been approved by the Board of Directors at its th meeting held on 14/08/2015. In the absence of independent directors, Audit Committee could not be constituted and financial results were placed directly before the Board of Directors.
10. Figures of the previous years have been regrouped/reclassified wherever necessary.

By the order of the Board
For Dredging Corporation of India Ltd.

-sd-

(Rajesh Tripathi)
Chairman and Managing Director.

Place: Delhi
Date: 14/08/2015.



TUKARAM & CO.
CHARTERED ACCOUNTANTS

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Independent Auditors' Review Report

To The Board of Directors Of

Dredging Corporation of India Limited

1. We have reviewed the accompanying statement of unaudited financial results of Dredging Corporation of India Limited for the Quarter ended 30th June, 2015, except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholding' and 'Investor Complaints' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our report we draw your attention to the following:
 - i). Pursuant to the Notification No. GSR 627 (E) dated 29/08/2014, the Company has, effective from 1st April 2015, changed its accounting policy on depreciation with regard to componentization of dredgers.
 - ii). Trade Receivables includes, Rs.11,433.18 lakhs receivable from M/s Sethusamudram Corporation Ltd.(SCL) which is pending for more than 3 years. Out of the above, Company has provided for doubtful debts to the extent of Rs.3019.27 lakhs. However the company is of the view that an amount of Rs. 30897.00 lakhs will be reimbursed by GOI (at whose behest the contract with SCL was entered) to DCI to compensate the actual expenditure incurred on this project. In view of this, a provision for balance doubtful debts is not made in respect of receivables in this regard amounting to Rs. 8413.91 lakhs.
 - iii). We draw attention to the *Note No 5*, where in the Company has made investments in Equity shares amounting to Rs.3,000 lakhs in Sethusamudram Corporation Limited(SCL), a Special Purpose Vehicle was incorporated on 06.1.2004 for developing the Sethusamudram Channel Project. The dredging work at Palk Strait was suspended from 16-07-2009. The Management does not consider any diminution in the value of the investment and the same has been carried at cost. With regard to the previous statutory auditors qualification in this respect on the accounts for the financial year 2012-13, National Stock Exchange

TUKARAM & CO.

CHARTERED ACCOUNTANTS

Continuation Sheet

of India Ltd (NSE) vide its letter no. NSE/LIST/8500 dated 26/12/2014 advised the Company to restate the financial statements for FY 2012-13. In response company has filed review petition dated 21/01/2015 to the NSE to review its decision.

We were informed that, SEBI has given personal hearing on the review petition filed by the DCI and decision from the SEBI is awaited, hence the provision for Diminution on investment is not made.

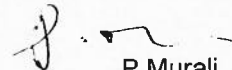
4. Basis for qualified conclusion

The company had not complied with the provisions of section 135, 149(1), 149(4), 177 and 178 of the Companies Act, 2013. At this stage, we are unable to comment on the consequential impact of non-compliance of these provisions if any.

5. Based on our review conducted as above, **subject to effect of the non compliance of provisions of the Companies Act, 2013 as mentioned in para 4**, nothing has come to our attention that causes us to believe that the accompanying statement, Prepared in accordance with the Accounting Standards specified under the Companies Act, 2013 and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Hyderabad
Date: 14.08.2015

For Tukaram & Co.,
Chartered Accountants
FRN: 004436S


P Murali
Partner
M.No: 221625

