

DREDGING CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

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

Corporate Office: Dredge House, Port Area, Visakhapatnam - 530001, E-mail: sreekanth@dcil.gov.in, Tel.: 0891-2566537, Fax : 0891-2529846

Un-Audited Financial Results for the Quarter and Half year ended 30th Sept ,2014

PART-I

(₹.in lakhs)

	Particulars	Quarter ended			Half Year Ended		Year ended
		30-09-2014 (Q2 CY)	30-06-2014 (Q1 CY)	30-09-2013 (Q2 PY)	30-09-2014 (To date Q2 CY)	30-09-2013 (To date Q2 PY)	31-03-2014 (PY)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	1	2=5-3	3	4	5=(2+3)	6	7
1	Income from Operations						
	(a) Net Income from Core Dredging Operations	16551	18445	18351	34996	35998	77172
	(b) Other Operating Income	345	489	(43)	834	(16)	(131)
	Total Income from Operations (Net)	16896	18934	18308	35830	35982	77041
2	Expenses:						
	a) Cost of materials consumed	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	b) Purchases of Stock-in-Trade	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	d) Employee benefits expense	2236	2212	2246	4448	4508	9793
	e) Depreciation and amortization expense	2233	2360	3892	4593	6533	13832
	f) Repairs and Maintenance (Vessels)	1551	1578	377	3129	1096	1939
	g) Fuel and Lubricants	7051	8871	8414	15922	15901	35151
	h) Spares and Stores	743	1097	491	1840	2580	4077
	i) Other expenses	2308	1018	1666	3326	3031	7496
	Total expenses	16121	17136	17086	33257	33649	72288
3	Profit /Loss from Operations before other income , finance costs and exceptional items (1-2)	775	1798	1222	2573	2333	4753
4	Other Income	143	89	22	232	63	229
5	Profit /Loss from ordinary activities before finance costs and exceptional items (3 + 4)	918	1887	1244	2805	2396	4982
6	Finance costs	677	723	242	1400	376	1099
7	Profit /Loss from ordinary activities after finance costs and exceptional items (5-6)	241	1164	1002	1405	2020	3884
8	Exceptional Items	114	-	-	114	-	-
9	Profit(+)/ Loss(-) from Ordinary Activities before tax (7-8)	355	1164	1002	1519	2020	3884
10	Tax Expense	31	50	13	81	25	129
11	Net Profit(+)/ Loss(-) from Ordinary Activities after tax (9-10)	324	1114	989	1438	1995	3755
12	Extraordinary Items(net of tax expense (₹Nil)	-	-	-	-	-	-
13	Net Profit(+)/ Loss(-) for the period (11-12)	324	1114	989	1438	1995	3755
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 (13-14-15)	324	1114	989	1438	1995	3755
17	Paid-up equity share capital (Face Value of the share: (₹10)	2800	2800	2800	2800	2800	2800
18	Reserves excluding Revaluation Reserves as per Balance sheet of Previous Accounting Year	-	-	-	-	-	139541
19.i	Earnings per Share (before extraordinary items) (of ₹ 10 each) Not to be annualised						
	(a) Basic	₹1.16	₹3.98	₹3.53	₹5.14	₹ 7.12	₹ 13.41
	(b) diluted	₹1.16	₹3.98	₹3.53	₹5.14	₹ 7.12	₹ 13.41
19.ii	Earnings per Share (after extraordinary items) (of ₹ 10 each) Not to be annualised						
	(a) Basic	₹1.16	₹3.98	₹3.53	₹5.14	₹ 7.12	₹ 13.41
	(b) diluted	₹1.16	₹3.98	₹3.53	₹5.14	₹ 7.12	₹ 13.41

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	60,02,300	60,02,300
	Percentage of shareholding	21.44%	21.44%	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	21997700	21997700
	- Percentage of shares (as a percentage of total shareholding of promoter & promoter group)	100.00%	100.00%	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%	78.56%	78.56%

B	Number of investor complaints	
i) Pending at the beginning of the quarter ended 30th Sept , 2014 :	0	
ii) Received during the quarter ended 30th Sept , 2014 :	45	
iii) Disposed off during the quarter ended 30th Sept , 2014 :	45	
iv) Lying unresolved as on 30th Sept , 2014 :	0	

Consolidated Statement of Assets and Liabilities		
Particulars	As at 30-09-2014 (Reviewed)	As at 31-03-2014 (Audited)
I. EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share capital	2800	2800
(b) Reserves and surplus	140978	139541
Sub-total - Shareholders Funds	143778	142341
Non-current liabilities		
(a) Long-term borrowings	112557	125556
(b) Deferred tax liabilities (Net)	-	-
(c) Other Long term liabilities	172	179
(d) Long-term provisions	447	447
Sub total Non Current liabilities	113176	126182
Current liabilities		
(a) Short-term borrowings	136	184
(b) Trade payables	5404	5058
(c) Other current liabilities	33159	34681
(d) Short-term provisions	413	1396
Sub total Current liabilities	39113	41320
TOTAL - EQUITY AND LIABILITIES	296067	309842
II. ASSETS		
Non-current assets		
(a) Fixed assets	208816	218775
(b) Non-current investments	3000	3000
(c) Deferred tax assets (net)	-	-
(d) Long-term loans and advances	3494	3504
(e) Other non-current assets	-	-
Sub total Non Current assets	215310	225279
2)Current assets		
(a) Current investments	-	-
(b) Inventories	11924	11404
(c) Trade receivables	33324	36549
(d) Cash and cash equivalents	12961	5653
(e) Short-term loans and advances	4629	7494
(f) Other current assets	17918	23463
Sub total Current assets	80757	84564
TOTAL - ASSETS	296067	309842

Notes

- 1 N.A. = Not applicable since DCI is not a Manufacturing Company
- 2 Segmental Reporting as per AS-17 issued by the ICAI is not applicable since the company has only one segment income i.e., dredging.
- 3 Based on technical evaluation and confirmation from the builder of the Dredgers, board as accorded approval in 288th meeting held on 12/08/2014 for change in depreciation policy for the useful life of Dredgers, instead of 14 years as specified in Part C of schedule II of Companies Act, 2013, as per amended sub-paragraph (i) of paragraph 3 of part A of the said schedule, Vide notification No G.S.R 237(E) dated 31st march 2014 issued by MCA of GOI. Accordingly the accounting policy on depreciation was revised w.e.f 1.04.2014 approved by board in its 288th meeting .the same policy was followed during QE 30.09.2014.
- 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 ₹30897 lakhs will be reimbursed by GOI 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 of receivables in this regard amounting to ₹8413.91 lakhs.
- 5 As regards the equity investment made in Sethu samudram project amounting ₹3000 lakhs the management doesn't consider any diminution for the value of investment and the same has been carried at cost during the current quarter. With regard to the statutory auditors qualification in this respect on the accounts for the financial year 2012-13, the matter has been referred to FRRB of ICAI and the decision of FRRB is till awaited.
- 6 The Statutory Auditors appointed by CAG have carried out the limited Review of the aforesaid financial results for the quarter ended 30th September, 2014 in terms of Clause 41 of the Listing Agreement with Stock Exchanges .
- 7 The above financial results were reviewed by the Audit Committee at its meeting held on 10/11/2014 and have been taken on record by the Board of Directors at its meeting held on 10/11/2014.
- 8 Figures of the previous years have been regrouped / reclassified where ever necessary.

Place : VISAKHAPATNAM
Date: 10-11-2014.

By Order of the Board
For Dredging Corporation of India Ltd
— sd —
Capt.D.K.Mohanty
Chairman and Managing Director



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 and Six Months ended 30th September, 2014, being submitted by the Company pursuant to clause 41 of the Listing Agreement with the Stock Exchanges 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 provide 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 attention to the following:
 - i). Pursuant to the enactment of the Companies Act 2013, (the 'Act'), the Company has, effective from 1st April 2014, reviewed and revised the estimated useful lives of its fixed assets, generally in accordance with the provisions of Schedule II of the Act. Company has taken technical evaluation report and accordingly revised the life of the dredgers to 25 years from 14 years.
 - 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. The company is of the view that an amount of Rs. 30897 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 doubtful debts is not made in respect of receivables in this regard amounting to Rs. 8413.91 lakhs.
 - iii). 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. Management is of the view that, the SCL is Government Company and latest financial statements are not showing any indication of fall down the net worth of the company. With regard to the previous statutory auditors qualification in this respect on the accounts for the financial year 2012-13, the matter has been referred to FRRB of ICAI and the decision of FRRB is still awaited.
4. Based on our review conducted as above, 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: 10.11.2014

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

P. Murali
Partner
M.No: 221625

