

**DOLPHIN OFFSHORE ENTERPRISES
(INDIA) LTD.**



34th Annual Report 2012-2013

Vision Statement

"Dolphin Offshore Enterprises (India) Limited will be a global provider of integrated services to the oil and gas industry, with a diversified portfolio for undertaking turnkey projects involving Underwater, Marine and Offshore Construction. We will harness our knowledge and energy to provide world class quality, safety and environmental protection standards. We will constantly upgrade procedures, skills, systems and technology to create greater value for our clients, suppliers, employees and shareholders."

DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.

BOARD OF DIRECTORS

Rear Admiral Kirpal Singh	Executive Chairman
Mr. S. Venkiteswaran	Vice Chairman
Mr. Arvind K. Parikh	Director
Mr. Bipin R. Shah	Director
Dr. Faqir Chand Kohli	Director
Mr. J. Jayaraman	Director
Mr. Robert D. Petty	Director
Mr. S. Sundar	Director
Vice Admiral Harisimran Singh Malhi	Director
Mr. Sabyasachi Hajara	Additional Director (w.e.f. June 21, 2013)
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Jt. Managing Director

COMPANY SECRETARY

Mr. V. Surendran

AUDITORS

Haribhakti & Co.

BANKERS

State Bank of India & Canara Bank

REGISTERED OFFICE

1001, Raheja Centre, 214, Nariman Point, Mumbai - 400 021.

Tel.: 2283 2226 / 34 / 42

CORPORATE OFFICE

L.I.C. Building, Plot No. 54, Sector 11, Next to K. Stars Hotel,

C.B.D. Belapur (East), Navi Mumbai - 400 614

Tel.: 6602 6602

Fax No.: 6602 6603

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Executive Chairman



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Mr. J. Jayaraman
Director



Mr. Robert D. Petty
Director



Mr. S. Sundar
Director



Mr. Satpal Singh
Managing Director



Mr. Navpreet Singh
Joint Managing Director



Vice Admiral Harisimran Singh Malhi
Director



Mr. Sabyasachi Hajara
Additional Director



EXECUTIVE MANAGEMENT



Mr. Tapan Banik
Chief Operating Officer & Vice
President (Operations)
(Operation Division)



Mr. Shashank Karnik
Chief Operating Officer &
Vice President (Projects)
(Project Division)



Mrs. Umavparvati Srinivasan
Vice President – Finance
(Accounts & Finance)



Mr. H. Rammohan
Senior General Manager – Purchase
(Central Procurement Department)



Mr. Abraham T. Lucose
Senior General Manager- Special
Projects & Human Resource
(Corporate/HR & Admin)



Mr. V. Surendran
Company Secretary
(Legal & Secretarial)



Mr. Keith Drego
General Manager
(Marketing)



Mr. S. Surendar
Deputy General Manager
(Information Technology)



Dear Shareholders,

It gives me pleasure to present the details of the performance of your Company for the Financial Year 2012-2013. The Annual Report consisting of the Accounts for the year ended March 31, 2013 and Notice convening the Annual General Meeting is enclosed herewith.

The results of your Company have been mixed as compared to the previous year. The Turnover was Rs.340.29 crores during Financial Year 2012-2013 on a standalone basis, as compared to Rs.174.98 crores for the Financial Year 2011-2012; the profit was down by 2.84% to Rs. 14.83 crores and EPS was down by 2.86% to Rs. 8.84 as compared to the previous year. The main reason for the mixed performance during this year was due to increased competition as there was pressure on contractual rates due to increased competition. I wish to inform you that the management is aware of the market situation and is taking adequate measures to tide over the current difficult phase and also to improve its competitive edge in market place.

The Order Book position of your Company stands at Rs.116 crores, as on March 31, 2013.

ONGC is likely to come up with Rs.3000 crores worth of tenders on Brownfield projects in the ensuing seasons where your Company has built up considerable strength over the years. Your wholly owned subsidiary's vessel, i.e. Beas Dolphin was on a long term charter with McDermott in the Middle East till 21st May 2013 and we are presently in negotiations with some prospective Clients for its further deployment. The Barge, VIKRANT DOLPHIN is on long term charter with M/s. Representaciones Y Distribuciones Evya SA de CV, 2 (Evya), Mexico. These developments and other measures that your Board of Directors have taken, gives me confidence that your Company will be in a position to wither the intense competition that this industry is going through.

As you are aware, your Company places a lot of emphasis on HSE and is accredited with OHSAS 18001-2007 & ISO 14001-2004. During this year, your Company has successfully and timely completed all BG Campaigns of Season 2012-13 {MTA, C2 & ERD}, with Zero recordable injuries. This was accomplished to the entire satisfaction of the Client. In recognition of this accomplishment, your Company has been awarded BG's coveted HSSE Trophy.

I would like to inform you that at the ensuing Annual General Meeting of the Company, Mr. Arvind K. Parikh and Mr. S. Sundar, Directors of the Company are due to retire by rotation, the Board of Directors at its meeting held on April 29, 2013 recommended their re-appointment. Subsequently, they have intimated to the Company that they are not seeking such re-appointment. Vice Admiral Harisimran Singh Malhi has resigned from the post of Executive Director (Special Projects) w.e.f. November 30, 2012, though he continues to associate with the Company as Non-Executive Director. I express my sincere appreciation of the efficient management and matured advices of Mr. Arvind K Parikh, Mr. S. Sundar and Vice Admiral Harisimran Singh Malhi during their tenure.

I would also like to inform you that Mr.Sabyasachi Hajara has been appointed as an Additional Director of the Company w.e.f. June 21, 2013. He was on board of The Shipping Corporation of India Limited since 2005. He retired as a Chairman & Managing Director of The Shipping Corporation of India Limited w.e.f. January 01, 2013. Keeping in view of his vast experience and expertise in the shipping business, your Company will immensely be benefitted from his appointment.

I would like to re-iterate our strong commitment to good corporate governance. We are continuously striving to improve the quality of our disclosures. Members would have observed that the contents of our Annual Reports over the past few years contain more information about the company and its working.

Our employees constitute our biggest asset and I am sure that their continued employment, improved efficiency and, I hope, prosperity, will enable your Company to face the challenges ahead. The effort of your Company is not only to comply with regulatory requirements but also practice Corporate Governance principles based on integrity, transparency and overall corporate accountability.

I am grateful to the Board of Directors for their support and guidance and also to all customers, bankers, financial institutions, Government and regulatory authorities, shareholders and most of all to all the employees for their valuable support and co-operation.

I look forward to your continued support, trust and participation in the growth of the Company.

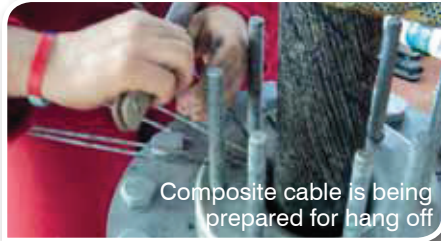
With warm regards,
Rear Admiral Kirpal Singh
Executive Chairman

June 21, 2013

DIVING AND UNDERWATER SERVICES

Dolphin Offshore has been offering comprehensive underwater services, including Air, Mixed Gas and Saturation diving services including cable laying to the Indian Offshore Oil & Gas Industry since 1979. It has since, provided these services overseas as well in places including but not limited to Vietnam, China and Malaysia. The Company had provided ROV services on drill ships.

The team of professionals in this division is made up of highly qualified Diving Superintendents, Supervisors, Divers and Technicians. The personnel have been



Composite cable is being prepared for hang off

trained to meet international standards and are certified by Health & Safety Executive of the UK, International Marine Contractors Association (IMCA) etc. This team has vast experience in inspection, maintenance, repairs, non-destructive testing and construction work related to offshore structures pipelines repair

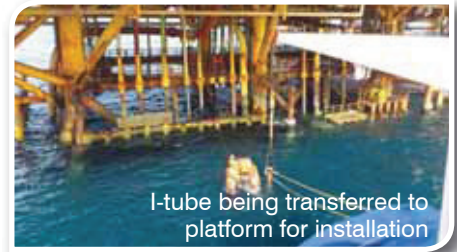
The Company has made considerable investments for the acquisition of equipments for Air, Mixed Gas and Saturation Diving, Underwater Welding and Cutting, NDT Inspection, CCTV and Hydraulic equipment and Air Lift equipment. The Company has a diving workshop located at Turbhe, Navi Mumbai for the main purpose of storage and maintenance of such equipments.

The areas of activity covered are:

- Under water construction services entailing modification and redevelopment of existing offshore facilities.
 - Laying of composite power cable utilising Cable lay vessel
 - Utilisation of ROV for monitoring cable laying and cable pulling through J tube bell mouth
- Pre-engineering surveys.
- Diving support for pipe laying, including pipe line stabilization.
 - Diving support for cable pulling operation through J tube(bell mouth)
 - Installation of I tubes & J tubes with bell mouth to be used as composite power cable conduit.
 - Installation of seals at bell mouth.
 - Installation of hanger clamps & sub sea clamps
- SBM and SPM installation, change outs, operation and maintenance.
- Inspection, maintenance and repairs of platforms.
- Installation and replacement of pipelines, risers and conductors.
- Redundent pipeline, fire water intake & sump caisson removal.
- Removal of grout bags used for pipeline stabilisation.
- Underwater ship repair and maintenance.
- Rig support Diving services including UWILD surveys.
- Inspection required for various certifying bodies such as ABS, DNV and USCG certification
- ROV services for drill ships
- Installation of cofferdam for MODU leg repair.

Diving Assets that are owned by the Company include:

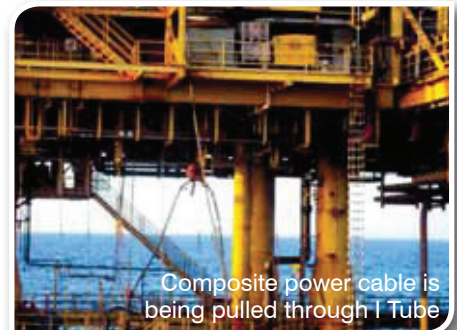
- SDS 01 - 300 meter 10 man saturation diving system
- SDS 02 – 200 meter 12 man saturation diving system
- 7 Air and Mixed Gas Diving Systems
- Underwater NDT equipment / cameras
- Various underwater tools and equipments
 - High pressure water blasters
 - Hydraulic winches and hydraulic puller
 - Company also owns and maintains exhaustive inventory of all support equipments and spares for the systems owned by it.



I-tube being transferred to platform for installation



Hang off clamp in position for securing composite power cable



Composite power cable is being pulled through I Tube



Composite power cable is being pulled through Hanger/hang off clamp



Composite power cable is being prepared for hang off

FABRICATION/ INSTALLATION (ONSHORE AND OFFSHORE)



Dolphin Offshore has over 18 years Offshore experience in procurement, fabrication, installation, hook up and commissioning of major plants and equipment on offshore platforms, drilling rigs and onshore facilities including refineries, power plants and ports.

We have a large team of qualified engineers, technicians and welders with extensive experience in undertaking onshore and offshore fabrication work, providing quality services to our clients. We also own fabrication yards located near Navi Mumbai which are well equipped with generators, welding and gas cutting equipments, lathes, shaping machines, pipe bending machines, grinders, radial drilling machines, power hack saw, hydraulic press, air compressor, installation and lifting equipment including EOT Crane, Chain Blocks and Tackles, Scaffolding, Submersible as well as Diesel operated fire pumps and Pneumatic tools.

Our Onshore activities include:

- Turnkey Projects for revamp of plant piping and structural works including pre-engineering surveys, preparation of ISO's and Bill of materials, transportation, prefabrication of spools as well as supports and structures at site, storage of equipment and we also provide materials, erection, hook up and commissioning of equipments/ systems.
- Onshore Fabrication services to Oil and Gas refining and processing facilities, ports and nuclear power plants.
- Fabrication of process skids.

Offshore activities cover:

- Brown field work on unmanned and process platforms, installation of riser clamps and protectors, deck extensions, boat landings, clamp-on structures and running conductors.
- Shutdown work.
- Platform revamp work including painting.
- Hook-up and commissioning work on platforms.
- Electrical and instrumentation system integration works on unmanned and process platforms.
- Installation of walk-way bridges and refurbishment of living quarters in process complexes.
- Replacement of Cranes, FG Skids, Chlorinators, Deluges System etc. on unmanned and process platforms.
- Piping work on platforms such as riser pipes flow arm and riser piping, water injection and gas lift lines using CS, NACE, SS, DSS, Incolloy and Cu – Ni material.
- Structural work comprising of steel modules and assemblies including painting of the same.
- Ships and Drill rigs maintenance and repairs on turnkey basis including repairs of spud-can, mud-mats, shock-pad foundation on jack-up rigs using semi submersibles heavy lift barges and cofferdam techniques.



TURNKEY EPC PROJECTS



Dolphin Offshore qualified earlier on as an EPC (Engineering, Procurement and Construction) contractor with ONGC, but has been till recently working as a subcontractor to companies like L&T. However, with the award of the NQD & ICP contracts in September 2008, Dolphin has commenced work as an independent main EPC contractor to ONGC. Dolphin is now one of the few companies, which provide all the three dimensions of marine construction services, i.e. Marine operations, Diving/ Subsea services and Topside/ Fabrication services, to execute offshore projects on a turnkey basis Independently.

Some of the Marine Construction projects, which require all three or at least two of the above mentioned services include:

- Pre-engineering, pre-construction and post installation surveys of offshore structures/ pipelines.
- Hook-up and commissioning of new platforms.
- Revamp/painting of offshore structures.
- Free span corrections and crossovers.
- Topside modification work on existing platforms.
- Installation of walkway bridges and other structures including PLEM, deck extensions, etc.
- Marine load outs, sea fastening and transportation.
- Installation of riser, conductor, l-tube, anodes and relocation clamps.
- Diving and topside support during rigid and flexible pipelay operations.
- Repairs of jack-up rig's, spudcans and mudmats using semi submersible barges.



MARINE OPERATIONS AND MANAGEMENT SERVICES

All marine activities of Dolphin Offshore are the responsibility of **DOLPHIN OFFSHORE SHIPPING LIMITED. (DOSL)**

A Company registered under Companies Act 1956 and has its registered office at 1001, Raheja Centre, Nariman Point, Mumbai – 400 021. The ownership and Management of the Company changed with effect from 1st September 2006 and the company is now a wholly owned subsidiary of Dolphin Offshore Enterprises (India) Limited.

DOSL currently provides the following services:

- Marine Owning of tugs and offshore vessels.
- Operation and management of offshore vessels.
- Operation and management of tugs.
- Offshore Marine Operations.
- Marine Logistics Management.

DOSL owns 3 OSVs (Offshore Support Vessels) including a workboat and four Harbour Tugs, all of which are chartered out to reputed clients. These include:

- Brahmaputra Dolphin
- Ganga Dolphin
- Kamrup
- Pioneer Star
- SCH-3
- Marina Mercury
- Time Skipper

DOSL has also taken on management one Anchor Handling Tug, AMS Divine, which is on a BBCD charter with Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd. The vessel is currently under BBC to M/s. Evya, Mexico.

DOSL also operates and manages vessels owned by other wholly owned subsidiary of DOEIL including Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd. and status of new Construction Vessels of the above Company is as under:-

- Beas Dolphin – Delivered in December 2009 and under DOSL Management.
- Vikrant Dolphin (DP 2 Accommodation Barge) – Delivered in October 2011, under DOSL Management and currently under BBC to M/s. Evya, Mexico.

To cater to the Offshore Construction requirements of DOEIL, DOSL also provides Marine Operations and Logistics services which include chartering, operating and managing various types of vessels including barges, DP Construction Vessels, Offshore Support Vessels, etc.



RIG REPAIRS & SHIP REPAIRS

Dolphin Offshore provides repair facilities to ships and drilling rigs, in dry dock as well as in floating condition. We have 18 years of experience in this area. Our range of repair services include electrical, air conditioning, refrigeration, engines (overhauls and replacement), piping and deck as well as Hull repair work.

We have an excellent team of highly qualified personnel, whose collective expertise covers all areas in the repair and maintenance of rigs and ships. We also have workshops near Navi Mumbai and related facilities which are equipped to undertake ship and jack-up rig repairs. Finally, Dolphin Offshore has a license for Dry Dock repairs at Mumbai Port Trust.

Our services pertaining to Ship Repair include:

- Floating/Dry Dock and in situ emergency repairs.
- Underwater repairs and maintenance, including underwater cleaning of Propellers and painting of Hull.
- Hull plating, piping and structural repairs and replacement.
- Engine repairs/ overhauls and replacement.
- Electrical, Electronic and Hydraulic systems repairs.

For Jack-up Rigs we cover the following activities:

- Under water repair of rigs without dry docking using coffer dams or semi submersible heavy lift barges.
- Repairs to spud can and legs as well as to shock pads and coamings replacements.
- Repairs and refurbishment of accommodation quarters.
- Repair/ Replacement of shale shaker, leg bracings, jacking unit, raw water tower and high pressure piping.
- Dry docking of Jack Up rigs for under water repairs.
- Spud can repairs of the ONGC rig Sagar Kiran was recently executed in dry dock.



DESIGN ENGINEERING

IMPac Oil and Gas Engineering (India) Pvt. Ltd., is a joint venture between IMPac Offshore Engineering, GmbH, Hamburg, Germany and Dolphin Offshore Enterprises (I) Ltd., Mumbai. The joint venture Company was incorporated in July, 2008. The Board consists of 3 directors from IMPac, Germany and 2 from Dolphin Offshore, with Mr. Navpreet Singh as the Chairman.

IMPac, Germany is an engineering consultant company which has worked with many international clients in the oil and gas sector with experience gathered in more than five hundred projects. Dolphin Offshore Enterprises (India) Limited (DOEIL) is a leading provider of underwater services to the Indian oil and gas industry. Over the years, they have developed a diversified portfolio for undertaking turnkey projects involving sub-sea and marine services and as an EPC contractor.

IMPac India's core competency is in conceptual studies, FEED, Feasibility studies, Basic Engineering and detail engineering. IMPac also provides Procurement services, site supervision and commissioning.

Following are the Design Engineering Capability that IMPac India presently has:

- Civil Engineering
- Structural Engineering
- Electrical Engineering
- Process Engineering
- Pipeline Engineering

The main focus of IMPac, India will be to cater to the design engineering needs of Indian companies working on EPC contracts.

Presently IMPac India with Dolphin is doing ONGC OGIP project. Besides this, IMPac India is involved in many overseas projects with IMPac Germany and IMPac Nigeria. Following are some of them:

- Project: - Libya NC193 A& B Facilities Oil & Gas separation Plant
Client: - RWE Dea NA/ME (RWE Dea North Africa / Middle East)
- Project: - AS-BUILT CAMPAIGN PROJECT- OKOLOMA GAS PLANT
Client: -SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED
- Project: - Deen Dayal Field Development Submarine Pipeline Project
Client: - Punj Lloyd/GSPC (Gujarat State Petroleum Corporation)
- Project: - OGIP Subsea Design Project
Client: - Dolphin /ONGC
- Project: -AFAM F5 Project
Client: -SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED
- Project: - Expansion of LPG storage Capacities in Iraq
Client: -Mesopotamia
- Project: - P2009 Bonga hull 94 Nos. P&ID Update
Client: - SNEPCO (Shell Nigeria)



MEN AND MACHINES - DIVING SYSTEMS



Saturation Diving Systems are diving spreads, used when divers are saturated to a particular pressure related to a particular depth thus allowing the person to work for longer duration of time.

SAT CONTROL PANEL:
which controls SAT chambers atmosphere so that divers can live there while under pressure



Air diving chamber: Used for decompressing divers to get rid of inert gas from their body on completion of dives following laid down decompression tables.



AIR DIVING PANEL
Air Diving Panel for delivering gas to divers. Panel is also equipped with sensor to monitor gases passing through the panel.



Diving Bell: Used for transportation of divers from surface to particular water depth either in saturation diving mode or bounce diving mode. The bell is equipped with necessary equipment to sustain life at depth.



BELL INTERNAL PANEL:
Which controls/ supplies gas to divers when they go outside the bell to work. Bell is equipped with life support system.



ECU & Sanitary Water Unit: ECU controls the environment inside chambers so that divers can live there. Sanitary unit delivers water to showers & toilets under pressure



ROV video shot showing composite power cable being pulled through the bell mouth

MEN AND MACHINES - VESSELS

Multipurpose Workboats are used for Offshore Fabrication, Repairs, Diving Support and Services.



Brahmaputra Dolphin



Ganga Dolphin



Beas Dolphin



Kamrup

Tugs are used for Towing, Berthing, Unberthing and to support vessels at sea and in the harbour.



SCH 3



Time Skipper



Marina Mercury



Pioneer Star

Construction Barges are used for Accommodation and as Construction Material Platforms for fabrication offshore, with the capacity to transfer large quantities of material.

Vikrant Dolphin



MEN AND MACHINES - FABRICATION AND TOPSIDE



KOBELCO - 450 CRANE :

Kobelco Crane has a 97.54 meter main boom and a 67 meter luffing boom. With main boom the crane can lift upto 450 Ton load with 18.2 meter (60 ft.) boom at 5.8 radius and 66 tons with 97.54 meter (320 ft) boom at a radius of 20 meter. With luffing arrangement it can lift 12.3 ton at 58 meter radius at a height of 100 meter.



DOEIL supplied & commissioned Distributed Control System, PLC System and Fire & Gas Detection System consisting of - HPM controller & NIM Module at NQD & ICP platform for Monitoring & control of all the process variables for the additional facilities at NQD & ICP Platform.



DOEIL has supplied & commissioned the PMCC Electrical Panels along with the modification in Switchgear, Cable laying, Glanding & Termination.

RECOGNITION AND AWARDS

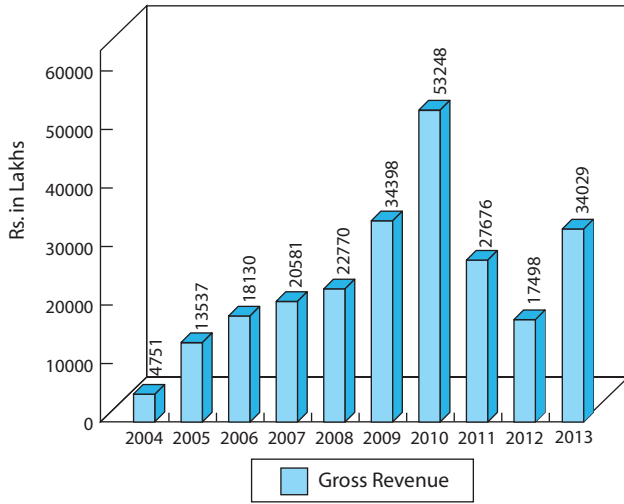


Commander Anoop Verma (IN. Retd). MR & DGM (Ops & Systems) DOEIL and Commander Rajiv Kubal (IN. Retd), AMR & AGM (Projects - Commercial) - DOEIL receiving the "Highly Commended" HSSE Trophy from Shaleen Sharma, President & Managing Director, BG India

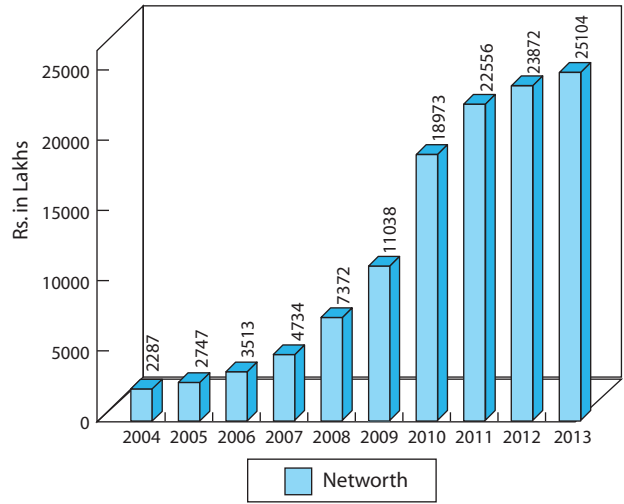
KEY PERFORMANCE INDICATORS

Year ended 31 March Financial Data (Rs. in Lacs)	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
ASSETS & LIABILITIES										
Net Fixed Assets	3162	2985	3326	3583	3737	4992	4858	3241	3240	1699
Net Current Assets	31270	29863	28460	22297	20141	17254	10538	11005	3639	2535
Share Capital	1677	1677	1677	1576	956	956	896	560	560	560
Reserves & Surplus	23427	22195	20879	17397	10082	6416	3838	2953	2187	1727
Total Borrowings	11319	10922	11167	8861	14692	15918	11846	10528	3943	1828
Net Worth	25104	23872	22556	18973	11038	7372	4734	3513	2747	2287
REVENUES & EXPENSES										
Gross Revenue	34029	17498	27676	53248	34398	22770	20581	18130	13537	4751
Operating Expenses	28898	14114	21940	41624	22336	17465	15975	14611	10660	3685
Gross Operating Profit	5131	3384	5736	11624	12061	5305	4605	3519	2877	1065
Profit Before Tax	2114	2175	3242	7064	5541	2483	2334	1438	974	165
Profit After Tax	1483	1526	2242	4664	4001	1626	1483	925	620	156
KEY RATIOS										
Earnings per Share (Rs.)	8.84	9.1	13.9	32.36	29.88	17.34	16.55	16.52	11.06	2.79
Rate of Dividend (%)	15	15	15	30	30	25	25	25	25	10
Gross Operating Profit Margin (%)	15.08	19.34	20.73	21.83	35.06	23.30	22.38	19.41	21.25	22.43
Net Profit Margin (%)	4.36	8.72	8.10	8.76	11.63	7.14	7.21	5.10	4.58	3.28
Current Ratio	1.76	2.53	1.86	1.76	1.58	1.38	1.44	1.87	1.05	1.25
Debt Equity Ratio	0.03	0.10	0.00	0.09	0.50	0.79	1.5	2.06	0.26	0.05
Return on Net Worth (%)	5.91	6.39	9.94	24.58	36.25	22.05	31.33	26.34	22.55	6.82
Return on Investment	12.58	12.05	14.68	27.35	31.71	21.41	17.88	13.09	28.43	17.73

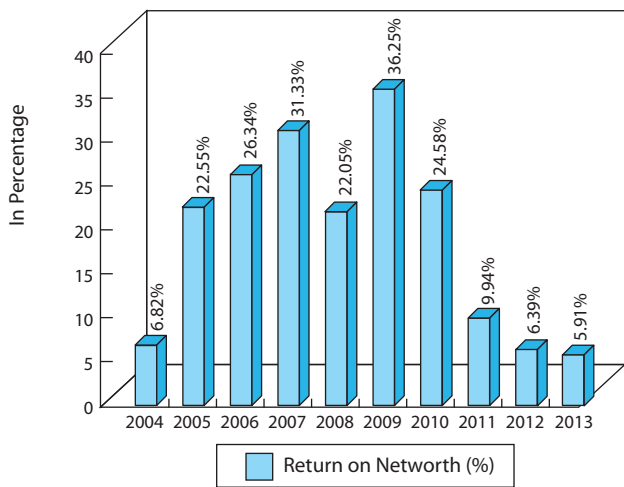
REVENUE



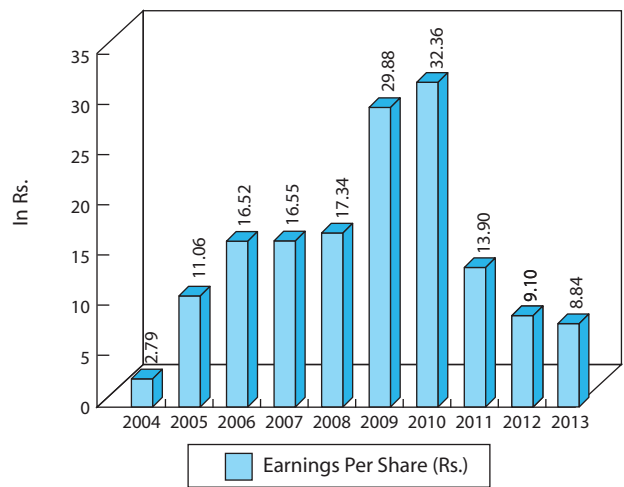
NETWORTH



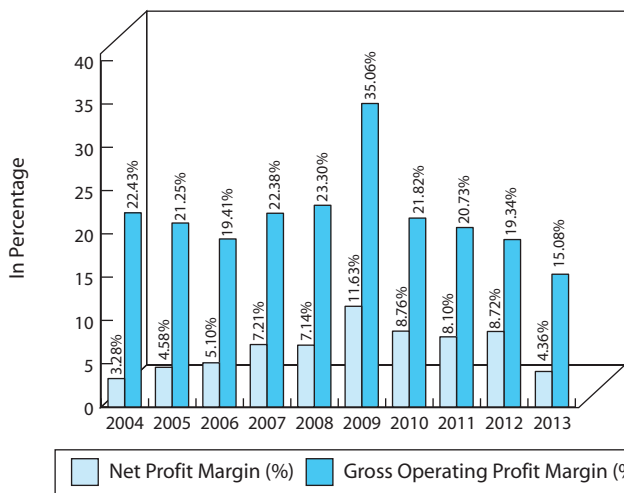
RETURN ON NETWORTH



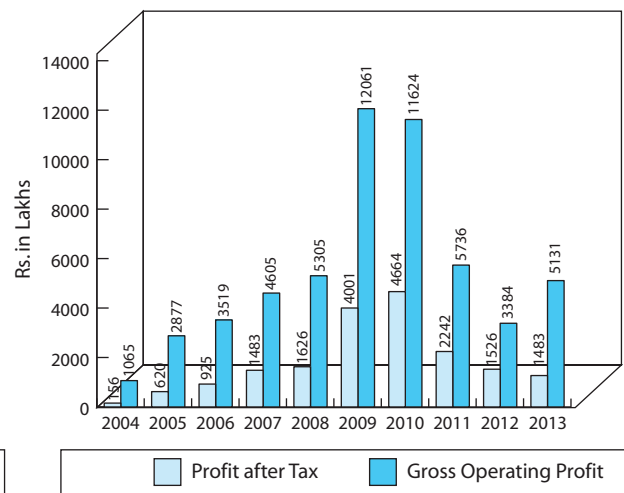
EARNING PER SHARE



PROFITS



PROFITABILITY





NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of **DOLPHIN OFFSHORE ENTERPRISES [INDIA] LIMITED** will be held on Friday, July 26, 2013 at 1500 Hours (3.00 p.m.) at M.C. Ghia Hall, Fourth Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kalaghoda, Mumbai - 400001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Accounts for the financial year ended March 31, 2013 together with the Reports of the Directors' and the Auditors' thereon.

2. To declare dividend.

3. To appoint a Director in place of Dr. F. C. Kohli, Director of the Company, who retires by rotation, and being eligible, offers himself for re-appointment.

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s Haribhakti & Company, Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company on such remuneration as may be decided by the Board of Directors of the Company in addition to reimbursement of out-of-pocket expenses in connection with the audit of the books of accounts of the Company."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Sabyasachi Hajara, who was appointed as an Additional Director of the Company with effect from June 21, 2013, pursuant to Article 107 of the Articles of Association of the Company and under Section 260 of the Companies Act, 1956 and whose term of office expires at this Annual General Meeting as per Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement by rotation."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the vacancy caused by the retirement by rotation of Mr. Arvind K. Parikh, Director of the Company, who has expressed his unwillingness to be re-appointed as a Director of the Company, be not filled up at this meeting or at any adjournment thereof."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the vacancy caused by the retirement by rotation of Mr. S. Sundar, Director of the Company, who has expressed his unwillingness to be re-appointed as a Director of the Company be not filled up at this meeting or at any adjournment thereof."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 269, 198, 309, 310, 311 and other applicable Sections of the Companies Act, 1956 read with and in accordance with the conditions specified in Schedule XIII of the said Act (including any statutory modification (s) or re-enactment thereof, for the time being in force), and subject to the approval of the Central Government, if any, the approval of the Company be and is hereby accorded for the re-appointment of Rear Admiral Kirpal Singh as Whole Time Director designated as an 'Executive Chairman' of the Company for a further period of three years commencing from October 01, 2013 on the following terms of remuneration:

(a) Basic Salary: Rs. 9,00,000/- per month, in the range of Rs. 9,00,000/- to Rs. 15,00,000/- with such annual increment/s as may be decided by the Remuneration Committee and the Board of Directors.

(b) Commission: Such amount of commission (in addition to salary and perquisites hereinafter stated) calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors, which together with the salary and monetary value of perquisites shall not exceed the ceiling, laid down in Section 198 read with Section 309 of the Companies Act, 1956.

(c) Perquisites as follows:

(i) The expenditure incurred by him on gas, electricity, water and furnishings shall be reimbursed by the Company.

(ii) All medical expenses incurred for him and his family, medical insurance premium and personal accident insurance premium together shall not exceed one month's basic salary.

(iii) Leave Travel Concession for self and family will be allowed once in a year in accordance with the rules of the Company.

(iv) Fees of Clubs subject to a maximum of two clubs; this will not include admission and life membership fees.



- (v) Contribution to Provident Fund and Superannuation Fund in accordance with the rules of the Company and the respective funds.
- (vi) Gratuity as per the provisions of the Payment of Gratuity Act, or as per the Gratuity Scheme of the Company, whichever is higher.
- (vii) Provision of a car with driver for use on Company's business and telephone at the residence.
- (viii) Leave unavailed of to be allowed to be encashed as per rules of the Company.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profit in any financial year Rear Admiral Kirpal Singh, Executive Chairman shall be paid the same remuneration as stated hereinabove, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 1956 from time to time;

RESOLVED FURTHER THAT in the event of loss of office as Executive Chairman, Rear Admiral Kirpal Singh, shall be paid compensation in the manner and to the extent permissible under the provisions of Section 318 and other applicable provisions of the Companies Act, 1956;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include the Remuneration Committee constituted by the Board) be and is hereby authorized to alter, vary, increase or modify the terms and conditions of the remuneration, including perquisites, during the aforesaid period, subject to the maximum permissible limit specified under Schedule XIII or other relevant provision of the said Act which may be amended from time to time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things as may be required to give effect to the aforesaid resolutions and the Board is further authorized to settle all questions, difficulties or doubts with regard to the payment of remuneration to Rear Admiral Kirpal Singh, Executive Chairman and any matter arising out of or incidental thereto, as it may at its absolute discretion deems fit without being required to seek any further approval of the members to the end and intent that members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT during such time as Rear Admiral Kirpal Singh holds and continues to hold the office of the Executive Chairman, he shall not be liable to retirement by rotation as director."

By Order of the Board
For **DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.**

**V. SURENDRAN
COMPANY SECRETARY**

Registered Office:
1001, Raheja Centre,
214, Nariman Point,
Mumbai - 400 021

Date: June 21, 2013

- 1. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from July 22, 2013 to July 26, 2013 (both days inclusive)
3. Members are requested to intimate to Sharepro Services (India) Pvt. Ltd., 13 AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072 for changes, if any, in their registered address.
4. Members/Proxies should bring the Attendance Slip duly filled for attending the meeting and also requested to bring their copies of the Annual Report to the meeting.
5. Members desiring any information regarding the accounts are requested to write to the Company at 1001, Raheja Centre, 214, Nariman Point, Mumbai - 400 021 atleast 3 days before the date of the Meeting to enable the Company to keep the information ready.



6. The Company has admitted its Equity Shares in the Depository Systems of National Securities Depository Limited / Central Depository Services Limited (NSDL/ CDSL) and has offered investors the facility to hold shares in electronic form and to carry out scripless trading of these shares.
7. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the special business is annexed herewith.
8. Re-Appointment of Directors:

At the ensuing Annual General Meeting, Mr. Arvind K. Parikh, Dr. F. C. Kohli, and Mr. S. Sundar, Directors of the Company retire by rotation. Dr. F. C. Kohli being eligible, offer himself for re-appointment. Mr. Arvind K. Parikh and Mr. S. Sundar are also eligible for re-appointment but they have expressed their unwillingness to be reappointed as directors of the Company at this Annual General Meeting. Rear Admiral Kirpal Singh is proposed to be re-appointed as Whole Time Director designated as an 'Executive Chairman' of the Company for further period of three years as set out in the resolution no. 8 above. The information and details pertaining to Rear Admiral Kirpal Singh, Executive Chairman of the Company and Dr. F. C. Kohli Director of the Company are provided in terms of Clause 49 of the Listing Agreement with the Stock Exchange (s) are furnished in the Corporate Governance Report published in the Annual Report and brief resume of Mr. Sabyasachi Hajara is as follows:

Mr. Sabyasachi Hajara is proposed to be appointed as Director of the Company. Mr. Sabyasachi Hajara is on board of the Shipping Corporation of India Limited since 2005. He retired as a Chairman and Managing Director of the Shipping Corporation of India Limited with effect from January 01, 2013. He holds a Bachelor's degree in Science - Chemistry and a Post Graduate Diploma in Management

from IIM, Kolkata. He also holds a degree in Law, diploma in Professional Ship Management, Norwegian Shipping Academy, Oslo. He is also experienced in marketing, chartering, import operations, liner conference / bilateral matters, commercial operations in liner, bulk and tanker.

9. All unclaimed dividend lying in the unpaid dividend account till 2004 - 2005 have been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. The details of outstanding unpaid dividend to be transferred to the Investor Education and Protection fund (IEPF) is as follows:

YEAR OF DECLARATION	AMOUNT (Rs) OUTSTANDING AS ON 31-03-2013	DATE OF TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND
2005 - 2006	99,215.00	On or before 06/10/2013
2006 - 2007	1,58,833.00	On or before 06/10/2014
2007 - 2008	1,66,760.50	On or before 28/10/2015
2008 - 2009	1,78,737.00	On or before 23/08/2016
2009 - 2010 (Interim Dividend)	1,23,060.00	On or before 30/11/2016
2009 - 2010	1,22,173.50	On or before 21/08/2017
2010 - 2011	1,47,529.50	On or before 28/08/2018
2011 - 2012	1,75,017.00	On or before 12/10/2019

Members who have not so far claimed or collected their dividend declared upto the aforesaid financial years are requested to contact the Company Secretary immediately.

By Order of the Board
For **DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.**

**V. SURENDRAN
COMPANY SECRETARY**

Registered Office:
1001, Raheja Centre,
214, Nariman Point,
Mumbai - 400 021

Date: June 21, 2013



**EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS
AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956.**

AGENDA ITEM NO 5

Mr. Sabyasachi Hajara, who was appointed as an Additional Director of the Company by the Board of Directors of the Company in terms of Section 260 of the Companies Act, 1956 w.e.f. June 21, 2013 by passing a circular resolution holds office till this Annual General Meeting. Due notices under Section 257 of the Companies Act, 1956 have been received from members proposing the appointment of Mr. Sabyasachi Hajara as a Director of the Company. If appointed, his office shall be liable to determination by retirement by rotation. He has filed his requisite consent pursuant to Section 264(1) of the Companies Act, 1956 with the Company. He does not hold any share in the Company

Mr. Sabyasachi Hajara is on board of the Shipping Corporation of India Limited since 2005. He retired as a Chairman and Managing Director of the Shipping Corporation of India Limited with effect from January 01, 2013. He holds a Bachelor's degree in Science - Chemistry and a Post Graduate Diploma in Management from IIM, Kolkata. He also holds a degree in Law, diploma in Professional Ship Management, Norwegian Shipping Academy, Oslo. He is also experienced in marketing, chartering, import operations, liner conference / bilateral matters, commercial operations in liner, bulk and tanker.

Keeping in view the experience and expertise of Mr. Sabyasachi Hajara, your Company will be immensely benefited from his appointment.

The directors recommended the resolution at agenda no. 5 of the Notice for your approval. None of the directors of the Company other than Mr. Sabyasachi Hajara is interested in this resolution.

AGENDA ITEM NO 6 & 7

Mr. Arvind K. Parikh and Mr. S. Sundar, retire by rotation at this Annual General Meeting of the Company. However, they have intimated to the Company that they do not seek re-appointment. The Company does not propose to fill up these vacancies at this meeting or at any adjournment thereof. Hence, as required by Section 256 of the Companies Act, 1956, resolutions are proposed for not filling up these vacancies caused by the retirement of Mr. Arvind K. Parikh and Mr. S. Sundar at this meeting or at any adjournment thereof. None of the Directors are concerned or interested in the said resolutions. Your Directors recommend the resolution at item No. 6 & 7 for your approval.

AGENDA ITEM NO 8

The resolution at item No. 8 of the Agenda seeks the approval of the member in respect of the re-appointment of Rear Admiral Kirpal Singh, Executive Chairman of the Company for a period of three years commencing from October 01, 2013 on a salary set out in the said resolution.

Rear Admiral Kirpal Singh was appointed as an Executive Chairman of the Company for a period of five years from October 01, 2008 at 29th Annual General Meeting of the Company.

The Remuneration Committee of the Company reviewed his remuneration packages in line with the remuneration prevailing in the Offshore Construction Industry. As per the recommendation of

the Committee, remuneration payable to Rear Admiral Kirpal Singh as per details stated in the respective resolution.

The said prerequisites and allowances will be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such Rules, prerequisites and allowances shall be evaluated at actual cost. However, the Company's Contribution to Provident Fund and Superannuation Fund are as per rules of the company and respective funds and gratuity payable and encashment of leave at the end of the tenure as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Rear Admiral Kirpal Singh has crossed the age of 70 and accordingly the above resolution is required to be approved by a Special Resolution. Approval of the members is also required under Section 269 read with Schedule XIII of the Companies Act, 1956.

Your Directors recommend the resolution at item No.8 for your approval.

The Agreements entered between the Company and Rear Admiral Kirpal Singh, Executive Chairman, is available for inspection at the Registered Office of the Company on all working days excluding Saturday upto the date of the ensuing Annual General Meeting between 11.00 a.m. and 1.00 p.m.

Mr. Satpal Singh, Managing Director, Mr. Navpreet Singh, Joint Managing Director and Vice Admiral Harisimran Singh Malhi, Director of the Company, being the relatives of Rear Admiral Kirpal Singh are concerned or interested in his re-appointment. Rear Admiral Kirpal Singh is deemed to be interested in the resolution for his re-appointment and none of the other directors are interested in the resolution for his re-appointment.

The abstract pursuant to Section 302 of the Companies Act, 1956 has been sent to the members.

By Order of the Board

For **DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.**

**V. SURENDRAN
COMPANY SECRETARY**

Registered Office:

1001, Raheja Centre,
214, Nariman Point,
Mumbai - 400 021

Date: June 21, 2013

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. For more details, please read the letter to the Shareholders attached with this report.



To

THE MEMBERS OF

DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED

Your Directors have great pleasure in presenting the Thirty Fourth Annual Report on the business and operations of the Company, together with the audited financial statements for the year ended March 31, 2013.

1.0 AUDITED FINANCIAL STATEMENTS:

1.1 Summarised Audited Financial Results –

**(Amounts in Lacs
of Indian Rupees except EPS)**

	2012-13	2011-12	Variation year on year (%)
Revenues	3,40,29.10	1,74,98.31	94.47
Gross operating profit	51,31.29	33,84.62	51.61
Net operating profit	28,67.19	12,43.65	130.55
Profit before interest and depreciation	40,67.25	40,75.25	(0.2)
Profit before tax	21,14.34	21,74.66	(2.77)
Net profit after tax	14,83.08	15,26.40	(2.84)
Earnings per share			
- Basic (Rs.)	8.84	9.10	(2.86)
- Diluted (Rs.)	8.84	9.10	(2.86)

During the year, the turnover was higher on account of the execution of OGIP contract of ONGCL, but the resultant profits have reduced in comparison with the previous year on account of increased pressure margin as a result of increased competition.

1.2 Dividend -

For the year 2012-2013, the Board of Directors has recommended a dividend of Rs.1.50 (2012: Rs.1.50) per equity share of Rs.10.00 each, which will result in a total outlay of Rs. 2.51 Crores (2012: Rs. 2.51 Crores) towards dividend. This year the Company has not made any provision for Dividend Distribution Tax amounting to Rs.0.41 Crores as Dolphin Offshore Shipping (Wholly owned subsidiary Company) has paid Dividend Distribution Tax to the treasury computed on the dividend paid by Dolphin Offshore Shipping Limited to the Company, which would be set-off against the Dividend Distribution Tax payable by the Company.

1.3 Matters Arising Out Of The Auditors' Report –

The Auditors have qualified their report under the Note with regard to the non provision of liquidated damages of Rs. 18.40 crores (2012: Rs.30.40 crores) on execution of its EPC contracts.

There was an increase in the scope of work in respect of two EPC contracts that were executed during the previous year which resulted in delays not attributable to the Company and the recovery of standby charges. The Company has submitted its application for extension of contractual completion date to its clients along with its claims towards standby and extra work done. These proposals are being reviewed by the clients. In the given circumstances, the management opines that these matters will be settled in favour of the Company.

2.0 MANAGEMENT'S DISCUSSIONS AND ANALYSIS:

2.1 Industry Trends and Developments –

Global markets had a mixed year with the US showing some indication of recovery; European countries continue to face a crisis, while Asia, China in particular, continued to maintain a reasonable growth trajectory.

In view of the above, the price of the Oil expected to remain firm in the future.

While the Indian market continued to be fairly active during the year in the Greenfield area, margins continue to be depressed as Indian EPC contractor battled for market share. Brownfield market was not very active. However, the Indian Market will gather momentum especially in the Brownfield market in the coming days in view of energy security concern of the Government of India and also due to Government of India strong determination to unshackle fuel pricing.

Oil is particularly strategic, both economically and politically, due to lack of substitutions in sufficient form. Alternative fuels are available; however, government- and policy-supported technologies are far behind the curve in their efforts to allow for a viable, turn-key method of substitution in times of oil scarcity. Therefore, the dependency on Oil will be continued to be there.

2.2 The year in perspective –

During the year, the main income was from OGIP contract. There was pressure on contractual rates due to increased competition.



Unlike brown field projects, the Company does not have any inherent advantage in being competitive in these Greenfield projects as the advantage essentially lies with those companies who own fabrication yards, heavy lift barges or pipelay barges, none of which is owned by the Company.

The Company is still facing competition from foreign companies. While, Management was willing to look at sacrificing margins in order to win contracts, it was not willing to win contracts on a price where incurring losses was a certainty.

Notwithstanding the lower order book position of the Company which stands at Rs.116.00 Crores as on March 31, 2013 (2012: Rs. 353.50 Crores), the future looks brighter as ONGC will be coming out with several brownfield projects in the current year.

2.3 Future Prospects –

As stated in the preceding paragraph, the future prospects in the coming years looks better. The main reasons for this are as follows:

- Global demand for energy continues to grow, especially in developing countries such as China and India, as the oil and gas industry continues to search for new sources of energy. Increasingly, oil and gas are found in challenging areas, such as deep water, arctic regions and politically challenged regions of the world.
- For the few years, the dramatic development of unconventional oil and gas, such as shale gas and tight oil. Unlocked by technological advancements, development of these resources may change the global landscape of oil and gas
- Oil and gas remains the main source of energy in few more years due to the effective lack of cost effective. While demand for oil and gas has reduced during the last year due to uncertain global economic conditions, the supply side has also been affected due to the political upheaval witnessed in the Middle East and North Africa. With new sanctions being imposed on Iran, the supply is likely to be affected further. Taking advantage of this situation, some countries, especially Saudi Arabia, Qatar and the UAE have enhanced their own production capabilities and are also in

the process of making at large investments in their oilfields.

- With the activity levels picking up, more and more resources are being deployed and hence the pressure on oilfield service providers to obtain contracts at very low costs is diminishing, hence there is a belief that the cut throat competition currently prevalent in the market will also ease.
- As per indications given by ONGC, there will be a large amount of investment in the Indian offshore region to bolster domestic production. A substantial portion of this investment will be made in Brownfield projects, where your Company has an inherent advantage as it has in house capabilities of undertaking such EPC projects on its own.
- To take advantage of the renewed investments being made in the Middle East and Africa, your Company is now venturing into these new geographical markets. The new vessels, owned by Dolphin Offshore Mauritius have been deployed in the Middle East and Mexico. A joint venture company is being formed in Saudi Arabia with the Nesma Batterjee group and with this incorporation; the Company expects to start its overseas activities with Saudi Aramco during the coming year.

In view of the factors stated above, Management is confident that the Company will be able to grow better in the coming years.

2.4 Business Risks and Management's assessments -

2.4.1 Increased international competition:

As stated in the preceding paragraphs, the Indian market has witnessed a substantial increase in international competition as foreign companies have begun to focus their attention on this active market. While there were only three or four bidders participating in ONGC's EPC contracts earlier, now there are about ten to twelve parties bidding.

Further, as some of these companies have idle resources, they have been bidding at very competitive prices and have been successful in getting orders from ONGC



at prices substantially lower than ONGC's budgeted prices or even what other bidders consider to be break even levels.

The significant drawback of the EPC market, which accounts for the highest proportion of revenues for the Company, is that it is a "winner take all" market as the entire contract is awarded to the lowest bidder.

However, as stated in the preceding paragraphs, with international markets picking up it is unlikely that the Indian market will attract a significant number of new players who will show the same aggression in bidding for work as was witnessed last year. Furthermore, as most of the foreign companies who entered the Indian market last year are currently involved in executing the projects that they won during previous years, and hence have tied up some of their resources, their ability to be as aggressive in bidding for work this year will be reduced. Besides, there are lot of offshore activities happening in Brazil, which will in turn keep these foreign companies busy in the coming years.

Furthermore, Management expects that ONGC will float a larger number of brown field tenders such as BPA & BPB Revamp, B193 Process platform hook up, Smart Instrumentation, 9 Clamp On, Underwater Inspection etc this year for which the Company can be more competitive as it will have the capability of executing these contracts on its own without dependence on other subcontractors who have the ability to significantly influence the overall price.

2.4.2 Pressure on margins:

There is no doubt that given the aggressive market situation that is currently prevalent, there is a need to reduce the bidding price in contracts. This reduction in bidding prices has to come from better efficiency in executing work as well as looking at reducing input costs and margins.

It is likely that profit margins will therefore continue to remain low during the year.

Management is aware of this fact, and is taking steps to ensure that input costs,

both direct and indirect, are reduced to the maximum extent possible while efficiency parameters are increased to ensure that the Company can be more competitive in winning contracts during the year.

2.4.3 Predominance of a single customer:

In the International oil and gas industry of most countries, the Government owned oil and gas companies have been emerging as the single largest producer of oil and gas in most countries. Accordingly, most markets are now dominated by a single customer in that particular market, and India is no exception where ONGCL is the predominant oil and gas producer in India, especially in the shallow offshore fields.

There are other players as well in the Indian market, such as Reliance, British Gas, Cairn Energy etc. However, with the exception of Reliance, most of the investments made by these companies in their offshore fields is only a small fraction of ONGC's budgets, and hence these markets continue to be dominated by ONGC.

Reliance has made substantial investments in their offshore fields, however, these fields are in deepwater, and most of the assets, resources and technology required to operate in deep water are very different from the kind of technology and resources required for operating in the shallow water offshore fields (i.e. in fields with water depths of up to 200 – 300 meters).

Therefore, the Company has been highly dependent on the decisions and plans of ONGC, as well as the timing and terms and conditions of their tenders. In the current year as in the past, approximately 95% of the Company's revenues are either directly or indirectly (i.e. from other companies who in turn are executing ONGC contracts) arising from ONGC.

In an attempt to reduce this dependency on ONGC, The Company is trying to expand its markets geographically into the Middle East and the Far East. The Company has also secured work from British Gas & L&T (for GSPC) and hopes to increase its business with these local players including Cairn Energy.



As stated in the preceding paragraphs, the markets in the Middle East have begun to revive and a number of new contracts are being floated especially in Saudi Arabia and Qatar. The Company has been following developments in these markets, is hopeful of getting some contracts.

2.4.4 Contractual nature of business:

Most of the Company's revenues are now earned on turnkey construction / modification contracts, where the Company is either a main contractor or a subcontractor. This has led to some fluctuations in the year to year revenues, and resultant profits, as revenues can now be recognized only when contracts are completed in total, or specifically identified milestones have been achieved as against a per diem revenue recognition that was possible under the vessel management contracts in earlier years.

The order book position of the Company is also dependent on the schedule and timing of award of contracts by its clients.

This problem is compounded by the fact the Company's year end is March 31, which is in the middle of the working season in Mumbai High, which ends around May 31.

Further, the contracts awarded by ONGC are generally for around 12 to 24 months, although in some cases contract completion period has been 36 months. Hence, the order book position and revenue visibility is also weak, especially at year end, as most of the contracts for the new season (i.e. October to May) would be awarded just before or during the monsoon period.

However, these fluctuations are only expected to be timing difference, which will even out over a period of time. These fluctuations in reported revenues and profits would not affect the overall revenue earning and profit making capacity of the Company.

It may be noted that market conditions in the Middle East and Far East are different, as the oil companies in these markets tend to give contracts for longer durations and their working seasons are different with the rainy season in the Middle East being from February to June.

2.5 Internal Control Systems and their adequacy –

The Company has adequate internal control systems in place. With a view to monitor the Company's performance as well as to make sure that internal checks and controls are operating properly, the Company has appointed two external firms of Chartered Accountants as Internal Auditors. The Audit Committee of the Board considers the reports of these Internal Auditors. The Audit Committee ensures that internal control systems are adequate and working effectively.

2.6 Human Resources and Industrial Relations -

The Board wishes to express its deep appreciation to all employees in your Company for their contributions to your Company during the year. Harmonious relations continued to prevail in the organization, strengthening the well-established traditions of fairness in dealings and commitment to the future growth of employees through sustained growth of your Company.

3.0 DUTY CREDIT ENTITLEMENT:

As a result of its foreign exchange earnings, the Company is entitled to receive Duty Credit Entitlement certificates equal to 10% of its foreign exchange earnings or deemed export earnings. During the Financial year, the Company has received Duty Credit entitlement certificates worth Rs.35.53 Crores (2012: Nil).

Due to its high foreign exchange / deemed export earnings; the Company has been awarded the status of "Trading House" for a period of five years ending in April 2014. This recognition by the Directorate General of Foreign Trade will help in ease procedural requirements for imports and exports.

These certificates, which are awarded to actual users, can be used in lieu of payment of customs duty and / or excise duties on the import of capital goods, spares and consumables that the Company may require in the normal course of its business.

As a result of this entitlement, the Company will be able to reduce its capital and operating expenditure and this in turn will enable the Company to be more competitive.

4.0 ISO 9002 CERTIFICATION:

ISO 9002 Certification has been renewed through the American Bureau of Shipping [ABS] for the following services:



- Marine management of vessels
- Diving and underwater engineering
- Management of fabrication and offshore turnkey projects
- Ship repairs

The Board would like to acknowledge the efforts and dedication of all employees in implementing and maintaining the high quality standards that the Company has set for itself.

5.0 DIRECTORS:

5.1 Directors retiring by rotation -

During the year under review, Mr. Arvind K. Parikh, Dr. F. C. Kohli and Mr. S. Sundar, Directors of the Company, are due to retire by rotation, and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment. The Board of Directors by passing a Circular resolution dated December 12, 2012, accepted the resignation of Vice Admiral Harisimran Singh Malhi from the post of Executive Director (Special Projects) and he continues to associate with the Company as Non-Executive Director with effect from November 30, 2012. The Board of Directors of the Company in their meeting held on April 29, 2013 have recommended re-appointment of Rear Admiral Kirpal Singh as Whole Time Director designated as Executive Chairman of the Company for a further period of three years with effect from October 01, 2013 for approval of shareholders at the ensuing Annual General Meeting of the Company.

6.0 AUDITORS:

M/s. Haribhakti and Co., Chartered Accountants retires as Auditors of the Company at the end of the forthcoming Annual General Meeting and are eligible for re-appointment. Your Directors recommend their re-appointment.

7.0 FIXED DEPOSITS:

The Company has not invited and accepted any Fixed Deposits from the public within the meaning of Section 58A of the Companies Act, 1956. As at March 31, 2013, the Company had accepted Fixed Deposits from shareholders and others of Rs.145.4 Lacs (2012 – Rs 93.4 Lacs). There are no deposits that are due to have been repaid, nor any interest due, which have not been paid.

8.0 SUBSIDIARY COMPANIES:

In terms of the general exemption granted by the Ministry of Corporate Affairs vide their General Circular

No: 2/2011 dated February 08, 2011 under section 212(8) of the Companies Act, 1956, a summarized statement of financial data on the subsidiaries of the Company has been enclosed with this Annual Report in lieu of the audited financial statements. However, any member who is interested in obtaining copies of the audited financial statements of the subsidiaries may contact the Company Secretary.

The Consolidated Financial Statements of The Company and its subsidiaries, prepared in accordance with Accounting Standard AS - 21 prescribed by The Institute of Chartered Accountants of India, form part of this Annual Report

The Statement pursuant to Section 212 of the Companies Act, 1956 containing details of the Company's subsidiaries is also attached.

9.0 FOREIGN EXCHANGE RECEIPTS AND EXPENDITURE:

During the year ended March 31, 2013, the Company's foreign exchange receipts and expenditure was as follows:

	(Amounts in Lacs of Indian Rupees)	
	<u>2012-13</u>	<u>2011-12</u>
Receipts		
Contract revenues	1,27,47.62	97,71.27
Other income	31.26	1,08.58
	<u>1,27,78.88</u>	<u>98,79.85</u>
Expenditure		
Projects related materials	-	14.09
Foreign subcontractors	5,82.26	3,79.10
Vessel charter & related expenses	25,55.37	2,92.72
Equipment related expenses	1,04.87	-
Materials, stores and spares	95,02.69	70.95
Foreign travel	15.70	25.71
Other matters	4,11.11	11.76
	<u>1,31,72.00</u>	<u>7,94.33</u>

10.0 DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA), which was introduced by the Companies (Amendment) Act, 2000, your Directors confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed



- (ii) that the Directors had selected such accounting policies and, except as may be required in order to comply with newly introduced/modified accounting standards, applied them consistently, over the years and made judgments and estimates that are reasonable and prudent so as to give a true and fair review of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year then ended.
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) that the financial statements have been prepared on a going concern basis.

11.0 PARTICULARS OF EMPLOYEES:

The information in accordance with Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is given in a separate statement and forms part of this Report. However, this statement is not being enclosed in the copy of the Annual Report being circulated to all the members as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956. However, any member interested in obtaining a copy of this statement may

contact the Company Secretary.

12.0 COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:

Particulars under Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 on conservation of energy and technology absorption are not applicable and hence no disclosure is being made in this Report.

13.0 CORPORATE GOVERNANCE REPORT:

Corporate Governance Report is attached by way of Annexure 'A' to this Report.

14.0 ACKNOWLEDGEMENTS:

Your Directors wish to place on record the whole hearted co-operation the Company has received from its Clients, Bankers, Financial institutions and the Central and State Government authorities, shareholders, suppliers and others during the year.

For **DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED**

**REAR ADMIRAL KIRPAL SINGH
EXECUTIVE CHAIRMAN**

Mumbai
April 29, 2013



CORPORATE GOVERNANCE REPORT

COMPANY'S GOVERNANCE PHILOSOPHY

The Company believes that, sound corporate practices based on fairness, transparency and accountability are essential for its sustained long-term growth. It is in recognition of such requirements that the Company has adopted good governance principles and practices, by order to achieve its objectives and also help to build confidence of the shareholders in the Management of the Company.

1.0 BOARD OF DIRECTORS

The Board consisted of Eleven (11) Directors and one (01) Alternate Director as on March 31, 2013

1.1 COMPOSITION, CATEGORY OF DIRECTORS AND OTHER DIRECTORSHIP DETAILS ARE AS FOLLOWS:

Name of the Director	No. of outside Directorships and Committee Memberships/Chairmanships	
	% No. of Other Directorships	#No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies
PROMOTER/ EXECUTIVE DIRECTORS		
Rear Admiral Kirpal Singh, EC	3	-
@Mr. Satpal Singh, MD	5	-
@Mr. Navpreet Singh, JMD	5	1
PROMOTER/NON-EXECUTIVE DIRECTOR		
* @Vice Admiral Harisimran Singh Malhi	2	-
INDEPENDENT/ NON-EXECUTIVE DIRECTOR		
Mr. S. Sundar	4	1
Mr. S. Venkiteswaran, VC	3	4
Mr. Arvind K Parikh	-	-
Mr. Bipin R. Shah	4	5 (1 as Chairman)
Mr. Robert D. Petty	-	-
Dr. Faqir Chand Kohli	3	-
Mr. J.Jayaraman	-	-
Mr. K. Athreya, AD	2	-

*Vice Admiral Harisimran Singh Malhi resigned as whole time director of the Company and continues to act as Non-Executive Director of the Company w.e.f. November 30, 2012

@Dolphin HADI Marine Services (India) Limited is in the process of Strike Off name from register maintained by RoC

%The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 25 of the Companies Act, 1956 and private limited companies.

#In accordance with Clause 49, Memberships/Chairmanships of only the Audit Committees and Shareholders'/Investors' Grievance Committees in all public limited companies (excluding Dolphin Offshore Enterprises (India) Limited) have been considered.

- EC - Executive Chairman
MD - Managing Director
JMD - Joint Managing Director
VC - Vice Chairman
AD - Alternate Director



None of the Directors is a member of more than ten Board-level committees or Chairman of more than five such committees, as required under Clause 49 of the listing agreement.

DISCLOSURE REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS

Articles of Association of the Company provides that at every Annual General Meeting of the Company one-third of the directors for the time being are liable to retire by rotation or, if their number is not three or multiple of three, the number nearest to one-third shall retire from office.

Mr. Arvind Parikh, Dr. F. C. Kohli and Mr. S. Sundar, Directors, who retire by rotation and being eligible, offer themselves for re-appointment. Rear Admiral Kirpal Singh, Executive Chairman of the Company propose to be re-appointed as Whole Time Director designated as Executive Chairman of the Company

Given below are the abbreviated resumes of the Directors of the Company:

REAR ADMIRAL KIRPAL SINGH

Rear Admiral Kirpal Singh, Executive Chairman of the Company, is the Chief Promoter of the Company. He joined the Indian Navy in 1943 and received his initial training with the Royal Navy from 1943 to 1946. He saw active service on Russian Convoys and the Okinawa campaign during World War II. He has held many important appointments during his Naval career. He commanded various ships and establishments, including the aircraft carrier VIKRANT and the Western Fleet. His other appointments included ADC to Shri C. Rajagopalachari, Deputy Naval Advisor to the Indian High Commissioner in U.K., Director of Personnel at Naval Headquarters and Director General Naval Dockyard Expansion Scheme Bombay. He is a graduate of the Defence Services Staff College, India, Joint Services Staff College, UK and the Royal College of Defence Studies, London. He was awarded the Ati Vishisht Seva Medal in 1968 for his contribution to Human Resource Development of the Navy. After retiring from the Navy, he was representative of Balfour Beatty Engineering Ltd. U.K. in India for two years before promoting Dolphin Offshore Enterprises (India) Ltd. He is a Director in Dolphin Offshore Projects Ltd., Kanika Shipping Ltd. and Dolphin Offshore Shipping Ltd.

He is the Chairman of Managing Committee and a Member of Share Transfer Committee of the Company.

MR. S. VENKITESWARAN

Mr. S. Venkiteswaran was enrolled to practice in the Bombay High Court in 1962 and after a few years in the trial courts [both criminal and commercial], he specialized exclusively in maritime and aviation related commercial disputes.

He has also been associated with several international shipping litigations and arbitrations and has also appeared as an expert witness on Indian law in Arbitration and Court proceedings overseas. He has also presented papers at various seminars in India and abroad.

He has been a member of the Perspective Planning Group for Ports at the Turn of the Century, constituted by the Planning Commission of India. He was also a member of the Committee constituted for updating the laws relating to Admiralty.

He is currently the Chairman on the Board of Directors of Pandi Correspondents Pvt. Ltd., who are the Indian Correspondents for UK, Britannia, London, TT, ITIC, SKULD and South of England P&I Clubs. He is on the Board of Directors of the Dolphin Offshore Shipping Limited, Indian Register of Shipping, Mahagujarat Chamunda Cements Company Pvt. Ltd., Pipavav Defence and Offshore Engineering Company Limited (Earlier Pipavav Shipyard Limited), the Clearing Corporation of India Ltd. and LCL Logistix (India) Private Limited.

He is the:

1. Member of the Audit Committee, Bye-laws, Rules & Regulations Committee, Committee of Directors on HR, Personnel & Organizational matters of the Clearing Corporation of India Limited.
2. Chairman of Remuneration Committee & Member of Audit Committee, Shareholders/ Investors Grievance Committee and Finance Committee of Pipavav Defence & Offshore Engineering Company Limited.
3. Chairman of Audit Committee and Compensation Committee of Indian Register of Shipping.

He is also the Chairman, Board of Trustees of the Bombay Tamil Sangham & Maker Chambers III Premises Co.-Op. Society Ltd., a Trustee on the Board of Trustees of Sri Shanmukhananda Fine Arts & Sangeetha Sabha and the President of the Bombay Keraleeya Samaj, a Member of Expert Group on Air Transport, International Chamber of Commerce Paris and France. Member of the Governing Council, Samundra Institute of Maritime Studies Trust. He is also a Trustee of the Maritime Training Trust, Mumbai.

He is the Vice Chairman and Chairman of Managerial Remuneration Committee, Member of Audit Committee of the Dolphin Offshore Enterprises (India) Limited.

He is the Chairman of the Remuneration Committee and also the Member of the Audit Committee of Dolphin Offshore Shipping Ltd., a Wholly Owned Subsidiary of the Company.

MR. ARVIND K. PARIKH

After obtaining his Bachelor of Commerce Degree from the Bombay University, Mr. Parikh joined Cambridge University



for his Master of Arts Degree. Thereafter, he qualified as a Barrister-at-Law from the Lincoln's Inn, London.

On his return from the U.K. in 1949, he joined Burmah Shell Oil Storage and Distributing Company Ltd., where he held many posts at various levels. In 1969, he was elevated to the post of Administration [Personnel], Marketing, Supply and Distribution at the Board level. He retired in 1976 as Deputy to the Chief Executive. Thereafter, he was Shell Petroleum Company Ltd., London's Representative in India and as the Resident Director in India of Shell Company of India Ltd., London till 1988. He was a Director of the Burmah Shell Refineries Ltd. till 1976.

After his retirement in 1988, he was on the Board of many prestigious Indian Companies such as Mafatnal Fine Spinning & Weaving Co. Ltd., Bhansali Engineering Co. Ltd., Gujarat Gas Company Ltd., Mupnar Films [Polypropylene] Ltd. and Great Eastern Shipping Co Ltd.

He is the Chairman of Shareholders / Investors Grievance Committee and a Member of Audit Committee, Managing Committee and Remuneration Committee.

MR. S. SUNDAR

Mr. Sanjivi Sundar is currently HUDCO Chair Professor in TERI University, Distinguished Fellow at The Energy and Resources Institute (TERI) and Honorary Professor CEPT University, Ahmedabad.

Mr. Sundar joined the Indian Administrative Service in 1963 and has held several senior positions in the State of Gujarat and in the Government of India. He was also with the Commonwealth Secretariat in London for 8 years, first as Special Advisor (International Finance) and then as Director of the Economic and Legal Advisory Services Division, which is the consulting arm of the Commonwealth Secretariat. He was Finance Director of one of India's blue chip companies, the Gujarat Narmada Valley Fertilizer Company, a Joint Secretary in the Department of Economic Affairs in the Government of India, Finance Secretary to the Government of Gujarat, and Secretary to the Government of India, Department of Tourism. His last assignment in the Government of India was as Secretary in the Ministry of Surface Transport when he spearheaded major reforms in the port and road sectors.

He was a Distinguished Visiting Professor at the Faculty of Law, University of Toronto, Canada. He is also a member of the Governing Council and Management Committee of the CUTs Centre for Infrastructure Regulation and Competition. He has chaired important Committees set up by the Government of India including the National Committee on Road Safety and Traffic Management. He is currently a member of the high level National Transport Development Policy Committee set up by the Government of India.

He is on the Board of Directors of Nandi Highway Developers Ltd., Nandi Economic Corridor Enterprises Ltd., Nandi Infrastructure Corridor Enterprises Limited and JPT Securities Ltd. He is Chairman of Remuneration Committee in Nandi Infrastructure Corridor Enterprises Ltd. and Nandi Economic Corridor Enterprises Limited. He is the member of Audit Committee of JPT Securities Limited.

He is a Member of the Remuneration Committee of the Company.

MR. BIPIN R. SHAH

Mr. Bipin R. Shah is a B.Com Graduate from Bombay University and a member of The Institute of Chartered Accountants of India. In 1956, he joined Hindustan Lever (subsidiary of Unilever) as Management Trainee. He became a Director of Hindustan Lever Ltd. in 1979. In that capacity, he was responsible for Foods, Animal Feeds, Agri Product and Export Business. In 1981, he was assigned the additional responsibility of being Chairman of another Unilever subsidiary Lipton India Ltd., which was facing considerable losses and financial crisis. Mr. Shah managed not only to turn around the company but also to restore the confidence of the shareholders and the employees. In addition to Lipton responsibilities, Mr. Shah was also Chairman of Export Business of four Unilever Companies in India viz. Hindustan Lever Ltd., Lipton India Ltd., Brooke Bond India Ltd. and Ponds India Ltd. In 1989, he attended Senior Executive Programme conducted by Sloan School of Business, Massachusetts Institute of Technology at Boston, USA.

He serves on the Board of Kotak Mahindra Asset Management Company Ltd., Dolphin Offshore Shipping Ltd., Jyothy Laboratories Ltd., and Jyothy Consumer Products Limited.

He is also a member of Audit Committee of Kotak Mahindra Asset Management Company Ltd., Jyothy Laboratories Ltd. and Jyothy Consumer Products Limited. He is also a member of Compensation Committee of Kotak Mahindra Asset Management Company Ltd. and Jyothy Laboratories Limited.

He is the Chairman of the Audit Committee and a member of Shareholders / Investors Grievance Committee of the Company. He is the Chairman of Audit Committee of Dolphin Offshore Shipping Ltd. a Wholly Owned Subsidiary of the Company.

MR. SATPAL SINGH

Mr. Satpal Singh qualified as a Civil Engineer, specializing in the design of offshore structures from the Indian Institute of Technology, at Powai, Mumbai in 1980.

During the period he has been working with the Company, he has attended various courses such as the



Diving Orientation Course conducted by Taylor Diving & Salvage Co. Inc. in 1981, Rig Manager's Drilling Course, conducted by Global Marine and the Oil Based Drilling Mud course conducted by N L Baroid in 1989. He has also done courses in safety, welding, quality, etc.

He is a member of FICCI's Energy Council.

Besides, being the Chief Executive Officer of the Company, he is also responsible for all technical functions including Operations/ Project Execution, Marketing and Quality Assurance.

He is a Managing Director of Global Dolphin Drilling Company Limited and a Director in Kanika Shipping Limited, Dolphin Offshore Projects Limited, Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd., Dolphin Offshore Shipping Ltd., IMPaC Oil & Gas Engineering (India) Pvt. Ltd. and Dolphin HADI Marine Services Limited (The Company under process of strike off the name from the Register of Registrar of Companies).

He is a member of Managing Committee and Share Transfer Committee.

MR. NAVPREET SINGH

Mr. Navpreet Singh is a B. Com graduate from Bombay University and a member of the Institute of Chartered Accountants of India.

After graduating from Sydenham College in 1984, he joined Arthur Andersen & Co. During his first eighteen months with Arthur Andersen & Co. he received extensive training in accounting, auditing, tax, various commercial laws, computer software and various aspects of financial management. He later worked in the Financial Consultancy Services group, which specialized in audits and financial consulting.

During his career with Arthur Andersen & Co. he handled many diverse assignments such as purchase acquisition review, inventory management, and preparation of internal control manuals, review and designing of internal control systems, profit improvement projects in addition to normal audits. He has also been a member of the faculty at the Firm wide Audit Staff Training School, conducted in Spain for all new recruits in Europe and India on various occasion.

Mr. Navpreet Singh left Arthur Andersen & Co. in December 1989 when he joined Dolphin Offshore Enterprises (India) Limited as a Director – Finance.

He is the Managing Director of Dolphin Offshore Shipping Ltd. and a Director in Kanika Shipping Limited, Dolphin Offshore Projects Limited, Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd., Global Dolphin Drilling Company Limited, IMPaC Oil & Gas Engineering (India) Pvt. Ltd. and Dolphin HADI Marine Services (India) Limited (the Company is under process of Strike off name from the Register of Registrar of Companies).

He is a member of Managing Committee, Shareholders / Investors Grievance Committee and Share Transfer Committee of the Company.

MR. ROBERT D. PETTY

Mr. Robert Petty is a co-founder and Managing Partner of Clearwater Capital Partners and is a member of the Firm's Investment and Management Committees. Since founding the Firm in 2001, Mr. Petty and his partner Amit Gupta have utilized their backgrounds in credit-oriented investment strategies and invested profitably across cycles, sectors and geographies building an Asia-focused business that today is one of the largest credit investing firms in the region. Over his nearly 30-year career, Mr. Petty has focused on investing in Asia-dedicated special situations and credit investments, including turnarounds, restructurings, stressed credits and distressed-for-control transactions. Mr. Petty's principal responsibilities encompass portfolio management, origination and overall management of the Firm. Prior to founding Clearwater, Mr. Petty held senior positions at Amroc Investments LLC, Peregrine Fixed Income Ltd. and was with Lehman Brothers Holdings, Inc. for thirteen years.

Mr. Petty sits on the Board of four Clearwater portfolio companies and also serves on the Boards of two non-profit organizations, The Emerging Markets Private Equity Association (EMPEA) and Engender Health. Mr. Petty holds a bachelor of arts degree in Political Science from Brown University and is based in Hong Kong.

DR. FAQIR CHAND KOHLI

Born in Peshawar (Pakistan), Dr. Kohli completed his schooling and matriculation in Peshawar. He obtained BA and B.Sc. (Hons.) degrees from Punjab University - Government College, Lahore. Thereafter, he went to Queen's University, Canada and received his B.Sc. (Hons.) degree in Electrical Engineering in 1948. He worked with the Canadian General Electric Company for a year, and proceeded to the Massachusetts Institute of Technology, Cambridge, USA, where he received his MS degree in Electrical Engineering. In the latter part of 1950 and early 1951, he worked with Ebasco International Corporation, New York; Connecticut Valley Power Exchange, Hartford; and with New England Power System, Boston for training in Power System Operation Planning.

He returned to India in early August 1951, and joined Tata Electric Companies and helped to set up the Load Despatching System to manage the system operations. He then became the General Superintendent in 1963, and Deputy General Manager in 1967. Simultaneously, he worked as consultant to Tata Consulting Engineers. He became Director of Tata Electric Companies in 1970. During his years with Tata Electric Companies, he introduced advanced engineering and management



techniques for the operation of power systems. He was also responsible for significant use of digital computers for power system design and control, using the CDC 3600 mainframe computer at the Tata Institute of Fundamental Research.

In 1968, Tata Electric Companies installed the Westinghouse-digital Computer to control the operations of the entire grid of Tata Electric Companies, which comprised three hydro stations, thermal units and energy supply from Tarapore Atomic Energy and Koyana Hydroelectric of Maharashtra State Electricity Board. This was a significant achievement for India as there were only four other utilities in the U.S. that had digital controls. UK, Germany, France and Japan at that point in time were using Analogue controls.

In September 1969, he moved to Tata Consultancy Services as General Manager. In 1974, he was made the Director-in-Charge and in 1994 Deputy Chairman. TCS was set up to take part in IT development. TCS carried out complex assignments for banks, telephone companies and the government in early 70s. TCS pioneered India's IT Revolution and helped the country to build the IT Industry.

Be it the propagation of computerisation in India at a time when no one realised its potential, or bringing the benefits of IT to India's rural masses through computer based Adult Literacy programme, he saw IT as an instrument of national development. He has been working on advancing engineering education at undergraduate level to world standards to create a large pool of students for undertaking graduate studies and research. With IIT Bombay and Ministry of Information Technology, he initiated the project to graduate 3000 Microelectronic engineers at Masters level. He indicated the need for IT use within the country in all spheres of activity some years back and this has taken shape in terms of affordable computers and Open-source software in Indian Languages.

A visionary and pioneer by nature, he is acknowledged as the 'Father of the Indian Software Industry'.

Dr. Kohli is a fellow of IEEE USA, IEE UK, Institution of Engineers India, Computer Society of India and many others. He has received his Doctorate in Engineering (HonorisCausa) from the University of Waterloo, Canada in 1990, from Robert Gordon University in 2000, Aberdeen, U.K., University of Roorkee, UP in 2000, from IIT Bombay in 2004, Jadavpur University Kolkata in 2004 and IIT Kanpur 2006.

He has received many awards including the prestigious Dadabhai Naoroji Memorial Award in 2001 and was conferred the Padma Bhushan in the year 2002.

He is a Director in Triveni Engineering & Industries Limited, Triveni Engineering Limited and Media Lab Asia

and a Member of the Advisory Board of DSP Blackrock Investment Managers Limited.

MR.J. JAYARAMAN

Mr. J. Jayaraman had a long association for over 3 decades with the Petroleum industry with Indian Oil Corporation (Marketing Division) and retired as CMD of Cochin Refineries Limited with Schedule A status. During the tenure as Chairman and Managing Director of Cochin Refineries Limited, the company showed a virtual turnaround, expansion of capacity and diversification to Petrochemical Industry and thereby a spectacular growth and won the Best Corporate Performance Award for 1990, instituted by Economic Times and the Harvard Business Association in India and also National and International Awards on Environment/Safety areas.

Briefly, his association with the oil Industry has been a unique position of possessing knowledge of all the 3 segments of the oil industry viz. Refining, Marketing and Exploration as detailed below:

He was earlier the General Manager (Sales) covering domestic and International sales, imports and exports of crude and petroleum products on a canalized basis for the industry and Chief General Manager for International Trade in Indian Oil Corporation. During his tenure he had been Trustee of the Goa Port Trust (1973-1974) and Cochin Port Trust (1986-1991) at Bombay and Cochin respectively and had been actively associated fully in negotiations with all oil companies around the world in the matter of oil imports/exports.

He was a member of the Expert Committee of the Adhoc Task Force of the Govt. of India for finalization of Annual Performance Targets for each one of the Oil Industry members be it refining and marketing and exploration companies.

He had executed assignments for Projects under the auspices of the World Bank for government of Kenya / Zambia on deregulation of petroleum products during 1994-1995 as an Independent Consultant.

He was a member of High-powered Expert Committee constituted by the Government of Tamil Nadu in January 1997 to make comprehensive review of the performance of the State undertakings and recommend measures to improve their performance to secure reasonable return on investments.

As a Chairman of the Committee along with leading management consultants during 1997 and 1998, he studied and recommended an action plan for restructuring Madras Refineries Limited (a JV with NIOC Iran) and Cochin Refineries Limited, and has developed strategies in a liberalized deregulated market condition.



He was a member of the Committee appointed in October 1998 by the Ministry of Petroleum Govt. of India for restructuring of downstream Petroleum Sector Integration / Strategic alliances of IBP with standalone Refining marketing companies.

He has been a member on the Advisory Board, India Operations (from May 1997 till October 2001) of M/s. A.T.Kearney, which is a leading global multi disciplinary Management Consultant firm headquartered in Chicago specializing in strategic operations, I.T. consulting etc, and also served as Advisor / Consultant for various companies in the Petroleum Sector during 1997-1999 for companies like Kaveri Power Gas, Cazenove, Seaco, Chevron and Bermaco – Bombay.

During 1997-2000, he served as an Independent Director in M/s. Bharat Heavy Electricals Limited as a Navratna Nominee by the Government of India. In August 2000 to February 2002, he was a member of the Expert Committee for Environmental Impact Assessment on Industrial Projects (Constituted by the Ministry of Environment and Forests) of the Govt. of India.

In April 1999 to September 2003 he served as a Navratna nominee by the Government of India Independent Director in Oil and Natural Gas Corporation Limited. During this period he was also a member of the Board Sub Committees on Audit, Planning Committee, Project Appraisal Committee and Mumbai High North Redevelopment Project.

In the past, he has been on the Board of reputed private sector companies like M/s. Coromandel Fertilizers (June 1998 to July 2005). In CFL, he had also been a board Subcommittee Member of Audit, Project Remuneration & Ethics Committee, additionally, he has been on the Board of Dolphin Offshore Enterprises (India) Limited, Sundaram Clayton Ltd., (a TVS Group Company), Citurgia Chemicals, Pioneer (ITI) (now Franklin) Templeton and M/s. John Crane (UK).

He has been on the Board of Directors of M/s. Haldia Petrochemicals Limited as an IDBI Nominee Director and Board of M/s. Andhra Cements Limited as a Bank of Baroda Nominee and member outside Expert committee for settling disputes between ONGC and their contractors. He has served as an Expert Member in the Technical Advisory Committee of Tamil Nadu Pollution Control Board from 01-04-2006 to 31-03-2009

He is presently, an honorary Trustee in Veda Pata Nidhi Trust and a Trustee in Sri Kanchikamakoti Peetam Charitable Trust and Dharma Rakshana Trust. He is a partner of Hydrocarbon Consultants.

MR. K. ATHREYA

Mr. Karthik Athreya joined Clearwater in 2007 and is a member of the Firm's Management Committee. Based

in Mumbai, Mr. Athreya is responsible for Clearwater's Indian investments, including overseeing the asset management team, and is involved with extensive corporate finance and equity monetization strategies. As part of his responsibilities, Mr. Athreya oversees growth, organization and business building strategies for Clearwater's portfolio companies in India. In this capacity, he sits on the Board of several companies and works closely with sponsors and management to evaluate strategic and financial opportunities and risks. Prior to joining Clearwater, Mr. Athreya was a Director of Investment Banking at a private sector bank in India where he assisted in the establishment of the investment banking business. Prior to this, he held positions of increasing responsibility at Rabo India Finance Pvt. Ltd. (the corporate investment banking subsidiary of Rabobank Netherlands), Arthur Andersen and PricewaterhouseCoopers.

Mr. Athreya is a member of the Institute of Chartered Accountants of India and holds a B.Com. (Commerce) degree from Loyola College, Chennai, India.

VICE ADMIRAL HARISIMRAN SINGH MALHI

Vice Admiral Harisimran Singh Malhi was commissioned into the Indian Navy on 01 July, 1972 after completion of training at National Defence Academy, Khadakvasla and completed Basic Engineering Course and Marine Engineering Specialization Course at Naval College of Engineering at INS Shivaji, Lonavala. He has also done a Post-graduate Advanced Marine Engineering Course at Institute of Armament Technology, Pune, Naval Higher Command Course at College of Naval Warfare, Mumbai and National Security Course at National Defence College, Delhi.

In his 36 years' service in the Indian Navy, he served on both major and minor war vessels ranging from Cruisers and Destroyers to Frigates and Missile Boats. During his sea appointments, he gained experience on all types of main propulsion in the Indian Navy. His appointments afloat were capped by his stint as Fleet Engineer Officer, Western Fleet.

Amongst important appointments ashore have been as Commanding Officer of INS Shivaji, which is Indian Navy's premier technical training establishment and General Manager (Refit) at Naval Dockyard, Visakhapatnam. He was also Warship Production Superintendent at Mazagon Dock Ltd. Mumbai and oversaw commissioning of Missile Destroyer INS Mumbai, Missile Corvette INS Kirch and Missile Boat INS Prabal.

As Flag Officer, he was Director, Defence Machinery Design Establishment at Hyderabad and served as Admiral Superintendent Naval Dockyard at Visakhapatnam, a premier ship repair yard on the East Coast.



For distinguished service with the Navy, he was awarded Ati Vishisht Seva Medal and Vishisht Seva Medal by the President of India.

He took premature retirement from the Navy and assumed charge as Chairman & Managing Director of Mazagon Dock Ltd., Mumbai from October 20, 2008 and retired on January 31, 2012.

He is the Director of Dolphin Offshore Shipping Ltd., Dolphin Offshore Enterprises (Mauritius) Private Limited and Dolphin HADI Marine Services (India) Limited (the Company is under process of Strike off name from Register of Registrar of Companies)

1.2 MEETINGS OF THE BOARD

The Board of Directors met 4 times during the year 2012-2013 on May 14, 2012, July 27, 2012, October 30, 2012 and January 18, 2013.

DETAILS OF ATTENDANCE			
Name of the Directors	No. of Board meetings held	No. of meetings attended	AGM Held On September 14, 2012
Rear Admiral Kirpal Singh, EC	4	4	Yes
Mr. Satpal Singh, MD	4	4	Yes
Mr. Navpreet Singh, JMD	4	4	Yes
*Mrs. Manjit Kirpal Singh, Director	4	1	NA
**Vice Admiral Harisimran Singh Malhi, Director	4	4	Yes
Mr. S. Sundar, Director	4	2	No
Mr. S. Venkiteswaran, VC	4	2	No
Mr. Arvind K. Parikh, Director	4	4	No
Mr. Bipin R. Shah, Director	4	3	Yes
Mr. Robert D. Petty, Director	4	0	No
Dr. Faqir Chand Kohli, Director	4	3	No
Mr. J. Jayaraman, Director	4	4	No
Mr. Karthik B. Athreya (Alternate Director to Mr. Robert D. Petty)	4	1	No

*Mrs. Manjit Kirpal Singh resigned as Director of the Company w.e.f July 27, 2012.

**Vice Admiral Harisimran Singh Malhi resigned as whole time director of the Company and continues to act as Non-Executive Director of the Company w.e.f. November 30, 2012.

2.0 SUB COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has set up the following sub-committees.

2.1 AUDIT COMMITTEE

[A] Terms of Reference

- Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Recommending the appointment and removal of external auditors and internal auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the quarterly / annual financial statements with management before submission to the Board.
- Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function.
- Discussion with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board, if any.
- Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To oversee compliance with the requirements of Corporate Governance norms of the listing agreement with NSE & BSE.

[B] Composition of Audit Committee

The Audit Committee comprises of the following Non-Executive Directors, namely:-

Non-Executive- Independent

- | | |
|-------------------------|------------|
| (1) Mr. Bipin R. Shah | - Chairman |
| (2) Mr. Arvind K Parikh | - Member |
| (3) Mr. S Venkiteswaran | - Member |
| (4) Mr. J. Jayaraman | - Member |

[C] Meetings of the Audit Committee

The Audit Committee met 4 times during the year 2012-2013 on May 14, 2012, July 27, 2012, October 30, 2012 and January 18, 2013.

DETAILS OF ATTENDANCE

Name of Directors	No. of Audit Committee Meetings held	No. of Meetings attended
Mr. Bipin R. Shah	4	3
Mr. S. Venkiteswaran	4	2
Mr. Arvind K Parikh	4	4
Mr. J. Jayaraman	4	4
*Mrs. Manjit Kirpal Singh	4	1

*Mrs. Manjit Kirpal Singh resigned as a Member of the Committee w.e.f July 27, 2012



2.2 MANAGING COMMITTEE

[A] Terms of Reference

The Company has formed the Managing Committee in order to:

- (i) Monitor the operations of the Company and its marketing plans on a regular basis and give suggestions whenever required.
- (ii) Decide on various borrowing and investment proposal within the limit specified by the Board.

[B] Composition of Managing Committee

1. Rear Admiral Kirpal Singh - Chairman
2. Mr. Arvind K. Parikh - Member
3. Mr. Satpal Singh - Member
4. Mr. Navpreet Singh - Member

[C] Meetings of the Managing Committee

The Committee met 3 times during the year 2012-2013 on August 06, 2012, November 07, 2012 & December 03, 2012.

DETAILS OF ATTENDANCE		
Name of the Directors	No. of Managing Committee meetings held	No. of meetings attended
Rear Admiral Kirpal Singh	3	0
Mr. Satpal Singh	3	3
Mr. Navpreet Singh	3	3
Mr. Arvind K. Parikh	3	3

2.3 SHARE TRANSFER COMMITTEE

[A] Terms of Reference

The Company has set up the aforesaid Committee to ensure speedy share transfer and also to look into the Investor's complaints.

[B] Composition of Share Transfer Committee

1. Rear Admiral Kirpal Singh
2. Mr. Satpal Singh
3. Mr. Navpreet Singh

The Compliance Officer is Mr. V. Surendran, Company

Secretary.

The Committee met 10 times during the year 2012-2013.

2.4. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

[A] Terms of Reference

To ensure redressal of shareholders and investor complaints relating to transfer of shares, non-receipt of balance sheet, non-receipts of dividends/interests etc.

[B] Composition of Shareholders/Investor Grievance Committee

The Committee comprises of following Directors namely:

1. Mr. Arvind K. Parikh - Chairman
2. Mr. Bipin R. Shah - Member
3. Mr. Navpreet Singh - Member

During the year 2012-2013, the Company has not received any Investors / Shareholders complaints.

No meeting of committee held during the year 2012-13.

The Compliance Officer is Mr. V. Surendran, Company Secretary.

2.5 REMUNERATION COMMITTEE

[A] Terms of Reference

To recommend/review the remuneration package of Managing Director/Joint Managing Director/ Whole Time Director (if any) including pension rights and any other compensation related matters and issues within the framework of the provisions and enactments governing the same.

[B] Composition of Remuneration Committee

The Committee comprises of following Directors namely:

1. Mr. S. Venkiteswaran - Chairman
2. Mr. S. Sundar - Member
3. Mr. Arvind K. Parikh - Member

[C] Remuneration Policy

To compensate Managing Director/Joint Managing Director/ Whole Time Director commensurate to the earnings of the Company and the efforts put in by them for achieving the same and also in consonance with the existing industry practice, subject to the limits governed by law.



[D] Remuneration to Directors

(Amount in Rupees)

Name of Director	Salary, benefits	Sitting fees	Commission
Rear Admiral Kirpal Singh, EC	84,53,518.00	-	-
Mr. Satpal Singh, MD	71,77,645.00	-	-
Mr. Navpreet Singh, JMD	68,63,340.00	-	-
**Vice Admiral Harisimran Singh Malhi, Director	48,08,871.84	10,000	-
*Mrs. Manjit Kirpal Singh, Director	-	15,000	104,888
Mr. S. Sundar, Director	-	25,000	324,396
Mr. S. Venkiteswaran, VC	-	30,000	324,396
Mr. Arvind K. Parikh, Director	-	75,000	324,396
Mr. Bipin R. Shah, Director	-	45,000	324,396
Mr. Robert D. Petty, Director	-	-	324,396
Dr. Faqir Chand Kohli, Director	-	30,000	324,396
Mr. J. Jayaraman, Director	-	60,000	324,396
Mr. Karthik Athreya, Alternate Director	-	-	Nil

* Mrs. Manjit Kirpal Singh resigned as Director of the Company w.e.f July 27, 2012.

**Vice Admiral Harisimran Singh Malhi resigned as Whole Time Director of the Company and continues to act as Non-Executive Director of the Company w.e.f. November 30, 2012.

[E] Meetings of the Remuneration Committee:

During the year, the Committee met once on May 14, 2012.

[F] Details of the shareholding of non-executive directors:

Vice Admiral Harisimran Singh Malhi (Promoter) and non-executive director and other Independent and non-executive directors do not hold any shares of the Company.

[G] Criteria of making payments to Non-Executive directors

Sitting fees : Rs. 10,000/- for Board Meeting
Rs. 5,000/- for Committee Meeting

Commission : 1% of the net profits of the Company as stipulated in Section 309(4) of the Companies Act, 1956.

Reimbursement of the expenses, in connection with attending the meeting of the Board, Committee and Shareholders.

2.6 OTHER COMMITTEES

The Company has also set up three other Committees, which are not so significant; hence other details are not given here.

1. Committee for affixing Common Seal: The Committee met once during the year 2012-13.
2. Committee for Banking Operation: No meeting of Committee held during the year 2012-13
3. Investment Committee: No meeting of Committee held during the year 2012-13

3.0 GENERAL MEETINGS

Details of last three Annual General Meetings (AGM).

	Venue	Date	Time	No. of special resolutions passed
a)	M.C. Ghia Hall, Fourth Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Kalaghoda, Mumbai – 400 001.	September 14, 2012 (AGM)	1000 hours	2
b)	M.C. Ghia Hall, Second Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Kalaghoda, Mumbai – 400 001.	July 29, 2011 (AGM)	1500 hours	0
c)	M.C. Ghia Hall, Second Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Kalaghoda, Mumbai – 400 001.	July 23, 2010 (AGM)	1500 hours	0

4.0 RELATED PARTY DISCLOSURES

Disclosures on materially significant related party transactions i.e. transactions of the Company which are of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company are given in the audited financial statements.

5.0 NON-COMPLIANCE

There have been no incidence of non-compliance with any of the legal provisions of law nor has any penalty or stricture been imposed by the Stock Exchanges or SEBI or any statutory authority, or any other matter related to capital market during the last three years.

6.0 MEANS OF COMMUNICATION

Quarterly results

Which news papers normally published in: Economic Times/DNA & Maharashtra Times/ Mumbai Lakshwadeep.

The Quarterly Results are also displayed on the Corporate Website: www.dolphinoffshore.com.

Management Discussion and Analysis Report forms a part of the Annual Report.

7.0 POSTAL BALLOT

There are no resolutions which have been passed through postal ballot during the year.



8.0 RISK MANAGEMENT

The Company has laid down procedures to appraise the Board of Directors regarding key risk assessment and risk mitigation mechanisms.

9.0 MANDATORY REQUIREMENTS

The Company has complied with the mandatory requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

10.0 CODE OF CONDUCT

The Company has Code of Conduct for Directors and Senior Management and the same is complied and has been displayed on the website of the Company.

The Company has also formulated Whistle Blower Policy under which nobody was denied access to Audit Committee.

11.0 GENERAL SHAREHOLDERS INFORMATION

- a) Annual General Meeting : July 26, 2013
Time : 1500 hours
Venue : M.C. Ghia Hall
4th Floor, Hargovindas
Building, 18/20,
K. Dubash Marg,
Kalaghoda,
Mumbai – 400 001.
- b) Financial Year : 2012-2013
- c) Key Financial Reporting Dates
for the Financial Year 2013-2014
Unaudited First Quarterly result : On or before August 14, 2013
Unaudited Second Quarterly
result : On or before November 14,
2013
Unaudited Third Quarterly result : On or before February 14, 2014
Audited results for the Financial : On or before May 30, 2014
Year 2013-14
- d) Book Closure date : July 22, 2013 to July 26, 2013.
(both days inclusive)
- e) Dividend Payment date : On or before August 23, 2013
- f) Listing on stock exchanges : Equity shares are listed on
the Bombay Stock Exchange
Limited (BSE) and National
Stock Exchange of India
Limited (NSE), Mumbai
- g) Stock code : 522261 (BSE) and
DOLPHINOFF (NSE)
- h) International Securities
Identifying Number (ISIN)
(Shares) : INE920A01011
- i) International Securities
Identifying Number (ISIN)
(Foreign Currency Convertible
Bonds) : XSO239362162

- j) Market Price Data HIGH/LOW during each month from April 2012 to March 2013 (BSE).

PERIOD – 2012-13	HIGH	LOW
APRIL 2012	89.00	75.60
MAY 2012	83.30	73.30
JUNE 2012	84.50	74.10
JULY 2012	84.95	73.50
AUGUST 2012	84.40	74.00
SEPTEMBER 2012	101.70	71.00
OCTOBER 2012	124.50	92.70
NOVEMBER 2012	114.00	93.00
DECEMBER 2012	124.90	98.00
JANUARY 2013	129.00	104.00
FEBRUARY 2013	124.90	108.00
MARCH 2013	112.00	78.00

- Market Price Data HIGH/LOW during each month from April 2012 to March 2013 (NSE).

PERIOD – 2012-13	HIGH	LOW
APRIL 2012	86.95	75.05
MAY 2012	82.90	74.00
JUNE 2012	83.75	72.20
JULY 2012	83.90	73.20
AUGUST 2012	84.90	74.40
SEPTEMBER 2012	101.70	73.00
OCTOBER 2012	124.35	92.40
NOVEMBER 2012	113.80	95.40
DECEMBER 2012	124.80	97.50
JANUARY 2013	130.55	104.00
FEBRUARY 2013	125.50	107.30
MARCH 2013	111.45	83.80

- k) Registrar and Share Transfer Agent :
M/s.Sharepro Services(India) Pvt. Ltd.
13AB,Samhita Warehousing Complex Second
Floor, Sakinaka Telephone Exchange Lane, Off.
Andheri - Kurla Road, Sakinaka, Andheri (East),
Mumbai – 400 072.

- l) Share Transfer System :
Share transfer requests received in
Physical form are registered within an average
period of 15 days. A Share Transfer Committee
comprising members of the Board meets atleast
once in fortnight to consider the transfers of the
shares.

Request for dematerialisation (demat) received from the shareholders are effected within an average period of 15 days.



m) **DISTRIBUTION OF SHAREHOLDING AS ON
MARCH 31, 2013**

Sr. No	Category	No. of Shares Held	Percentage (%)
1	Promoters	91,64,612	54.64
2	Body Corporates	19,10,986	11.39
3.	NRI	1,48,731	0.89
4.	Foreign Bodies	16,54,099	9.86
5.	Govt. / Financial Institution	-	-
6.	Other Non-Nationalised Banks	-	-
7.	Indian Public	37,45,761	22.33
8.	Flls	1,48,329	0.88
	Total	1,67,72,518	100.00

Note: Promoters include 7,65,279 shares i.e. 4.56% held by NRI relative and Indian Public includes 2600 shares i.e. 0.02 % held in Trust.

n) Dematerialisation of Shares : 16385672 equity shares which constitutes 97.69% of the paid up capital as on March 31, 2013 has been dematerialised.

o) Corporate Office : L.I.C. Building, Plot No. 54, Sector 11, Next to K - Stars Hotel, C.B.D. Belapur (East), Navi Mumbai – 400 614
Tel.No: 6602 6602
Fax No: 6602 6603

p) Workshop Location : The Company has five Workshops namely:
Project Workshops (Owned)
A-78 & W221,
TTC Industrial Area,
MIDC Khairne,
Thane Belapur Road.
Navi Mumbai - 400705
Tel. No.: 27780507

: Project Workshop (Leased)
R-15, T.T.C. Industrial Area,
M.I.D.C., Rabale, Opp
Pradeep Metal Ltd., Thane
Belapur Road,
Navi Mumbai - 400708
Tel. No.:27600462

q) Address for Correspondence

: Diving Workshop (Leased)
Plot No. D/24/5,
Nr.Balmer Lawrie Company
TTC Industrial Area,
MIDC, Sanpada
Navi Mumbai-400705
Tel. No. : 66026472
Fax No. : 27616091

: Sewri Workshop (Leased)
Gala No. 6, Sewree Bunder Road
Premises Co-op. Soc. Ltd,
Minerva Studio Compound,
Bunder Road,
Sewri (East), Mumbai – 400 015
Tel. No. : 24131058

: 1001, Raheja Centre, 214,
Nariman Point
Mumbai 400 021
Tel.Nos: 22832226/34/42
Fax No.: 22875403

email : customers@dolphinoffshore.com

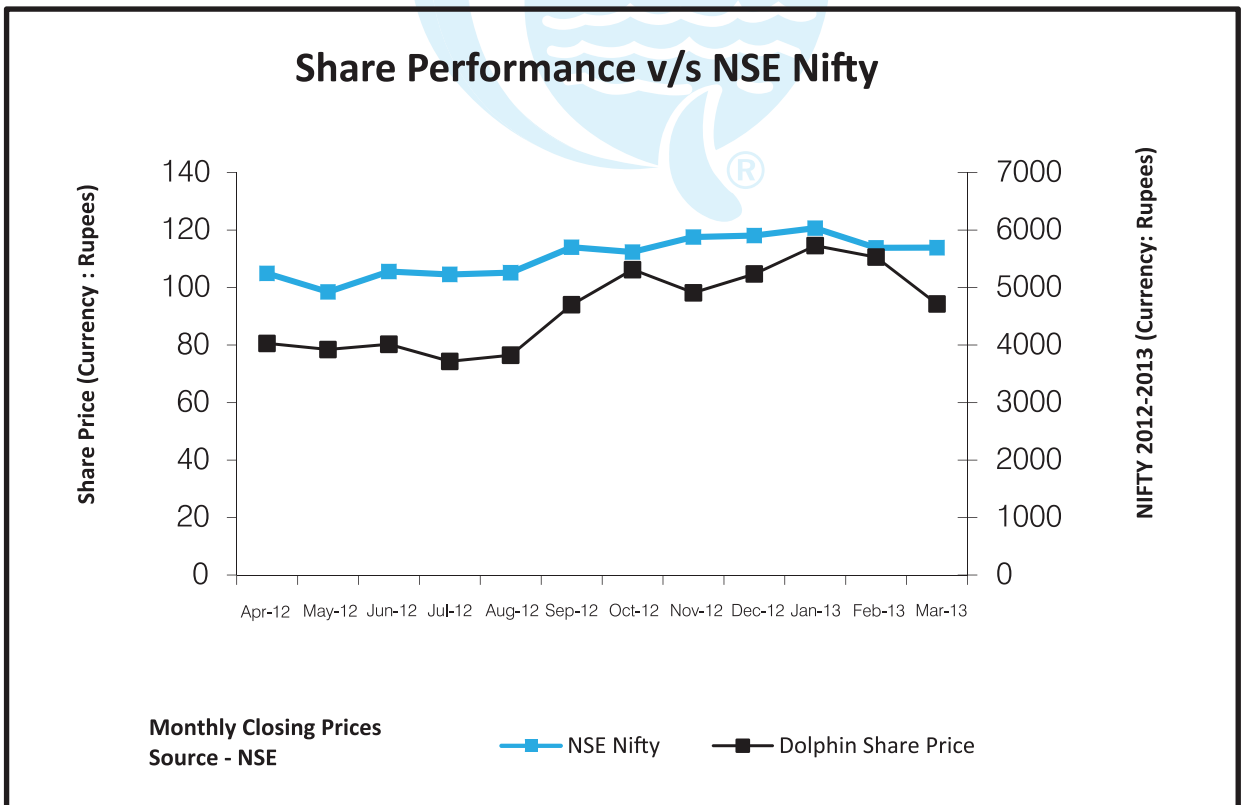
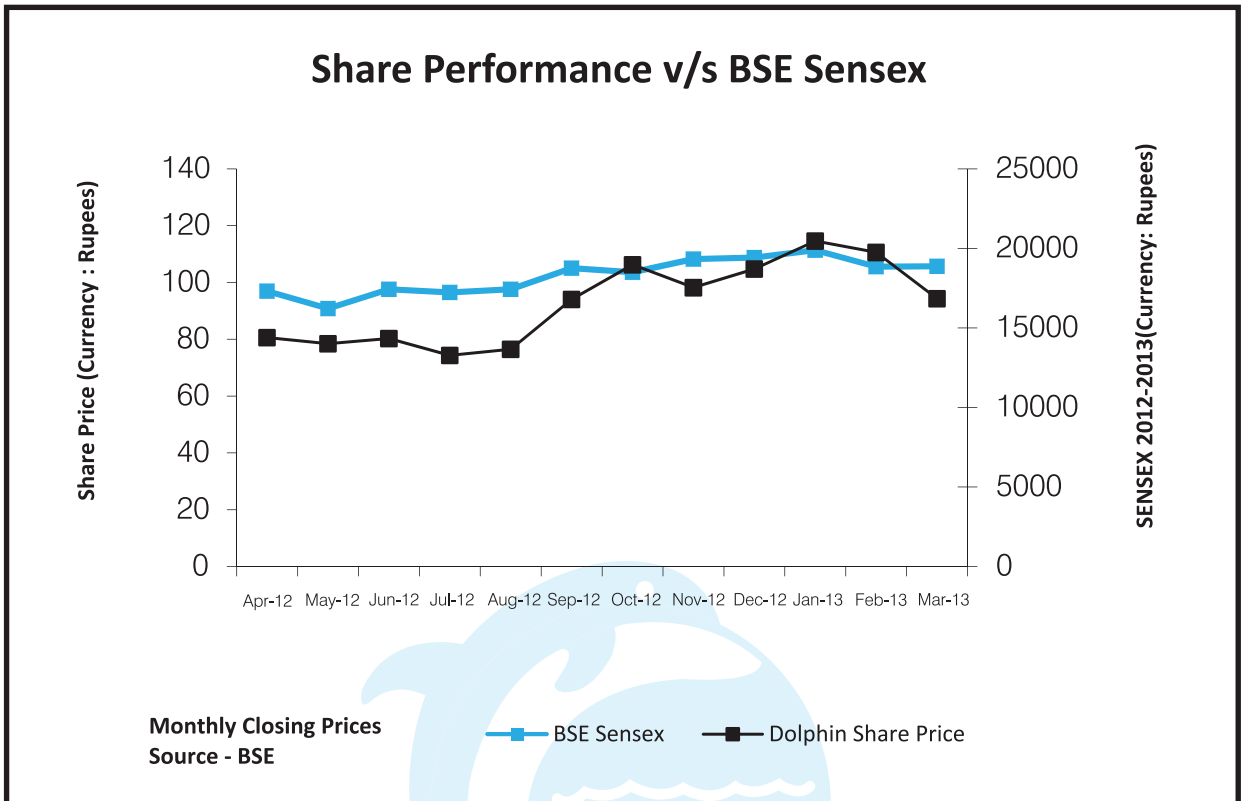
Investor Complaints ID : investors@dolphinoffshore.com

r) Website : www.dolphinoffshore.com

s) Transfer of unclaimed amounts to Investor Education and Protection Fund:

During the year under review, unclaimed dividend of Rs. 87,491/- (Rupees Eighty Seven Thousands Four Hundred Ninety One only) for the Financial Year 2004-2005 was transferred to the Investor Education and Protection Fund on August 27, 2012.

t) The Compliance Officer is Mr. V. Surendran, Company Secretary.





**DECLARATION BY THE CHIEF EXECUTIVE OFFICER OF THE COMPANY UNDER CLAUSE
49 OF THE LISTING AGREEMENT**

To,

The Members of Dolphin Offshore Enterprises (India) Limited

I, Mr. Satpal Singh, Managing Director of Dolphin Offshore Enterprises (India) Limited declare that all Members of the Board of Directors and senior Management Personnel have affirmed compliance with the Code of Conduct.

**Satpal Singh
Managing Director**

Place: Mumbai
Date: April 29, 2013

Auditors' Certificate on Corporate Governance

To The Members of

Dolphin Offshore Enterprises (India) Limited,

We have examined the compliance of conditions of Corporate Governance by Dolphin Offshore Enterprises (India) Limited ("the Company"), for the year ended on 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **HARIBHAKTI & Co.**
Chartered Accountants
FRN No. 103523W

CHETAN DESAI
Partner
Membership No.17000

Place: Mumbai
Date: April 29, 2013



INDEPENDENT AUDITORS' REPORT

To the Members of Dolphin Offshore Enterprises (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Dolphin Offshore Enterprises (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As stated in Note No. 35(c) to accounts, no Provision is made for Liquidated damages amounting to Rs. 1840 lacs for reasons stated therein. The Profit for the year and reserves and surplus are without considering such provision. This is not in conformity with the provisions of Accounting Standard 29 'Provisions, Contingent Liabilities and Contingent Assets' which stipulates the provisions to be recognized in the financial statements and with the provisions of Accounting Standard 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and except for the effects of the matter described in the Basis for Qualified Opinion paragraph, give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;*
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and*
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.*

Emphasis of Matter

We draw attention to:

- a) Note no. 35(b) to accounts with regard to long outstanding sundry debtors of Rs. 2526 lacs, which have been considered by the management as good and recoverable.
- b) Note no. 35(d) to accounts with regards to recognition of revenue of Rs. 3384 lacs being only a portion of the extra claims for additional work carried out, for the reason states therein.
- c) Note no. 13 to accounts with regard to inventorisation of value of materials in transit.
- d) Note no. 35(a) with regard to non availability of confirmations of balances in respect of trade receivables and trade payables.
- e) Note no. 2(d) with regard to revenue recognition from projects. This involves technical judgement in respect of percentage work completed, cost yet to be incurred, etc. which have been relied upon by us, being a technical matter.

Our opinion is not qualified in respect of these matters.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance

Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;

- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.103523W

Chetan Desai
Partner
Membership No. 17000

Mumbai
April 29, 2013



ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" in the Independent Auditors' Report of even date to the members of **Dolphin Offshore Enterprises (India) Limited** on the financial statements for the year ended March 31, 2013]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) As informed, the Company has granted unsecured interest free loans to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 9260 Lacs and year-end balance of loans granted to such parties was Rs. 8765 Lacs.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- (c) As regards repayment of principal, there are no stipulations for repayment.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company had taken loan from five parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 221 Lacs and year-end balance of loans granted to such parties was Rs. 210 Lacs.
- (f) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- (g) As regards repayment of principal, there are no stipulations for repayment. In respect of the aforesaid loans, the company has been regular in payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of services. During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal



on the company in respect of the aforesaid deposits.

- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	98.58	1990-91 to 2000-01	CIT (A)
Income Tax Act, 1961	Income Tax	24.94	2005-06	ITAT
Income Tax Act, 1961	Income Tax	46.26	2006-07	ITAT

- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans & advances on the basis of security by way of pledge of shares,

debentures and other securities.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.103523W

Chetan Desai
Partner
Membership No.17000

Mumbai
April 29, 2013



BALANCE SHEET AS AT MARCH 31, 2013

(Currency: Indian Rupee in Lacs)

	<u>Notes</u>	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	16,77.25	16,77.25
Reserves and surplus	4	2,34,26.29	2,21,94.80
		2,51,03.54	2,38,72.05
NON-CURRENT LIABILITIES			
Long-term borrowings	5	8,62.00	24,33.50
Deferred tax liabilities (Net)	6	29.38	73.11
Long-term provisions	7	1,36.46	85.30
		10,27.84	25,91.91
CURRENT LIABILITIES			
Short-term borrowings	8	88,60.90	68,92.12
Trade payables	9	1,19,94.43	29,97.03
Other current liabilities	9	58,89.44	36,93.78
Short-term provisions	7	3,41.38	2,72.94
		2,70,86.15	1,38,55.87
TOTAL		5,32,17.53	4,03,19.83
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
Tangible assets	10	29,74.82	27,65.61
Intangible assets	10	73.09	1,02.87
Capital work-in-progress	10	1,14.26	1,16.41
		31,62.17	29,84.89
Non-current investments	11	20,19.32	20,19.32
Long-term loans and advances	12	11,20.15	7,99.63
CURRENT ASSETS			
Inventories	13	26,19.96	11,32.16
Trade receivables	14	2,10,60.95	1,81,96.00
Cash and cash equivalents	15	12,58.87	8,84.83
Short-term loans and advances	12	1,08,59.20	1,16,01.78
Other current assets	16	1,11,16.91	27,01.22
		4,69,15.89	3,45,15.99
TOTAL		5,32,17.53	4,03,19.83
Significant Accounting Policies and Notes to Accounts forming an integral part of financial statements.	1 to 36		

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

Chetan Desai
Partner

Place: Mumbai
Date : April 29, 2013

FOR AND ON BEHALF OF THE BOARD

Mr. Bipin R. Shah	Director & Audit Committee Chairman
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Jt. Managing Director
Mr. V. Surendran	Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Currency: Indian Rupee in Lacs)

	Notes	Year Ended 31.03.2013	Year Ended 31.03.2012
INCOME			
Revenue from operations - Sale of services	17	3,40,29.10	1,74,98.31
Other income	18	12,00.06	28,31.60
Total revenue		<u>3,52,29.16</u>	<u>2,03,29.91</u>
EXPENSES			
Cost of services and material	19	2,55,15.01	1,15,07.38
Changes in inventories		(13,20.28)	-
Employee benefits expense	20	36,30.75	23,78.38
Finance costs	21	17,82.37	16,43.88
Depreciation and amortization expense	22	4,38.29	4,06.72
Other expenses	23	30,68.68	22,18.89
Total expenses		<u>3,31,14.82</u>	<u>1,81,55.25</u>
Profit before tax		<u>21,14.34</u>	<u>21,74.66</u>
TAX EXPENSES			
Current tax		6,75.00	6,57.00
Deferred tax		(43.74)	(8.74)
Profit after tax		<u>14,83.08</u>	<u>15,26.40</u>
EARNINGS PER EQUITY SHARE			
(Face value Rs. 10/- per share)			
Basic earnings per equity share		8.84	9.10
Diluted earnings per equity share		8.84	9.10
Significant Accounting Policies and Notes to Accounts forming an integral part of financial statements.	1 to 36		

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

Chetan Desai
Partner

Place: Mumbai
Date : April 29, 2013

FOR AND ON BEHALF OF THE BOARD

Mr. Bipin R. Shah	Director & Audit Committee Chairman
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Jt. Managing Director
Mr. V. Surendran	Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Currency: Indian Rupee in Lacs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	21,14.34	21,74.66
Adjusted for :		
Depreciation	4,38.29	4,06.72
Interest expense	17,82.36	16,43.87
Interest Income	(3,96.28)	(7,19.15)
Dividend Income	(3,10.00)	(2,97.60)
Fixed assets - Profit on sale	(17.81)	-
Operating profit before working capital changes	36,10.90	32,08.50
Adjustments for :		
Trade and other receivables	(1,10,37.55)	45,83.48
Inventory	(14,87.80)	(7,69.39)
Bank deposits maturing after 12 months period	38.02	(5,55.09)
Trade and other payables	1,11,93.06	(35,20.11)
Provisions	1,19.60	33.83
CASH GENERATED FROM OPERATIONS	24,36.23	29,81.22
Direct taxes paid	(9,91.03)	(8,26.44)
NET CASH FLOW FROM OPERATING ACTIVITIES	14,45.20	21,54.78
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,21.21)	(1,14.62)
Capital Work in Progress	-	48.99
Sale of fixed assets	23.46	-
Interest received	3,96.28	7,19.15
Dividend Income	3,10.00	2,97.60
Loans to Subsidiary	4,95.00	(13,69.58)
NET CASH FLOW FROM INVESTING ACTIVITIES	6,03.53	(4,18.46)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowing	(15,96.00)	(50,34.20)
Proceeds from borrowing	21,15.62	48,00.00
Increase [decrease] in loan liabilities	(1,22.33)	(11.00)
Interest paid	(17,82.37)	(16,43.87)
Dividend paid	(2,51.59)	(2,51.59)
NET CASH FLOW FROM FINANCING ACTIVITIES	(16,36.67)	(21,40.66)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,12.06	(4,04.34)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	3,29.74	7,34.08
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	7,41.80	3,29.74

As per our attached report of even date

For HARIBHAKTI & CO.

Chartered Accountants

Chetan Desai

Partner

Place: Mumbai

Date : April 29, 2013

FOR AND ON BEHALF OF THE BOARD

Mr. Bipin R. Shah

Mr. Satpal Singh

Mr. Navpreet Singh

Mr. V. Surendran

Director & Audit Committee Chairman

Managing Director

Jt. Managing Director

Company Secretary



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1 Corporate Information

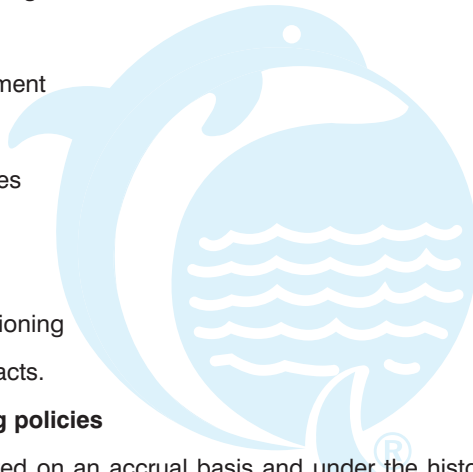
Dolphin Offshore was incorporated in May as a Private Limited Company on May 17, 1979 with the objective of providing services to the Offshore Oil and Gas Industry. The Company initially commenced operations by providing diving services to the Oil and Natural Gas Commission (now reconstituted as the Oil and Natural Gas Corporation Ltd). Over the years, the Company has expanded its capabilities and now provides a range of services as explained below.

In 1994, Dolphin Offshore went public and is currently listed on the Bombay Stock Exchange and the National Stock Exchange.

Dolphin Offshore has two wholly owned subsidiaries, Dolphin Offshore Shipping Ltd (hereinafter referred to as DOSL) and Dolphin Offshore Enterprises (Mauritius) Pvt Ltd (hereinafter referred to as DOEMPL). In addition, Dolphin Offshore has entered in a joint venture with IMPaC Offshore Engineering GMBH for providing design and engineering services. DOSL is only involved in the business of owning, operating and managing vessels and in handling marine logistics. DOEMPL, apart from owning vessels, will also provide to the international market the whole range of services that Dolphin Offshore provides.

The current range of services that Dolphin Offshore and subsidiaries provide are :

- a. Underwater diving and engineering
- b. Design and engineering
- c. Vessel operations and management
- d. Marine logistics
- e. Ship repair and rig repair services
- f. Fabrication
- g. E&I services
- h. Offshore hook-up and commissioning
- i. Undertaking turnkey EPC contracts.



2 Summary of significant accounting policies

The financial statements are prepared on an accrual basis and under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards as prescribed by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956.

a) Fixed assets and depreciation

Fixed assets are valued at cost (or as revalued), which includes the purchase price of the asset, and other direct costs incurred in getting the asset at the appropriate location and into a condition where they can be put to use. Financing costs incurred upto the date that the asset is ready to be used is included in the cost of the asset if they are significant. However, fixed assets costing upto Rs. 5,000 individually are charged off in the year of acquisition.

In accordance with Accounting Standard 28, the Company will recognise impairment of fixed assets or a group of fixed assets, if their recoverable value (realisable value or discounted cash flow expected from the use of the asset) is lower than its carrying cost. If such indication exists, the carrying amount of such asset is lowered to the recoverable value and the reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

Depreciation [including depreciation on revalued portion of fixed assets] is calculated on the written down value method at the rates and in the manner, stated in Schedule XIV of the Companies Act, 1956, except computer software which is amortised over a period of five years on straight line method.

Leasehold land is amortised over the period of lease.

Cost of improvement of leased premises is depreciated on straight line basis over lease period which also includes extension period available under lease agreement.



b) Investments

Long Term investments are stated at cost. Current Investments are stated at lower of cost or fair value. Cost of investments is determined as the purchase price of the investments plus other direct costs incurred on establishing clear ownership of the investment.

A provision for diminution is made to recognise a decline other than temporary in the value of long term investments.

c) Inventories

Stores and spares are valued at lower of cost or net realisable value.

d) Recognition of Revenue

The Company generally adopts the proportionate completion method of revenue recognition where revenues are recognised as and when work is completed e.g. per day, per square meter etc.

However, where the proportionate completion method cannot be easily implemented [e.g. on lump sum rate contracts], the Company adopts the completed contract method where revenues are recognised only when the contracts are fully completed, or easily identified portions of the contract are completed. At year end, expenses incurred on contracts for which revenues are not recognised are reflected as billable costs.

Revenues include the amounts due under various contracts entered into with customers, including reimbursable expenses and interest payable by the client on overdue payments as per the terms of contracts, plus the fees earned on the chartering of vessel to third parties when the vessels are not deployed on the Company's contracts. The corresponding costs of reimbursable expenses are reflected in operating expenses. Revenues include adjustments for rebates, discounts and downtimes, which arise in the course of business during the year.

Long term contracts are progressively evaluated at the end of each accounting period. On Contracts under execution which have reasonably progressed, profit is recognized by evaluation of the percentage of work completed at the end of the accounting period, whereas, foreseeable losses are fully provided for in the respective accounting period. The percentage of work completed is determined by the percentage of work completed as certified by the client.

Additional claims (including for escalation), which in the opinion of the Management are recoverable on the contracts, are recognised at the time of evaluating the job.

e) Foreign currency transactions

Foreign currency transactions are recorded in the books of account at the exchange rate prevailing on the date of the transaction. Any differences that arise in exchange rates on the date that these transactions are settled are recognised as foreign exchange gains or losses.

In the event that transactions are not settled as of year end, all foreign currency monetary items are translated using the exchange rate prevailing at year end, and any resulting foreign exchange gains or losses are recognised as period costs.

Investments in shares in foreign subsidiaries are recorded in the books of accounts at the historical exchange rates i.e. at the exchange rate prevailing on the date of subscribing to the shares.

f) Employees benefits

Short Term Employee Benefits

Liability in respect of short term compensated absences is accounted for at undiscounted amount likely to be paid as per entitlement.

Defined Contribution Plan

Retirement benefits in the nature of Provident Fund, Superannuation Scheme and others which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when contributions accrue.

Defined Benefit Plan

The liability for Gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date.



Other Long Term Benefits

Long term compensated absences are provided on the basis of an actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date. Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss for the year as income or expense.

g) Deferred tax and Income tax

Deferred taxes arise due to the difference in recognition of income and expenses as per Company's books of account prepared as per generally accepted accounting principles and as per the income tax returns prepared in accordance with the provisions of Indian Income tax Act, 1961. These differences may be permanent in nature, or they may represent a timing difference and consequently may affect the future profitability after tax of the Company.

In order to minimise the effect of deferred taxes in future years, the Company provides for deferred taxes using the liability method in accordance with the Accounting Standard 22 issued by the Institute of Chartered Accountants of India. Deferred taxation is recognised on items relating to timing difference, at the income tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and is reviewed every year for the appropriateness of their carrying value on each Balance Sheet date.

h) Earnings per share

Earnings per share have been calculated on the basis of the weighted average of the number of equity shares of Rs. 10 each that are outstanding as at the balance sheet date. Diluted earnings per share is calculated on the basis of the weighted average of the number of equity shares outstanding as at the balance sheet date plus the dilutive equity shares that the Company may need to issue on convertible instrument.

i) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

j) Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of past event,
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of the obligation can be reliably estimated.

Contingent Liability is disclosed in case of

- a) present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation Or
- b) a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized, nor disclosed

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

	31-Mar-13	Rs. in lacs 31-Mar-12
3 Share Capital		
Authorised		
2,50,00,000 (2012 - 2,50,00,000) equity shares of Rs. 10 each	<u>25,00.00</u>	<u>25,00.00</u>
Issued, subscribed and fully paid up		
1,67,72,518 (2012 - 1,67,72,518) equity shares of Rs. 10 each fully paid	<u>16,77.25</u>	<u>16,77.25</u>
Total Issued, subscribed and fully paid-up share capital	TOTAL <u><u>16,77.25</u></u>	<u><u>16,77.25</u></u>



a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

Particulars	31-Mar-13		31-Mar-12	
	No in lacs	Rs. in lacs	No in lacs	Rs. in lacs
Shares outstanding at the beginning of the year	1,67.72	16,77.25	1,67.72	16,77.25
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,67.72	16,77.25	1,67.72	16,77.25

b) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five year immediately preceding the reporting date

Particulars	Year (Aggregate No. of Shares) - No. in lacs				
	2008-09	2009-10	2010-11	2011-12	2012-13
Equity Shares					
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	38.26	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

c) Details of shareholders holding more than 5 % shares in the company

Name of Shareholders	31-Mar-13		31-Mar-12	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kirpal Singh	9,19,523	5.48%	8,71,382	5.20%
Navpreet Singh	9,80,152	5.84%	9,80,152	5.84%
Satpal Singh	9,41,555	5.61%	9,41,555	5.61%
Dolphin Offshore Projects Ltd.	25,60,662	15.27%	25,60,662	15.27%
ClearWater CAP Partners CLO I PTE Ltd	6,50,313	3.88%	9,81,666	5.85%
ClearWater CAP. Partners Cyprus Ltd	10,03,786	5.98%	10,03,786	5.98%

d) Terms/rights attached to equity shares

The Company has only one type of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year Mar 31, 2013; the amount of per share dividend recognized as distributions to equity shareholder was Rs. 1.50.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



		Rs. in lacs	
		31-Mar-13	31-Mar-12
4 Reserves and Surplus			
RESERVES			
General reserve			
Opening balance		48,09.18	46,56.54
Add: Transfer from Statement of Profit and Loss		1,48.31	1,52.64
Closing balance		<u>49,57.49</u>	<u>48,09.18</u>
Securities premium account			
Opening balance		61,08.25	61,08.25
Closing balance		<u>61,08.25</u>	<u>61,08.25</u>
SURPLUS			
Opening balance		1,12,77.37	1,01,14.39
Add: Net Profit for the current year		14,83.08	15,26.40
Add : Tax on dividend distribution of previous year		-	40.81
Less: Proposed dividend		(2,51.59)	(2,51.59)
Less: Transfer to general reserve		(1,48.31)	(1,52.64)
Closing balance		<u>1,23,60.55</u>	<u>1,12,77.37</u>
TOTAL		<u>2,34,26.29</u>	<u>2,21,94.80</u>

		Rs. in lacs			
		Non-current		Current maturities	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
5 Long-Term Borrowings					
Loans from banks (Secured)		7,86.00	23,82.00	15,96.00	15,96.00
Other loans and advances					
Deposits from Shareholders & Others (Unsecured)		76.00	51.50	-	-
TOTAL		<u>8,62.00</u>	<u>24,33.50</u>	<u>15,96.00</u>	<u>15,96.00</u>

(Secured by the hypothecation of book debts, the fixed assets not secured against term loans and other current assets of the Company as well as personal guarantee of the whole-time Directors).

The above loans are repayable in 36 equal installments.

		Rs. in lacs	
		31-Mar-13	31-Mar-12
6 Deferred Tax Liability			
Difference between book and tax depreciation		3,76.51	3,85.50
Lease Equalisation		(42.24)	(53.50)
Provision for leave encashment, bonus & gratuity		(2,43.72)	(1,06.65)
Net impact on timing difference		90.55	2,25.35
Effective tax rate		32.45%	32.45%
Deferred tax liability	TOTAL	<u>29.38</u>	<u>73.11</u>



Rs. in lacs

7 Provisions	Long-term		Short-term	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(a) Provision for employee benefits				
Leave encashment (unfunded)	1,36.46	85.30	37.99	21.35
Gratuity (Funded)	-	-	51.80	-
	1,36.46	85.30	89.79	21.35
(b) Others				
Proposed dividend	-	-	2,51.59	2,51.59
	-	-	2,51.59	2,51.59
TOTAL	1,36.46	85.30	3,41.38	2,72.94

Rs. in lacs

8 Short-Term Borrowings	31-Mar-13	31-Mar-12
Secured		
Cash credit from scheduled banks (Secured by the hypothecation of book debts, the fixed assets not secured against term loans and other current assets of the Company as well as personal guarantee of the whole-time Directors)	78,02.68	56,87.07
	78,02.68	56,87.07
Unsecured		
Loans and advances from related parties		
From Directors	1,98.82	2,21.15
Deposits		
From Shareholders & Others	69.40	41.90
Other loans and advances		
From Companies	7,90.00	9,42.00
	10,58.22	12,05.05
TOTAL	88,60.90	68,92.12

Rs. in lacs

9 Current Liabilities	31-Mar-13	31-Mar-12
Trade payables (refer note no. 34 for details of due to MSMEs)	95,14.52	29,97.03
Acceptance / Bills Payable	24,79.91	-
	1,19,94.43	29,97.03
Other Liabilities		
Current maturities of long term borrowings	15,96.00	15,96.00
Accrued expenses	37,77.45	15,16.54
Unpaid dividend	11.71	10.90
Other current liabilities	5,04.28	5,70.34
	58,89.44	36,93.78
TOTAL	1,78,83.87	66,90.81



10 Fixed Assets

Rs. in lacs

Particulars	Gross Block (At Cost)				Depreciation				Net Block	
	As at 01.04.2012	Additions during the year	Deduction / Adjustment during the year	As at 31.03.2013	Upto 31.03.2012	For the year	Deduction / Adjustment during the year	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets										
Freehold Land	1,10.27	-	-	1,10.27	-	-	-	-	1,10.27	1,10.27
Premises	12,45.22	-	-	12,45.22	4,58.81	65.11	-	5,23.92	7,21.30	7,86.41
Plant and Machinery	39,05.62	6,18.41	15.06	45,08.97	22,22.06	3,05.32	9.62	25,17.76	19,91.21	16,83.56
Office Equipment	1,72.74	2.90	-	1,75.64	82.36	12.79	-	95.15	80.49	90.38
Furniture and Fixtures	1,53.32	-	-	1,53.32	1,00.61	9.54	-	1,10.15	43.17	52.71
Motor Vehicles	1,04.83	-	4.69	1,00.14	91.38	3.47	4.49	90.36	9.78	13.45
Computer	2,71.32	1.65	-	2,72.97	2,42.49	11.88	-	2,54.37	18.60	28.83
Total (A)	59,63.32	6,22.96	19.75	65,66.53	31,97.71	4,08.11	14.11	35,91.71	29,74.82	27,65.61
Intangible Assets										
Computer Software	2,17.56	0.40	-	2,17.96	1,14.69	30.18	-	1,44.87	73.09	1,02.87
Total (B)	2,17.56	0.40	-	2,17.96	1,14.69	30.18	-	1,44.87	73.09	1,02.87
Capital Work-in-progress									1,14.26	1,16.41
Total (C)									1,14.26	1,16.41
Total (A+B+C)	61,80.88	6,23.36	19.75	67,84.49	33,12.40	4,38.29	14.10	37,36.58	31,62.17	29,84.89
Previous Year	60,66.26	1,14.62	-	61,80.88	29,05.68	4,06.72	-	33,12.40	28,68.48	

11 Non-Current Investment

Rs. in lacs

Trade Investments (valued at cost stated otherwise) - Refer A below

31-Mar-13

31-Mar-12

Unquoted equity instruments

In Subsidiary Companies-

29,980 (2012 - 29,980) equity shares of
Global Dolphin Drilling Company Ltd of Rs. 10/- each

3.00

3.00

25,000 (2012 - 25,000) equity shares of
Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd., of US Dollar 1/- each

11.45

11.45

74,40,000 (2012 - 1,24,000 of Rs. 100 each) equity shares of
Dolphin Offshore Shipping Ltd. of Rs. 10/- each

19,53.87

19,53.87

In Joint Venture

2,60,000 (2012 - 2,60,000) equity shares of IMPaC
Oil and Gas Engineering (India) Pvt. Ltd. of Rs. 10/- each

26.00

26.00

19,94.32

19,94.32

Other Investments (valued at cost stated otherwise) - Refer B below

Quoted

In mutual funds

2,50,000 (2012 - 2,50,000) units of SBI Infrastructure Fund - I Growth Long term
quoted at cost

25.00

25.00

25.00

25.00

TOTAL

20,19.32

20,19.32

Aggregate amount of quoted investments
(Market value of Rs. 18.02 lacs) (2012- Rs. 19.53 Lacs)

25.00

25.00

Aggregate amount of unquoted investments

19,94.32

19,94.32



A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (in lacs)		"Whether stated at Cost Yes / No"
			31-Mar-13	31-Mar-12			31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a) Other non-current investments											
1	Global Dolphin Drilling Co. Ltd.	Subsidiary	29,980	29,980	Unquoted	Fully paid	59.96%	59.96%	3.00	3.00	Yes
2	Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd.	Subsidiary	25,000	25,000	Unquoted	Fully paid	100.00%	100.00%	11.45	11.45	Yes
3	Dolphin Offshore Shipping Ltd. (*)	Subsidiary	74,40,000*	1,24,000	Unquoted	Fully paid	100.00%	100.00%	19,53.87	19,53.87	Yes
4	IMPac Oil and Gas Engineering (India) Pvt. Ltd.	Joint Venture	2,60,000	2,60,000	Unquoted	Fully paid	40.00%	40.00%	26.00	26.00	Yes
Total									19,94.32	19,94.32	

(*) During the year Dolphin Offshore Shipping Ltd. converted its share of value Rs. 100/- to Rs. 10/- per share. This has resulted in increase of number of shares from 1,24,000 to 12,40,000 shares. Further, Dolphin Offshore Shipping Ltd. has issued bonus shares in the ratio of 5 shares of Rs. 10/- each for every share held in the Company.

B. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (in lacs)		"Whether stated at Cost Yes / No"
			31-Mar-13	31-Mar-12			31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a) Investments in Mutual Funds											
1	SBI - Infrastructure Fund - I Growth	Others	250,000	250,000	Quoted	Fully paid	NA	NA	25.00	25.00	Yes
Total									25.00	25.00	

Rs. in lacs

12 Loans and Advances

(Unsecured, considered good)

Loans and Advances to related parties
Advances recoverable in cash or in kind or for value to be received
Security Deposits

Other Loans and Advances

Advance tax and tax deducted at source (Net of Provision for Tax Rs. 77,36.96 lacs) (2012- Rs. 70,61.96 lacs)

TOTAL

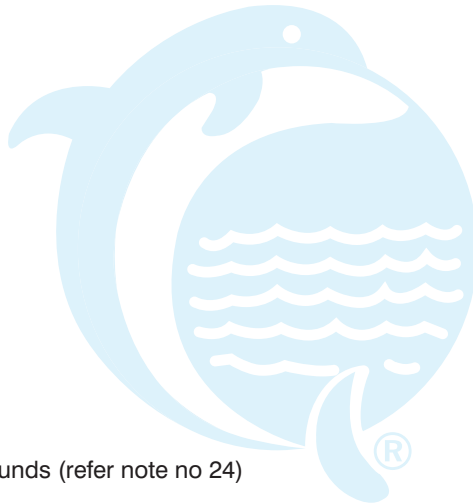
		Non-Current		Current	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
	Loans and Advances to related parties	-	-	87,64.65	92,59.65
	Advances recoverable in cash or in kind or for value to be received	-	-	19,63.29	22,37.92
	Security Deposits	44.83	40.33	1,31.26	1,04.21
	Other Loans and Advances				
	Advance tax and tax deducted at source (Net of Provision for Tax Rs. 77,36.96 lacs) (2012- Rs. 70,61.96 lacs)	10,75.32	7,59.30	-	-
	TOTAL	11,20.15	<u>7,99.63</u>	1,08,59.20	<u>1,16,01.78</u>



	31-Mar-13	31-Mar-12
13 Inventories		
Stores & Spares	20,89.67	7,69.39
Bunker Stock	5,30.29	3,62.77
TOTAL	26,19.96	11,32.16
Inventory of Stores & Spares include items valued at Rs. 10,00.23 lacs (2012 - Rs. Nil) which are in transit from the Offshore Work Sites to the Company's Godown and Workshop.		
14 Trade Receivables		
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	1,13,85.12	1,11,19.36
Other receivables	96,75.83	70,76.64
TOTAL	2,10,60.95	1,81,96.00
15 Cash and Bank Balances		
Cash and Cash Equivalents		
Balances with banks	16.15	15.95
Cash on hand	6.13	13.68
Unclaimed dividend bank balances	11.71	10.90
Bank deposits maturing within 12 months period	7,07.81	2,89.21
	7,41.80	3,29.74
Other Bank Balances		
Bank deposits maturing after 12 months period	5,17.07	5,55.09
TOTAL	12,58.87	8,84.83
The fixed deposit receipts of Rs. 10,48.38 lacs (2012 - Rs. 6,76.80 lacs) have been deposited with the State Bank of India in lieu of margin money on Guarantees and Letters of Credit issued by the Banks		
16 Other Current Assets		
Insurance Claim	0.26	-
Billable Cost	55,73.58	1,45.20
Accrued Income	55,04.83	25,39.64
Interest accrued but not due	38.24	16.38
TOTAL	1,11,16.91	27,01.22



	31-Mar-13	Rs. in lacs 31-Mar-12
17 Revenue from Operations		
Contract revenues	3,40,29.10	1,74,98.31
TOTAL	<u>3,40,29.10</u>	<u>1,74,98.31</u>
18 Other Income		
Interest received	3,96.28	7,19.15
Dividend received	3,10.00	2,97.60
Profit on sale of assets	17.81	-
Applicable net gain/(loss) on foreign currency transactions and translation	3,63.14	6,00.15
Miscellaneous Income	1,12.83	4,45.31
Stores and spares inventorised	-	7,69.39
TOTAL	<u>12,00.06</u>	<u>28,31.60</u>
19 Cost of Services and Material		
Subcontractor charges	51,12.68	53,26.66
Vessel charter and related cost	88,92.83	48,66.33
Equipment related expenses	6,28.29	4,76.55
Material, stores and spares	1,08,81.21	8,37.84
TOTAL	<u>2,55,15.01</u>	<u>1,15,07.38</u>
20 Employee Benefit Expenses		
Salaries and wages	27,93.39	19,30.21
Contribution to provident and other funds (refer note no 24)	3,60.42	1,70.34
Bonus & exgratia	17.47	11.48
Staff welfare expenses	70.68	30.67
Other allowances	3,88.79	2,35.68
TOTAL	<u>36,30.75</u>	<u>23,78.38</u>
21 Finance Costs		
Interest on cash credit	6,94.08	10,11.41
Interest on term loan	4,47.47	3,04.66
Interest on unsecured loan	1,62.93	1,56.78
Interest on commercial paper	-	17.77
Interest on bill discounting	1,10.29	-
Other interest cost	61.36	3.25
Other borrowing cost	3,06.24	1,50.01
TOTAL	<u>17,82.37</u>	<u>16,43.88</u>





		Rs. in lacs
22 Depreciation and Amortization Expenses	31-Mar-13	31-Mar-12
Depreciation on tangible assets	4,08.11	3,71.38
Amortization of intangible assets	30.18	35.34
TOTAL	4,38.29	4,06.72
		Rs. in lacs
23 Other Expenses	31-Mar-13	31-Mar-12
Rent	2,44.73	2,04.64
Repairs to buildings	26.78	17.03
Repairs to machinery	50.03	50.90
Insurance	23.45	20.59
Travel and conveyance expenses	2,29.11	2,00.01
Rates and taxes	1,04.44	78.63
Office related expenses	1,64.62	1,28.99
Vehicle expenses	1,48.06	1,20.92
Promotional expenses	39.75	42.65
Legal and professional fees (includes payment to auditors *)	6,68.98	4,47.38
Bad debts	1,17.90	4,55.85
Miscellaneous expenses	12,50.83	4,51.30
TOTAL	30,68.68	22,18.89
		Rs. in lacs
* Payment to Auditors	31-Mar-13	31-Mar-12
As Auditors		
Audit fee	9.20	9.20
Tax audit fee	2.50	2.50
Limited review	2.80	2.40
In other capacity		
Other services (certification fees)	2.18	2.41
Reimbursement of expenses	0.09	0.22
TOTAL	16.77	16.73

24 Disclosure Under AS – 15 (Revised 2005)

Company has adopted the Accounting Standard (AS – 15) (Revised 2005) "Employee Benefits" effective April 01, 2007.

I. Defined Contribution Plans

The Company has classified the various benefits provided to employees as under:

- a. Provident Fund
- b. Superannuation Fund
- c. Employers' Contribution to Employees' State Insurance

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the Trustee of the Life Insurance Corporation. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.



The Company has recognised the following amounts in Statement of Profit and Loss:

Particulars	Rs. in lacs	
	31-Mar-13	31-Mar-12
Employer's contribution to Provident Fund	1,86.76	1,34.98
Employer's contribution to Superannuation Fund	25.46	21.12
Employer's contribution to Employees' State Insurance	30.67	14.30

II. Defined Benefit Plans

(a) Contribution to Gratuity Fund (Funded Scheme)

In accordance with the Accounting Standard (AS - 15) (Revised 2005), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan based on the following assumptions:

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Discount Rate (per annum)	8.25%	8.00%
Rate of increase in compensation levels (per annum)	10.00%	4.00%
Expected Rate of Return	8.70%	9.25%

(b) Change in the Present Value of Obligation

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Defined Benefit Obligation as at beginning of the year	1,74.44	1,71.69
Addition due to Changes in Assumptions	46.69	-
Revised PV of Defined Benefit Obligation as at beginning of the year	2,21.13	1,71.69
Interest Cost	18.80	13.74
Current Service Cost	19.75	15.10
Benefits Paid	(8.62)	(12.03)
Actuarial (gain) / loss on Obligations	53.86	(14.06)
Present Value of Defined Benefit Obligation as at the end of the year	3,04.92	1,74.44

(c) Changes in the Fair Value of Plan Assets

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Plan Assets as at beginning of the year	2,39.96	2,00.78
Expected Return on Plan Assets	20.64	18.28
Contributions	0.21	32.93
Benefits Paid	(8.62)	(12.03)
Actuarial gains / (losses)	0.93	-
Assets Distributed on Settlement	-	-
Fair Value of Plan Assets As at end of the year	2,53.12	2,39.96



(d) Percentage of each category of Plan Assets to total closing fair value of Plan Assets

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Bank Deposits (SP. Dep. Scheme, 1975)	-	-
Debt Instruments	-	-
Administered by Life Insurance Corporation of India	100.00%	100.00%
Others	-	-

(e) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Funded Obligation as at end of the year	3,04.92	1,74.44
Fair Value of Plan Assets as at end of the year	2,53.12	2,39.96
Funded Liability/ (Asset) as at the Balance Sheet date	51.80	(65.52)

(f) Amount recognised in the Balance Sheet Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Defined Benefit Obligation as at end of the period	3,04.92	1,74.44
Fair Value of Plan Assets as at end of the period	2,53.12	2,39.96
Liability / (Net Asset) as at the end of the year	51.80	(65.52)

(g) Expenses recognised in Statement of Profit and Loss Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Current Service Cost	19.75	15.10
Past Service Cost	-	-
Interest Cost	18.80	13.74
Expected Return on Plan Assets	(20.64)	(18.28)
Curtailment Cost / Credit	-	-
Settlement Cost / Credit	-	-
Net Actuarial (gain) / Loss recognised in the period	52.93	(14.06)
Expenses recognised in the Statement of Profit and Loss	70.84	(3.50)
Addition due to Changes in Assumptions	46.69	-
Total Expenses recognised in the Statement of Profit and Loss	1,17.53	(3.50)

(h) Actual Return on Plan Assets Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Expected Return on Plan Assets	20.64	18.28
Actuarial gains / (losses) on Plan Assets	0.93	-
Actual Return on Plan Assets	21.57	18.28



25 Contingent Liabilities:

i) As at March 31, 2013, the Company had contingent liabilities in respect of bank guarantees, issued to their customers of Rs. 86,04.53 lacs (2012 – Rs. 64,32.61 lacs) of which Rs. 84,13.79 lacs (2012 – Rs. 64,32.61 lacs) are outstanding as of date. These bank guarantees are secured by hypothecation to and in favour of the bank of the Company's entire book debts [present and future], outstanding moneys, engagements, securities, investments and rights and further secured by personal guarantee of Whole-time Directors.

ii) Capital commitment and guarantees on behalf of subsidiary –

The Company has given a corporate guarantee to the lenders of Dolphin Offshore Enterprises (Mauritius) Private Limited for US\$ 25.90 million (2012 – US\$ 25.90 million).

iii) As at March 31, 2013, the Company has commitment to pay Rs. 50,74.43 lacs (2012 - Rs. 13,07.36 lacs) towards balance amount on account of Open Purchase/Service orders.

iv) The CIT (A) had passed the order in favour of the Company with respect to the Block Period Assessment against which the Department had filled an Appeal with the ITAT, Mumbai. Due to Non - Attendance, the ITAT passed an Exparte Order against the Company on the basis of which, Company received a demand of Rs. 97.02 Lacs. The same has been paid in full & the Company is in the process of filing a restoration petition for restoring the Appeal.

Further to the demand for the Block period, the Company has received penalty order u/s. 158 BFA (2) demanding an amount of Rs. 1,97.17 Lacs. Similarly the Company has paid 50% of the penalty amounting to Rs. 98.59 Lacs in 4 Installments. The Company has already filled an Appeal with the CIA (A) against this penalty order.

During the year, Company has received a Notice of Demand of Rs. 92.53 Lacs for A.Y. 2006-07 on the basis of the order passed by CIA (A) due to disallowance of FCCB Issue Expense. 50% of the demand for A.Y.2006-07 amounting to Rs. 46.27 Lacs was paid in 3 equal installments. The Company has already filed an Appeal with the ITAT Mumbai against A.Y. 2006-07.

During the year, Company has preferred an Appeal with ITAT, Mumbai against the Order of CIA (A) for disallowing Dry Docking Charges for A.Y. 2005-06 amounting to Rs. 24.94 Lacs.

The Company on April 18, 2013 has received notice of demand from Deputy Commissioner of Sales Tax for Rs. 1,13.08 lacs and interest thereon Rs. 1,28.62 lacs. The Company is in the process of preferring an appeal against the same.

26 Segment reporting

The Company is mainly engaged in offshore business and there are no separate reportable segments as per Accounting Standard (AS) 17.

27 Related Party Disclosures

Related party transactions cover transactions between the Company and the following persons in accordance with the Accounting Standard 18 notified pursuant to Companies (Accounting Standards) Rules, 2006.

1) Related party relationships

(As identified by the management)

a) Companies under common control, including subsidiaries

- | | |
|--|------------------------|
| i) Dolphin Offshore Projects Limited | - under common control |
| ii) Kanika Shipping Limited | - under common control |
| iii) Global Dolphin Drilling Co Limited | - 59.96 % subsidiary |
| iv) Dolphin Offshore Enterprises (Mauritius) Private Limited | - 100.00 % subsidiary |
| v) Dolphin Offshore Shipping Limited | - 100.00 % subsidiary |
| vi) IMPaC Oil & Gas Engineering (India) Pvt. Limited | - 40 % Joint Venture |

b) Key Management Personnel

Rear Admiral Kirpal Singh	Executive Chairman
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Joint Managing Director
Vice Admiral H.S. Malhi	Whole Time Director (Executive Director Special Project) (From 14.05.12 to 30.11.12)



c) Relatives of Key Management Personnel with whom the Company has had transactions during the year

Mrs. Manjit Kirpal Singh	Spouse of Executive Chairman (Retired on 27.07.12)
Mrs. Prabha Chandran	Daughter of Executive Chairman
Mrs. Nitu Singh	Spouse of Managing Director
Ms. Rishma Singh	Daughter of Managing Director
Mr. Rohan Singh	Son of Managing Director
Mrs. Ritu Singh	Spouse of Joint Managing Director
Mr. Tarun Singh	Son of Joint Managing Director
Mr. Akhil Singh	Son of Joint Managing Director

2) The Company's related party transactions and balances are summarised as follows

Rs. in lacs

Nature of Transactions	Transactions during the year		Outstanding Balance as at March 31, 2013		Outstanding Balance as at March 31, 2012	
	2012 -13	2011 -12	Receivable	Payable	Receivable	Payable
Companies under common control, including subsidiaries			88,84.39	10,80.77	95,73.58	78.61
Interest Received	9.30	-				
Contract Revenues	2,52.55	39.72				
Subcontractor charges paid	69.00	1,37.05				
Hire charges paid	15,94.48	7,38.01				
Loans Given	3,00.00	13,69.57				
Loans Given repaid	7,95.00	-				
Dividend Received	3,10.00	2,97.60				
Recoverable Expenses incurred	0.07	89.22				
Key Management Personnel				1,98.82		2,21.15
Remuneration	2,73.03	2,44.34				
Interest paid	26.52	24.63				
Unsecured Loans received (repaid), net	(22.33)	(15.00)				
Relatives of Key Management Personnel				64.00		57.00
Commission	1.06	3.05				
Interest paid	7.68	5.91				
Fixed deposits received	7.00	4.00				



Rs. in lacs

Companies under common control, including subsidiaries	Sub contractor charges	Contract Revenues	Loans Given repaid	Recoverable Expenses incurred	Hire Charge / Rent Paid	Interest & Dividend Received	(Receivables) / Payables
Dolphin Offshore Projects Limited	-	-	-	-	20.15	-	38.01
Dolphin Offshore Enterprises [Mauritius] Private Limited	-	2,07.56	4,95.00	-	-	-	(87,94.11)
IMPaC Oil and Gas Engineering (India) Pvt Ltd.	-	-	-	-	-	-	(90.28)
Dolphin Offshore Shipping Ltd.	69.00	44.99	(3,00.00) 3,00.00	0.07	15,75.33	3,19.30	10,42.76

Material related Party transactions

Rs. in lacs

Particulars	Unsecured loan / Fixed Deposit Taken/ (Repaid)	Interest paid	Remuneration	(Receivables) / Payables
Key Management Personnel				
Rear Admiral Kirpal Singh	-	3.00	84.53	25.00
Mr. Satpal Singh	-	0.05	71.78	0.40
Mr. Navpreet Singh	(22.33)	15.67	68.63	1,08.42
Mrs. Manjit Kirpal Singh	-	6.60	-	55.00
Mr. Arvind Parikh	-	1.20	-	10.00
Vice Admiral H S Malhi	-	-	48.09	-
TOTAL :	(22.33)	26.52	2,73.03	1,98.82
Relatives of Key Management Personnel				
Mrs. Prabha Chandran	-	0.36	-	3.00
Mrs. Ritu Singh	-	0.36	-	3.00
Mr. Tarun Singh	7.00	4.41	-	36.75
Mr. Akhil Singh	-	2.55	-	21.25
TOTAL :	7.00	7.68	-	64.00

Notes

- a) Remuneration includes basic salary, allowance and perks.
- b) The monthly reimbursement of expenses between the Company and related parties towards office expenses, provident fund etc., are not reflected in the statement above.
- c) There are no provisions for doubtful debts or amounts written off in respect of debts due to or from related parties.

28 Operating Lease commitments –

- a) The minimum amounts payable in future towards non-cancellable lease agreements for premises are as follows:

Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Not later than one year	89.18	89.18
Later than one year and not later than five years	2,45.24	3,34.42
Later than five years	-	-
TOTAL	3,34.42	4,23.60

- b) Lease payments recognised in the statement of Profit & Loss for the period is Rs. 2,44.73 Lacs (2012 - Rs. 2,04.64 lacs).



29 Earnings per share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars		31-Mar-13	31-Mar-12
Net profit after tax for the year	(Rs. in lacs)	14,83.08	15,26.40
Diluted net profit for the year	(Rs. in lacs)	14,83.08	15,26.40
Number of Ordinary shares	(Nos in lacs)	1,67.72	1,67.72
Weighted average shares (Basic)	(Nos in lacs)	1,67.72	1,67.72
Weighted average shares (Diluted)	(Nos in lacs)	1,67.72	1,67.72
Face value per share	(Rs.)	10.00	10.00
Basic earnings per share	(Rs.)	8.84	9.10
Diluted earnings per share	(Rs.)	8.84	9.10

Calculation of weighted average number of shares

Nos. in lacs

Particulars	31-Mar-13	31-Mar-12
Number of Ordinary shares	1,67.72	1,67.72
Add : Number of shares converted during the year	-	-
Weighted Average Shares (Basic)	1,67.72	1,67.72
Add : Deemed conversion of bonds to shares	-	-
Weighted average shares (Diluted)	1,67.72	1,67.72

30 Additional disclosures required under Schedule VI

a) Value of imports calculated on CIF basis in respect of Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Materials, stores and spares	95,02.69	85.04

b) Break up of materials, stores and spares consumed

Particulars	31-Mar-13		31-Mar-12	
	Rs. in lacs	Percentage	Rs. in lacs	Percentage
Indigenous	13,78.52	12.67%	7,52.80	90.00%
Imported	95,02.69	87.33%	85.04	10.00%
TOTAL	1,08,81.21	100.00%	8,37.84	100.00%

c) Expenditure in foreign currency Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Foreign subcontractors	5,82.26	3,79.10
Vessel charter & related expenses	25,55.37	2,92.72
Equipment related expenses	1,04.87	-
Foreign travel	15.70	25.71
Other matters	4,11.11	11.76
TOTAL	36,69.31	7,09.29



d) Earnings / Borrowing in foreign exchange -

Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Contract revenues *	1,27,47.62	97,71.27
Other Income	31.26	1,08.58
TOTAL	1,27,78.88	98,79.85

* Contract revenue includes revenues raised in foreign exchange and paid in Indian rupees which are otherwise considered as having paid for in free foreign exchange by RBI referred to in Para 9.53 (iv) of Foreign Trade Policy 2004-2009.

31 Particulars of Derivative Instruments as at March 31, 2013

- a) No derivative instruments are acquired for trading or speculation purposes.
b) Foreign Currency Exposures that are not hedged by derivative instruments or otherwise are:

Details of amount payable

Currency	31-Mar-13		31-Mar-12	
	Amount In Foreign Currency	Amount In Indian Rs. (lacs)	Amount In Foreign Currency	Amount In Indian Rs. (lacs)
EURO	3,068,813	21,35.58	-	-
GBP	13,003	10.68	143,633	1,17.41
SING. \$	18,908	8.27	12,976	5.28
US\$	697,213	3,78.66	283,582	1,45.17
DHS	10,700	1.58		

Details of amount receivable

Currency	31-Mar-13		31-Mar-12	
	Amount In Foreign Currency	Amount In Indian Rs. (lacs)	Amount In Foreign Currency	Amount In Indian Rs. (lacs)
EURO	13,773,330	95,84.86	11,585,595	79,12.96
US\$	5,096,880	27,67.61	7,373,172	37,73.59

Details of Bank Balances

Particulars	Currency	31-Mar-13		31-Mar-12	
		Amount In Foreign Currency	Amount In Indian Rs. (lacs)	Amount In Foreign Currency	Amount In Indian Rs. (lacs)
State Bank of India, Singapore	US\$.	25,898	14.06	29,508	15.10
State Bank of India, EEFC –US\$	US\$	5	*	5	*

* Denotes amount less than Rs. 500 /-



32 Disclosure as per clause 32 of the listing agreement

a) Loans given to subsidiary company where no repayment schedule is prescribed and no interest is charged

Rs. in lacs

Name of Subsidiary Company	Amount Outstanding	Maximum Balance Outstanding during the year
Dolphin Offshore Enterprises [Mauritius] Private Limited	87,64.65	92,59.65

b) Loans given to subsidiary company where no repayment schedule is prescribed.

Rs. in lacs

Name of Subsidiary Company	Amount Outstanding	Maximum Balance Outstanding during the year
Dolphin Offshore Shipping Limited	-	3,00.00

33 Interest in Joint Venture

The Company has a joint venture interest in IMPaC Oil & Gas Engineering (India) Pvt Limited (a Company incorporated in India) and its proportionate share in the assets, liabilities, income and expenses of the jointly controlled entity, based on the audited accounts drawn up to March 31, 2013 is as under :

Percentage of ownership interest as at March 31, 2013 – 40%

Rs. in lacs

As at March 31, 2013		For the period ended March 31, 2013	
Assets	97.18	Income	46.69
Liability	71.18	Expenses	54.83

34 Micro, Small and Medium Enterprises (MSMEs)

To the extent information is available with the Company, there are no dues payable to any parties identified as Micro, Small and Medium Enterprises as per The Micro, Small and Medium Enterprises Development Act, 2006.

35 Debtors and Creditors

- a) Considering the nature of projects being executed by the Company and its main client, the consequential claims and counter claims towards liquidated damages, change order, etc., as per general practice prevalent in the industry, the balances outstanding as trade receivables and balances payables towards contractors and vendors of the company are not confirmed. However, the management is confident that such receivables/ payables are stated at their realisable/ payable value and adequate provisions are made in the accounts, wherever required.
- b) Sundry debtors includes amount outstanding from a customer amounting to Rs. 25,25.82 lacs (2012 Rs. 25,25.82 lacs). This relates to a subcontract job done during 2006-07 and amount outstanding relates to change order which is still under process of resolution by the ultimate client. Management believes that this amount will be received and hence no provision has been made in the books till date.
- c) During the year 2009-2010, the Company has taken extra time to complete two of its EPC contracts beyond the scheduled contract completion date as the Company had to execute significant additional work and also on account of delays not attributable to the Company. The potential liability for liquidated damages resulting from the extended completion date as on March 31, 2013 amounts to Rs. 18,40.10 lacs (2012- Rs. 30,39.76 lacs). As the Company believes that the liquidated damages will be waived for the reasons stated above, no provision for the same has been made in the books till date.
- d) During the year 2010-2011, the Company has incurred additional expenditure on executing additional work under its EPC contracts. The Company has quantified and submitted some of its claims for extra work done and has commenced discussions with the clients for finalising the same. However, as a matter of abundant caution, only a portion of these extra claims amounting to Rs. 33,84.45 lacs (2012 - Rs. 33,84.45 lacs) have been recognised as revenue. The balance of the additional claims will be recognised as revenue as and when the same are accepted by the clients.

36 Prior year comparatives

Prior year figures have been reclassified wherever necessary for comparative purpose.



INDEPENDENT AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED

To the Board of Directors of Dolphin Offshore Enterprises (India) Limited

We have audited the accompanying consolidated financial statements of Dolphin Offshore Enterprises (India) Limited ("the Company") and its subsidiaries, its jointly controlled entity (collectively referred to as "the group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting

estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As stated in Note No. 30(c) to accounts, no Provision is made for Liquidated damages amounting to Rs. 1840 lacs for reasons stated therein. The Profit for the year and reserves and surplus are without considering such provision. This is not in conformity with the provisions of Accounting Standard 29 'Provisions, Contingent Liabilities and Contingent Assets' which stipulates the provisions to be recognized in the financial statements and with the provisions of Accounting Standard 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

Qualified Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards (AS) 21, "Consolidated financial statements", and Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures" as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Dolphin Offshore Enterprises (India) Limited, its subsidiaries and jointly controlled entity.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and jointly controlled entity as mentioned in the 'Other Matter' paragraph below, the consolidated financial statements give the information required by the Act in the manner so required and except for the effects of the matter described in the Basis for Qualified Opinion paragraph, give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

a) Note no. 30(b) to accounts with regard to long outstanding sundry



DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.

debtors of Rs. 2526 lacs, which have been considered by the management as good and recoverable.

- b) Note no. 30(d) to accounts with regard to recognition of revenue of Rs. 3384 lacs being only a portion of the extra claims for additional work carried out, for the reason stated therein.
- c) Note No 13 to accounts with regard to inventorisation of value of materials in transit.
- d) Note No 30(a) with regard to non availability of confirmations of balances in respect of trade receivables and trade payables.
- e) Note No 2(e) with regard to revenue recognition from projects. This involves technical judgement in respect of percentage work completed, cost yet to be incurred, etc. which have been relied upon by us, being a technical matter.

Our opinion is not qualified in respect of these matters.

Other Matter

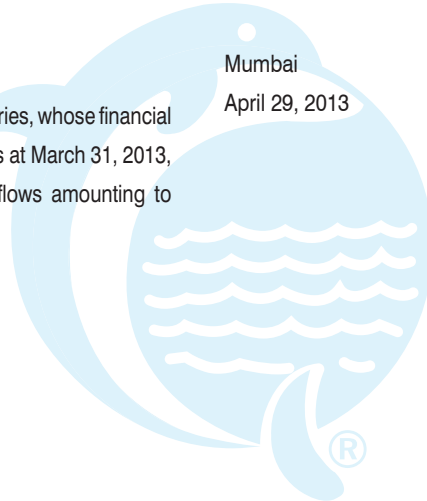
We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) of Rs. 17033 lacs as at March 31, 2013, total net revenues of Rs. 6817 lacs and net cash inflows amounting to

Rs. 252 lacs for the year then ended. We also did not audit the financial statements of one jointly controlled entity, whose aggregate share of net loss amounting to Rs. 8 lacs are also included in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.103523W

Chetan Desai
Partner
Membership No. 17000

Mumbai
April 29, 2013





CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

(Currency: Indian Rupee in Lacs)

	<u>Notes</u>	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	16,77.25	16,77.25
Reserves and surplus	4	<u>2,58,77.74</u>	<u>2,24,16.83</u>
		2,75,54.99	2,40,94.08
Minority Interest		8.07	7.69
NON-CURRENT LIABILITIES			
Long-term borrowings	5	30,19.27	68,11.75
Deferred tax liability (Net)	6	25.10	71.80
Long-term provisions	7	<u>1,56.73</u>	<u>98.91</u>
		32,01.10	69,82.46
CURRENT LIABILITIES			
Short-term borrowings	8	91,96.57	72,51.85
Trade payables	9	1,12,85.61	38,36.03
Other current liabilities	9	1,04,93.37	67,36.77
Short-term provisions	7	<u>3,54.45</u>	<u>2,75.36</u>
		3,13,30.00	1,81,00.01
TOTAL		<u>6,20,94.16</u>	<u>4,91,84.24</u>
ASSETS			
NON CURRENT ASSETS			
Goodwill on consolidation		11,47.01	11,47.01
Fixed assets			
Tangible assets	10	1,94,17.30	2,05,65.71
Intangible assets	10	1,36.17	1,02.95
Capital work-in-progress	10	<u>1,16.61</u>	<u>1,62.65</u>
		1,96,70.08	2,08,31.31
Non-current investments	11	27.00	27.00
Long-term loans and advances	12	15,54.71	12,08.28
CURRENT ASSETS			
Inventories	13	27,20.31	11,82.50
Trade receivables	14	2,16,96.61	1,83,00.29
Cash and cash equivalents	15	18,31.73	11,88.37
Short-term loans and advances	12	22,84.09	25,05.97
Other current assets	16	<u>1,11,62.62</u>	<u>27,93.51</u>
		3,96,95.36	2,59,70.64
TOTAL		<u>6,20,94.16</u>	<u>4,91,84.24</u>

Significant Accounting Policies and Notes to Accounts forming an integral part of financial statements.

1 to 33

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

Chetan Desai
Partner

Place: Mumbai
Date : April 29, 2013

FOR AND ON BEHALF OF THE BOARD

Mr. Bipin R. Shah	Director & Audit Committee Chairman
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Jt. Managing Director
Mr. V. Surendran	Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Currency: Indian Rupee in Lacs)

	Notes	Year Ended 31.03.2013	Year Ended 31.03.2012
INCOME			
Revenue from operations - Sale of services	17	4,15,60.17	2,00,00.87
Other income	18	15,12.14	34,04.60
Total revenue		<u>4,30,72.31</u>	<u>2,34,05.47</u>
EXPENSES			
Cost of services and material	19	2,68,14.89	1,30,55.94
Changes in inventories		(13,20.28)	-
Employee benefits expense	20	41,44.37	28,97.55
Finance costs	21	22,78.56	21,44.77
Depreciation and amortization expense	22	19,22.85	13,15.87
Other expenses	23	37,57.99	28,29.27
Total expenses		<u>3,75,98.38</u>	<u>2,22,43.40</u>
Profit before tax		<u>54,73.93</u>	<u>11,62.07</u>
Minority Interest (Share of Loss)		(0.39)	(0.27)
TAX EXPENSES			
Current tax		8,09.53	7,42.26
Deferred tax		(46.70)	(9.46)
Net Profit after tax		<u>47,10.71</u>	<u>4,29.00</u>
EARNINGS PER EQUITY SHARE			
(Face value Rs. 10/- per share)			
Basic earnings per equity share		28.09	2.56
Diluted earnings per equity share		28.09	2.56
Significant Accounting Policies and Notes to Accounts forming an integral part of financial statements.	1 to 33		

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

Chetan Desai
Partner

Place: Mumbai
Date : April 29, 2013

FOR AND ON BEHALF OF THE BOARD

Mr. Bipin R. Shah	Director & Audit Committee Chairman
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Jt. Managing Director
Mr. V. Surendran	Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Currency: Indian rupee in lacs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	54,73.93	11,62.07
Adjusted for :		
Depreciation	19,22.85	13,15.87
Interest expense	22,78.57	21,44.77
Interest income	(4,10.75)	(8,13.42)
Fixed assets - Profit on sale	(1,18.66)	(5.49)
Operating profit before working capital changes	91,45.94	38,03.80
Adjustments for :		
Trade and other receivables	(1,15,47.81)	51,92.66
Inventory	(15,37.81)	(7,66.54)
Bank deposits maturing after 12 months period	38.02	(5,55.09)
Trade and other payables	1,11,10.28	(29,23.29)
Provisions	1,36.91	35.14
CASH GENERATED FROM OPERATIONS	73,45.53	47,86.68
Direct taxes paid	(11,51.73)	(9,40.12)
NET CASH FLOW FROM OPERATING ACTIVITIES	61,93.80	38,46.56
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(7,77.42)	(18,68.42)
Sale of fixed assets	1,34.46	-
Foreign Exchange Translation	(9,47.88)	(4,17.61)
Interest received	4,10.75	8,13.42
Sale of Investments	-	4,46.49
Purchase of Investments	-	(4,41.00)
NET CASH FLOW FROM INVESTING ACTIVITIES	(11,80.09)	(14,67.12)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowing	(35,54.79)	(49,26.47)
Proceeds from borrowing	20,74.39	48,00.00
Increase [decrease] in loan liabilities	(2,71.48)	(1,48.22)
Interest paid	(22,78.57)	(21,44.77)
Dividend paid	(3,01.88)	(3,49.29)
NET CASH FLOW FROM FINANCING ACTIVITIES	(43,32.33)	(27,68.75)
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,81.38	(3,89.31)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	6,33.28	10,22.59
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	13,14.66	6,33.28

As per our attached report of even date
For HARIBHAKTI & CO.
Chartered Accountants

Chetan Desai
Partner

Place: Mumbai
Date : April 29, 2013

FOR AND ON BEHALF OF THE BOARD

Mr. Bipin R. Shah
Mr. Satpal Singh
Mr. Navpreet Singh
Mr. V. Surendran

Director & Audit Committee Chairman
Managing Director
Jt. Managing Director
Company Secretary



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1 Corporate Information

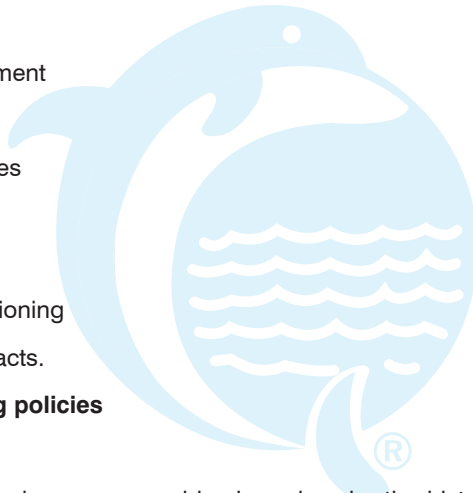
Dolphin Offshore was incorporated in May as a Private Limited Company on May 17, 1979 with the objective of providing services to the Offshore Oil and Gas Industry. The Company initially commenced operations by providing diving services to the Oil and Natural Gas Commission (now reconstituted as the Oil and Natural Gas Corporation Ltd). Over the years, the Company has expanded its capabilities and now provides a range of services as explained below.

In 1994, Dolphin Offshore went public and is currently listed on the Bombay Stock Exchange and the National Stock Exchange.

Dolphin Offshore has two wholly owned subsidiaries, Dolphin Offshore Shipping Ltd (hereinafter referred to as DOSL) and Dolphin Offshore Enterprises (Mauritius) Pvt Ltd (hereinafter referred to as DOEMPL). In addition, Dolphin Offshore has entered in a joint venture with IMPaC Offshore Engineering GMBH for providing design and engineering services. DOSL is only involved in the business of owning, operating and managing vessels and in handling marine logistics. DOEMPL, apart from owning vessels, will also provide to the international market the whole range of services that Dolphin Offshore provides.

The current range of services that Dolphin Offshore and subsidiaries provide are :

- a. Underwater diving and engineering
- b. Design and engineering
- c. Vessel operations and management
- d. Marine logistics
- e. Ship repair and rig repair services
- f. Fabrication
- g. E&I services
- h. Offshore hook-up and commissioning
- i. Undertaking turnkey EPC contracts.



2 Summary of significant accounting policies

Basis of Preparation

The financial statements are prepared on an accrual basis and under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards as prescribed by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956.

a) Basis of Consolidation

The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements notified pursuant to Company's (Accounting Standards) Rules, 2006. The consolidated financial statements comprise the financial statements of Dolphin Offshore Enterprises [India] Limited (DOEIL) and its subsidiaries and joint venture.

The consolidation of its interest in joint ventures has been prepared in accordance with Accounting Standard (AS) 27 'Financial Reporting of Interests in Joint Ventures'

In consolidation of Dolphin Offshore Enterprises (Mauritius) Private Limited, the operation of foreign subsidiary have been considered by the management as non integral, described in Accounting Standard – AS 11 (revised) "Accounting for the effects of changes in foreign exchange rates" issued by ICAI, on the basis that said foreign subsidiary transacts its activities with significant degree of autonomy, though parent controls major portion of its operations.

The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and unrealised profits or losses are fully eliminated. The Group's interest in the Joint Venture is accounted for using proportionate consolidation method. Separate line items are included to disclose the assets, liabilities, income and expenses of the joint venture.



The List of Companies which are included in consolidation and the Parent Company's holding therein are as under:-

Name of the Company			Percentage holding	Country of Incorporation
1	Dolphin Offshore Enterprises (Mauritius) Private Limited *	Subsidiary	100.00%	Mauritius
2	Global Dolphin Drilling Co Ltd	Subsidiary	59.96%	India
3	Dolphin Offshore Shipping Ltd	Subsidiary	100.00%	India
4	IMPac Oil & Gas Engineering (India) Pvt Ltd	Joint Venture	40%	India

* The books of account of DOEMPL are maintained in U.S. Dollars. For the purpose of consolidation, the financial statements of DOEMPL have been translated into Indian Rupees as per the provision of Accounting Standard 11.

b) Fixed assets and depreciation -

Fixed assets are valued at cost or as revalued, which includes the purchase price of the asset, and other direct costs incurred in getting the asset at the appropriate location and into a condition where they can be put to use. Financing costs incurred up to the date that the asset is ready to be used is included in the cost of the asset if they are significant. However, fixed assets costing up to Rs. 5,000 individually are charged off in the year of acquisition.

In accordance with Accounting Standard 28, the Company will recognise impairment of fixed assets or a group of fixed assets, if their recoverable value (realisable value or discounted cash flow expected from the use of the asset) is lower than its carrying cost. If such indication exists, the carrying amount of such asset is lowered to the recoverable value and the reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

Depreciation [including depreciation on revalued portion of fixed assets] is calculated on the written down value method at the rates and in the manner, stated in Schedule XIV of the Companies Act, 1956, except for ships [excluding barges], which is calculated on the straight-line method, and computer software which is amortised over a period of five years straight line method.

Leasehold land is amortised over the period of lease.

Cost of improvement of leased premises is depreciated on straight line basis over lease period which also includes extension period available under lease agreement.

c) Investments

Long term investments are stated at cost. Current Investment are stated at lower of cost or fair value. Cost of investments is determined as the purchase price of the investments plus other direct costs incurred on establishing clear ownership of the investment.

A provision for diminution is made to recognise a decline other than temporary in the value of long term investments.

d) Inventories

Stores and spares are valued at lower of cost or net realisable value.

e) Recognition of Revenue

The Company generally adopts the proportionate completion method of revenue recognition where revenues are recognised as and when work is completed e.g. per day, per square meter etc.

However, where the proportionate completion method cannot be easily implemented [e.g. on lump sum rate contracts], the Company adopts the completed contract method where revenues are recognised only when the contracts are fully completed, or easily identified portions of the contract are completed. At year end, expenses incurred on contracts for which revenues are not recognised are reflected as billable costs.

Revenues include the amounts due under various contracts entered into with customers, including reimbursable expenses and interest payable by the client on overdue payments as per the terms of contracts, plus the fees earned on the chartering of the Company's vessel to third parties when the vessel is not deployed on the Company's contracts. The corresponding costs of reimbursable expenses are reflected in operating expenses. Revenues include adjustments for rebates, discounts and downtimes, which arise in the course of business during the year.



Long term contracts are progressively evaluated at the end of each accounting period. On Contracts under execution which have reasonably progressed, profit is recognized by evaluation of the percentage of work completed at the end of the accounting period, whereas, foreseeable losses are fully provided for in the respective accounting period. The percentage of work completed is determined by the percentage of work completed as certified by the client.

Additional claims (including for escalation), which in the opinion of the Management are recoverable on the contracts, are recognised at the time of evaluating the job.

f) Foreign currency transactions

Foreign currency transactions are recorded in the books of account at the exchange rate prevailing on the date of the transaction. Any differences that arise in exchange rates on the date that these transactions are settled are recognised as foreign exchange gains or losses.

In the event that transactions are not settled as of year end, all foreign currency monetary items are translated using the exchange rate prevailing at year end, and any resulting foreign exchange gains or losses are recognised as period costs.

Investments in shares in foreign subsidiaries are recorded in the books of accounts at the historical exchange rates i.e. at the exchange rate prevailing on the date of subscribing to the shares.

g) Employees benefits

Short Term Employee Benefits

Liability in respect of short term compensated absences is accounted for at undiscounted amount likely to be paid as per entitlement.

Defined Contribution Plan

Retirement benefits in the nature of Provident Fund, Superannuation Scheme and others which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when contributions accrue.

Defined Benefit Plan

The liability for Gratuity, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date.

Other Long Term Benefits

Long term compensated absences are provided on the basis of an actuarial valuation using the Projected Unit Credit method as at the Balance Sheet date. Actuarial gains and losses comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss for the year as income or expense.

h) Deferred tax and Income tax

Deferred taxes arise due to the difference in recognition of income and expenses as per Company's books of account prepared as per generally accepted accounting principles and as per the income tax returns prepared in accordance with the provisions of Indian Income-tax Act, 1961. These differences may be permanent in nature, or they may represent a timing difference and consequently may affect the future profitability after tax of the Company.

In order to minimise the effect of deferred taxes in future years, the Company provides for deferred taxes using the liability method in accordance with the Accounting Standards 22 issued by the Institute of Chartered Accountants of India. Deferred taxation is recognised on items relating to timing difference, at the income tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and is reviewed every year for the appropriateness of their carrying value on each Balance Sheet date.

Accounting for Taxes on income requires the Deferred tax Assets to be recognised only if there is virtual certainty supported by convincing evidence of future taxable income. In case of Dolphin Offshore Shipping Limited, the Company's major business emanates from operating tonnage tax vessels for which there would be no timing difference. Accordingly the deferred tax liability relates to only one vessel which is non-qualifying asset under the tonnage tax presumptive taxation. The effect for deferred tax in respect of other assets is also given.

The deferred tax balance accumulated in the years prior to the first year when deferred taxes have been accounted for, have been created with a corresponding credit / charge to the Company's revenue reserves.



i) Earnings per share

Earnings per share have been calculated on the basis of the weighted average of the number of equity shares of Rs 10 each that are outstanding as at the balance sheet date. Diluted earnings per share is calculated on the basis of the weighted average of the number of equity shares outstanding as at the balance sheet date plus the dilutive equity shares that the Company may need to issue on convertible instrument.

j) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

k) Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of past event,
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of the obligation can be reliably estimated

Contingent Liability is disclosed in case of

- a) present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized, nor disclosed

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

3 Share Capital

Authorised

2,50,00,000 (2012 - 2,50,00,000) equity shares of Rs. 10 each

Issued, subscribed and fully paid up

1,67,72,518 (2012 - 1,67,72,518) equity shares of Rs. 10 each fully paid

Total Issued, subscribed and fully paid-up share capital

TOTAL

	31-Mar-13	31-Mar-12
	Rs. in lacs	
	<u>25,00.00</u>	<u>25,00.00</u>
	<u>16,77.25</u>	<u>16,77.25</u>
	<u>16,77.25</u>	<u>16,77.25</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

Particulars	31-Mar-13		31-Mar-12	
	No in lacs	Rs. in lacs	No in lacs	Rs. in lacs
Shares outstanding at the beginning of the year	1,67.72	16,77.25	1,67.72	16,77.25
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,67.72	16,77.25	1,67.72	16,77.25



- b) **Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five year immediately preceding the reporting date**

Particulars	Year (Aggregate No. of Shares) - No. in lacs				
	2008-09	2009-10	2010-11	2011-12	2012-13
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	38.26	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

- c) **Details of shareholders holding more than 5 % shares in the company**

Name of Shareholder	31-Mar-13		31-Mar-12	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kirpal Singh	9,19,523	5.48%	8,71,382	5.20%
Navpreet Singh	9,80,152	5.84%	9,80,152	5.84%
Satpal Singh	9,41,555	5.61%	9,41,555	5.61%
Dolphin Offshore Projects Ltd.,	25,60,662	15.27%	25,60,662	15.27%
ClearWater CAP Partners CLO I PTE Ltd	6,50,313	3.88%	9,81,666	5.85%
ClearWater CAP. Partners Cyprus Ltd	10,03,786	5.98%	10,03,786	5.98%

- d) **Terms/rights attached to equity shares**

The Company has only one type of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year Mar 31, 2013, the amount of per share dividend recognized as distributions to equity shareholder was Rs. 1.50.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Reserves and Surplus	Rs. in lacs	
	31-Mar-13	31-Mar-12
RESERVES		
General reserve-		
Opening balance	50,52.13	48,78.07
Add: Transfer from Statement of Profit and Loss	2,48.84	1,74.06
Closing balance	53,00.97	50,52.13
Tonnage Tax		
Opening balance	4,78.87	4,48.38
Add: Transfer from Statement of Profit and Loss	1,86.04	30.49
Closing balance	6,64.91	4,78.87
Share premium account		
Opening balance	61,08.25	61,08.25
Closing balance	61,08.25	61,08.25
Foreign exchange translation reserve	(10,92.42)	(1,44.49)



Rs. in lacs

4 Reserves and Surplus (Contd.)

SURPLUS

	31-Mar-13	31-Mar-12
Opening balance	1,09,22.08	1,09,56.68
Add: Net Profit for the current year	47,10.71	4,29.00
Add : Tax on dividend distribution of previous year	-	40.81
Less: Proposed dividends (Including tax on dividend)	(3,01.88)	(2,99.87)
Less: Transfer to general reserves	(2,48.84)	(1,74.06)
Less: Transfer to tonnage reserves	(1,86.04)	(30.49)
Closing balance	1,48,96.03	1,09,22.08
TOTAL	2,58,77.74	2,24,16.83

Rs. in lacs

5 Long-Term Borrowings

	<u>Non-current portion</u>		<u>Current maturities</u>	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
Loans from companies & banks (Secured)	29,43.27	65,93.95	43,72.48	42,76.58
Term loan from banks	-	1,66.30	-	-
Other loans and advances:				
Deposits from shareholders & others (Unsecured)	76.00	51.50	-	-
TOTAL	30,19.27	68,11.75	43,72.48	42,76.58

(Secured by the hypothecation of book debts, the fixed assets not secured against term loans and other current assets of the Company as well as personal guarantee of the whole-time Directors).

Term Loan banks is secured by a first charge on the assets financed through the term loan.

Loan from banks are secured by the exclusive mortgage on the assets being financed, personal guarantees of the whole-time Directors of Dolphin Offshore Enterprises (India) Limited, Corporate guarantee from Dolphin Offshore Enterprises (India) and pledge of 30% of shares of the Company in favour of the Bank.

The above loans are repayable in monthly installments ranging from 36 to 60 months.

Rs. in lacs

6 Deferred Tax Liability

	31-Mar-13	31-Mar-12
Difference between book and tax depreciation	3,96.63	3,96.67
Lease Equalisation	(42.24)	(53.50)
Provision for leave encashment, bonus and gratuity	(2,72.55)	(1,18.16)
Net impact on timing difference	81.84	2,25.01
Effective tax rate	32.45%	32.45%
Deferred tax (asset)/liability	26.55	73.00
Share in Joint venture	(1.45)	(1.20)
TOTAL	25.10	71.80



DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.

Rs. in lacs

	Long-term		Short-term	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
7 Provisions				
(a) Provision for employee benefits				
Leave encashment (unfunded)	1,51.97	94.93	39.13	22.37
Gratuity (funded)	-	-	63.21	-
	<u>1,51.97</u>	<u>94.93</u>	<u>1,02.34</u>	<u>22.37</u>
(b) Others				
Proposed dividend	-	-	2,51.59	2,51.59
	-	-	2,51.59	2,51.59
	<u>1,51.97</u>	<u>94.93</u>	<u>3,53.93</u>	<u>2,73.96</u>
Share in Joint venture	<u>4.76</u>	<u>3.98</u>	<u>0.52</u>	<u>1.40</u>
TOTAL	<u><u>1,56.73</u></u>	<u><u>98.91</u></u>	<u><u>3,54.45</u></u>	<u><u>2,75.36</u></u>

	31-Mar-13		31-Mar-12	
8 Short-Term Borrowings				
Secured				
Cash credit from scheduled banks (Secured by the hypothecation of book debts, the fixed assets not secured against term loans and other current assets of the Company as well as personal guarantee of the whole-time Directors)	78,66.80		57,92.40	
Loans from companies & banks	2,71.55		2,54.40	
Unsecured	<u>81,38.35</u>		<u>60,46.80</u>	
Loans and advances from related parties				
From Directors	1,98.82		2,21.15	
Deposits				
From Shareholders & Others	69.40		41.90	
Other loans and advances				
From Companies	7,90.00		9,42.00	
	<u>10,58.22</u>		<u>12,05.05</u>	
TOTAL	<u><u>91,96.57</u></u>		<u><u>72,51.85</u></u>	

	31-Mar-13		31-Mar-12	
9 Other Current Liabilities				
Trade payables *	87,45.24		37,77.10	
Acceptance / Bills Payable	24,79.91		-	
	<u>1,12,25.15</u>		<u>37,77.10</u>	
Share in Joint venture	<u>60.46</u>		<u>58.93</u>	
	<u>1,12,85.61</u>		<u>38,36.03</u>	
Other liabilities				
Current maturities of long term borrowings	43,72.47		42,76.58	
Accrued expenses	39,59.73		17,28.50	
Unpaid dividend **	11.71		10.90	
Other liabilities	21,44.02		7,16.94	
	<u>1,04,87.93</u>		<u>67,32.92</u>	
Share in Joint venture	<u>5.44</u>		<u>3.85</u>	
	<u>1,04,93.37</u>		<u>67,36.77</u>	
TOTAL	<u><u>2,17,78.98</u></u>		<u><u>1,05,72.80</u></u>	

* There are no amounts due to Micro, Small and Medium Enterprises units (2012-Nil) as indicated by the Management

** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund



10 Fixed Assets

Rs. in lacs

Particulars	Gross Block (At Cost)				Depreciation				Net Block	
	As at 01.04.2012	Additions during the year	Deduction/ Adjustment during the year	As at 31.03.2013	Upto 31.03.2012	For the year	Deduction/ Adjustment during the year	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets										
Freehold Land	1,10.27	-	-	1,10.27	-	-	-	-	1,10.27	1,10.27
Premises	12,78.52	-	23.50	12,55.02	4,78.81	65.37	13.80	5,30.38	7,24.64	7,99.71
Plant and Machinery	39,05.62	6,18.41	15.06	45,08.97	22,22.07	3,05.32	9.61	25,17.78	19,91.19	16,83.55
Office Equipment	1,76.66	2.90	1.14	1,78.42	84.83	12.96	0.96	96.83	81.59	91.83
Furniture and Fixtures	1,57.65	-	3.30	1,54.35	1,04.28	9.62	3.04	1,10.86	43.49	53.37
Motor Vehicles	1,21.55	-	4.69	1,16.86	1,01.50	5.18	4.49	1,02.19	14.67	20.05
Computer	2,87.62	4.71	-	2,92.33	2,55.20	13.98	-	2,69.18	23.15	32.42
Vessel	2,08,12.17	1,17.34	-	2,09,29.51	30,37.66	14,63.55	-	45,01.21	1,64,28.30	1,77,74.51
Total (A)	2,68,50.06	7,43.36	47.69	2,75,45.73	62,84.35	18,75.98	31.90	81,28.43	1,94,17.30	2,05,65.71
Intangible Assets										
Computer Software	2,17.82	80.09	-	2,97.91	1,14.87	46.87	-	1,61.74	1,36.17	1,02.95
Total (B)	2,17.82	80.09	-	2,97.91	1,14.87	46.87	-	1,61.74	1,36.17	1,02.95
Capital Work-in-progress									1,16.61	1,62.65
Total (C)									1,16.61	1,62.65
Total (A+B+C)	2,70,67.88	8,23.45	47.69	2,78,43.64	63,99.22	19,22.85	31.90	82,90.17	1,96,70.08	2,08,31.31
Previous Year	1,53,37.04	1,14,14.11	(3,16.73)	2,70,67.88	51,54.11	13,15.87	70.77	63,99.22	2,06,68.66	

11 Non-Current Investment

Rs. in lacs

Trade Investments (valued at cost stated otherwise) - Refer A below

31-Mar-13

31-Mar-12

Unquoted equity instruments

In Others

6,668 (2012 - 6,668) shares of Bombay Mercantile Bank Ltd. @ 30 per share

2.00

2.00

2.00

2.00

Other Investments (valued at cost stated otherwise) - Refer B below

Quoted

In mutual funds

2,50,000 units of SBI Infrastructure Fund - I Growth Long term unquoted at cost

25.00

25.00

25.00

25.00

TOTAL

27.00

27.00

Aggregate amount of quoted investments (Market value of Rs. 18.02 lacs (2012- Rs. 19.53 Lacs)

25.00

25.00

Aggregate amount of unquoted investments

2.00

2.00



A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (in lacs)		Whether stated at Cost Yes / No
			31-Mar-13	31-Mar-12			31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a) Other non-current investments											
1	Bombay Mercantile Bank Ltd	Others	6,668	6,668	Unquoted	Fully paid	NA	NA	2.00	2.00	Yes
Total									2.00	2.00	

B. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (in lacs)		Whether stated at Cost Yes / No
			31-Mar-13	31-Mar-12			31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a) Investments in Mutual Funds											
1	SBI - Infrastructure Fund - I Growth	Others	2,50,000	2,50,000	Quoted	Fully paid	NA	NA	25.00	25.00	Yes
Total									25.00	25.00	

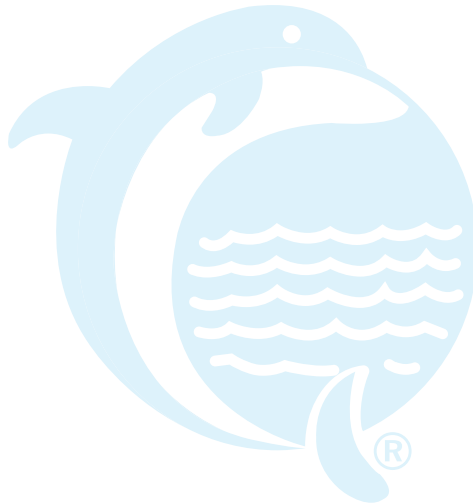
	Rs. in lacs			
	Non-Current		Current	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
12 Loans and advances				
(Unsecured, considered good)				
Advances recoverable in cash or in kind or for value to be received	0.08	0.41	21,51.85	24,01.36
Deposits	45.76	41.19	1,31.92	1,04.33
Other Loans and Advances				
Advance tax and tax deducted at source (Net of Provision for Tax Rs. 79,85.60 lacs) (2012- Rs. 72,75.72 lacs)	15,08.87	11,66.68	-	-
	<u>15,54.71</u>	<u>12,08.28</u>	<u>22,83.77</u>	<u>25,05.69</u>
Share in Joint venture	-	-	0.32	0.28
TOTAL	<u>15,54.71</u>	<u>12,08.28</u>	<u>22,84.09</u>	<u>25,05.97</u>



	31-Mar-13	31-Mar-12
13 Inventories		
Stock of gases/lube	1,00.35	50.34
Stores & spares	20,89.67	7,69.39
Bunker stock	5,30.29	3,62.77
TOTAL	27,20.31	11,82.50
Inventory of Stores & Spares include items valued at Rs. 10,00.23 lacs (2012- Rs. Nil) which are in transit from the Offshore Work Sites to the Company's Godown and Workshop.		
14 Trade Receivables		
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	1,18,52.87	1,21,11.78
Other receivables	98,39.20	61,77.62
	2,16,92.07	1,82,89.40
Share in Joint venture	4.54	10.89
TOTAL	2,16,96.61	1,83,00.29
15 Cash and Bank Balances		
Cash and cash equivalents		
Balances with banks	2,98.22	48.66
Cash on hand	6.60	14.72
Unclaimed dividend bank balances	11.71	10.90
Bank deposits maturing within 12 months period	9,98.01	5,58.07
	13,14.54	6,32.35
Other bank balances		
Bank deposits maturing after 12 months period	5,17.07	5,55.09
	18,31.61	11,87.44
Share in Joint venture	0.12	0.93
TOTAL	18,31.73	11,88.37
The fixed deposit receipts of Rs. 11,25.87 lacs (2012 - Rs. 7,62.95 lacs) have been deposited with the State Bank of India in lieu of margin money on Guarantees and Letters of Credit issued by the banks.		
16 Other current assets		
Insurance Claim	38.46	74.62
Billable Cost	55,73.73	1,45.20
Accrued Income	55,10.39	25,57.31
Interest accrued but not due	38.24	16.38
	1,11,60.82	27,93.51
Share in Joint venture	1.80	-
TOTAL	1,11,62.62	27,93.51

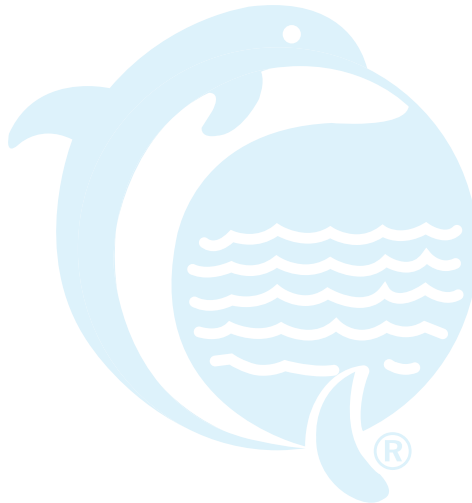


	31-Mar-13	31-Mar-12
17 Revenue from Operations		
Contract revenues	4,15,13.48	1,99,59.78
	<u>4,15,13.48</u>	<u>1,99,59.78</u>
Share in Joint venture	46.69	41.09
TOTAL	<u>4,15,60.17</u>	<u>2,00,00.87</u>
		Rs. in lacs
18 Other Income	31-Mar-13	31-Mar-12
Interest received	4,10.75	8,13.42
Profit on sale of assets	1,18.66	-
Applicable net gain/(loss) on foreign currency transactions and translation	8,63.32	12,88.57
Miscellaneous Income	1,12.83	4,45.31
Stores and spares inventorised	-	7,69.39
Other Non-operating Income	7.71	89.57
	<u>15,13.27</u>	<u>34,06.26</u>
Share in Joint venture	(1.13)	(1.66)
TOTAL	<u>15,12.14</u>	<u>34,04.60</u>
		Rs. in lacs
19 Cost of Services and Material	31-Mar-13	31-Mar-12
Subcontractor charges	63,22.79	61,69.84
Vessel charter and related cost	81,99.63	48,96.76
Equipment related expenses	7,37.27	5,65.55
Material, stores and spares	1,15,53.58	14,22.93
	<u>2,68,13.27</u>	<u>1,30,55.08</u>
Share in Joint venture	1.62	0.86
TOTAL	<u>2,68,14.89</u>	<u>1,30,55.94</u>
		Rs. in lacs
20 Employee Benefit Expenses	31-Mar-13	31-Mar-12
Salaries and wages	31,93.16	23,70.74
Contribution to provident and other funds (Refer Note No 24)	4,09.88	1,97.13
Bonus & exgratia	18.33	12.34
Staff welfare expenses	72.07	33.39
Other allowances	4,12.24	2,53.28
	<u>41,05.68</u>	<u>28,66.88</u>
Share in Joint venture	38.69	30.67
TOTAL	<u>41,44.37</u>	<u>28,97.55</u>





		Rs. in lacs
	31-Mar-13	31-Mar-12
21 Finance Costs		
Interest on cash credit	7,04.70	10,18.45
Interest on term loan	8,84.49	7,44.65
Interest on unsecured loan	1,62.93	1,56.78
Interest on commercial Paper	-	17.77
Bill discounting charges	1,10.29	-
Other interest cost	63.54	5.17
Other borrowing cost	3,52.54	2,01.87
	22,78.49	21,44.69
Share in Joint venture	0.07	0.08
TOTAL	22,78.56	21,44.77
		Rs. in lacs
	31-Mar-13	31-Mar-12
22 Depreciation and Amortization Expenses		
Depreciation on tangible assets	18,75.98	12,80.52
Amortization of intangible assets	46.87	35.35
TOTAL	19,22.85	13,15.87
		Rs. in lacs
	31-Mar-13	31-Mar-12
23 Other Expenses		
Rent	2,46.02	2,05.91
Repairs to buildings	29.02	21.32
Repairs to machinery	82.06	1,11.53
Insurance	67.99	65.15
Travel and conveyance expenses	2,54.63	2,37.07
Rates and taxes	1,07.65	81.53
Office related expenses	1,64.62	1,28.99
Vehicle expenses	1,59.37	1,36.92
Promotional expenses	39.75	42.65
Legal and professional fees	7,84.61	5,10.44
Bad debts	1,17.90	5,30.42
Miscellaneous expenses	16,90.86	7,53.65
	37,44.48	28,25.58
Share in Joint venture	13.51	3.69
TOTAL	37,57.99	28,29.27



24 Disclosure Under AS – 15 (Revised 2005)

Company has adopted the Accounting Standard (AS – 15) (Revised 2005) “Employee Benefits” effective April 01, 2007.

I. Defined Contribution Plans

The Company has classified the various benefits provided to employees as under:

- a. Provident Fund
- b. Superannuation Fund
- c. Employers’ Contribution to Employees’ State Insurance

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the Superannuation Fund is administered by the Trustee of the Life Insurance Corporation. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.



The Company has recognised the following amounts in Statement of Profit and Loss :

Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Employer's contribution to Provident Fund	2,12.05	1,63.08
Employer's contribution to Superannuation Fund	25.46	21.13
Employer's contribution to Employees State Insurance	30.67	14.30

II. Defined Benefit Plans

(a) Contribution to Gratuity Fund (Funded Scheme)

In accordance with the Accounting Standard (AS - 15) (Revised 2005), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan based on the following assumptions:

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Discount Rate (per annum)	8.25%	8.00%
Rate of increase in compensation levels (per annum)	10.00%	4.00%
Expected Rate of Return	8.70%	9.25%

(b) Change in the Present Value of Obligation

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Defined Benefit Obligation as at beginning of the year	1,90.23	1,82.79
Addition due to Changes in Assumptions	64.52	-
Revised PV of Defined Benefit Obligation as at beginning of the year	2,54.75	1,82.79
Interest Cost	21.66	14.62
Current Service Cost	23.43	18.36
Benefits Paid	(12.57)	(12.03)
Actuarial (gain) / loss on Obligations	58.62	(13.51)
Present Value of Defined Benefit Obligation as at the end of the year	3,45.89	1,90.23

(c) Changes in the Fair Value of Plan Assets

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Plan Assets as at beginning of the year	2,65.51	2,19.92
Expected Return on Plan Assets	22.84	20.04
Contributions	5.88	37.58
Benefits Paid	(12.57)	(12.03)
Actuarial gains / (losses)	1.02	-
Fair Value of Plan Assets as at end of the year	2,82.68	2,65.51



(d) Percentage of each category of Plan Assets to total closing fair value of Plan Assets

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Bank Deposits (SP. Dep. Scheme, 1975)	-	-
Debt Instruments	-	-
Administered by Life Insurance Corporation of India	100.00%	100.00%
Others	-	-

(e) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets.

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Funded Obligation as at end of the year	3,45.89	1,90.23
Fair Value of Plan Assets as at end of the year	2,82.68	2,65.51
Funded Liability/ (Asset) as at the Balance Sheet date	63.21	(75.28)

(f) Amount recognised in the Balance Sheet

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Present Value of Defined Benefit Obligation as at end of the period	3,45.89	1,90.23
Fair Value of Plan Assets as at end of the period	2,82.68	2,65.51
Liability / (Net Asset) as at the end of the year	63.21	(75.28)

(g) Expenses recognised in Statement of Profit and Loss

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Current Service Cost	23.43	18.36
Interest Cost	21.66	14.62
Expected Return on Plan Assets	(22.84)	(20.04)
Net Actuarial (gain) / Loss recognised in the period	57.59	(13.51)
Expenses recognised in the Statement of Profit and Loss	79.84	(0.57)
Addition due to Changes in Assumptions	64.52	-
Total Expenses recognised in the Statement of Profit and Loss	1,44.36	(0.57)

(h) Actual Return on Plan Assets

Rs. in lacs

Funded Scheme Gratuity

Particulars	31-Mar-13	31-Mar-12
Expected Return on Plan Assets	22.84	16.53
Actuarial gains / (losses) on Plan Assets	1.02	-
Actual Return on Plan Assets	23.86	16.53



25 Contingent Liabilities:

- i) As at March 31, 2013 the Company had contingent liabilities in respect of bank guarantees, issued to their customers of Rs. 86,04.53 lacs (2012 Rs. 64,32.61 lacs) of which Rs. 84,13.79 lacs (2012 – Rs 64,32.61 lacs) are outstanding as of date. These bank guarantees are secured by hypothecation to and in favour of the bank of the Company's entire book debts [present and future], outstanding moneys, engagements, securities, investments and rights and further secured by personal guarantee of Whole-time Directors.

Similarly; Dolphin Offshore Shipping Limited had contingent liabilities in respect of bank guarantees, issued to their customers of Rs.4,62.30 lacs (2012 – Rs.4,10.91 lacs) of which Rs.4,62.30 lacs (2012. - Rs. 4,10.91 lacs) are outstanding as of date. These bank guarantees are secured by hypothecation to and in favour of the bank of the Company's entire book debts [present and future], outstanding moneys, engagements, securities, investments and rights and further secured by personal guarantee of Whole-time Directors.

- ii) Capital commitments –

Dolphin Offshore Shipping Limited has Capital Commitment amounting to Rs. Nil lacs (2012- Rs. 18.00 Lacs) towards development of ERP (IBS) System.

- iii) The CIT (A) had passed the order in favour of the Company with respect to the Block Period Assessment against which the Department had filled an Appeal with the ITAT, Mumbai. Due to Non - Attendance ; the ITAT passed an Exparte Order against the Company on the basis of which, Company received a demand of Rs. 97.02 Lacs. The same has been paid in full & the Company is in the process of filing a restoration petition for restoring the Appeal.

Further to the demand for the Block period, the Company has received penalty order u/s. 158 BFA (2) demanding an amount of Rs. 1,97.17 Lacs. Similarly the Company has paid 50% of the penalty amounting to Rs. 98.59 Lacs in 4 Installments. The Company has already filed an Appeal with the CIA (A) against this penalty order.

During the year, Company has received a Notice of Demand of Rs. 92.53 Lacs for A.Y. 2006-07 on the basis of the order passed by CIA (A) due to disallowance of FCCB Issue Expense. 50% of the demand for A.Y.2006-07 amounting to Rs. 46.27 Lacs was paid in 3 equal installments. The Company has already filed an Appeal with the ITAT Mumbai against A.Y. 2006-07.

During the year, Company has preferred an Appeal with ITAT, Mumbai against the Order of CIA (A) for disallowing Dry Docking Charges for A.Y. 2005-06 amounting to Rs. 24.94 Lacs.

The Company on April 18, 2013 has received notice of demand from Deputy Commissioner of Sales Tax for Rs. 1,13.08 lacs and interest thereon Rs. 1,28.62 lacs. The Company is in the process of preferring an appeal against the same.

Income Tax demand disputed in appeals by Dolphin Offshore Shipping Limited : Rs. 4,42.00 lacs (2012 - 4,42.00 lacs).

26 Segment reporting

The Company is mainly engaged in offshore business and there are no separate reportable segments as per Accounting Standard (AS) 17.

27 Related Party Disclosures

Related party transactions cover transactions between the Company and the following persons in accordance with the Accounting Standard 18 notified pursuant to Companies (Accounting Standards) Rules, 2006.

1) Related party relationships

(As identified by the management)

a) Companies under common control, including subsidiaries

- i) Dolphin Offshore Projects Limited
- ii) Kanika Shipping Limited



b) Key Management Personnel

Rear Admiral Kirpal Singh	Executive Chairman
Mr. Satpal Singh	Managing Director
Mr. Navpreet Singh	Joint Managing Director
Vice Admiral H.S. Malhi	Whole Time Director (Executive Director Special Project) (From 14.05.12 to 30.11.12)

c) Relatives of Key Management Personnel with whom the Company has had transactions during the year

Mrs. Manjit Kirpal Singh	Spouse of Executive Chairman (Retired on 27.07.12)
Mrs. Prabha Chandran	Daughter of Executive Chairman
Mrs. Nitu Singh	Spouse of Managing Director
Ms. Rishma Singh	Daughter of Managing Director
Mr. Rohan Singh	Son of Managing Director
Mrs. Ritu Singh	Spouse of Joint Managing Director
Mr. Tarun Singh	Son of Joint Managing Director
Mr. Akhil Singh	Son of Joint Managing Director

2) The Company's related party transactions and balances are summarised as follows:

Rs. in lacs

Nature of Transactions	Transactions during the year		Outstanding Balance as at March 31, 2013		Outstanding Balance as at March 31, 2012	
	2012 - 13	2011 -12	Receivable	Payable	Receivable	Payable
Companies under common control				38.01		32.15
Hire charges paid	20.15	18.71				
Key Management Personnel				1,98.82		2,21.15
Remuneration	3,81.09	2,44.34				
Interest paid	26.52	24.63				
Unsecured Loans received (repaid), net	(22.33)	(15.00)				
Relatives of Key Management Personnel				64.00		57.00
Commission	1.06	3.05				
Interest paid	7.68	5.91				
Fixed deposits received (repaid), net	7.00	4.00				

Rs. in lacs

Companies under common control	Hire Charge / Rent Paid	(Receivables) / Payables
Dolphin Offshore Projects Limited	20.15	38.01



Material related Party transactions

Rs. in lacs

Particulars	Unsecured loan / Fixed Deposit	Interest paid	Remuneration	(Receivables)/ Payables
Key Management Personnel				
Rear Admiral Kirpal Singh	-	3.00	79.90	25.00
Mr. Satpal Singh	-	0.05	1,28.12	0.40
Mr. Navpreet Singh	(22.33)	15.67	1,24.98	1,08.42
Mrs. Manjit Kirpal Singh	-	6.60	-	55.00
Mr. Arvind Parikh	-	1.20	-	10.00
Vice Admiral H S Malhi	-	-	48.09	-
TOTAL :	(22.33)	26.52	3,81.09	1,98.82

Relatives of Key Management Personnel

Mrs. Prabha Chandran	-	0.36	-	3.00
Mrs. Ritu Singh	-	0.36	-	3.00
Mr. Tarun Singh	7.00	4.41	-	36.75
Mr. Akhil Singh	-	2.55	-	21.25
TOTAL :	7.00	7.68	-	64.00

Notes

- Remuneration includes basic salary, allowance, perks and commission.
- The monthly reimbursement of expenses between the Company and related parties towards office expenses, provident fund etc., are not reflected in the statement above.
- There are no provisions for doubtful debts or amounts written off in respect of debts due to or from related parties.

28 Operating Lease commitments –

A) Disclosure in respect of Operating Lease

- The minimum amounts payable in future towards non-cancellable lease agreements for premises are as follows:

Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Not later than one year	89.18	89.18
Later than one year and not later than five years	2,45.24	3,34.42
Later than five years	-	-
TOTAL	3,34.42	4,23.60

- Lease payments recognised in the statement of Profit & Loss for the period is Rs. 2,45.86 Lacs (2012-Rs. 2,05.91 lacs)

B) Disclosure in respect of Finance Lease

Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Gross carrying amount of assets given on lease	33,20.49	31,09.67
Accumulated depreciation of assets given on lease	7,95.56	5,67.82
Depreciation recognized in Statement of Profit and Loss for the year ended March 31, 2013	2,27.74	2,05.35



Rs. in lacs

Particulars	31-Mar-13	31-Mar-12
Not later than one year	7,90.80	8,17.00
Later than one year and not later than five years	2,59.13	10,63.39
Later than five years	-	-

29 Earnings per share –

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars		31-Mar-13	31-Mar-12
Net profit after tax for the year	(Rs. in lacs)	47,10.71	4,29.00
Diluted net profit for the year	(Rs. in lacs)	47,10.71	4,29.00
Number of Ordinary shares	(Nos in lacs)	1,67.72	1,67.72
Weighted average shares (Basic)	(Nos in lacs)	1,67.72	1,67.72
Weighted average shares (Diluted)	(Nos in lacs)	1,67.72	1,67.72
Basic earnings per share	(Rs.)	28.09	2.56
Diluted earnings per share	(Rs.)	28.09	2.56

Calculation of weighted average number of shares

Nos. in lacs

Particulars	31-Mar-13	31-Mar-12
Number of Ordinary shares	1,67.72	1,67.72
Number of shares converted during the year	-	-
Weighted Average Shares (Basic)	1,67.72	1,67.72
Add : Deemed conversion of bonds to shares	-	-
Weighted average shares (Diluted)	1,67.72	1,67.72

30 Debtors and Creditors

- Considering the nature of projects being executed by the Company and its main client, the consequential claims and counter claims towards liquidated damages, change order, etc., as per general practice prevalent in the industry, the balances outstanding as trade receivables and balances payables towards contractors and vendors of the company are not confirmed. However, the management is confident that such receivables/ payables are stated at their realisable/ payable value and adequate provisions are made in the accounts, wherever required.
- Sundry debtors includes amount outstanding from a customer amounting to Rs. 25,25.82 lacs (2012 Rs. 25,25.82 lacs). This relates to a subcontract job done during 2006-07 and amount outstanding relates to change order which is still under process of resolution by the ultimate client. Management believes that this amount will be received and hence no provision has been made in the books till date.
- During the year 2009-2010, the Company has taken extra time to complete two of its EPC contracts beyond the scheduled contract completion date as the Company had to execute significant additional work and also on account of delays not attributable to the Company. The potential liability for liquidated damages resulting from the extended completion date as on March 31, 2013 amounts to Rs. 18,40.10 lacs (2012- Rs. 30,39.76 lacs). As the Company believes that the liquidated damages will be waived for the reasons stated above, no provision for the same has been made in the books till date.
- During the year 2010-2011, the Company has incurred additional expenditure on executing additional work under its EPC contracts. The Company has quantified and submitted some of its claims for extra work done and has commenced discussions with the clients for finalising the same. However, as a matter of abundant caution, only a portion of these extra claims amounting to Rs. 33,84.45 lacs (2012 - Rs. 33,84.45 lacs) have been recognised as revenue. The balance of the additional claims will be recognised as revenue as and when the same are accepted by the clients.



31 Particulars of Derivative Instruments as at March 31, 2013

- a) No derivative instruments are acquired for trading or speculation purposes.
b) Foreign Currency Exposures that are not hedged by derivative instruments or otherwise are:

Details of amount payable:

Currency	31-Mar-13		31-Mar-12	
	Amount In Foreign Currency	Amount In Indian Rs. (lacs)	Amount In Foreign Currency	Amount In Indian Rs. (lacs)
EURO	3,069,407	21,36.00	-	-
GBP	13,003	10.68	143,633	1,17.41
SING. \$	20,269	8.86	20,640	8.39
US\$	710,712	3,85.99	292,532	1,49.72
AED	10,700	1.58	395	0.05
JPY	-	-	1,155,710	7.17

Details of amount receivable:

Currency	31-Mar-13		31-Mar-12	
	Amount In Foreign Currency	Amount In Indian Rs. (lacs)	Amount In Foreign Currency	Amount In Indian Rs. (lacs)
EURO	13,773,330	95,84.86	11,585,595	79,12.96
US\$	5,169,657	27,67.61	7,445,948	38,10.61

Details of Bank Balances:

Particulars	Currency	31-Mar-13		31-Mar-12	
		Amount In Foreign Currency	Amount In Indian Rs. (lacs)	Amount In Foreign Currency	Amount In Indian Rs. (lacs)
State Bank of India, Singapore	US\$.	25,898	14.06	29,508	15.10
State Bank of India, EEFC –US\$	US\$	5	*	5	*

* Denotes amount less than Rs. 500 /-

32 Details relating to Subsidiary Companies as on March 31, 2013

Rs. in lacs

Name of Subsidiary Company	Dolphin Offshore Shipping Limited	Dolphin Offshore Enterprises (Mauritius) Pvt. Limited	Global Dolphin Drilling Company Limited
Issued Subscribed & Paid Up Capital	7,44.00	11.68	5.00
Reserves	26,25.75	6,40.36	15.14
Total Assets	38,56.10	1,70,12.99	20.25
Total Liabilities	38,56.10	1,70,12.99	20.25
Investments	2.00	-	-
Turnover	30,97.28	68,17.47	-
Profit before Taxation	10,37.40	25,73.97	1.47
Provision for Taxation	32.16	99.15	0.50
Profit after Taxation	10,05.24	24,74.82	0.97
Proposed Dividend	-	-	-

33 Prior year comparatives:

Prior year figures have been reclassified wherever necessary for comparative purpose.



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING
TO SUBSIDIARY COMPANIES**

1	Name of Subsidiary Companies	Dolphin Offshore Shipping Limited	Dolphin Offshore Enterprises (Mauritius) Private Limited	Global Dolphin Drilling Company Limited
2	Financial Year Ending	March 31, 2013	March 31, 2013	March 31, 2013
3	Date from which it became a subsidiary	August 31, 2006	November 2000	March 31, 1997
4	Extent of interest of the Holding Company in the capital of the subsidiary	100%	100%	59.96%
5	Net aggregate amount of the Subsidiary's profit / (loss) not dealt with in the Holding Company's Account	Rs. in lacs	Rs. In lacs	Rs. In lacs
	(i) Current Year	10,05.23	24,74.82	0.97
	(ii) Previous year's since it become subsidiary	13,71.30	(7,41.85)	14.18
6	Net aggregate amount of the Subsidiary's profit / (loss) dealt with in the Holding Company's Account			
	(i) Current Year	Nil	Nil	Nil
	(ii) Previous year's since it become subsidiary	Nil	Nil	Nil

The holding company undertakes that the annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the Registered Office of the holding company and of the subsidiary companies concerned. The holding company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED

Regd. Office: 1001, Raheja Centre, 214, Nariman Point, Mumbai - 400 021.

Date : June 24, 2013

Dear Shareholder,

Re : Payment of Dividend through Electronic Clearing Service (ECS)

It has always been our endeavour to extend the best possible services to our shareholders. However, we find that you may encounter occasional difficulties mainly when we have to depend on external agencies. Of late, it has been noticed that dividend warrants forwarded by post are intercepted in transit and are fraudulently encashed by dishonest elements, causing a great deal of inconvenience to the shareholders and to the Company.

With a view to safeguard our mutual interest, we would strongly recommend that you avail of the Electronic Clearing Service (ECS) which had been introduced by the Reserve Bank of India (RBI), initially in the Metro Cities and which has now been extended to other cities where RBI and SBI has clearing centres. Under this system dividend payable to you, is directly credited to a bank account designated by you. No physical instruments are issued and information is electronically passed on to the RBI through our bankers. Upon receiving this information your bank would directly credit your account and indicate credit entry as "ECS" in your passbook / bank statement and intimation of "ECS" would also be sent to you separately.

Therefore, with this facility, problems faced due to loss in transit, frauds, postal delays etc. would be avoided.

We would like to draw your attention to Circular No. DCC/FITTCIR-3/2001 dated 15th October, 2001 issued by SEBI, vide which the Companies are advised to mandatorily use ECS facility for distributing dividends, or other cash benefits etc. to the investors in areas where ECS facility is available. In the absence of availability of ECS facility, the Companies may use warrant for distributing the dividends.

In case of ECS facility is not made available to you by the Company at a particular centre, the dividend amount payable to you would be remitted by means of a dividend warrant which will be posted to your address with the particulars of bank viz. name of the bank, Account No. etc. furnished by you, duly incorporated on it.

Shareholders holding shares in dematerialised form are hereby informed that as per the above referred SEBI's circular, SHAREPRO SERVICES (INDIA) PVT. LTD., Share Transfer Agent of the Company will send dividend amount for credit into Shareholders' bank account through "ECS" wherever Bank particulars and MICR details are made available to them in the Beneficial Ownership Position provided by NSDL and CDSL for the purpose of dividend payment.

Further such shareholders i.e. who are holding their shares in dematerialised mode are requested to provide the Bank details/ charges, if any, only to the Depository Participant (D.P.) with whom demat account is maintained. **In this case details/ changes intimated to the Company or its Share Transfer Agent namely M/s. SHAREPRO SERVICES (INDIA) PVT. LTD. will not be considered.**

Shareholders holding shares in physical form and who wish to avail of this facility are requested to fill in the form given overleaf and return the same along with a photo copy of the cheque pertaining to the Bank Account where they would like the amount to be credited. Such forms should be received by **M/s. SHAREPRO SERVICES (INDIA) PVT. LTD.** Share Transfer Agent of the Company at the address as mentioned overleaf preferably **on or before July 26, 2013** so as to enable them to credit the future dividend entitlement to shareholders a/c. through ECS. Those shareholders who have already furnished the ECS details should ignore this circular.

This arrangement is subject to RBI guidelines issued from time to time.

Bank particulars

Shareholders holding shares in physical form and who do not wish to opt for ECS facility or located in a place where such facility is not available are requested to inform the name, branch and a/c. no of their bank, if not provided earlier, **on or before July 26, 2013** in the format provided overleaf.

Such particular will be incorporated on the dividend warrant to avoid any fraudulent encashment.

Please note that ECS instructions will supersede the mandate instructions given earlier by you and noted in our records.

Yours faithfully
For **Dolphin Offshore Enterprises (India) Limited**

V. Surendran
Company Secretary

ELECTRONIC CLEARING SERVICES (ECS) / BANK DETAILS MANDATE FORM

To,

M/s. Sharepro Services (India) Pvt. Ltd.

Unit: Dolphin Offshore Enterprises (India) Ltd.

13 AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off. Andheri Kurla Road,
Sakinaka, Andheri (East),
Mumbai - 400 072.

Dear Sirs

Re: Payment of dividend

I have read the letter dated June 24, 2013 from the Company giving the details of ECS scheme printed overleaf.

I wish to participate in the Electronic Clearing Service (ECS) introduced by Reserve Bank of India.

I do not wish to participate in the ECS. However, kindly print the bank particulars given below on the dividend warrant being issued to me.

1. Ref. Folio No. : _____
2. Particulars of Bank : _____
- a) Name of the bank : _____
- b) Branch Address : _____
- c) 9 digit code Number of the Bank :

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 & Branch as appearing on the MICR Cheque issued by the Bank
- d) Account type (Please tick) : Saving Current Cash Credit
- e) Ledger Folio No. (if any) of your bank account : _____
- f) Account No. : _____

I hereby declare that the particulars above given are correct and complete. I undertake to inform any subsequent changes in the above particulars before the relevant book closure date(s). If the payment is delayed or not effected at all for any reason(s), beyond the control of the Company, I would not hold the Company or its Share Transfer Agent namely M/s. SHAREPRO SERVICES (INDIA) PVT. LTD. responsible.

Signature of the first holder

Date : _____

Note : (1) Currently ECS facility is available at following centres : Ahmedabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram.

(2) Please ensure that the details submitted by you are correct as any error therein could result in the dividend amount being credited to a wrong account.

* The nine digit code number of your bank and branch is mentioned on the MICR band next to the cheque number.

Delete whichever is not applicable.

Dolphin Offshore Enterprises (India) Limited.



1001, Raheja Centre, 214, Nariman Point, Mumbai – 400 021
Tel: 022-22832226/34/42 Fax: 022-22875403
email: investors@dolphinoffshore.com Website: www.dolphinoffshore.com

June 24, 2013

Dear Shareholder,

Sub : Registration of e-mail – Green Initiative in Corporate Governance

Ref : Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, issued by the Ministry of Corporate Affairs, Government of India (MCA)

As you may be aware, the MCA, vide Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively (the said Circulars), has clarified that a company will be deemed to have complied with the provisions of Sections 53 and 219 (1) of the Companies Act, 1956, in case documents like notice, annual report, etc., are sent to its Members in electronic form, subject to compliance with the conditions stated therein.

The Company proposes to send its notice, annual report, etc. in electronic form to its Members in support of the said Green Initiative of the MCA for all Annual General Meetings to be held in future. The Company has accordingly informed those Members holding equity shares of the Company in electronic form and whose email address has been made available to it by the Depositories, of the said proposal. We are pleased to inform you that the response to the said initiative has been very encouraging.

As per our records, we note that some of you have either not registered your e-mail address nor updated the same with your Depository Participant (DP)/the Company. Members who wish to receive the said documents in electronic form, are requested to comply with the following:

- a. Members holding equity shares of the Company in physical form are requested to provide their email address to the Company by completing the ‘**E-communication Registration Form**’ given below and returning the self addressed business reply letter.
- b. Members holding equity shares of the Company in electronic form are requested to register their e-mail address with their DP.

Please note that the said documents will be uploaded on the website of the Company viz www.dolphinoffshore.com for the ready reference of its Members and the Company will notify the date of the Annual General Meeting and the availability of the said documents by publishing the same in leading financial dailies and uploading it on the website of the Company.

Please note that as a Member of the Company you are always entitled to receive on request, copy of the said documents, free of cost, in accordance with the provisions of the Companies Act, 1956.

Thanking you for supporting this unique initiative and assuring you of our best attention at all times.

Yours sincerely,

For Dolphin Offshore Enterprises (India) Ltd.

V. Surendran

Company Secretary

E-COMMUNICATION REGISTRATION FORM

Dear Sir,

Sub : Registration of my e-mail address – Green Initiative in Corporate Governance

I agree to receive the documents as referred to in the Company’s letter dated June 24, 2013, in electronic mode. Please register my e-mail address in your records, being my consent towards the same.

Folio No. : _____
 Email ID : _____
 Name of First / Sole Holder : _____
 Signature of the First / Sole holder : _____

Date :

Notes:

- 1. Shareholders are requested to keep the Company informed as and when there is any change in their email address. Unless the e-mail address given above is changed by the concerned shareholder by sending another communication in writing, the Company will continue to send the said documents to the e-mail address registered with Company.
- 2. The above e-mail address will be registered subject to verification of your signature with the specimen signature registered with the Company.
- 3. This form has been uploaded on the website of the Company www.dolphinoffshore.com.

DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED

Regd. Office: 1001, Raheja Centre, 214, Nariman Point, Mumbai - 400 021.
Tel.: 2283 2226 / 34 / 42

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

Full Name of the member attending.....

Full name of the First Joint-holder.....
(To be filled in if first named joint-holder does not attend the meeting)

Name of the proxy.....
(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the **THIRTY FOURTH ANNUAL GENERAL MEETING** of the Company at M. C. Ghia Hall, Fourth Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Kalaghoda, Mumbai - 400 001 on Friday, July 26, 2013 at 1500 hrs (3.00 p.m.) (Tel. No. 22844350 / 22844401)

.....
Member's / Proxy's Signature

Regd. Folio No.

(To be signed at the time of handling over this slip)

----- (TEAR HERE) -----

DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED

Regd. Office: 1001, Raheja Centre, 214, Nariman Point, Mumbai - 400 021.
Tel.: 2283 2226 / 34 / 42

PROXY FORM

I/We.....
of in the district of
..... being member(s) of the above named Company, hereby
appoint
of in the district of
or failing him
of in the district of

as my / our proxy to vote for me / us on my / our behalf at the **THIRTY FOURTH ANNUAL GENERAL MEETING** of the Company at M. C. Ghia Hall, Fourth Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Kalaghoda, Mumbai - 400 001 on Friday, July 26, 2013 at 1500 hrs (3.00 p.m.) (Tel. No. 22844350 / 22844401)

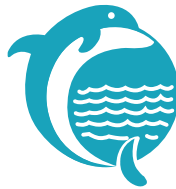
Signed this day of 2013.

Regd. Folio No.

No. of Shares held:

Please affix
Revenue
Stamp

The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Annual General Meeting.



DOLPHIN OFFSHORE ENTERPRISES (INDIA) LIMITED

Corporate Office:

LIC Building, Plot No. 54,
Sector 11, CBD Belapur (E),
Navi Mumbai - 400 614
Tel: (91) 22-66026602
Fax: (91) 22-66026603

Registered Office :

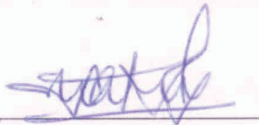
1001, Raheja Centre,
214 Nariman Point,
Mumbai - 400 021
Tel: (91) 22-22832226, 22832234
Fax: (91) 22-22875403

Email: customers@dolphinoffshore.com
Website: www.dolphinoffshore.com

FORM A

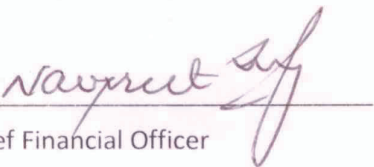
1	Name of the Company	Dolphin Offshore Enterprises (India) Ltd.
2	Annual financial statements for the year ended	March 31, 2013
3	Type of Audit observation	Un-qualified / Matter of Emphasis
4	Frequency of observation – Matter of Emphasis	<p>a) Regarding long outstanding sundry debtors – since FY 2009-10</p> <p>b) Regarding non recognition of revenue – since FY 2010-11</p> <p>c) Regarding inventorisatation of materials in transit – first time in FY 2012-13</p> <p>d) Regarding non-availability of receivables / payables confirmation – first time in FY 2012-13</p> <p>e) Regarding revenue recognition from projects - first time in FY 2012-13</p>

For DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.



Managing Director

For DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.



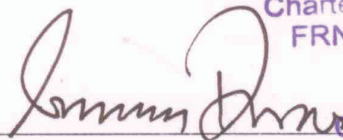
Chief Financial Officer

For DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.



Chairman of Audit Committee

For Haribhakti & Co.
Chartered Accountants
FRN No. 103523W



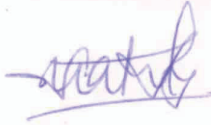
Auditor of the Company

Chetan Desai
Partner
Membership No. 17000

FORM B

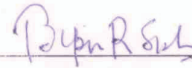
1	Name of the Company	Dolphin Offshore Enterprises (India) Ltd.
2	Annual financial statements for the year ended	March 31, 2013
3	Type of Audit qualification	Except for
4	Frequency of qualification	Regarding non provision of liquidated damages – since FY 2009-10
5	Relevant Note No. in the Financial Statement – 35(c), (reproduced herein) Page No. 63 of Annual Report Management response to the same in Para No. 1.3 of the Directors' Report	Note No. 35(c) During the year 2009-2010, the Company has taken extra time to complete two of its EPC contracts beyond the scheduled contract completion date as the Company had to execute significant additional work and also on account of delays not attributable to the Company. The potential liability for liquidated damages resulting from the extended completion date as on March 31, 2013 amounts to Rs. 18,40.10 lacs (2012-Rs. 30,39.76 lacs). As the Company believes that the liquidated damages will be waived for the reasons stated above, no provision for the same has been made in the books till date.
6	Additional comments from the Board / Audit Committee Chair	-----

For DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.



Managing Director

For DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.



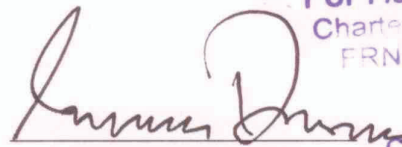
Chairman of Audit Committee

For DOLPHIN OFFSHORE ENTERPRISES (INDIA) LTD.



Chief Financial Officer

For Haribhakti & Co.
Chartered Accountants
FRN No. 103523W



Auditor of the Company

Chetan Desai
Partner
Membership No. 17000