



ड्रेजिंग कॉर्पोरेशन ऑफ इण्डिया लिमिटेड (भारत सरकार का उपक्रम)

DREDGING CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

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

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

फैक्स Fax : 0891-2560581/2565920, दूरभाष Phone : 0891-2523250



website : www.dredge-india.com

www.dredge.gov.in

E-mail : hodci@dcil.gov.in

DCI/CS/AA.1/2016/

02/12/16

**The Manager,
Listing Department
The Stock Exchange, Mumbai
25th Floor, New Trading Ring,
Rotunda Building, Phiroze, Jeejeebhoy Towers
Dalal Street, Fort, Mumbai -400001**

Dear Sir,

Re : Half yearly communication for dissemination to debenture holders (In Compliance with Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

With reference to the above, we submit herewith the information and documents as per the provisions of Uniform Listing Agreement entered into with the Stock Exchanges where Debt Securities of the Company are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for dissemination to the debenture holders as mentioned below:

- Unaudited financial results (after limited Review) for the quarter/period ended 30/9/16 as have been approved by the Board of directors in its Meeting held on 02/12/16 along with the Limited Review Report thereon – **Enclosure – I.**
- Following issues of Non-Convertible Debentures have been listed with your Stock Exchange:

Details of listed NCDs:

Series / Tranche	Date of Allotment	Date of Listing	No. of NCDs	Face value (Rs. in cr.)	Amt. of Issue (Rs. in cr.)	Latest credit rating
I	28/03/2013	04/03/2013	588780	Rs. 1000	58.87	1.CARE- AA- negative (double AA minus; outlook negative) 2.BRICKWORK – BWR AA+ (SO)



The latest Credit Rating in respect of the said issues is mentioned in the above statement.

The rating has been revised by CARE from CARE- AA to CARE- AA(minus) as per the latest Rating letter issued. (Enclosure – 2) since the respective dates of the said NCDs issues.

- c) The asset cover is 2.37 as on 30/9/16 and is adequate as per the terms of issue. The Asset Cover Certificate is attached – **Enclosure – A.**
- d) The Debt Equity Ratio as on 30.09.2016 is 0.65:1.
- e) Previous due date for the payment of interest / repayment of principal of non-convertible debt securities and whether the same has been paid or not for the half year ending 30/09/2016 – **Annexure A.**
- f) Next due date for the payment of interest principal along with the amount of interest and redemption amount on said NCDs during next half year i.e. 01.10.2016 to 31.03.2016 are as under - **Annexure B.**
- g) The Debt Service Coverage Ratio is 0.61.
- h) The Interest Service Coverage Ratio is 0.06.
- i) Debenture redemption reserve - **Annexure C.**
- j) Net worth of the Company as on 31.03.2016– Rs. 145837 Lakhs
- k) Net Profit after tax of the Company as on 31.03.2016 – Rs. (-) 1037 Lakhs
- l) Earnings Per Share as on 31.03.2016 –Rs (-) 3.70
- m) The name, designation and contact details of "Compliance Officer" of this corporation are as under:

(A) Name of Compliance Officer: K. AswiniSreekanth
(B) Designation : Company Secretary
(C) Correspondence Address : Dredging Corporation of India Limited,
Dredge House, Port Area,
Visakhapatnam – 530035.
(D) Phone, Fax No. : 0891-2566537; 0891-2529846
(E) Email ID : sreekanth@dcil.co.in

The said NCDs are secured by Dredger - DCI DREDGE BH1, having registration number M-7704, registered with Mercantile Marine Department, Mumbai, Government of India.

We confirm that the information submitted as above is true and correct and the undersigned has authority to submit the same to you and that we are aware that above information is expected to be placed on the website of your Stock Exchange and that of Debenture Trustees.

Thanking you,

Yours sincerely,



Name: K. AswiniSreekanth
**Company Secretary &
Authorized Signatory**

DREDGING CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

CIN NO.:L29222DL 1976 GOI 008129

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

Head Office : "Dredge house" Port area, Visakhapatnam-530001

Standalone Un-Audited Financial Results for the Quarter and Half year ended 30th Sept ,2016

₹ in lakhs

	Particulars	Quarter ended			Half Year Ended	
		30-09-2016 (IND AS)	30-06-2016 (IND AS)	30-09-2015 (IND AS)	30-09-2016 (IND AS)	30-09-2015 (IND AS)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1		2	3	4	5	6
1 Income from Operations :						
(a) Net Income from Core Dredging Operations		15645	13212	15994	28857	32740
(b) Other Operating Income		487	1041	-3	1528	34
Total Income from Operations (Net)		16132	14253	15991	30385	32774
2 Expenses:						
a) Cost of materials consumed		N.A1	N.A1	N.A1	N.A1	N.A1
b) Purchases of Stock-in-Trade		N.A1	N.A1	N.A1	N.A1	N.A1
c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade		N.A1	N.A1	N.A1	N.A1	N.A1
d) Employee benefits expense		2872	2288	2502	5160	4861
e) Depreciation and amortization expense		2278	2233	2332	4511	4797
f) Repairs and Maintenance (Vessels)		2882	1145	497	4027	1870
g) Fuel and Lubricants		5207	4767	5766	9974	11146
h) Spares and Stores		1679	1227	832	2906	1612
i) Other expenses		2380	1905	1861	4285	3786
Total expenses		17298	13565	13790	30863	28072
3 Profit /Loss from Operations before other income , finance costs and exceptional items (1-2)		(1166)	688	2201	(478)	4702
4 Other Income		246	288	282	534	540
5 Profit /Loss from ordinary activities before finance costs and exceptional items (3 + 4)		(920)	976	2483	56	5242
6 Finance costs		438	490	333	928	636
7 Profit /Loss from ordinary activities after finance costs and exceptional items (5-6)		(1358)	486	2150	(872)	4606
8 Exceptional Items		0	0	0	0	0
9 Profit(+)/ Loss(-) from Ordinary Activities before tax (7-8)		(1358)	486	2150	(872)	4606
10 Tax Expense		79	86	72	165	176
11 Net Profit(+)/ Loss(-) from Ordinary Activities after tax (9-10)		(1437)	400	2078	(1037)	4430
12 Extraordinary Items(net of tax expense (₹Nil))		0	0	0	0	0
13 Net Profit(+)/ Loss(-) for the period (11-12)		(1437)	400	2078	(1037)	4430
14 Other Comprehensive Income [OCI]		0	0	0	0	0
15 Total Comprehensive Income (13+14)		(1437)	400	2078	(1037)	4430
16 Paid-up equity share capital		2800	2800	2800	2800	2800
(Face Value of the share: (₹10)						
17 Earnings per Share (EPS) (In `) (not annulised)						
(of ₹10 each) Not to be annualised						
(a) Basic		(5.13)	1.43	7.42	(3.70)	15.82
(b) Diluted		(5.13)	1.43	7.42	(3.70)	15.82

Standalone Statement of Assets and Liabilities

Particulars	As at 30-09-2016 (Ind AS)
I. EQUITY AND LIABILITIES	
Shareholders' funds	
(a) Share capital	2800
(b) Reserves and surplus	143037
Sub-total - Shareholders Funds	145837
Non-current liabilities	
(a) Long-term borrowings	81954
(b) Deferred tax liabilities (Net)	0
(c) Other Long term liabilities	156
(d) Long-term provisions	246
Sub total Non Current liabilities	82356
Current liabilities	
(a) Short-term borrowings	1565
(b) Trade payables	21040
(c) Other current liabilities	25710
(d) Short-term provisions	1007
Sub total Current liabilities	49322
TOTAL - EQUITY AND LIABILITIES	277515
II. ASSETS	
Non-current assets	
(a) Fixed assets	184681
(b) Non-current investments	3000
(c) Deferred tax assets (net)	0
(d) Long-term loans and advances	3864
(e) Other non-current assets	0
Sub total Non Current assets	191545
2)Current assets	
(a) Current investments	0
(b) Inventories	16425
(c) Trade receivables	32846
(d) Cash and cash equivalents	14028
(e) Short-term loans and advances	7107
(f) Other current assets	15564
Sub total Current assets	85970
TOTAL - ASSETS	277515

Notes

1. N.A. = Not applicable since DCI is not a Manufacturing Company
2. Segmental Reporting as per AS-17 issued by the ICAI is not applicable since the company has only one segment income i.e., dredging.
3. The company has adopted Indian Accounting Standards (Ind-As) with the transition date of April 1, 2015. The impact of transition to Ind-As as on transition date has been provided in the Opening Reserves as on 01-04-2015. Financial results for the quarter and Half year ended 30th Sep, 2016 are in compliance with Indian Accounting Standards (Ind-As) notified by the Ministry of Corporate Affairs, Consequently, results for the quarter and Half year ended Sep 30, 2015 have been restated to comply with Ind-As to make them comparable. The financial results for the quarter ended 30th Sep, 2015 and 30th Sep, 2016 have been prepared in accordance with the recognition and measurement principles laid down in Ind – AS 34 "Interim Financial Reporting "prescribed under section 133 of the companies Act, 2013 read with relevant rules there under and in terms of Regulations 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 and SEBI circular dated July 05, 2016.
4. The Statutory Auditors appointed by CAG have carried out the limited review of the aforesaid financial results for QE/HE 30/09/2016 in terms of SEBI (LODR) Regulations. The Ind-AS compliant financial results, pertaining to the QE/HE ended 30/09/2015 of the previous year as mentioned above have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
5. Reconciliation of profit after tax for quarter and half year ended 30th Sep 2015 between Ind AS compliant results reported above with results reported in previous year as per Indian GAAP are given below:

		₹lakhs
Particulars	Quarter ended 30/9/15	Half year ended 30/9/15
Profit after tax As per IGAAP	1731	3400
Effect on Depreciation	133	240
Effect on Repairs and Maintenance expenditure	34	366
Effect of Finance cost as per effective rate of interest	180	424
Total comprehensive income Under Ind AS	2078	4430

6. All Spares consumed during the current quarter is charged to the P&L Account.
7. The details of foreign exchange loss/gain for the period/year is as under:

		₹lakhs
Period	Capitalised to cost of Vessels	Included in Other income
For the quarter ended 30th Sep,2016	321 (gain)	13 (loss)
For the quarter ended 30th Jun,2016	12 (loss)	4 (loss)
For the quarter ended 30th Sep,2015	3555 (loss)	1 (gain)
For the Half year ended 30th Sep,2016	309 (gain)	17 (loss)
For the Half year ended 30th Sep,2015	8975 (loss)	1 (gain)

8. Pursuant to the company claims vide its letter dated 06-06-2012 for the works executed in Sethusamudram project, the company is of the view that the actual expenditure incurred on this project will be reimbursed by GOI to DCI and the same is under active consideration by the Ministry. In view of this, provision for doubtful debts has not been made in respect of receivables in this regard.
9. The above financial results were reviewed by the Audit Committee at its meeting held 02-12-2016 and have taken record by the Board of Directors at its meeting held on 02-12-2016.
10. Figures of the previous years have been regrouped / reclassified where ever necessary.

By Order of the Board
For Dredging Corporation of India Ltd

Place: New Delhi
Date: 02/12/2016.

(Rajesh Tripathi)
Chairman and Managing Director.



Independent Auditors' Review Report

To The Board of Directors Of
Dredging Corporation of India Limited

1. We have reviewed the unaudited financial results of Dredging Corporation of India Limited for the quarter and six months ended 30th September, 2016 and Unaudited Balance Sheet as at 30th September, 2016 ("The statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in the India Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of The Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Without qualifying our report we draw your attention to the following:

- i) During the financial year 2014-15 and 2015-16, company has capitalised an amount of Rs.6987 lakhs being amount incurred for dry dock of dredgers whose useful life of 25 years (Company has estimated the dredger useful life as 25 years) was completed. The Company has referred the same to expert advisory committee (EAC) of ICAI and EAC has opined that the company has to charge the capitalised amount to the repairs and maintenance as the estimated useful life of the dredgers were expired.

In compliance with the companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013, the company has restated the financial statements of 2015-16 by giving effect of ICAI opinion as an Ind AS Adjustment.



- ii) Note 3 to the statements which states that the company has adopted Ind AS for the financial year commencing from 1st April 2016, and accordingly, the statement has been prepared by the company's management in compliance with Ind As.'
- iii) We were neither engaged to review nor have we reviewed the comparative figures including the reconciliation to the total comprehensive income for the quarter and half year ended on 30th September 2015 and accordingly, we do not express any conclusion on the results in the statement for the quarter and half year ended 30th September 2015. As set out in the note no 5 to the statement, these figures have been furnished by the Management.
- iv) Trade Receivables Includes, Rs.11,433.18 lakhs receivable from M/s Sethusamudram Corporation Ltd.(SCL) which is pending for more than 3 years. Out of the above, Company has provided for doubtful debts to the extent of Rs.3019.27 lakhs. However the company is of the view that an amount of Rs. 30897.00 lakhs will be reimbursed by GOI (at whose behest the contract with SCL was entered) to DCI to compensate the actual expenditure incurred on this project. In view of this, a provision for balance doubtful debts is not made in respect of receivables in this regard amounting to Rs. 8413.91 lakhs.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respects in accordance with the Indian Accounting Standards and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the listing Regulations, 2015, , as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Hyderabad
Date: 02/12/2016

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

P Murali
Partner
M.No: 221625





c n raja associates
CHARTERED ACCOUNTANTS

CERTIFICATE

This is to certify that Dredging Corporation Of India Limited, Visakhapatnam (the company), has maintained hundred percent Asset cover in respect of listed non-convertible debt securities (Tax free, Secured, Redeemable Non-Convertible Bonds) issued on 28/03/2013 for Rs. 5887.80 Lakhs (Rupees Fifty Eight Crores, Eighty Seven lakhs and Eighty Thousand only) during the half year ended 30.09.2016 as per Regulation 56 (1) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

C N RAJA ASSOCIATES
Chartered Accountants

(c n raja)

Partner – Membership No. 019637



Place: Visakhapatnam

Date: 1st December 2016

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited ("**Debenture Trustee**") hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("**Regulations**"), provided to us by Dredging Corporation of India Limited ("**the Company**") for the Half year ended September 30, 2016.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited

J.B. Holawade
Authorised Signatory

Date: December 02, 2016



ANNEXURE A

Details of redemption & payment of interest during last half year ending 30.09.2016:

Series / Tranche	Type (Principal / Interest)	Due date of payment	Amount (Rs.)	Actual date of payment
I	Interest	NIL	NIL	NIL

ANNEXURE B

Details of redemption & interest due in the next half-year i.e. 01.10.2016 to 31.03.2016:

Series / Tranche	Type (Principal / Interest)	Due date of payment	Amount (Rs.)
I	Interest	28/03/2017	41433091

ANNEXURE C

Details of Debenture Redemption Reserve (If applicable):

Series / Tranche	Amount of issue Rs. (In Cr.)	DRR required to be created Rs. (In Cr.)	DRR created upto 31.03.2016 Rs. (In Cr.)	Funds invested for debentures maturing during the year
I	58.88	6.00	18.00	No debentures are maturing during the year





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(भारत सरकार का उपक्रम)

DREDGING CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

IN : L29222DL1976GOI00812

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

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INDIAN REGISTER OF
SHIPPING



MGMT. SYS.
RwA C 071
DUTCH ACCREDITATION
COUNCIL RvA

website : www.dredge-india.com

www.dredge.gov.in

E-mail : hodci@dcil.gov.in

DCI/CS/AA.1/2016/

02/12/16

**The Manager,
Listing Department
The Stock Exchange, Mumbai
25th Floor, New Trading Ring,
Rotunda Building, Phiroze, Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai -400001**

Dear Sir,

**Re : Statement of material deviation. (In Compliance with
Regulation 52(7) of SEBI (Listing Obligations and
Disclosures Requirements) Regulations, 2015)**

Pursuant to Regulation 52(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is hereby confirmed that the proceeds of the issue of the Tax free bonds (Non- Convertible debt securities) issued by the Company in the year 2013 amounting 58.88 Cr. have been solely and fully utilized for the objects stated in the offer documents and that there is no material deviation in the use of the proceeds of the issue of the said Tax free bonds (Non- Convertible debt securities) from the objects stated in the offer documents.

Thanking you,

Yours sincerely,

Name: K. Aswini Sreekanth
Company Secretary &
Authorized Signatory



DREDGING CORPORATION OF INDIA LIMITED
Visakhapatnam

(₹ In Lakhs)

ASSET COVERAGE RATIO AS ON 30.09.2016		
NO CURRENT ASSETS		
1	Tangible NetFixed Assets	184681.00
2	Capital Work in progress	0.00
3	Non- Current investments	3,000.00
4	Long Terms Loan and advances	3864.00
A) TOTAL NON CURRENT ASSETS		191545.00
CURRENT ASSETS		
1	Inventories	16425.00
2	Trade Receivables	32846.00
3	Cash and Cash equivalents	14028.00
4	Short term loans and advances	7107.00
5	Other current Assets	15564.00
B) TOTAL CURRENT ASSETS		85,970.00
CURRENT LIABILITIES		
1	Short Term Borrowings	1565.00
2	Trade Payables	21040.00
3	Other Current Liabilities (excluding current portion of long term borrowings)	12928.00
4	Short term Provisions	1,007.00
C) TOTAL CURRENT LIABILITIES (1+2+3+4)		36,540.00
D) TOTAL ASSETS - CURRENT LIABILITIES (A+B-C)		2,40,975.00
E) TOTAL LONG TERM BORROWINGS (Current + Non Current Portion)		1,01,736.72
F) ASSET COVER RATIO (D/E)		2.37

DEBT SERVICE COVERAGE RATIO & INTEREST COVERAGE RATIO		(₹ In Lakhs)
1	Profit Before Tax	-872.00
2	Interest	928.00
3	EBIT (1+2)	56.00
4	Depreciation/ Amortisation	4,511.00
5	EBITDA (3+4)	4,567.00
6	Principal Repayment obligation during 16-17 Half Year- ECB	6,290.71
7	Interest payment obligation during 16-17 Half year-ECB	689.28
8	Debenture Fund Obligation	300.00
9	Interest payment obligation on Debenture	200.00
10	Total Debt Service Obligation (6+7+8+9)	7,479.99
11	Debt service coverage ratio (5/10):	0.61
12	Interest Service Coverage ratio (3/(7+9))	0.06
13	Share Capital	2,800.00
14	Reserve & Surplus	1,43,037.00
15	Net Worth (13+14)	1,45,837.00
16	Net Profit After Tax	-1,037.00
17	Earning per Share (Rs.)	-3.70

DREDGING CORPORATION OF INDIA LIMITED
Visakhapatnam

(₹ In Lakhs)

ASSETS FREE FROM ENCUMBERANCE AS ON 30.09.2016		
A	TOTAL SECURED LOAN/ BORROWINGS	
1	LOAN FOR DREDGER - XIX, XX & XXI	88,848.20
2	TAX FREE BONDS	5,887.80
3	TOTAL SECURED LOANS (1+2)	94,736.00
4	WORKING CAPITAL LOAN	
	There is no working capital loan but the following limits are availed from Syndicate Bank for Rs.235 Cr. Fund Based : Rs.20 Cr Non Fund Based : Rs.215 Cr. DCI has utilised the non fund based limits to the tune of Rs.11871.87 Lakhs	11,871.87
5	TOTAL SECURED BORROWINGS + LIMITS	1,06,607.87
6	TOTAL NET FIXED ASSETS + NET CURRENT ASSETS	2,40,975.00
7	ASSETS FREE FROM ENCUMBERANCE	1,34,367.13

DEBT EQUITY RATIO (TOTAL DEBT / TOTAL EQUITY)		
A	TOTAL DEBT	94,736.00
B	TOTAL EQUITY	1,45,837.00
	DEBT EQUITY RATIO (A/B)	0.65 : 1