



DREDGING CORPORATION OF INDIA LIMITED

CIN No. L29222DL1976PLC008129 GST NO. 37AAACD6021B1ZB
Head Office : "DREDGE HOUSE", HB Colony Main Road, Seethammadhara,
Visakhapatnam-530022
Phone : 0891 2523250, Fax : 0891 2560581/ 2565920,
Website: www.dredge-india.com



Regd. Office : Core-2, First Floor, Scope Minar , Laxminagar District Centre, Delhi – 110092

DCI/CS/AA.1/2020/

04/08/2020

**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:

- Audited financial results for the year ended 31/03/2020 as have been approved by the Board of directors in its Meeting held on 30/07/2020 along with the Auditors 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- A+ (Stable) 2.BRICKWORK – BWR AA+ (CE^)/Stable

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

- c) The asset cover is 3.88 as on 31/03/2020 and is adequate as per the terms of issue. The Asset Cover Certificate is attached – **Annexure – A.**
- d) The Debt Equity Ratio as on 31/03/2020 is 0.35:1
- 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 31/03/2020- **Annexure B.**
- 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. 01.10.2019 to 31.03.2020 are as under - **Annexure C.**
- g) The Debt Service Coverage Ratio as on 31/03/2020 is 0.98
- h) The Interest Service Coverage Ratio is 2.01
- i) Debenture redemption reserve - **Annexure D.**
- j) Net worth of the Company as on 31/03/2020– Rs. 157024.39 Lakhs
- k) Net Profit after tax of the Company as on 31/03/2020 – Rs. 551.31 Lakhs
- l) Earnings Per Share as on 31/03/2020 – Rs. 1.97
- m) The name, designation and contact details of “Compliance Officer” of this corporation are as under:

Name of Compliance Officer:	K. AswiniSreekanth
Designation	: Company Secretary
Correspondence Address	: Dredging Corporation of India Limited, Dredge House,Port Area, Visakhapatnam – 530001.
Phone, Fax No.	: 0891-2566537; 0891-2529846
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**

ANNEXURE B

Details of redemption & payment of interest during last half year ending 31/03/2020:

Series / Tranche	Type (Principal / Interest)	Due date of payment	Amount (Rs.)	Actual date of payment
I	Interest	28/03/2020	41406566	30/03/2020

ANNEXURE C

Details of redemption & interest due in the next half-year i.e. 01.04.2020 to 30/09/2020:

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

ANNEXURE D

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 31.03.2020 Rs. (In Cr.)	Funds invested for debentures maturing during the year
I	58.88	0	0	No debentures are maturing during the year

DREDGING CORPORATION OF INDIA LIMITED

CIN no: L29222DL1976PLC008129

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 Financial Results for the Quarter and Year ended 31st March, 2020

Rs.in lakhs

S.No	Particulars	Audited	UnAudited	Audited	Audited	
		Quarter Ended March 31, 2020	Quarter Ended December 31, 2019	Quarter Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019
1	Revenue from operations	22,761.85	20,257.37	23,846.86	74,968.93	69,173.86
2	Other Income	60.35	101.41	-8.28	560.34	677.72
3	Total Income (1+2)	22,822.20	20,358.78	23,838.58	75,529.27	69,851.58
4	Expenses					
	a) Employee benefit expense	2,722.92	2,252.26	3,025.40	9,398.51	10,437.40
	b) Finance costs	181.34	444.77	566.03	1,390.87	1,754.03
	c) Depreciation and amortization expense	3,030.19	2,886.38	2,869.38	11,713.16	11,291.38
	d) Other expenses	16,618.15	11,613.01	6,219.98	51,685.17	42,031.38
	Total expenses (4)	22,552.60	17,196.42	12,680.79	74,187.71	65,514.19
5	Profit before exceptional items and tax (3-4)	269.60	3,162.36	11,157.79	1,341.55	4,337.39
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5-6)	269.60	3,162.36	11,157.79	1,341.55	4,337.39
8	Tax Expense:					
	Current tax	707.81	26.38	47.81	790.24	534.68
		707.81	26.38	47.81	790.24	534.68
9	Profit for the year (7-8)	-438.21	3,135.98	11,109.98	551.31	3,802.72
10	Other comprehensive income	-	-	-	-	-
11	Total comprehensive income for the period (9+10)	-438.21	3,135.98	11,109.98	551.31	3,802.72
12	Paid up share capital (face value Rs.10/- each)	2,800.00	2,800.00	2,800.00	2,800.00	2,800.00
13	Paid up debt capital/Outstanding Debt	-	-	-	55,210.00	65,202.07
14	Earnings per equity share					
	(1) Basic (in Rs.)	-1.56	11.20	39.68	1.97	13.58
	(2) Diluted (in Rs.)	-1.56	11.20	39.68	1.97	13.58
15	Reserve excluding Revaluation Reserve	-	-	-	1,54,224.39	1,54,685.73
16	Debenture/Bonds Reserve	-	-	-	3,000.00	3,000.00
17	Debt Equity ratio	-	-	-	0.35:1	0.41:1
18	Debt Service coverage Ratio	-	-	-	0.98	1.12
19	Interest Service coverage ratio	-	-	-	2.01	3.54
20	Net Worth				1,57,024.39	1,57,485.72

Statement of Assets & Liabilities		
ASSETS	As at March 31, 2020	As at March 31, 2019
Non-current assets	1,65,429.39	1,71,855.60
(a) Property, plant and equipment		
(b) Capital work-in-progress	827.97	774.87
(c) Financial Assets		
(i) Investments		375.01
(ii) Other financial assets	46.92	38.51
Total non-current assets	1,66,304.28	1,73,043.99
Current assets		
(a) Inventories	20,816.53	18,698.97
(b) Financial Assets		
(i) Trade receivables	25,142.95	25,502.23
(ii) Cash and cash equivalents	6,963.85	8,431.61
(iii) Bank balances other than (ii) above	54.07	447.45
(iv) Other financial assets	16843.62	10,335.33
(c) Current tax assets (Net)	5,191.53	5,460.69
(d) Other current assets	5,486.83	4,066.48
Total current assets	80,499.39	72,942.77
Total assets	2,46,803.67	2,45,986.76
EQUITY AND LIABILITIES	As at March 31, 2020	As at March 31, 2019
Equity		
(a) Equity Share Capital	2,800.00	2,800.00
(b) Other Equity	154,224.39	1,54,685.73
Total equity	1,57,024.39	1,57,485.73
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
Borrowings	41,169.51	52,026.28
(b) Provisions	1,408.03	1,112.28
(c) Other non-current liabilities	345.10	344.39
Total non-current liabilities	42,922.64	53,482.96
Current liabilities		
(a) Financial Liabilities		
(i) Trade Payables	13,030.15	12,628.34
(ii) Other financial liabilities	18,248.41	13,370.68
(b) Provisions	407.00	320.00
(c) Other current liabilities	15171.09	8,699.06
Total current liabilities	46,856.65	35,018.08
Total Liabilities	89,779.28	88,501.03
Total Equity And Liabilities	2,46,803.67	2,45,986.76

Notes

1. The Company is engaged in the business of dredging and therefore, has only one reportable segment in accordance with IND AS 108 "Operating Segments".
2. As per the minutes of the meeting of AS&FA committee held on 25.02.2019 w.r.t. outstanding dues from M/s Sethusamudram Corporation Ltd (SCL), it

was recommended to release an amount of Rs. 136.72 Crs to DCI. Out of the said amount, an amount of Rs. 39 Crs already released till date. AS&FA directed SCL to move a note seeking approval of cabinet for seeking Govt budgetary resources to release balance dues to DCI.

3. Pursuant to Regulation 54(2) of Regulations 33 of the SEBI (LODR) Regulations, 2015. It is informed that the company has issued DCI Tax free BONDS 2012-13 for an amount of Rs. 58.87 Cr in the nature of Secured, Redeemable, Non-Convertible debentures ("Bonds") having tax benefit under section 10(15)(iv)(h) of the Income Tax Act, 1961-(ISIN series-INE506A27015) which are listed on BSE. The Bonds are secured by way of first charge on the Back Hoe Dredger DCI BH-1 and as on date hundred percent asset cover is maintained.

4. Disclosure pursuant to Regulation 52(4) of SEBI (LODR):-

	Particulars	DCI Tax free Bonds 2012-13	Remarks
a)	Credit Rating	1.CARE: A+ Stable 2.Brickwork: BWR AA+ (SO)	-
b)	Previous interest due date	28/03/2020	Interest paid and bonds are not due for redemption
c)	Interest paid on	28/03/2020	
d)	Next Interest due date	28/03/2021	Bonds are not due for redemption
e)	Asset Cover	100%	As on 31/03/2019
f)	Net Worth	Rs.1570.24 Crore	As on 31/03/2020

5. The details of foreign exchange loss / (gain) for the period/year are Rs. (327.00) lakhs are included under finance cost.
6. DCI placed the order in October 2005 for Cutter Suction Dredger (CSD) on Mazagon Dock Limited (MDL) at a cost of Rs. 269.58 Crs and final landed cost of CSD was Rs. 273.74 Crs.MDL delivered the vessel in March 2010(Dredge XVIII) with poor construction, inordinate delay in supply of Dredger, failure to conduct successful trials as envisaged in the contract resulted in poor performance of the Dredger after delivery. In view of above, DCI encashed the Performance Bank Guarantee of Rs.27.32 Crs on 01-11-2013 submitted by the contractor. In Feb 2014 MDL has referred the matter to Permanent Machinery of Arbitration (PMA) claiming that Encashment of BG by DCI is bad and illegal, and for refund of Rs.30.35Crs (BG amount along with interest and other charges). Finally, the joint Secretary & Arbitrator of PMA has published the Award on 12-06-2018 in favor of MDL for an amount of Rs.15.00 crs. However, DCI challenged the award before AMRDC and the matter is still pending there till date.

7. DCI had entered into an agreement with Shipyard De Donge (Yard) for design, build and delivery of Backhoe Dredger within a period of 18 months (27.07.2010). Since, yard failed to supply the vessel within time; DCI deducted Liquidated Damages amounting to Euros 3,000,000. The issue was referred to Arbitration. Arbitration Tribunal passed an award in favor of the yard for Euros of 1,016,756 amounting to around Rs. 9.8 Cr. DCI filed appeal on the said award before High Court of Andhra Pradesh in 2018 and the same is pending there. None of the appearances made on behalf of the Yard till date.
8. DCI had entered into agreements with Shoft Shipyard Private Limited for design, construction and delivery of one Multicat (MUC) & Inland cutter suction dredger (ICSD). Since, yard failed to supply the vessel within time; DCI deducted Liquidated Damages amounting to Rs. 2.912 Crore. The issue was referred to Arbitration. Arbitration Tribunal passed an award in favor of the yard for Rs. 1.724 Cr. DCI filed appeal on the said award before the Commercial Court at Visakhapatnam and the same is pending there.
9. Accrued Income/ Unbilled Revenue of JNPT project:- The normal practice of estimating accrued income is as per the surveys carried out in the first week of subsequent month for the works executed in previous quarter/financial year. Due to Covid-19 Lockdown situation , the survey personnel could not conduct progressive survey at JNPT during first week of April 2020. Later on, post surveys were conducted from 02nd May 2020 to 16th May 2020. Under these circumstances, the company arrived at accrued income upto 31st March 2020 by adopting technical methodology which is suitable and scientific and very close to the actual dredging done. Accordingly an amount of Rs. 71.06 Crores has been recognized as accrued income.
10. DCI subcontracted Part of the dredging works at Sethusamudram to M/s Mercator Lines Limited (MLL). Due to some contractual issues it was referred to Arbitration. The Arbitration Tribunal passed the award in favor of MLL for an amount of Rs.57.34 Crs. DCI has filed appeal on the said awards before the London court and High Court of Delhi and the same was dismissed. Subsequently, MLL has filed Execution petition before the High Court of Delhi. DCI has filed its objections under Section 48 of the Arbitration and Conciliation Act, 1996 contesting award on the ground that the Award is contrary to the public policy of India and also on the ground that arbitral procedure was not in accordance with the agreement of parties, particularly LMAA Rules. This case is posted for hearing on 7/9/2020. DCI obtained Opinion from senior counsels stating that DCI has fair chances of getting the execution petition of MLL dismissed / set aside.

11. Reconciliation of outstanding balance of trade payables, other payables and advances to suppliers are subject to reconciliation and the same is under process.
12. The Company appointed an agency for carrying out physical stock verification / valuation of inventory in the 2019-20. They have commenced physical verification of inventory during March 2020. However, the agency could not complete the same due to COVID 19 Pandemic. The Company has a robust system under ERP for recording all inventory transactions online.
13. Company's normal operations have been impacted in a number of ways as Lockdown impeded conducting surveys. Lockdown imposed across the country, regimented deployment of manpower leading to shortages at the work sites and yards, inordinate delays in import of emergency Spares which are required to carry out the scheduled dry-docks, closure of workshops, lack of OEM support, logistic constraints and risk of virus infection in FY 2019 20 as well as 2020-21. It also imposed unusual delays in both Dry-docking / running repairs in yards, impeded conducting surveys and resulted in postponement of securing new work orders. Some of the vessels became either non-operational or operating at suboptimal efficiencies in FY 2019 20 as well as 2020-21. Notwithstanding constraint, management has taken a number of measures in the last three months and will continue to take best possible steps to keep the operations. A definitive assessment of the impact on business is highly dependent upon the circumstances as they evolve. The management is monitoring the situation closely.
14. Previous year figures were restated to the extent of Rs. 4.15 Crs on accounts of stores and spares consumption and Rs. 2.42 Crs on account of tax expenses on account of Bangladesh income tax. Consequently profit for the FY2018-19 was impacted by Rs. 6.57 Crs.
15. The audited accounts are subject to review by C&AG U/s 143(6) of The Companies Act, 2013.
16. The figures of the last quarter ending 31/03/2020 are the balancing figures in respect of figures for full financial year 2019-20 and the figures published up to third quarter of FY 2019-20.
17. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30-07-2020.

18. The figures of the previous year/period have been regrouped/ rearranged/restated wherever necessary/ practicable to conform to current year/ period's transactions.

By Order of the Board
For Dredging Corporation of India Ltd



(Rajesh Tripathi)

Managing Director & CEO

Place: Visakhapatnam

Date: 30/7/2020



Independent Auditors' Report on Annual Financial Results of Dredging Corporation of India Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of
Dredging Corporation of India Limited

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying "Statement of financial results for the Quarter and Year ended March 31, 2020" ("the Statement") of Dredging Corporation of India Limited ("the Company") for the year ended 31st March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the financial results for the year ended March 31, 2020:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the year then ended.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters. Our opinion is not modified in respect of this matter.



- a) Note No 9 to the financial results regarding estimating Unbilled Operational Income pertaining to M/s Jawaharlal Nehru Port Trust wherein due to Covid-19 lockdown situation, joint progressive Survey could not be conducted during first week of April 2020 and hence a technical methodology was adopted by the Management for estimating the Income upto 31st March 2020. We have relied upon the technical estimate provided by the Management.
- b) Note No 2 to the financial results which states that Trade Receivables include a sum of Rs. 9772 lakhs due from M/s Sethusamudram Corporation Limited (SCL) towards works executed during 2005-06 to 2008-09 as has been settled by a Committee chaired by Additional Secretary & Financial Advisor, Ministry of Shipping, Government of India (AS & FA Committee). The Committee stated that a Note seeking approval of the Cabinet needs to be moved for seeking Government Budgetary resources for SCL to make payment of balance outstanding dues to the Company.
- c) Note No 11 to the financial results which states that Outstanding balances under Trade Payables, Other Payables, Trade Receivables and Advance to Suppliers are subject to reconciliation, the impact of which is not ascertainable.
- d) Note No 10 of the financial results regarding Arbitral Award of Rs.57.34 Cr. in favour of M/s Mercator Lines Limited (MLL). The Company has challenged the Arbitral Award before the High Court of Delhi and also before the jurisdictional High Court of Justice, Business and Property Courts of England and Wales, Commercial Court and the same have been dismissed. MLL filed Execution Petition before the High Court of Delhi seeking execution/enforcement of Arbitral Awards. DCI has contested the Award under Section 48 of the Arbitration and Conciliation Act 1996, while praying for rejecting the execution petition of MLL, on the ground that the Award is contrary to the public policy of India and also on the ground that arbitral procedure was not in accordance with the agreement of parties, particularly LMAA Rules. Accordingly, the said Arbitral Award is shown as contingent liability. We have relied upon the legal opinions obtained by the Company from Senior Counsels.

Management's Responsibilities for the Statements

The Statement which includes the annual financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The financial results for the year ended March 31, 2020 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the financial results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the financial results for the year ended March 31, 2020 as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- d. Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- e. Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- f. Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- g. Obtain sufficient appropriate audit evidence regarding the annual financial results of the Company to express an opinion on the annual financial results.

Materiality is the magnitude of misstatements in the annual financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the annual financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the annual financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements of branch at Bangladesh included in the financial statements of the Company which reflect total assets of Rs. 1569 lakhs as at 31st March, 2020 and the total revenue of Rs. 7701 lakhs for the year ended on that date, as considered in the annual financial results. The financial statements of this branch have not been audited and have been incorporated based on management certified accounts. Our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the financial statements certified by the Management. Our opinion is not modified in respect of this matter.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulation.

For Sriramamurthy & Co
Chartered Accountants
FRN 003032S



CA. D. TEJA SAGAR
Partner

Memb No: 227878

Place: Visakhapatnam
Date: 30th July 2020



DREDGING CORPORATION OF INDIA LIMITED

Visakhapatnam

(Rs In Lakhs) (Rs In Lakhs)

ASSET COVERAGE RATIO AS ON 31/03/2020		2019-20	2018-19 (Restated)
NON CURRENT ASSETS			
1	Tangible NetFixed Assets	165,429.39	171,855.60
2	Capital Work in progress	827.97	774.87
3	Non- Current investments	0.00	375.01
4	Other financials and Assets	46.92	38.51
A) TOTAL NON CURRENT ASSETS		166,304.28	173,043.99
CURRENT ASSETS			
1	Inventories	20,816.53	18,698.97
2	Trade Receivables	25,142.95	25,502.23
3	Cash and Cash equivalents	7,017.92	8,879.06
4	Other financials and Assets	16,843.62	10,335.33
5	Current Tax Assets	5,191.53	5,460.69
6	Other current Assets	5,486.83	4,066.48
B) TOTAL CURRENT ASSETS		80,499.39	72,942.77
TOTAL ASSETS		246,803.67	245,986.76
CURRENT LIABILITIES			
1	Short Term Borrowings	0.00	0.00
2	Trade Payables	13,030.15	12,628.34
3	Other Current Liabilities (excluding current portion of long term borrowings)	19,379.01	8,893.95
4	Short term Provisions	407.00	320.00
C) TOTAL CURRENT LIABILITIES (1+2+3+4)		32,816.16	21,842.29
D) TOTAL ASSETS - CURRENT LIABILITIES (A+B-C)		213,987.51	224,144.47
E) TOTAL LONG TERM BORROWINGS (Current + Non Current Portion)		55,210.00	65,202.07
F) ASSET COVER RATIO (D/E)		3.88	3.44
DEBT EQUITY RATIO (TOTAL DEBT / TOTAL EQUITY)			
A	TOTAL DEBT	55,210.00	65,202.07
B	TOTAL EQUITY	157,024.39	157,485.72
DEBT EQUITY RATIO (A/B)		0.35 : 1	0.41 : 1

c n raja associates
Chartered Accountants
Vaisakhi Jawahar Plaza,
45-56-7, #102, Narasimha Nagar,
VISAKHAPATNAM-530 024
Mobile : 9849858165



For c n raja associates
Chartered Accountants
(c n raja) PARTNER
M.No.049637 FRN:0033855

30th July 2020

DREDGING CORPORATION OF INDIA LIMITED
Visakhapatnam

DEBT SERVICE COVERAGE & INTEREST COVERAGE RATIO AS ON 31/03/2020		(` In Lakhs)	(` In Lakhs)
		2019-20	2018-19 Restated
1	Profit Before Tax	1,341.55	4,337.38
2	Interest ** (7+9)	1,332.27	1,704.33
3	EBIT (1+2)	2,673.82	6,041.71
4	Depreciation/ Amortisation	11,713.16	11,291.38
5	EBITDA (3+4)	14,386.98	17,333.09
6	Principal Repayment obligation during 19-20- ECB	13,347.31	13,819.40
7	Interest payment obligation during 19-20 -ECB	918.20	1,290.20
8	Debenture Fund Obligation	0.00	0.00
9	Interest payment obligation on Debenture	414.07	414.13
10	Total Debt Service Obligation (6+7+8+9)	14,679.58	15,523.73
11	Debt service coverage ratio (5/10):	0.98	1.12
12	Interest Service Coverage ratio (3/(7+9))	2.01	3.54
13	Share Capital	2,800.00	2,800.00
14	Reserve & Surplus	154,224.39	154,685.72
15	Net Worth (13+14)	157,024.39	157,485.72
16	Net Profit After Tax	551.31	3,802.70
17	Earning per Share (Rs.)	1.97	13.58

ASSETS FREE FROM ENCUMBERANCE			
A	TOTAL SECURED LOAN/ BORROWINGS		
1	LOAN FOR DREDGER - XIX, XX & XXI	49,322.20	59,314.27
2	TAX FREE BONDS	5,887.80	5,887.80
3	TOTAL SECURED LOANS (1+2)	55,210.00	65,202.07
	WORKING CAPITAL LOAN		
4	There is no working capital loan but the following limits are given with Syndicate Bank for Rs.250 Cr Fund Based : Rs.79 Cr, Non Fund Based : Rs.171 Cr. DCI has utilised the non fund based limits to the tune of Rs. 161.85 Crs DCI has utilised the fund based limits to the tune of Rs. 40.66 Crs	20,251.00	16,428.00
5	TOTAL SECURED BORROWINGS + LIMITS	75,461.00	81,630.07
6	TOTAL NET FIXED ASSETS + NET CURRENT ASSETS	213,987.51	224,144.47
7	ASSETS FREE FROM ENCUMBERANCE	138,526.51	142,514.40

**** Interest considered relating to Borrowings only and excludes other adjustments that include Foreign Exchange gain / loss**

1. Repayment of Half Yearly Interest & Principal on External Commercial Borrowings are shown under SI No 6 & 7 on due basis for the year 2019-20
2. Similary Debenture Fund Interest Obligation & Payment of Debenture Fund is also shown under SI No 8 & 9 for the year ending 31.03.2020
3. 2018-19 accounts were restated during 2019-20

Particulars	2019-20	2018-19
Debt Equity Ratio	0.35 : 1.00	0.41 : 1.00
Debt Service Coverage Ratio	0.98	1.12
Interest Service Coverage Ratio	2.01	3.54



For c n raja associates
Chartered Accountants

(c n raja) PARTNER
M.No.019637 FRN:0033855

30th JULY 2020

c n raja associates
Chartered Accountants
Vaisakhi Jawahar Plaza,
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VISAKHAPATNAM-530 024
Mobile : 9849858165

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 (without independent verification thereof) the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Regulations**”), provided to us by **Dredging Corporation of India Ltd.** (“**the Company**”) for the Half year ended on March 31, 2020.

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

ANURAG
NILKANTH
BENDE

Digitally signed by
ANURAG NILKANTH
BENDE
Date: 2020.08.04
16:48:31 +05'30'

Authorized Signatory

Date: August 04, 2020

