

# **26<sup>TH</sup> ANNUAL REPORT**

## **2001 - 2002**

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**DREDGING CORPORATION OF INDIA LTD.**

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**BOARD OF DIRECTORS,  
BANKERS, AUDITORS etc.****BOARD OF DIRECTORS**

Shri N.K. Gupta  
Chairman and Managing Director  
(From 01.12.2001)

Dr. Ramesh Gupta

Dr. T.R.Seshadri

Shri N.K. Jawa  
(From 17.05.2002)

Shri T. Srinidhi  
(From 04.04.2001)

Shri A.K. Dhar  
Director (Fin.)

Shri G.G. Rao  
Director (O&T)  
(From 11.07.2001)

Shri C.S. Sastry  
Chairman-cum-Managing Director  
(Upto 30.11.2001)

Shri K.R. Bhati, I.A.S.  
(Upto 04.04.2001)

Shri Swapan Chakrabarti, I.A.S.  
(Upto 15.03.2002)

Shri Kamlesh Kumar  
(From 15.03.2002 to 17.05.2002)

**JOINT GENERAL MANAGER (FIN.)**  
Shri K. Kiriti

**COMPANY SECRETARY**  
Shri Y.V. Subbarao

**BANKERS**

Syndicate Bank  
State Bank of India  
Bank of India  
Union Bank of India  
ABN AMRO Bank

**AUDITORS**

Messrs. Grandhy & Co.,  
Chartered Accountants,  
26, 1<sup>st</sup> Floor, Ratna Arcade,  
Station Road, Dwarakanagar,  
Visakhapatnam - 530 016.

**REGISTERED OFFICE**

212, Kanishka Shopping Plaza  
19, Ashok Road,  
New Delhi - 110 001.

**HEAD OFFICE**

"DREDGE HOUSE", Port Area,  
Visakhapatnam - 530 035.  
Andhra Pradesh.

Material for Item Nos. 3 (ii) & 9 being sent separately.



## DREDGING CORPORATION OF INDIA LIMITED

### NOTICE

**NOTICE** is hereby given that the 26<sup>th</sup> Annual General Meeting of the Shareholders of Dredging Corporation of India Limited will be held at 1600 hrs on Friday, the 27<sup>th</sup> September, 2002 in Taj Palace Hotel, New Delhi, to transact the following business :

#### ORDINARY BUSINESS

- To receive, consider and adopt Directors' Report for the Year 2001-2002, the audited Balance Sheet as at 31<sup>st</sup> March, 2002 and the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2002 together with the Auditors' Report thereon.
- To declare dividend.
- To appoint a Director in place of Shri. N.K. Jawa who retires as rotational Director and is eligible for re-appointment.
- To appoint a Director in place of Dr. T.R. Seshadri who retires as rotational Director and is eligible for re-appointment.
- To pass with or without modification, the following resolution as ordinary resolution for payment of remuneration to Statutory Auditors :

**"RESOLVED THAT** pursuant to clause (aa) of Sub-Section (g) of Section 224 of the Companies Act, 1956, the remuneration of the Statutory Auditors of the Company, M/s. Grandhy & Co., Visakhapatnam appointed by Comptroller and Auditor General of India be and is hereby fixed at Rs.1.00 Lakh (Rupees one lakh only) for the year 2001-2002".

By Order of the Board of Directors

**VISAKHAPATNAM**  
**DATED: 26.8.2002**

(Y.V.SUBBARAO)  
**COMPANY SECRETARY**

#### NOTES :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf. The proxy so appointed need not necessarily be a member of the company. The instrument appointing the proxy shall be deposited at the Registered office of the company not later than 48 hours before the time fixed for holding the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 14<sup>th</sup> September, 2002 to 27<sup>th</sup> September, 2002 (both days inclusive).
- Members holding shares in physical form are requested to promptly notify any changes in their addresses to the Company at its Registered Office at 212, Kanishka Shopping Plaza, 19, Ashok Road, New Delhi - 110 001.
  - Shareholders holding shares in dematerialised form are requested to advise immediately change in their address, if any, quoting their Client ID No., to their respective Depository Participants.
- Members are requested to furnish bank details by 13<sup>th</sup> September, 2002 in order to enable the company to incorporate the same on the dividend warrants. In respect of members holding shares in electronic mode. Bank details as are furnished by the depositories to the company will be incorporated on the dividend warrant.

- Dividend on equity shares as recommended by the Directors for the Financial year ended 31<sup>st</sup> March, 2002 if declared at this Annual General Meeting will be paid to the shareholders whose names appear:
  - as beneficial owners at the end of the business hours on 13<sup>th</sup> September, 2002 as per the list to be furnished by Depositories in respect of the shares held in the electronic form and
  - as members in the Register of Members after giving effect to all valid share transfers in physical form lodged with the company on or before 13<sup>th</sup> September, 2002.
- Tax at applicable rates will be deducted at source on dividend exceeding the prescribed amount as per the Income Tax Act. Shareholders who are entitled to receive dividend without deduction of tax may file with the company a declaration in Form 15 G, in duplicate, giving their full details on or before 13<sup>th</sup> September, 2002.
- Members are requested to bring their copies of Annual Report to the meeting. Members/Proxies attending the meeting should bring the attendance slip, duly filled in, for handing over at the venue of the meeting.

#### DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT/ APPOINTMENT AT THE 26TH ANNUAL GENERAL MEETING.

Name of the Director	Dr. T.R. Seshadri	Shri N.K.Jawa
Date of Birth	15.07.1937	01.03.1958
Qualifications	B.Tech (Hons) from IIT, Kharagpur, Diploma in "Information Systems in General Management" Ph.D in "Industrial Management"	AMIE (Electrical), AMIE (Electronics & Communications) MBA, Member, I.Mech.E (London)
Expertise in specific functional areas	Worked as General Manager (Projects)(Offshore platforms)(Production), Hindustan Shipyard Ltd., Visakhapatnam from 1982 to 1985. Was a advisor/ consultant to private firms, in particular, DAMEN of Netherlands and ECBB of Kakinada. Was whole-time Director (Chief Executive), Andhra Cements Ltd., Secunderabad from 1986 to 1992. Since 1992 engaged as Corporate Advisor/ Management Consultant.	Started his career in Railways as Assistant Mechanical Engineer in Central Railways in 1981. In 1985 he was posted as Divisional Mechanical Engineer (Diesel), Pune. From 1986 to 1991 worked as Works Manager & Dy. Chief Mechanical Engineer in Railway Coach Factory, Kapurthala. From 1991 to 1995 he was Incharge of Ludhiana NR & from 1995 to 1999 he was Director, Mechanical Engineering (Traction) in the Railway Board. Since 1999, he is in the Ministry of Shipping & at present working as Director (Port Operation).
List of public companies in which directorship held as on date	---	---

(1)



## DREDGING CORPORATION OF INDIA LIMITED

### DIRECTORS' REPORT FOR THE YEAR 2001 - 2002

Your Directors have pleasure in presenting this 26<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2002.

#### FINANCIAL RESULTS

Your Directors are very happy to report that your Company earned the highest ever income of Rs.50,153 Lakhs compared to Rs.40,285 Lakhs for the previous year. The profit before tax for the year is Rs.16,461 Lakhs as against Rs.15,722 Lakhs for the previous year. The profit after tax stood at Rs.11,609 Lakhs against Rs.10,871 Lakhs for the previous year. Further based on expert opinion received that benefit under section 33AC of the Income Tax Act, 1961 is available on recoupment basis, the company has transferred Rs.56.00 Crores to Reserve under Section 33 AC during the year. However, as a matter of abundant caution, the same has not been considered while providing for tax. Accounting Standard 22 on Accounting for Taxes issued by The Institute of Chartered Accountants of India has become mandatory with effect from 1.4.2001. In accordance with the Standard, provision for Deferred Tax Liability of Rs.1,454 Lakhs has been made for the first time in the current year's account. After deducting this provision, the profit after tax for the current year stands at Rs.10,155 Lakhs.

#### EARNINGS PER SHARE

Your Company's earning per share for 2001-2002 is Rs.36.27 compared to Rs.38.83 for the previous year. The lower earnings per share in 2001-02 is due to provision for deferred tax, as per the requirement under AS 22 for the first time.

#### DIVIDEND

Keeping in view the financial performance of your Company and other relevant considerations your Directors recommend payment of dividend @ 75% absorbing an amount of Rs.2,100 lakhs, for the 2001-02 as against 50% dividend involving Rs.1,542.80 Lakhs including dividend tax of Rs.142.80 Lakhs for the previous year 2000-01. The dividend distribution as a percentage of net profit after tax is 20.68% as compared to 12.88% in the previous year. A sum of Rs.27,692 Lakhs has been transferred to General Reserves.

#### LOANS

As on 31<sup>st</sup> March 2002, the following loans were outstanding after paying interest and instalment of the principal regularly as per the terms and conditions of the relevant loan agreements.

	(Rs. in Lakhs)
1. Loan from Government of India (for DR. Aquarius)	800.00
2. Secured Loans from Indian Banks (for DR. XVII)	6,775.94
3. Foreign Currency Loans from Banks	13,115.27
	<b>20,691.21</b>

As a conscious effort to bring down the interest burden/cost the company prematurely cleared the loans taken for acquisition of CSD Aquarius and Dr.XVII from Government of India and Union Bank of India in April and July 2002 respectively.

#### DCI FLEET

7400 Cu.M capacity Trailer Suction Hopper Dredger DCI DR - XVII joined the fleet on 14.8.2001. As on 31<sup>st</sup> March, 2002 your company has in operation among others 10 Trailer Suction Hopper Dredgers and 2 Cutter Suction Dredgers. The Craft wise particulars are at **Annexure-I**. Dredge CSD Aquarius was chartered out to a Foreign Dredging Company in the month of June 2002, for a period of three years, extendable to five years.

(2)

### DREDGING OPERATIONS

The Dredging capacity available with DCI was 747.50 Lakhs Cu.M. as on 31<sup>st</sup> March, 2002. During the year under review, the quantity dredged under various contracts totals to 804.57 Lakhs Cu.M. This represents 107.63% of DCI's capacity.

Important Dredging contracts completed during the year 2001-2002 are -

- Maintenance Dredging for Kolkata Port.
- Maintenance Dredging at Sand trap and channel of Paradip Port.
- Dredging of OHTB, OBI, OBII, LPG Jetty, in front of OSTT, inner and outer channels of Visakhapatnam Port.
- Maintenance Dredging at New Sand trap and its approaches of VPT.
- Maintenance Dredging for Cochin Port.
- Maintenance Dredging of outer channel and lagoon of New Mangalore Port.
- Maintenance Dredging of outer channel of Jawaharlal Nehru Port.
- Maintenance Dredging of Sogal channel of Kandla Port.

New contracts taken up during the year :-

- Dredging at Taichung Harbour, Taiwan.
- Dredging around POL Jetty of M/s BPCL at JNPT, Mumbai.
- Dredging in the turning circle and in the channel of Okha Port.

The Company executed its first overseas dredging assignment at Taichung Harbour, Taiwan deploying its 7400 Cu.M. capacity TSD DCI Dredge XVI from September, 2001 to April 2002.

#### PLAN PROPOSALS

The Working Group constituted by the Government to assess the maintenance dredging requirements of the ports during the 10<sup>th</sup> Plan period envisaged a capacity requirement of 80 Million Cu.M. per annum during the plan period. The maintenance dredging capacity available with the company is 73 million Cu.M. The company is in a position to meet the maintenance dredging requirements. However, some of the dredgers need replacement and the company has initiated procurement action for one number new 2000 Cu.M. capacity Cutter Suction Dredger and also one number new shallow draft Trailer Suction dredger for which necessary allocations are planned in the 10<sup>th</sup> Plan proposals. The company has allocated in its budget about Rs.5.00 crores for installation of ERP systems in the organisation.

#### MEMORANDUM OF UNDERSTANDING

For the 11<sup>th</sup> consecutive year, your company has signed Memorandum of Understanding (MOU) with Government of India for the year 2002-2003. The sustained efforts yielded in achieving all round rating of "EXCELLENT" for the successive six years and maintaining the trend it expects the rating of "EXCELLENT" for the year 2001-02, for the seventh year also.

#### CORPORATE PLAN

The company has appointed KPMG to assist it in formulating corporate plan and organisational restructuring in the context of emerging competition from international dredging firms. KPMG after detailed study of all aspects and functions of the company submitted its report. The Board of Directors of your Company finalised the corporate plan and organisation restructuring. It was then submitted to the Ministry. It is in the process of progressive implementation.

#### LISTING AND DEMATERIALISATION OF SHARES

The shares of the Company are listed on Delhi, Mumbai and Kolkata Stock Exchanges. The shares of the company



## DREDGING CORPORATION OF INDIA LIMITED

are dematerialised with both the depositories NSDL and CDSL. Cameo Corporate Services Limited, Chennai has been appointed as registrars for providing electronic interface facility with the Depositories.

### REVIEW OF ACCOUNTS

The review of accounts for the year ending 31<sup>st</sup> March 2002 by the Comptroller & Auditor General of India is at **Annexure-II** to this report.

### PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956:

The particulars of employees as required under Sec.217(2A) of the Companies Act, 1956 are given at **Annexure-III** to this report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956 your Directors confirm :

- that in the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- that the Directors had prepared the Annual Accounts on a going concern basis.

### INFORMATION TO BE GIVEN UNDER COMPANIES, (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

- Conservation of energy under Sec.217(1)(e) : Your Company does not fall under the category of companies which are required to furnish this information. However, the following measures have been taken:
  - All the dredgers in DCI fleet are installed with sophisticated and state-of-the-art instrumentation like DGPS and DVLM systems to facilitate efficient dredging with potential energy saving.
  - While procuring new dredgers, fuel efficient design with advanced technology is selected.
- Technology absorption under Section 217(1)(e): There was no transfer of technology and consequently there is no absorption of technology during the year.
- Foreign Exchange earnings and outgo Under Section 217(1)(e):

(Rs. In Lakhs)

i) Foreign Exchange Earnings:	
a) From Taichung Overseas Project	2,674.80
Total	2,674.80
ii) Foreign Exchange outgo:	
Foreign exchange equivalent to Rs.10,167.47 Lakhs during the year as stated below:	
a) Imports of spares	3,025.86
b) Capital Expenditure for acquisition of dredgers and repayment of principal of foreign currency loan	6,509.45

c) Repayment of Interest on Suppliers	
Credit/Foreign bank loan	609.81
d) Foreign Travel	22.35
Total	10,167.47

### CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) introduced a uniform code of corporate governance by way of amendments to the Listing Agreements with stock exchanges. This becomes operational for your company during the year 2002-2003 but not later than 31<sup>st</sup> March, 2002. The company has started implementing the provisions of the said clause. The Board has constituted an Audit Committee, Investor Grievance Committee comprising mainly non-Executive Directors. These Committees have started functioning and the corporation is having the benefit of advice and guidance from the Director members of these committees on various important matters that are placed before these committees. The Report of the Corporate Governance is given separately, forming part of this report.

### MANPOWER

The total number of regular employees in the Corporation as on 31<sup>st</sup> March 2002 was 948, as against 965 during the previous year. Additionally, 93 Monthly Paid Workers (MPWs) are in the Floating Establishment.

### EMPLOYMENT OF VARIOUS RESERVED CATEGORIES :

The manpower position with regard to various reserved categories is as indicated hereunder :

#### EMPLOYMENT OF SC/ST CANDIDATES

The Company continued its efforts to fulfill its obligations in providing employment opportunities to SC/ST candidates in accordance with the Government Policy. The overall representation of SCs/STs in the employment of the Company is 191 working out to 20.15% of the total strength.

#### EMPLOYMENT OF EX-SERVICEMEN/ PHYSICALLY HANDICAPPED

The representation of Ex-Servicemen in group C and D categories in the Company is 77 i.e., 16.04% as on 31<sup>st</sup> March, 2002. The number of physically handicapped employees in the Company as on 31<sup>st</sup> March, 2002 is 9.

### HUMAN RESOURCES DEVELOPMENT

During the year 2001-2002, training Programmes on topics as specified in MOU viz., Information Technology, Maintenance Management, Dredging Technology, Survey and Soil Mechanics and Project Management, were organised. Training Institutes of repute i.e., NITIE, Mumbai, Karnataka Regional Engineering College, Administrative Staff College of India conducted these programmes. Besides, guest lectures by eminent Management Experts were also arranged. ISO/ISM Awareness and Quality Auditors Programmes were organised for both shore and floating employees.

Productivity improvement programmes in Hindi were also organised for the benefit of the Crew on Board the vessels.

16 In house training programmes were organised and employees were deputed to 30 External Seminars/Training Programmes/Annual Conferences and Conventions, which included participation of 27 SC/ST employees.

As against the MOU target of 230 employees to be trained to achieving "EXCELLENT" rating, a total number of 247 employees were trained in various training programmes. More in house programmes were organised for participation of large number of employees. An amount of Rs.17 Lakhs was spent on various training programmes during the year.

### ALL INDIA DREDGING CADRE

The 3 Cadets in Deck Cadre from 9<sup>th</sup> Batch of AIDC





## DREDGING CORPORATION OF INDIA LIMITED

completed their Sea Training and are undergoing training in LBS College, Mumbai. On completion, they would report to Head Office for the final Phase of Shore Training. 5 Cadets in the Engine Cadre are presently undergoing Sea Training on Board the Dredgers.

### INDUSTRIAL RELATIONS

The industrial relations in the Company continued to be cordial throughout the year under report.

### ACTIVITIES OF PUBLIC GRIEVANCES AND COMPLAINTS CELL

Public Grievance Cell is functioning in the Corporation ever since 1988. The Joint General Manager (P&A) is the Director of Public Grievances assisted by a Deputy Manager (HRD) to look into the Grievances/Complaints received from the public. In accordance with the latest guidelines of the Government, the Company prepared a detailed Citizens' Charter and sent to the Ministry to be kept at the information/facilitation counter. Further, as per Ministry's guidelines, a status report is being submitted for the information of the Board of Directors at their meetings.

### WAGE SETTLEMENTS :

#### (a) FLOATING ESTABLISHMENT

- i) The INSA-MUI Wage Agreement in respect of Floating Officers (FG/HT) is due w.e.f. 01.04.2002.
- ii) The INSA-NUSI Wage Agreement in respect of Petty Officers (HT) is due w.e.f. 01.04.2002.
- iii) The Wage Agreements in respect of crew and MPWs are due w.e.f. 01.04.2002 and 01.04.2001 respectively.

#### (b) SHORE ESTABLISHMENT

##### Non-executives :

The wage revision in respect of shore-based non-executive employees (Unionised Staff Category), due from 01.02.1998, has been implemented in the company during 2001. The wage settlement in this regard is valid till 31.12.2006.

### PROGRESSIVE USE OF HINDI

The Corporation continued its efforts to implement the Official Language Policy of the Government. During the year, 4 employees were qualified in Hindi Typewriting. Employees, qualifying in various examinations under Hindi Teaching Scheme, were awarded incentives such as cash awards, personal pay etc., as per the Scheme in vogue.

Hindi Fortnight and Hindi Exhibition were organised. The employees actively participated in the Seminars and Kavi Sammelans held at Visakhapatnam and papers were also presented in Hindi on technical and Official Language subjects. Various competitions in Hindi were conducted for encouraging the employees and their children and winners/participants were awarded prizes in cash and kind. Poetry and Radio talks in Hindi were broadcast.

HRD Training Programmes were conducted in Hindi for the benefit of the crew onboard the floating crafts. Hindi workshops were organised.

Considerable progress was achieved in releasing office orders, circulars, reports, advertisements, etc., in bilingual. The ISM Policy and Code were also translated into Hindi. Computerisation of forms/Attendance particulars sheets/correspondence and reports in Hindi and English was implemented in various departments. Corporate Presentation on computer, on the activities and performance of the Corporation, was ensured in bilingual, during the visits of VIPs.

### ACTIVITIES OF VIGILANCE DEPARTMENT DURING 2001-2002

During the year, the Vigilance Department conducted eight inspections and four surprise checks at the Head Office and

Project Offices. Besides, two joint surprise checks were also conducted alongwith CBI officers. After preliminary investigation by the Vigilance Dept., two cases were referred to the CBI for further investigation. Complaints received during the year were investigated and disposed of. Vigilance Awareness week was observed in the Company from 31.10.2001 to 06.11.2001 and a workshop on "Vigilance Awareness" was organised. Copies of the CVC publication "Citizens' Guide to Fighting Corruption" were got printed and distributed to all employees and registered repair firms, suppliers and contractors.

### AUDITORS

The Department of Company Affairs appointed M/s. Grandhy & Co., Chartered Accountants, Visakhapatnam, as Auditors for auditing the accounts of the Company for the financial year 2001-02. The Board has approved the remuneration of Rs.1,00,000/- subject to the approval of the members at this AGM pursuant to Section 224(6)(aa) of the Companies Act, 1956. The Board recommends the remuneration of Rs.1,00,000/- (Rupees one lakh only).

### DIRECTORS

Shri C.S. Sastry ceased to be Chairman cum Managing Director from 30.11.2001 on reaching superannuation. The Government appointed Shri N.K.Gupta as Chairman and Managing Director of the Company and he assumed charge w.e.f. 1.12.01. The Board is pleased to place on record its appreciation for the valuable guidance and contribution given by Shri C.S. Sastry during his tenure as Chairman cum Managing Director of the Company. Shri Swapan Chakrabarti ceased to be Part-time Official Director of the Company on 15.03.02 and Ministry appointed Shri Kamlesh Kumar in his place. Ministry appointed Shri N.K.Jawa in place of Shri Kamlesh Kumar as Part-time Official Director of the Company w.e.f. 17.05.02. The Board is pleased to place on record its appreciation for the valuable guidance given by Shri Swapan Chakrabarti and Shri Kamlesh Kumar during their tenure as Directors of the Company.

Pursuant to Section 256 Dr.T.R.Seshadri and Shri N.K.Jawa retire at this meeting and are eligible for re-appointment. The Board recommends for their re-appointment in this meeting.

### ACKNOWLEDGEMENTS

The Directors thank Ministry of Shipping and its officers for the valuable help, assistance, and guidance rendered from time to time. The Directors thank all other Ministries for the help and co-operation extended by them. The Board is grateful to the Comptroller & Auditor General of India, the Member, Audit Board and the Statutory Auditors for their co-operation. The Board also thanks the Bankers of the Company for their valuable services. The Board expresses its gratitude to the valued customers for their continued patronage.

The Directors also wish to place on record their appreciation of the services rendered by the employees of the Corporation.

For and on behalf of Board of Directors

(N.K.GUPTA)  
Chairman and Managing Director

Place : Visakhapatnam  
Date : 28.8.2002



# DREDGING CORPORATION OF INDIA LIMITED

## ANNEXURE - I

### INFORMATION IN RESPECT OF DREDGERS & FLOATING CRAFTS OF D.C.I.

Craft	Year of Built	Type of Vessel	Max Dredging Depth	LOA (Mts.)	Draft (Mts.)	Hopper Capacity (Cu.M)	Pumping Capacity (Cu.M/Hr)
DCI Dredge V	1974	Self Propelled TSHD	22.00	100.00	6.52	3450	-
DCI Dredge VI	1975	Self Propelled TSHD	22.00	104.00	6.30	3770	-
DCI Dredge VII	1976	Non Propelled CSD	22.00	86.00	2.50	-	1000
DCI Dredge VIII	1977	Self Propelled TSHD	25.00	124.30	8.50	6500	-
DCI Dredge IX	1984	Self Propelled TSHD	25.00	102.60	7.50	4500	-
DCI Dredge XI	1986	Self Propelled TSHD	25.00	102.60	7.50	4500	-
DCI Dredge XII	1990	Self Propelled TSHD	20.00	115.00	6.50	4500	-
DCI Dredge XIV	1991	Self Propelled TSHD	20.00	115.00	6.50	4500	-
DCI Dredge XV	1999	Self Propelled TSHD	25.00	122.00	8.50	7400	-
DCI Dredge XVI	2000	Self Propelled TSHD	25.00	122.00	8.50	7400	-
DCI Dredge XVII	2001	Self Propelled TSHD	25.00	122.00	8.50	7400	-
DCI Dredge 'Aqualius'	1977	Self Propelled CSD	25.00	107.00	4.85	-	3640
DCI Tug-VI	1979	Self Propelled (Twin Screw Kort Rudder)	-	45.90	3.60	-	38.00 T (Bollard Pull)
DCI Work Boat-I	1978	Self Propelled	-	12.00	1.90	-	-
'A' Frame Pontoon-I	1982	Non Propelled	-	16.50	0.50	-	-
'A' Frame Pontoon-II	1982	Non Propelled	-	16.50	0.50	-	-
Desiltation Plant	1982	Non Propelled	3.80	6.00	0.60	-	8
Survey Launch	1999	Self Propelled	-	12.50	1.85	-	-

## ANNEXURE - III

### STATEMENT SHOWING THE PARTICULARS OF EMPLOYEES PURSUANT TO PROVISION OF SECTION 217(2A) OF THE COMPANIES ACT 1956, FOR THE FINANCIAL YEAR 2001-2002

Sl. No.	Badge	Name of the Employee	Design.	Remuneration Received (Rs.)	Nature of Employment	Qualification Exp. In Yrs.	Date of Joining	Age (YRS)	Last Employment Held
<b>A. EMPLOYED THROUGHOUT THE YEAR 2001-2002 IN RESPECT OF REMUNERATION OF Rs. 12,00,000/- OR ABOVE</b>									
1.	1543	CAPT. ARUN VERMA	D.M.(F.G.)	12,79,280.00	Contractual	D.M.GR-I, 21	02.10.81	41	A.I.D.C.
2.	1544	CAPT. V. PATRO	D.M.(F.G.)	15,05,942.00	-DO-	D.M.GR-I, 21	04.10.81	43	A.I.D.C.
3.	1583	CAPT. M.V.R.MURTY	D.M.(F.G.)	13,29,713.00	-DO-	D.M.GR-I, 20	10.04.82	42	A.I.D.C.
4.	1656	CAPT. P.M.MORKAR	D.M.(F.G.)	16,98,372.00	-DO-	D.M.GR-II, 29	24.12.82	58	VIJAYA LINES
5.	1667	CAPT. A. SHARMA	D.M.(F.G.)	12,44,303.00	-DO-	D.M.GR-I, 17	10.04.83	42	A.I.D.C.
6.	1776	CAPT. K.V.V.RAGHAVAN	D.M.(F.G.)	12,56,223.00	-DO-	D.M.GR-II, 25	10.11.88	53	VIJAYA LINES
7.	1790	CAPT. A.N.SUBBA RAO	D.M.(F.G.)	12,07,672.00	-DO-	D.M.GR-II, 14	22.08.88	39	A.I.D.C.
8.	1819	CAPT. G.S.VARMA	D.M.(F.G.)	13,55,617.00	-DO-	MASTER FG, 41	10.09.90	60	INDIAN NAVY
9.	1828	CAPT. G.V.B.SHARMA	D.M.(F.G.)	12,74,723.00	-DO-	D.M.GR-II, 21	15.02.91	41	CAL.PORT TRUST
10.	1832	CAPT. D.S.CHAUHAN	D.M.(F.G.)	14,50,377.00	-DO-	MASTER FG, 38	19.03.91	55	INDIAN NAVY
11.	1836	CAPT. D.K.KALRA	D.M.(F.G.)	13,01,791.00	-DO-	MASTER FG, 30	09.05.91	54	INDIAN NAVY
12.	1880	CAPT. K.P.VIDHYADHARAN	D.M.(F.G.)	12,45,355.00	-DO-	MASTER FG, 35	15.07.91	57	INDIAN NAVY
13.	1889	CAPT. K.R.RAO	D.M.(F.G.)	13,62,753.00	-DO-	MASTER FG, 31	06.08.91	56	INDIAN NAVY
14.	1959	CAPT. G.BHASKARAN	D.M.(F.G.)	12,91,323.00	-DO-	MASTER FG, 19	07.09.92	52	INDIAN NAVY
15.	1657	SRI. RANJANCHOPRA	C.E.O.	14,10,737.00	-DO-	BE.ELEC IST MOT, 19	02.01.83	51	MOGHUL LINES
16.	1671	SRI. P. SHANDANGI	C.E.O.	15,21,414.00	-DO-	IST CL MOT, 26	23.04.83	56	S.C.I.LTD.
17.	1698	SRI. Y.C.RAI	C.E.O.	12,31,271.00	-DO-	IST CL MOT, 30	02.12.83	57	JAYASHREE SHIPPING
18.	1718	SRI. G.V.RAMA RAO	C.E.O.	15,69,287.00	-DO-	IST CL MOTOR, 22	01.03.84	58	TRAKKAR SHIPPING
19.	1782	SRI. S.K.GHOSH	C.E.O.	12,51,179.00	-DO-	IST CL MOT, 22	22.12.87	53	UNIV.COM.CALCUTTA
20.	1587	SRI. K.J.MICHEL	2E.O.	16,00,534.00	-DO-	B.Sc.ENG.G.MOT, 13	25.01.89	57	PENT OCEAN
<b>B. EMPLOYEES PARTLY EMPLOYED DURING THE YEAR 2001-2002</b>									
Sl. No.	Badge	Name of the Employee	Design.	Remuneration Received	Nature of Employment	Qualification/ Experience in years	Date of Joining	Age (YRS)	Last Employment/ Date of Cessation Employment
1.	1834	CAPT. V.S.KAMAT	D.M.(F.G.)	3,80,954.00	Contractual	MASTER FG, 31	01.04.91	56	INDIAN NAVY RESIGNED ON 30.06.2001
2.	1690	SRI. S.C.BENERJEE	C.E.O.	7,49,470.00	-DO-	IST CL MOT, 37	29.11.83	60	SHANGHVI SHIPPING RETIRED ON 05.04.2001

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## DREDGING CORPORATION OF INDIA LIMITED

### CORPORATE GOVERNANCE

The Company strongly believes that good Corporate Governance is pre-requisite for enhancing shareholders long term value and the image of the company in today's competitive business scenario. The Company's policies and practices are aimed at efficient conduct of business and effectively meeting its obligations to shareholders, customers, employees and society at large. The company has consistently sought to improve its focus by increasing transparency and accountability to all its shareholders.

The provisions of Clause 49 of the Listing Agreement pertaining to Corporate Governance become applicable to your company from the year 2001-02. The compliance with respect to the mandatory requirements as per Annexure - 2 of Clause 49 are listed below. The Company proposes to adopt the non-mandatory requirements given in Annexure - 3 of the Clause 49 of the Listing Agreement in due course of time.

#### MANDATORY REQUIREMENTS

##### 1. BOARD OF DIRECTORS

###### 1.1 Composition of Board of Directors

Composition, category, outside Directorships and outside Committee positions of Directors as on date is as under :

Director	Executive/Non-Executive	No. of Outside Director Ships held	No. of outside Committee positions held
i) Shri N.K.Gupta@	Executive	-	-
ii) Shri A.K.Dhar	Executive	-	-
iii) Shri G.G.Rao@@	Executive	-	-
iv) Shri C.S.Sastry*	Executive	1	-
v) Shri T.Srinidhi@@@	Non-Executive (Part time Official)	2	-
vi) Shri N.K.Jawa	Non-Executive (Part time Official)	-	-
vii) Shri K.R.Bhati, I.A.S.**	Non-Executive (Part time Official)	-	-
viii) Shri Swapan Chakrabarti, I.A.S.***	Non-Executive (Part time Official)	-	-
ix) Shri Kamlesh Kumar ****	Non-Executive (Part time Official)	-	-
x) Dr. Ramesh Gupta	Non-Executive (Part time Non-Official)	1	1
xi) Dr. T.R.Seshadri	Non-Executive (Part time Non-Official)	-	-
@	Appointed w.e.f. 1.12.2001		
@ @	Appointed w.e.f. 11.7.2001		
@ @ @	Appointed w.e.f. 4.4.2001		
@ @ @ @	Appointed w.e.f. 17.5.2002		
*	Retired w.e.f. 30.11.2001		
**	Retired w.e.f. 4.4.2001		
***	From 4.4.2001 to 15.3.2002		
****	From 15.3.2002 to 17.5.2002		

###### 1.2 Qualifications and age profile of Directors:

Director	Age	Qualification
Shri N.K.Gupta	49	Master (Foreign Going)
Dr. Ramesh Gupta	57	B.Com. (Hons.), PGDM (IIM, Calcutta)
Dr. T.R.Seshadri	65	B.Tech (Hons.), P.h.d., P.E.
Shri N.K.Jawa	44	AMIE (Electrical), AMIE (Electronics & Communications), MBA, Member I.Mech.E (London)
Shri T.Srinidhi	47	M.A. (Economics), M.B.A.
Shri A.K.Dhar	55	B.Tech., A.I.C.W.A.I.
Shri G.G.Rao	53	B.E. (Mech. Marine), MOT (First Class)

###### 1.3 Particulars of Directors appointed/re-appointed during the year 2001-02:-

###### Shri N.K.Gupta

Shri N.K.Gupta is the Chairman and Managing Director of the Company from 1.12.2001. Born on 9<sup>th</sup> August, 1953, he completed Master's (Foreign Going) in 1979. He passed the examination of The Institute of Chartered Shipbroker (UK) in 1980. He was elected Member of the Institute in 1981. He is a Member of The Nautical Institute, U.K., Company of Master Mariners of India, The Institution of Marine Technologists, International Harbour Masters Association, U.K.

He started his career as Deck Cadet in 1972 in Shipping Corporation of India Ltd., and was promoted as Master in July 1980. In the year 1983 he joined Mumbai Port Trust as Pilot and became a Master Pilot in 1994. He then joined Jawaharlal Nehru Port Trust (on deputation from Mumbai Port Trust) in 1995 and was promoted as Sr.Dock Master/Deputy Conservator in-charge with effect from February 1996 which position he held till joining DCI.

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###### Shri T.Srinidhi

Shri T.Srinidhi is a Non-Executive Director (Part Time Official) on the Board of Directors of the Company with effect from 4.4.2001. Born on 3<sup>rd</sup> March, 1955. He completed his Master of Economics from Delhi School of Economics and also holds a Master's Degree in Business Administration from Faculty of Management Studies, Delhi University.

He joined Government service through the Civil Services Examination in 1979 and has worked in various Central Ministries of the Government including Ministry of Industry, Defence, Textiles, Environmental & Forests and Cabinet Secretariat. Presently he is working in the Ministry of Shipping and Ministry of Road Transport & Highways as Dy. Financial Adviser.

###### Shri G.G.Rao

Shri G.G.Rao is the Director (O & T) of the company from 11.7.01. Born on 1<sup>st</sup> June, 1949, he completed Bachelor of Engg. (Mech. Marine) from Andhra University and acquired MOT Certificate of Competency as First Class Engineer. He is a Fellow Member of Institution of Engineers and Indian Institute of Marine Engineers.

He started his career as 5<sup>th</sup> Engineer to Chief Engineer in Shipping Corporation of India Ltd., Mumbai in the year 1972. He joined as Chief Engineer in DCI in the year 1980. In the year 1982 he became Manager (Materials) in the Corporation. He served the Corporation in various capacities and was promoted to the post General Manager (Technical) in the year 1994. He was appointed as Director (O&T) w.e.f. July, 2001.

###### Dr. Ramesh Gupta

Dr. Ramesh Gupta is part time non-official director of the Company from 6.7.2000. Born 11<sup>th</sup> July, 1945, Dr. Gupta had his education from University of Rajasthan, Jaipur. He is a member of the Institute of Cost and Works Accountants of India and did his Post Graduate Diploma in Management from Indian Institute of Management, Kolkata. He did his Master of Business Administration from University of California, Berkeley. He completed his Ph.D. in Finance from School of Business Administration, University of California, Berkeley.

He started his career as senior Management Accountant in Delhi Cloth & General Mills Limited, Delhi in the year 1967. From 1970 till 1973 he was associated with University of California, Berkeley, first as Research Assistant and then as Teaching Assistant. He worked as Assistant Professor, Finance & Accounting in City University of New York, USA from 1973 to 1977. From 1977 he is associated with Indian Institute of Management, Ahmedabad as Professor of Finance and Accounting. He was also the visiting Professor on leave from IIMA to different Universities abroad in the period 1982-1988.

###### Shri A.K. Dhar

Shri A.K. Dhar is Director (Finance) of the Company since August, 1994. Born on 15<sup>th</sup> November, 1947, he completed his B.Tech. (Hons.) in Mech. Engg. from IIT, Kharagpur. He is also a Member of the Institute of Cost and Works Accountants of India.

Shri A.K. Dhar started his career as Management Trainee in August 1970 in HMT Ltd., Pinzore and served in different capacities in both technical and finance Departments. He left the organisation in August 1994 joining DCI. He has attended different training programmes abroad including advanced training in Finance Management for 3 months in STRITCHLYDE BUSINESS SCHOOL, GLASSGOW (UK) from April 1990 to July 1990.

###### 1.3 Attendance Record of Directors : 2001-02

Attendance of Directors at the meetings of Board of Directors during the financial year 2001-02 and the last Annual General Meeting held on 27.9.2001 are as follows :-

Name of the Director	No. of Board Meetings Held	Attended	Attended at last AGM
1. Shri N.K.Gupta@	9	2	-
2. Shri C.S.Sastry*	9	7	Yes
3. Shri K.R.Bhati, I.A.S.**	9	-	-
4. Shri Swapan Chakrabarti, I.A.S.***	9	7	No \$
5. Dr. Ramesh Gupta	9	8	No
6. Dr. T.R.Seshadri	9	8	No
7. Shri T. Srinidhi@@	9	7	No
8. Shri Kamlesh Kumar****	9	1	-
9. Shri N.K.Jawa@@@	9	-	-
10. Shri A.K.Dhar	9	8	Yes
11. Shri G.G.Rao@@@@	9	6	Yes
@	Appointed w.e.f. 1.12.2001		
@ @	Appointed w.e.f. 4.4.2001		
@ @ @	Appointed w.e.f. 17.5.2002		
@ @ @ @	Appointed w.e.f. 11.7.2001		
*	Retired w.e.f. 30.11.2001		
**	Retired w.e.f. 4.4.2001		
***	From 4.4.2001 to 15.3.2002		
****	From 15.3.2002 to 17.5.2002		
\$	Shri Swapan Chakrabarti, I.A.S., Deputy Chairman, Haldia Dock Complex, could not attend the AGM because of visit of the Parliamentary Committee to the Dock Complex. Leave of absence was granted to him at the AGM.		