

DREDGING CORPORATION OF INDIA LTD.

(A Government of India Undertaking)



33RD ANNUAL REPORT

2008 ~ 2009

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

Capt. S. S. Tripathi
Chairman and Managing Director

Shri P.V. Ramana Murthy
Director (Finance)

Shri P. Sridharan
Director (Ops. & Tech.)
(from 20/08/2009)

Shri Rakesh Srivastava, I.A.S

Dr. A.R. Goyal

Dr. S. Narasimha Rao

Shri S. Balachandran

Dr. Gautam Barua

Dr. Debashis Sanyal

Shri A. Sounderaraajan

Comde G.V. Ratnam
Director (Ops. & Tech.)
(Upto 17/09/2008)

GENERAL MANAGER (FIN.)

Shri K. Kiriti

COMPANY SECRETARY

Shri K. Aswini Sreekanth

BANKERS

Syndicate Bank
State Bank of India
ABN AMRO Bank

AUDITORS

M/s. Rao & Narayan
Chartered Accountants,
Srinivasa Apartments,
Flat No. 6, Raj Bhavan Road,
Somajiguda,
Hyderabad - 500 082

REGISTERED OFFICE

Core: 2, 1st Floor, "SCOPE MINAR"
Plot No. 2A & 2B,
Laxminagar District Centre,
Delhi - 110 092.
Phone : 011 22448528
Fax : 011 22448527

HEAD OFFICE

"DREDGE HOUSE", Port Area,
Visakhapatnam - 530 035.
Phone: 0891 2523250
Fax : 0891 2560581

REGISTRARS & TRANSFER AGENT

M/s Karvy Computershare Private Limited
Plot no. 17 to 24, Vithalrao Nagar
Hyderabad - 500 081
Phone : 040 23420818
Fax : 040 23420814
e-mail: einward.ris@karvy.com



DREDGING CORPORATION OF INDIA LIMITED

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the shareholders of Dredging Corporation of India Limited will be held at 1000 hrs on Thursday, the 24th September, 2009 in Siri Fort Auditorium No.1, Siri Fort Cultural Complex, August Kranti Marg, New Delhi - 110049 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt Directors' Report for the year 2008-09, the audited Balance sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended 31st March, 2009 together with the Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Dr. A.R.Goyal who retires as rotational Director and is eligible for re-appointment.
4. To appoint a Director in place of Shri P.V.Ramana Murthy who retires as rotational Director and is eligible for re-appointment.
5. 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 (8) of Section 224 of the Companies Act, 1956, the remuneration of the Statutory Auditors of the Company, Rao & Narayan, Chartered Accountants appointed by Comptroller and Auditor General of India be and is hereby fixed at Rs.2.50 lakh (rupees two lakh and fifty thousand only) plus service tax as applicable for the year 2008-2009".

By Order of the Board of Directors

Place : Visakhapatnam (K.Aswini Sreekanth)
Dated : 23-08-2009 Company Secretary

NOTES :

1. **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.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 4th

September, 2009 to 24th September, 2009 (both days inclusive).

3. Dividend on equity shares as recommended by the Directors for the Financial year ended 31st March, 2009, if declared at this Annual General Meeting will be paid to the shareholders whose names appear:
 - a) as beneficial owners at the end of the business hours on 3rd September, 2009 as per the list to be furnished by Depositories in respect of the shares held in the electronic form and
 - b) as members in the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company/ R & T Agent on or before 3rd September, 2009.
4. a) Members holding shares in physical form are requested to furnish bank details by 3rd September 2009 to our R & T Agent - M/s Karvy Computershare Private Limited, Plot No. 17 to 24, Vithal Rao Nagar, Hyderabad- 500 081 in order to incorporate the same on the dividend warrants.
 b) Shareholders holding shares in electronic form may kindly note that their Bank details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such shareholders for deletion/change in such Bank details. Shareholders who wish to change Bank details are therefore requested to advise their Depository Participants about such change, with complete details of Bank Account. Instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode..
5. Electronic Clearing Service (ECS)- facility:
 With respect to payment of dividend, the Company provides the facility of ECS to all shareholders, holding shares in electronic form and physical forms, in the cities where the facility for ECS is available.
 Shareholders holding shares in physical form, who wish to avail ECS facility may authorise Company with their ECS mandate in the prescribed form which may be obtained from Registrars & Transfer Agent, M/s Karvy Computershare Private Limited on request. The requests for payment of dividend through ECS for the year 2008-09 should be lodged with M/s Karvy Computershare Private Limited on or before, 3rd September, 2009.



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6. a) Members holding shares in physical form are requested to promptly notify any changes in their addresses to the R & T Agent of the Company M/s Karvy Computershare Private Limited on or before 3rd September, 2009.
 - b) 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.
 7. Members are requested to note that pursuant to provisions of Section 205 A (5) read with Section 205 C of the Companies Act, 1956, the dividend remaining unclaimed/ unpaid for a period of seven years from the date of transfer to the unpaid dividend account pursuant to Section 205 A (1) of the Companies Act, 1956 shall be credited to the "Investors Education and Protection Fund" (IEPF) set up by the Central Government. Members who have so far not claimed dividend are requested to make claim with the Company as no claim shall lie against the Fund or the Company in respect of individual amounts once credited to the said fund. The unclaimed final dividend for the year 2001-2002 declared at the AGM held on 27-09-2002 is due for transfer to the IEP Fund on 27-10-2009.
- Shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrar and Transfer Agents, M/s Karvy Computershare Private Limited immediately. Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of 7 (seven) years from the dates they first became due for payment and no payment shall be made in respect of any such claims.
8. Consequent upon the introduction of Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents, M/s Karvy Computershare Private Limited.
 9. Members are requested to bring their copies of Annual Report to the meeting. Members/Proxies attending the meeting should bring the attendance slip, which should be duly filled in, signed and handed over at the venue of the meeting.
 10. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the meeting.
 11. Members seeking any information with regard to accounts are requested to write to the Company at the earliest to facilitate keeping the information ready.
 12. Entry to the Auditorium will be strictly against Entry Slip available at the counters at the venue and against exchange of Attendance slip.
 13. Shareholders may kindly note that no gift/ gift coupon will be distributed at the meeting.
 14. No Brief case or Bag will be allowed to be taken inside the auditorium.
 15. At the ensuing Annual General Meeting, Dr. A.R. Goyal and Shri P. V. Ramana Murthy retire by rotation and being eligible offer themselves for re-appointment. The information details pertaining to these Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges are given below.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE 33RD ANNUAL GENERAL MEETING

Name of the Director	Dr. A.R. Goyal	Shri P. V. Ramana Murthy
Date of Birth	15/03/1955	15/12/1954
Date of Appointment	09/10/2007	05/12/2007
Qualifications	B.Sc., M.Sc., Ph.D	B.Com, ACA
Expertise in specific functional areas	Vast experience in administrative, technical, vigilance matters and also in trade negotiations with South / North East Asian Countries. Earlier worked in various Ministries like Ministry of Defence, Ministry of Agriculture and Ministry of Commerce. Presently working as Director (Finance) in the Ministry of Shipping, Ministry of Road Transport and Highways.	Experience in Finance & Accounts. Prior to joining DCI as Director (Finance) had held the post of General Manager (Finance) in Bharat Dynamics Limited. He also worked earlier in Andhra Pradesh State Financial Corporation and Hindustan Aeronautics Limited.
Shareholding in DCI	NIL	NIL



DREDGING CORPORATION OF INDIA LIMITED

DIRECTORS' REPORT FOR THE YEAR 2008-2009

Your Directors have pleasure in presenting this 33rd Annual Report together with the audited accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS

The Company earned an operational income of Rs. 68522.19 lakh compared to Rs. 70531.72 lakh for the previous year.

The other income is a record Rs.14700.11 lakh as compared to Rs. 6614.79 lakh for the previous year.

The total income for the year is a record Rs. 83222.30 lakh as compared Rs. 77146.51 lakh for the previous year.

Profit after tax is Rs. 4637.17 lakh as compared to Rs.15481.86 lakh for the previous year. During the year, the Accounting policies for Spares and stores and Fixed Assets have been changed pursuant to the expert opinion given by the Institute of Chartered Accountants of India, New Delhi which resulted in increase in profit by Rs.3310 lakhs.

The Company's earning per share for 2008-2009 is Rs.16.56 as compared to Rs. 55.29 for the previous year.

DIVIDEND

Keeping in view the financial performance of your Company and other relevant considerations, your Directors recommend payment of dividend @ 50% on the paid up capital of the Company absorbing an amount of Rs.1638.08 lakh including dividend tax of Rs. 238.08 lakh for the year 2008-09. For the previous year 2007-08 dividend @ 150% (including 75% interim dividend paid in March 2008) involving Rs.4913.94 lakh including dividend tax of Rs.713.81 lakh was paid. A sum of Rs.500.00 lakh has been transferred to General Reserves.

LOANS

As on 31st March 2009 an amount of Rs. 551.03 lakh is outstanding towards loan taken from ABN AMRO Bank for Dredger XVI, after paying interest and installment of the principal regularly as per the terms and conditions of the relevant loan agreement.

DCI FLEET

As on 31st March 2009 your Company has in operation among others, 10 Trailer Suction Hopper Dredgers (TSHD) and 2 Cutter Suction Dredgers (CSD). The Craft wise particulars are at Annexure-I.

DREDGING OPERATIONS

During the year under review, maintenance dredging contracts were executed at Kolkata/ Haldia, Paradip, Visakhapatnam, Mormugao, New Mangalore and capital dredging for Sethusamudram Ship Channel Project and Paradip Port. The works were executed either under the existing contracts or renewal of the contracts entered into with the Ports etc., during the previous years or new contracts entered into during the year. The capacity utilisation during the year is 91% of available capacity.

NEW CONTRACTS TAKEN UP

- Maintenance dredging for Kolkata Port w.e.f 1/1/09 for a period of five years.
- Maintenance dredging at New Sand Trap and beach nourishment/sea dumping for Visakhapatnam Port for a period of five years w.e.f 04/04/2009.
- Pre and post monsoon maintenance dredging of outer channel and lagoon of New Mangalore Port for a period of two years w.e.f 08/06/2009.

PLAN PROPOSALS

Order has been placed in October, 2005 for procurement of one number Cutter Suction Dredger of 2000 Cu.M solids per

hour capacity. The delivery which is scheduled to be in December, 2007 is delayed and is now expected to be in September, 2009.

Order has been placed in Jan 2009 for procurement of one back hoe dredger and is expected to be delivered by the end of July, 2010.

Action is on hand for procurement of three numbers 5000 Cu.M hopper capacity Trailer Suction Hopper Dredgers. Action is also on hand for procurement of two hopper barges.

MEMORANDUM OF UNDERSTANDING

For the 18th consecutive year, your Company has signed Memorandum of Understanding (MOU) with Government of India for the year 2009-10. The Company expects the rating of 'GOOD' for the year 2008-09.

INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE

The progress of implementation of ISM, ISPS and ISO upto 31st March, 2009 is as follows:-

Ship Security System (ISPS)

International Ship Security Certificates (ISSC) was obtained for all vessels.

Quality Management System (ISO 9001:2000)

DCI is certified for ISO 9001:2000(QMS) by Indian Register of Shipping (IRS). The second surveillance audits for QMS at HO and Project Offices at Chennai and Nagapattinam were successfully completed.

Environment Management System (ISO 14001:2004)

The implementation of EMS in DCI in accordance with ISO 14001:2004 (EMS) is in progress and the MOU targets with respect to the same are being met.

MEMBERS/INVESTOR SERVICES

The shares of the Company are listed on Delhi, Mumbai, Calcutta Stock Exchanges and National Stock Exchange. The shares of the Company are dematerialised with both the depositories, NSDL and CDSL. M/s. Karvy Computershare Private Limited, Hyderabad are the R & T Agents of the Company.

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

The particulars of employees for the year 2008-09 as required under Sec. 217 (2A) of the Companies Act, 1956 is enclosed at Annexure - II.

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 along with a 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 the 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.



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

a) 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 Differential Global Positioning System (DGPS) and Draft Volume Load Monitoring (DVLM) system to facilitate efficient dredging with potential energy saving.
- While procuring new dredgers, fuel efficient design with advanced technology is selected.
- Continuous efforts are being made to optimise the fuel consumption on board dredgers as cost of fuel constitutes approximately 30% of operational cost.

b) Technology absorption under Section 217 (1) (e): There was no transfer of technology and consequently there is no absorption of technology during the year.

c) Foreign Exchange earnings and outgo Under Section 217 (1)(e): (Rs. In Lakhs)

i) Foreign Exchange Earnings : 0.00
Total 0.00

ii) Foreign Exchange outgo:

a) Import of components and spares (CIF value) 7150.83
b) Repayment of foreign currency loan 1102.07
c) Interest paid on loans from foreign banks 69.99
d) Travelling 5.37
e) Chartering charges 8651.95
Total 16980.21

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report, Corporate Governance Report and Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance are attached, forming part of this Report.

MAN POWER:

The total number of employees (both Shore and Floating) in the Corporation, as on 31st March, 2009 was 767, as against 769 during the previous year, excluding MPWs.

EMPLOYMENT OF VARIOUS RESERVED CATEGORIES:

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

A. Employment of SC/ST Candidates

The Corporation continued its efforts to fulfill its obligation in providing employment opportunities to SC/ST candidates, in accordance with the Government Policy. The overall representation of SC/STs in the Corporation (both Shore and Floating Establishments, but excluding MPWs) as on 31st March, 2009 was SCs 106, i.e., 13.82% as against prescribed percentage of 16.66% and STs 40 i.e., 05.22% as against the prescribed percentage of 7.5%.

B. Employment of Ex-Servicemen

The representation of Ex-Servicemen (both Shore and Floating) in group C and D categories in the Corporation was

12.00% and Nil as against the percentage of 14.50% and 24.50% respectively as prescribed by the Government.

C. Employment of Physically Handicapped

The number of physically handicapped employees in the Corporation as on 31st March, 2009 is 8 (eight), the group-wise break-up A, B, C & D is as furnished hereunder:-

Group	Sanctioned strength	Total strength in identified posts	No. of persons with disabilities actually employed	Percentage with reference to identified posts
A	198	51	01	1.96
B	103	69	04	5.79
C	65	63	03	4.76
D	09	09	Nil	Nil
Total	375	192	08	4.16

The overall percentage of Group 'A' & 'B' posts comes to 4.16% of the identified posts in these Groups, which is higher than the prescribed percentage of 3%. The overall percentage of Group 'C' and 'D' posts comes to 4.05% of the total sanctioned strength in these groups which is higher than the prescribed percentage of 3%. The Physically handicapped persons are being paid additional conveyance assistance as per the Government instructions.

D. Employment of OBC personnel

Employment of OBC personnel (both shore and floating) in the company is 4.16% as against prescribed percentage of 27% by the Government. Instructions dated 23/09/1993 on reservations on OBC were received during October, 1993. As and when the vacancies are to be filled, the reservations for OBCs are being complied as per Government instructions. The above percentage of OBC reservation has been calculated based on the total number of employees as on 31/03/2009, including those recruited prior to 1993.

E. Employment of women

The number of women employees on Rolls as on 31.03.2009 is 46. Out of them number of executives is 10 and Non-Executives is 36.

Compliance with Government's Policy on Women :

Basing on the Supreme Court's judgement and keeping in view the Government instructions on sexual harassment of women at work places, a complaints Committee headed by a woman officer was constituted to inquire into the complaints of sexual harassment at work places. A complaints register is also being maintained.

DCI is a Life Member of the Forum for Women in Public Sector and one women's representative from DCI has been nominated to the above forum. Apart from the Trade Unions, the problems, if any, relating particularly to women employees are looked into as and when the same are brought to the notice of the Management.

Existing Benefits and Welfare Measures for the Women Employees :

- The women employees in the Corporation are entitled to 135 days of Maternity Leave.
- Special Casual leave not exceeding 14 working days is sanctioned to regular women employees of the Corporation to undergo non-puerperal sterilisation.
- One day special casual leave is allowed to the regular women employees of the Corporation who had IUD insertions.
- A rest room is provided exclusively for the women employees.



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v) Working uniforms are provided to Group 'D' women employees, as per the scales prescribed in the Rules.

vi) The women employees are sponsored to various in-house and also external training programmes. Out of 46 women employees 19 had undergone training during the past one year i.e., from 01.04.2008 to 31.03.2009.

WAGE SETTLEMENTS

A. Floating establishment:

i) The INSA-MUI (FG/HT) Agreements in respect of Floating Officers, are due w.e.f., 01/04/2008.

ii) The INSA-NUSI Agreements, relating to HT Petty Officers was implemented upto 31/03/2010.

iii) The Wage Agreement of Crew was implemented upto 31/03/2010.

B. Shore establishment:

i) The Revised pay scales of Executives have been implemented w.e.f. 01.01.2007, excluding perks.

ii) Wage Revision for Non-Executive Employees in the Shore Establishment is due from 01.01.2007

INDUSTRIAL RELATIONS:

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

WELFARE MEASURES:

The Corporation continued various welfare schemes viz., Family Pension Scheme, Group Gratuity Assurance Scheme, Personal Accident Insurance Coverage, Group Savings Linked Insurance Scheme, Contributory Provident Fund, Maternity Benefit Scheme, Subsidised Canteen Facility, Transport Subsidy, Medical Attendance, Leave Travel Concession, Incentive Scheme for acquiring higher qualifications, Merit Scholarship for the children of SC/ST employees, and Mediclaim medical attendance facility for the retired employees etc. Other welfare measures such as House Building Advance, HBA Interest Subsidy, HBA Family Security Mutual Fund, Special casual leave for maternity/paternity and incentives for adopting small family norms and advances for children's higher education, marriage and purchase of computer etc., are extended to the employees.

HUMAN RESOURCES DEVELOPMENT

The Company is making sincere and concerted efforts for the overall development of Human Resources, both on shore and floating establishments. During the financial year 2008-09, total 7 various In-house Training Programmes were conducted, covering total 118 employees. An amount of Rs. 22.00 lakhs (approx.) was spent on the Management Development and training activity, benefiting majority of the employees on both establishments. During the year, employees were nominated to participate in the various training programme and Seminars/Conferences on effective Spare Parts Management, Company Security Officers Training, RTI Act, Women Management, ICAI Corporate Conclave, Lead Auditor Course and Maritime-2009 etc.,

ISO/ISM Awareness and Quality Auditors Programmes were also organised for both shore and floating personnel. Under ISPS Code, Certified Floating Officers were deputed for Ship Security Officer (SSO) Course and Shore Officers were deputed for Company Security Officer (CSO) Course.

As against target of 131 personnel to be trained under the MoU Targets, a total of 167 employees were trained in the specified programmes.

IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT, 2005

As per the directives of the Government of India, the Right to Information Act, 2005 was implemented w.e.f 12-10-2005 and all the required infrastructural arrangements required for

implementation of the Act were made, such as, appointment of Public Information Officers, Assistant Public Information Officers and Appellate Authority, publication of prescribed manuals giving required information about the Company for information of the public, set-up of procedure and submission of periodical reports on the progress of implementation of the Act. All the officers concerned were imparted training and sent to seminars conducted by professional bodies. A Register is also being maintained for monitoring the requests from public seeking information and the replies by the concerned are also being coordinated

ALL INDIA DREDGING CADRE :

Under the AIDC Scheme, 9 Deck Cadets of 11th Batch are undergoing Training onboard and 5 Engine Cadets 6th Batch have undergone training at Garden Reach ship Builders & Engineers Limited, Kolkata, and presently undergoing on-board training.

ACTIVITIES OF PUBLIC GRIEVANCES AND COMPLAINTS CELL :

A Public Grievance Cell has been functioning in the Corporation since 1988 to look into the Grievances / Complaints received from the public. The General Manager (Fin.) is the Director of Public Grievances, assisted by a Manager (OL). As per the Ministry's guidelines, a status report is being submitted for the information of the Board of Directors at the Board meetings and a quarterly status report is forwarded to the Ministry. In line with the Ministry's direction, a Public Grievance Redressal and Monitoring System (PGRAMS) software was installed in the Computer Network in the Corporation, which works in hand-shake mode between the Ministry and the Corporation. Two complaints received during the year were suitably replied to.

INFORMATION & FACILITATION COUNTER

In order to ensure transparency in the functioning of the Corporation and also for easy and speedy access for any information to the public, an Information & Facilitation Counter (IFC) has been setup at DCI Head Office, Visakhapatnam and the same is publicised in the website also.

CITIZEN'S CHARTER

As per the Directives of Government of India, in order to focus on the commitment of DCI towards its citizens / clients in respect of standard of services, information, choice and consultation, non-discrimination and accessibility, grievance redress, courtesy and value for money, including expectations of the Organisation from the citizen/client for fulfilling the commitment of the Organisation, a Citizen's Charter approved by the Competent Authority was posted on the Corporate Website.

As part of requirement thereof, a Task Force has been constituted with representatives from various levels of Management and Staff Unions, as well as from the Visakhapatnam Port Trust, a local Clientele Organisation. The Task force attends to the duties as prescribed by the Department of Administrative Reforms and Public Grievances. The General Manager (HR) is designated to be the Nodal Officer to coordinate and monitor the formulation and implementation of the Citizens Charter in DCI, who also functions as the Member Secretary of the Task Force.

PROGRESSIVE USE OF HINDI

The Corporation continued its efforts to implement the Official Language Policy of the Government. An Incentive Scheme to award cash prizes, personal pay etc., is in vogue in the Corporation and the employees trained under in service training in Hindi and qualified in various examinations conducted thereunder are being awarded cash awards and personal pay.

Hindi Fortnight was observed and Hindi Exhibition was organised in the month of September, 2008.



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The Officers of the Company actively participated in the meetings and activities of the Town Official Language Implementation Committee, Visakhapatnam during the year.

The Corporation was awarded Consolation Prizes by the Ministry of Shipping, Road Transport and Highways, for progressive use of Hindi during the years 2005-06, 2006-07 and 2007-08

ACTIVITIES OF VIGILANCE DEPARTMENT DURING 2008-2009

Under preventive vigilance, during the year, the Vigilance Department conducted 17 inspections and 6 surprise checks. Some suggestions for systems improvement were made to the concerned departments. During the year, 3 Minor Penalty cases were disposed off by the Disciplinary Authority. 1 Major penalty case brought forward from previous year was also disposed off. Complaints received during the year were disposed off. Vigilance Awareness week was observed in the Corporation from 03/11/2008 to 07/11/2008.

IMPLEMENTATION OF JUDGEMENTS/ ORDERS OF THE CAT

There were no judgements/Order of the CAT pertaining to the Company during the year

AUDITORS

M/s Rao & Narayan Chartered Accountants were appointed by the Comptroller and Auditor General of India as Auditors for auditing the accounts of the Company for the financial year 2008-09. Pursuant to Section 224(8)(aa) of the Companies Act, 1956, the remuneration of the auditors has to be approved by the members at the AGM. The Board recommends the remuneration of Rs.2.50 lakhs (Rupees two lakh and fifty thousand only) plus service tax as applicable for approval of the members at this AGM.

AUDITORS' REPORT

The Notes to the Accounts at Note No. 8 (f) & 8 (g), Schedule XIV, give the status to the comment at para 5(vi) of the Auditors Report regarding account for Spares and Stores, and income from Sethusamudram project which is self explanatory and therefore does not call for any further comments of Directors.

C&AG COMMENTS

The Comments of the Comptroller and Auditor General of India on the Accounts for the year ended 31st March, 2009 are placed next to the Auditors Report.

DIRECTORS

As per the Articles of Association of the Company all the Directors are appointed by the President of India as communicated through the administrative Ministry - Ministry of Shipping.

During the year, Cmde.G.V.Ratnam resigned from the post of Director(Operations and Technical) and ceased to be in the post w.e.f 17/9/08.

Ministry vide its letter No. PO/28028/15/2008-DCI dt 19/8/09 communicated the appointment of Shri P.Sreedharan, Chief General Manager (Technical) as Director (Operations & Technical). Shri P.Sreedharan, held the additional charge of Director (Operations and Technical) from 18/9/08 to 17/12/08. Pursuant to Section 256, of the Companies Act, 1956 Dr.A.R.Goyal and Shri P.V.Ramana Murthy retire at this meeting and are eligible for re-appointment. The Board recommends for their re-appointment in this meeting.

ACKNOWLEDGEMENTS

The Directors thank Hon'ble Minister of Shipping and officers and staff of Ministry of Shipping 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 place on record their appreciation of the services rendered by all the employees of the Corporation.

For and on behalf of the Board of Directors

-sd-

Place: VISAKHAPATNAM (Capt.S.S.TRIPATHI)
Date: 23/08/2009 CHAIRMAN AND MANAGING DIRECTOR

ANNEXURE - I

INFORMATION IN RESPECT OF DREDGERS AND FLOATING CRAFTS OF DCI

Craft	Year of Built	Type of Vessel	Maximum Dredging Depth	LOA (Mts.)	Installed Draft (Mts.)	Installed Hopper Volume (Cu.M)	Installed Horse Power
DCI Dredge V	1974	Self Propelled TSHD	22.00	100.00	6.52	3539	-
DCI Dredge VI	1975	Self Propelled TSHD	22.00	104.00	6.31	3770	-
DCI Dredge VII	1976	Non Propelled CSD	22.00	86.00	2.50	-	8500
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	22.00	110.31	5.50	4500	-
DCI Dredge XIV	1991	Self Propelled TSHD	22.00	110.31	5.50	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 Aquarius	1977	Self Propelled CSD	25.00	107.00	4.85	-	17300
DCI Tug-VII	2005	Self Propelled (Twin Screw)	-	45.9	3.6	-	22.00T
Survey Launch - I	1999	Survey Launch	-	12.5	1.06	-	-
Survey Launch - II	2009	Survey Launch	-	16	1.45	-	-
Survey Launch - III	2009	Survey Launch	-	16	1.45	-	-



DREDGING CORPORATION OF INDIA LIMITED

ANNEXURE - II

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) COMPANIES ACT 1956

Name	Design.	Remn. recd. (Rs.)	Nature of Employment	Terms & Conditions	Nature of Duties	Qual. & Experience	Period From	Age To	Last Empl.
1 N GANGOPADHYAY	CEO	825770	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		26/10/0821/01/09	64	DCIL
2 D L NARAYANA	CEO	881463	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		28/01/0910/03/09	64	DCIL
3 R N MANNA	2/EO	224350	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/03/0930/03/09	52	DCIL
4 S K GHOSH	CEO	237124	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/04/0830/04/08	64	DCIL
5 M JAYRAJAN	CEO	225421	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/02/0928/02/09	56	DCIL
6 M RAJAMANI	CEO	779043	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/10/0819/01/09	61	DCIL
7 UDAY MITRA	CEO	733715	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/11/0831/01/09	60	DCIL
8 T K PAL	CEO	220802	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/10/0831/10/08	60	DCIL
9 S MANKOTIA	D/M	811227	CONTRACT	AS PER OFFER	DREDGING MASTER GR-I		01/09/0817/10/08	64	INDIAN NAVY
10 P M MORKAR	D/M	867767	CONTRACT	AS PER OFFER	DREDGING MASTER GR-I		01/06/0831/07/08	61	DCIL
11 P N MURTHY	CEO	864995	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/05/0830/06/08	57	DCIL
12 PRADEEP PAUL	D/M	1134744	CONTRACT	AS PER OFFER	DREDGING MASTER GR-I		01/10/0828/02/09	58	DCIL
13 L K ANAND	D/M	203442	CONTRACT	AS PER OFFER	DREDGING MASTER GR-I		01/11/0830/11/08	59	DCIL
14 S TRINADHA RAO	CEO	1418449	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/03/0830/09/08	59	DCIL
15 K N LAL	CEO	599978	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/05/0829/07/08	22	DCIL
16 P WANIKAR	CEO	1149498	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/07/0830/11/08	55	DCIL
17 S K KAUSHIK	D/M	691622	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		06/01/0926/03/09	22	DCIL
18 S MANI	D/M	1130118	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		01/04/0830/04/08	60	DCIL
19 D S CHAUHAN	D/M	2247359	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		01/03/0831/03/08	61	DCIL
20 A K DAS	CEO	719041	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/09/0830/11/08	61	DCIL
21 MALAY DAS	D/M	683886	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		01/12/0830/06/08	57	DCIL
22 S RAMACHANDRA	D/M	729800	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		01/06/0814/09/08	61	DCIL
23 D K SAHU	CEO	457982	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/04/0831/05/08	58	DCIL
24 P K KUNDU	CEO	623700	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		14/05/0810/08/08	58	DCIL
25 SYED AARIFF AHMED	D/M	501825	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		01/09/0831/10/08	52	MERCH NAVY
26 D K KALRA	D/M	1428824	CONTRACT	AS PER OFFER	DREDGING MASTER GR-1		07/10/0803/03/09	64	DCIL
27 TAPAS KUMAR DAS	CEO	677775	CONTRACT	AS PER OFFER	DREDGING MEO CL -I		01/12/0802/03/09	59	DCIL



DREDGING CORPORATION OF INDIA LIMITED

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

The Company strongly believes that good Corporate Governance is a pre-requisite for enhancing shareholder value and its image in the prevailing competitive business scenario. The policies and practices of the Company 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 stakeholders.

2. BOARD OF DIRECTORS

2.i Composition of Board of Directors as on 31/03/2009: Pursuant to the Articles of Association of the Company all the Directors are appointed by the President of India. Part-time Non-Official Directors are independent Director pursuant to Clause 49 of the Listing Agreement. The composition of the Board as on 31/03/2009 is as under:-

Name	Executive/ Non-Executive	Official/Non-Official	Age	Qualifications
i) Capt.S.S.Tripathi, CMD	Executive	Whole-time official	52	MBA, Master (FG)
ii) Shri P.V.Ramana Murthy, DFN	Executive	Whole-time official	54	B.Com, ACA
iii) Shri Rakesh Srivastava, IAS	Non-Executive	Part-time official	50	M.Sc.
iv) Dr.A.R.Goyal	Non-Executive	Part-time official	54	B.Sc., M.Sc., Ph.D
v) Dr.S.Narasimha Rao	Non-Executive	Part-time Non-official	68	B.E, M.E, Ph.D
vi) Shri S.Balachandran	Non-Executive	Part-time Non-official	63	B.Sc, M.Sc
vii) Dr. Debashis Sanyal	Non-Executive	Part-time Non-official	51	M.Com, AICWAI, Ph.D
viii) Prof. Gautam Barua	Non-Executive	Part-time Non-official	55	B.Tech., M.Tech., Ph.D
ix) Shri A.Soundararajan	Non-Executive	Part-time Non-official	54	B.Sc, FCA

Changes after 1/4/08

Name	Date	Nature of Change
i) Cmde G.V.Ratnam	17/09/2008	Cessation
ii) Shri P.Sridharan	18/09/2008	Assignment of Additional charge of Director (Operations and Technical) for a period of three months
iii) Shri P.Sridharan	17/12/2008	Completion of Assignment of Additional charge of Director (Operations and Technical)
iv) Shri P.Sridharan	20/08/2009	Appointed as Director (Operations and Technical)

Brief profile of the Directors appointed on or after 1/4/08 and continuing as on date of this report

Shri P.Sridharan has taken over the charge of Director (Operations & Technical) w.e.f 20/08/2009. Prior to this he was Chief General Manager (Technical) in the Company and also held the additional charge of Director (Operations & Technical) for three months from 18/09/08 to 17/12/08. He joined DCI on 20/8/04 as General Manager (Technical). Shri Sridharan is B.E(Mechanical) and a First Class Engineer (Motor) Certificate of Competency issued by DG Shipping, Govt. of India. Prior to joining DCI he worked in Poompuhar Shipping Corpn. Limited, a Government of Tamil Nadu Undertaking for 8 years and Transport Corpn. India Ltd.at Chennai as Head of Operations & Technical Dept for 1 year. He started his career with Shipping Corporation Of India Limited (SCI) in 1974 and served in different capacities in the organisation till 1992. He then worked in Poompuhar Shipping Corpn. Limited, a Government of Tamil Nadu Undertaking and Transport Corpn. India Ltd.at Chennai as Head of Operations & Technical Dept.

2.ii Attendance Record of Directors : 2008-09

Eight Board Meetings were held during the year 2008-09. Attendance of Directors at the meetings of Board of Directors during the financial year 2008-09 and the last Annual General Meeting held on 29.09.2008 is as follows:-