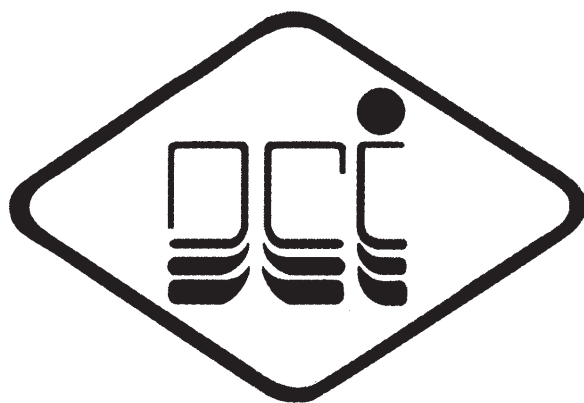


DREDGING CORPORATION OF INDIA LTD.

(A Government of India Undertaking)

**36TH ANNUAL REPORT
2011 - 2012**



IMPORTANT

Sub: A Green Initiative in the Corporate Governance

Dear Shareholder,

The Government of India, Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing companies to comply with the requirements of the Companies Act, 1956 in a paperless manner by allowing them to send communications including notices/ documents, annual reports to its shareholders through electronic mode at the registered e- mail addresses of the shareholders.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Dredging Corporation of India Limited to contribute to the Corporate Social Responsibility initiative of the Company. Further, it will ensure instant and definite receipt of all the notices/documents by you.

All Shareholders are requested to be a part of this green initiative of Government of India by registering their e-mail address for enabling the Company to send the communication including Annual Report to shareholders by e-mail.

Shareholders holding shares in physical form are requested to fill the form given below and send the same to the following address or by an email giving the details in the form:

Karvy Computershare Private Limited (Unit: Dredging Corporation of India Ltd)
Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081,
Email: einward.ris@karvy.com

The form given below is also available at the website of the Company at www.dredge-india.com

Shareholders holding shares in dematerialised form are requested to register their e-mail addresses with their Depository Participant.

The full text of the communication to the shareholders including the Annual Report will be posted in the website of the Company.

Please note that as a member of the Company you are entitled to receive all communications in physical form also, upon making specific requests.

E-COMMUNICATION REGISTRATION FORM

Folio No./ DP ID & Client ID : _____
Name of First Registered Shareholder : _____
Name(s) of Joint Shareholder(s) : _____
Registered Address : _____
: _____
E-mail address (to be registered) : _____

I/we, shareholder(s) of Dredging Corporation of India Limited agree to receive all communication from the Company in electronic mode. Please register the above mentioned e-mail address in your records for sending communication through electronic mode.

Dated:.....

Signature of First Holder:

Note: Shareholder(s) are requested to keep the Company/Depository Participants informed as and when there is any change in their registered e-mail address.



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For Hindi Version of the 36th Annual Report 2011-12
please write to the Company Secretary giving the
Folio/ Client ID number.

BOARD OF DIRECTORS, BANKERS, AUDITORS etc.

BOARD OF DIRECTORS

(As on 31/3/12)

Capt. D K Mohanty
Chairman and Managing Director

Shri P.V.Ramana Murthy
Director (Finance)

Cmde. P. Jayapal (Retd.)
Director (Operations & Technical)

Shri Rakesh Srivastava, I.A.S

Dr.S.Narasimha Rao

Shri S.Balachandran

Shri Vinai Kumar Agarwal

HEAD OF THE DEPARTMENT (FIN.)

Shri P. P. Govindachari

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri K.Aswini Sreekanth
sreekanth@dcil.gov.in

BANKERS

Syndicate Bank
State Bank of India

AUDITORS

M/s. G R Kumar & Co.,
Chartered Accountants,
Flat No. 9, Merry Life Apartments
Doctors colony, Peda waltair,
Visakhapatnam - 500 017

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, Vittalrao Nagar
Hyderabad - 500 081
Phone : 040 44655000
Fax : 040 23420814
e-mail: einward.ris@karvy.com



NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the shareholders of Dredging Corporation of India Limited will be held at 1000 hrs on Friday, the 28th September, 2012 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 2011-12, the audited Balance sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended 31st March, 2012 together with the Auditors' Report thereon.
2. To appoint a Director in place of Shri M C Jauhari, who retires as rotational Director and is eligible for re-appointment.
3. To appoint a Director in place of Shri S. Balachandran, who retires as rotational Director and is eligible for re-appointment.
4. To appoint a Director in place of Shri Vinai Kumar Agarwal, who retires as rotational Director and is eligible for re-appointment.
5. To appoint a Director in place of Shri P. V. Ramana Murthy, who retires as rotational Director and is eligible for re-appointment.
6. 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, GR Kumar & Co, Chartered Accountants, appointed by Comptroller and Auditor General of India be and is hereby fixed at ₹2.50 lakh (rupees two lakh and fifty thousand only) plus service tax as applicable for the year 2011-2012.

SPECIAL BUSINESS

7. To consider and if thought fit to pass with or without modification (s) the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) of Companies Act, 1956 or any amendment or modifications thereof, the consent of the members of the company be and is hereby accorded to the Board of Directors of the Company, to borrow and raise such sum or sums of money from time to time as may be required for the purposes of the business of the Company, in excess of the aggregate of the paid-up capital of the Company and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, on such terms and conditions as to repayment, interest or otherwise,

as the Board thinks fit, subject to the proviso that such borrowing together with the moneys already borrowed shall not exceed ₹2500 Cr. (Rupees Two thousand and five hundred crores) and shall exclude all temporary loans obtained by the Company from its bankers in the ordinary course of its business, on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company."

"RESOLVED FURTHER that for the purpose of giving effect to this resolution the Board be and is hereby authorized to do all such acts, deeds, matters and things including to create charge / provide security for the sums borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as it may in its absolute discretion consider necessary, proper or desirable."

By Order of the Board of Directors

Place : Visakhapatnam

(K.Aswini Sreekanth)

Dated: 31-08-2012

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 21st September, 2012 to 28th September, 2012 (both days inclusive).
3. Members are requested to note that pursuant to provisions of Section 205 A (5) read with Section 205C 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 company has transferred the unclaimed dividend upto the interim dividend for the year 2004-2005 declared on 29/01/2005 to the IEP Fund.

Shareholders who have not so far encashed the dividend warrant (s) are requested to seek issue of duplicate warrant (s)/demand drafts by writing to 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.
4. 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.
 5. 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.
 6. 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.
 7. Members seeking any information with regard to accounts are requested to write to the Company at the earliest to facilitate keeping the information ready.
 8. Entry to the Auditorium will be strictly against Entry Slip available at the counters at the venue and against exchange of Attendance slip.
 9. Brief resume of the Directors who are due to retire by rotation and are proposed to be re-appointed at this AGM is as under:-

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE 36TH ANNUAL GENERAL MEETING

Name of the Director	M C Jauhari	Vinai Kumar Agarwal	S. Balachandran	P. V. Ramana Murthy
Date of Birth	02/08/1962	30/10/1950	27/08/1946	15/12/1954
Date of Appointment	21/06/2012	11/11/2011	11/11/2011	05/12/2007
Qualifications	M.Sc.	B.E.	M.Sc.	B.Com, ACA
Expertise in specific functional areas	He joined Ministry of Shipping as Joint Secretary (Shipping) in January, 2012. He has worked in the State Government of Assam in various capacities and also as Joint DG/ Director in DGFT in Commerce & Industry Ministry, Govt. of India, New Delhi.	He is a Civil Engineer and from Indian Railways Service of Engineers. He was Managing Director, Rites Ltd., prior to which he worked in various capacities in Indian Railways. He has extensive exposure in African countries where RITES operated. He has wide experience in administration, consultancy and project management.	He is an expert in financial management, planning, capital budgeting, financial appraisal. He has 35 years of experience in Railways and on deputation outside in Corporate and other Government Sectors. He worked in Indian Railway Finance Corporation for about 10 years at the senior Management Level including as Managing Director.	He has experience in Finance & Accounts. Prior to joining DCI as Director (Finance) he held the post of General Manager (Finance) in Bharat Dynamics Ltd. Also worked in Andhra Pradesh State Financial Corporation and Hindustan Aeronautics Limited.
Shareholding in DCI	Nil	Nil	Nil	Nil
List of Public Companies in which Directorship held	1. Shipping Corporation of India Ltd. 2. Cochin Shipyard Ltd	KIOCL (formerly Kudremukh Iron Ore Company Ltd)	1. Power Trading Corp., of India Limited 2. PTC Energy Limited 3. ONGC Petro Additions Limited	Nil

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

1. The Company has placed orders for three Trailer Suction Hopper dredgers of 5500 Cu.M hopper capacity each, as per the approval of Cabinet Committee on Infrastructure conveyed by Ministry of Shipping, Government of India, vide letter no. PO-28028/3/2004-DCI dt 09.04.10 at the total indicative price of Euro 250 Million equivalent to ₹1570.21 crore at the exchange rate of 1 Euro = ₹62.81 as on 06.02.2009, i.e., the date of opening of price bid, payable at the exchange rate prevailing on the date of making stage payment. The cost would be financed partly from internal resources and partly from borrowings. The financial closure for the first two dredgers covering 80% of the building cost has been completed. Financing for the third dredger is under process. The total borrowings for these dredgers considering the borrowings availed till date and the balance borrowings at the exchange rate of 1€=₹68.31 as on 2/8/12 would be around ₹1300 Cr out of which about ₹362 Cr has been drawn as on 31/07/12.
2. Further in the twelfth plan for 2012-17, the Company proposes to procure two more higher capacity trailer suction hopper dredgers of 9000 Cu.M hopper capacity each at a cost of about ₹1300 Cr. The Company has also plans for refurbishing the existing dredgers which are old. The funds required will be met both from internal resources and borrowings.
3. The aggregate requirement for borrowings including the existing borrowings for the two trailer suction hopper dredgers of 5500 Cu.M hopper capacity each and proposed borrowings for the third trailer suction hopper dredger of 5500 Cu.M hopper capacity and two trailer suction hopper dredgers of 9000 Cu.M hopper capacity each would be around ₹2500 Cr.
4. As of 31/3/2012, the paid up capital is ₹28.00 Cr. and free reserves is ₹1169 Cr. aggregating to ₹1197 Cr.
5. In terms of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors shall not borrow monies where the monies to be borrowed together with the monies already borrowed (other than the temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid Up Capital and Free Reserves of the Company, except with the consent of the Company in general meeting.
6. In view of the above, the existing borrowing powers of the Board which is aggregate of paid-up share capital and free reserves as per the Companies Act will not be adequate to cover the CAPEX funds requirements.
7. It is therefore, necessary to enhance the powers of the Board. The Board of Directors of the Company have recommended for approval of the Members for enhancement in the borrowing powers to ₹2,500 Cr. (Rupees two thousand five hundred Crores only) at its Meeting held on 13/08/2012 .
8. The Board of the Directors of your Company recommend for your approval the Ordinary Resolution as set out in the Notice.
9. The document(s) referred above are available for inspection at the Registered Office of the Company during office hours on working days and also at the place of the AGM during the meeting by the Members.
10. None of the Directors of the Company is concerned or interested in the resolution.

By Order of the Board of Directors

**Place : Visakhapatnam
Dated: 31-08-2012**

**(K.Aswini Sreekanth)
Company Secretary**

**DIRECTORS' REPORT FOR THE YEAR 2011-12**

Your Directors have pleasure in presenting this 36th Annual Report together with the audited accounts of the Company for the year ended 31st March, 2012.

The first of the three state of the art Trailer Suction Hopper dredgers of 5500 Cu.M Hopper Capacity each ordered, scheduled to join the fleet towards the end of this year in December 2012. The remaining two dredgers will follow and join the fleet in June 2013 and January 2014 respectively. The addition of these dredgers will help the Company to augment its capacity as well meet the dredging commitments at various ports in an unhindered way as well as enable the Company to take up refurbishment the existing aged dredgers so as to enhance their life as well as their efficiency.

The financial closure for the first two dredgers has been completed during the year. The Company is exploring structured products for financing the third dredger including issue of Tax Free Infrastructure Bonds subject to the approval of Government of India.

In continuation of the steps taken for capacity augmentation, the Company proposes to procure two 9000 Cu.M Hopper capacity TSHDs during the current 12th Plan period 2012-2017.

The Company is sure that with the continuous capacity augmentation the performance will continuously improve over the years to come.

FINANCIAL RESULTS

The ageing dredgers and their prolonged layups continued to effect the operations of the Company during the year. The operational income for the year is ₹49165.82 lakh as compared to ₹50714.15 lakh for the previous year. The other income is ₹1292.47 lakh as compared to ₹1558.33 lakh for the previous year.

The total income for the year is ₹50458.29 lakh as compared to ₹52272.48 lakh for the previous year.

Profit after tax is ₹1318.10 lakh as compared to ₹3951.47 lakh for the previous year.

The Company's earning per share for 2011-2012 is ₹4.71 as compared to ₹14.11 for the previous year.

DCI FLEET

As on 31st March 2012, your Company has among others, 10 Trailer Suction Hopper Dredgers (TSHD), 3 Cutter Suction Dredgers (CSD) and one Back Hoe Dredger apart from other ancillary crafts. The Craft wise particulars are at Annexure-I

BORROWING POWERS

A proposal for increasing the borrowing powers of the company to ₹2500 Cr to facilitate borrowings for meeting the CAPEX plans is submitted for approval of the Members as Special Business along with the required explanatory statement thereof. It is recommended that the Members accord approval to the proposal.

DIVIDEND

Considering the massive capital commitments underway towards procurement of dredgers and in the interest of the future growth of the company, the Board of Directors did not recommend dividend for the year 2011-12.

DREDGING OPERATIONS

The Company is catering to the the dredging requirements of the Haldi/Kolkata Port almost for the past thirty years. The Company also caters to the maintenance dredging requirements to other major ports, Indian Navy etc. The Company is taking up capital dredging assignments also depending on the availability of the vessels and other logistic requirements.

During the year under review, maintenance dredging contracts were executed for Kolkata Port, Karwar Port, Mormugao Port, new sand trap and its approaches for Visakhapatnam Port Trust, Naval Channel at Ernakulam, channels and basins at Cochin Port. The Capital dredging work is being executed at Ennore Port.

The above 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 90% of the available capacity.

MEMORANDUM OF UNDERSTANDING

The Company has signed Memorandum of Understanding (MOU) with Government of India for the year 2012-13.

INTERNATIONAL SAFETY MANAGEMENT (ISM) CODE

- (a) All dredgers (except dumb vessels Dr - VII and Dr. XVIII) and Tug- VII of DCI hold valid Safety Management Certificates (SMC).
- (b) DCI holds a Document of compliance (DOC) valid till 24-06-2012. The same is being endorsed every year after annual verification audit by DG Shipping.

SHIP SECURITY SYSTEM (ISPS)

All dredgers (except dumb vessels Dr. - VII and Dr. - XVIII) and Tug - VII of DCI hold valid International Ship Security Certificates (ISSC).

**QUALITY MANAGEMENT SYSTEM
(ISO 9001:2008)**

DCI is certified for Quality Management System (ISO 9001:2008) by Indian Register of Shipping (IRQS). The first QMS Surveillance Audit after renewal / recertification was carried out successfully in March, 2012.

**ENVIRONMENT MANAGEMENT SYSTEM
(ISO 14001:2004)**

DCI is certified for Environmental Management System (ISO 14001:2004) by IRQS. The first EMS Surveillance Audit was carried out successfully in March, 2012.

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 2011-12 as required under Sec. 217 (2A) of the Companies Act, 1956 is



"Nil" as no employee earned a salary of ₹60 lakhs per annum or ₹5 lakh per month during the year 2011-12.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with a proper explanation relating to material departures;
- (ii) 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;
- (iii) 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;
- (iv) 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.

- 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:
 - i) 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.
 - ii) While procuring new dredgers, fuel efficient design with advanced technology is selected.
 - iii) Continuous efforts are being made to optimise the fuel consumption on board dredgers as cost of fuel constitutes approximately 30-35% 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): (₹ In Lakhs)

i) Foreign Exchange Earnings :	0.00
Total	0.00
ii) Foreign Exchange outgo:	
a) Import of components and spares (CIF value)	3686.01
b) Payment of interest on foreign currency loan	0.00
c) Foreign travel	8.31
Total	3694.42

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report, Corporate Governance Report and Certificate from the Company Secretary in practice 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, 2012 was 631, as against 683 during the previous year.

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, 2012 was SCs - 94, i.e., 14.94 % as against prescribed percentage of 16.66% and STs 32 i.e., 5.08% 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 14.57% 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, 2012 is 7 (seven), 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	173	49	01	2.04
B	93	52	04	7.69
C	57	50	02	4.00
D	05	05	Nil	Nil
Total	328	156	07	4.49

The overall percentage of Group 'A' & 'B' posts comes to 3.50% of the identified posts in these Groups, which is higher than the prescribed 3%. The overall percentage of Group 'C' and 'D' posts comes to 4.47% of the total sanctioned strength in these groups which is higher than the prescribed 3%. The Physically handicapped persons are being paid additional conveyance assistance as per the Government instructions.

D. Employment of women

The number of women employees on Rolls as on 31st March, 2012 is 45 as against 50 as on 31st March, 2011. Out of them number of executives is 15 and Non-Executives is 30.

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 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 :

- i) The women employees in the Corporation are entitled to 180 days of Maternity Leave.
- ii) Special Casual leave not exceeding 14 working days is sanctioned to regular women employees of the Corporation to undergo non-puerperal sterilisation.
- iii) One day special casual leave is allowed to the regular women employees of the Corporation who had ICUD insertions.
- iv) Basing on Apex 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.
- v) DCI is a Life Member of the Forum for Women in Public Sector and one women 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.
- vi) As a welfare measure, a Rest Room is provided exclusively for the women employees.
- vii) Working uniforms are provided to Group 'D' women employees, as per the scales prescribed in the Rules.
- viii) The women employees of DCI are sponsored to various in-house and also external training programmes. Out of 45 women employees, 7 had undergone training during the year 2011-12.

WAGE SETTLEMENTS

A. FLOATING ESTABLISHMENT :

- i) The INSA-MUI (FG/HT) Agreements in respect of Floating Officers is due for revision w.e.f. 01.04.2012.
- ii) The INSA-NUSI Agreements, relating to HT Petty Officers is due for revision w.e.f. 01.04.2010.
- iii) The Wage Agreement of Crew/MPWs is due for revision w.e.f. 01.04.2010.

B. SHORE ESTABLISHMENT:

The Revised pay scales of Executives and Non-Executives have been implemented w.e.f. 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 Scholarships 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 Corporation is making sincere and concerted efforts for the overall development of Human Resources, both on Shore and Floating Establishments.

During the year 2011-12, as against a target of Employee Training and Motivation, the following have been complied:

- i) 87 employees were trained in 23 various training programmes with 163 training man days.
- ii) 6 minority persons were imparted training during the year as against 2 in the previous year, which is 8%
- iii) Under Tonnage Tax scheme, the corporation has to fulfill the Minimum Training Requirement (MTR) for the year 2011-12. For the year 2011-12 the Basic Training Commitment (BTC) for DCI is 7249 training mandays against which 7908 training mandays were imparted.
- iv) 4 DCCP Apprentice Trainees and 5 Industrial Trainees in Finance and Marketing discipline were inducted for training for a period of 12 months.

IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT, 2005

As per the Directives of the Government of India, the Corporation implemented the Right to Information Act, 2005 w.e.f. 12.10.2005, and made all required infrastructural arrangements such as appointment of Public Information Officers, Asst. Public Information Officers and Appellate Authority; Publication of 17 prescribed manuals giving classified Corporate Information about DCI for the 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 co-ordinated.

ALL INDIA DREDGING CADRE :

Six AIDC Deck Cadets have completed their 27 months training in June, 2011 and posted as trainee junior officers on board dredgers. Seven Dredge Grade Cadets, on completion of 2 weeks familiarisation course at IMU, Visakhapatnam, are presently undergoing training onboard DCI Dredgers for 18 months.

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 HOD (HSE) is the



Director of Public Grievances. 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. Complaints received during the year were suitably replied.

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) was set up at DCI Head Office, Visakhapatnam and the same is publicised in the web-site also.

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 employees trained under inservice training in Hindi and qualified in various examinations conducted thereunder are being awarded cash awards and personal pay.

Hindi week was celebrated during September and a Hindi Exhibition was also organised. The employees participated in the All India Hindi Seminars / Kavi Sammelans held at Visakhapatnam and presented papers / poetry.

Table Training / work-shop was arranged for employees to impart working skills drafting & noting in Hindi, and operation of Bilingual software.

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

Computerisation of Forms/ correspondence and reports in Hindi was implemented in various departments. Issue of Office Orders/Circulars, Reports submitted to Government and Parliament Committees was ensured in bilingual.

CITIZEN'S CHARTER

As per the directives of the 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. HOD(HR) is designated as Nodal Officer to co-ordinate and monitor the formulation and implementation of the Citizen's charter in DCI who also functions as Member Secretary of Task Force constituted for implementation of Citizen's Charter.

ACTIVITIES OF VIGILANCE DEPARTMENT

During the year 2011-12, the Vigilance department has taken significant measures to integrate its activities with other departments of the Corporation and provide a pro-active orientation to interface it with managerial process. As a part of the same, periodic, surprise and CTE type inspections have been carried out and systemic deficiencies and

irregularities noticed have been communicated to concerned departments for necessary action. Vigilance Awareness week was observed during 31st October 2011 to 5th November, 2011. Vigilance web page on the Company's website has been redesigned incorporating various aspects of vigilance, besides launching of online complaint system. Quarterly Vigilance Bulletin "Alert" is being published for dissemination of the latest information and knowledge on vigilance.

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 G.R.Kumar & Co., Chartered Accountants, Visakhapatnam were appointed by the Comptroller and Auditor General of India as Auditors for auditing the accounts of the Company for the financial year 2011-12. 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 ₹2.50 lakhs (Rupees two lakh and fifty thousand only) plus service tax as applicable for the year 2011-12 for approval of the members at this AGM.

AUDITORS' REPORT

The Auditors Report on the Accounts for 2011-12 is placed along with the Accounts.

C&AG COMMENTS

The Comments of the Comptroller and Auditor General of India on the Accounts for the year ended 31st March, 2012 are placed next to the Auditor's 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.

The term of the four Part-time Non-official Directors - Shri S.Balachandran, Dr.Gautam Barua, Shri A.Soundararajan and Dr.Debashis Sanyal was completed on 16/4/11.

Ministry of Shipping vide letter dated 20/01/11 communicated the appointment of Shri P.Jayapal as Director (Operations and Technical) of the Company. Shri P.Jayapal assumed charge with effect from 18/4/11.

Ministry of Shipping vide letter dated 17/10/11 communicated appointment of Shri S. Balachandran and Shri Vinai Kumar Agarwal as Part-time Non-official Independent Directors. Shri S. Balachandran and Shri Vinai Kumar Agarwal assumed charged w.e.f. 11/11/11.

Ministry of shipping vide its letter dated 18/11/11 communicated appointment of Capt. D K Mohanty as Chairman and Managing Director of DCI. Capt. D K Mohanty assumed charge as CMD on 30/11/11.

Ministry of Shipping vide letter dated 15/03/12 communicated cessation of directorship of Dr.A.R. Goyal as Part-time Official Director of the Company. Dr. A. R. Goyal ceased to be Director w.e.f. 07.03.2012.

Ministry of shipping vide its letter dated 21/6/12 communicated appointment of Shri M.C.Jauhari, Joint Secretary (Shipping), MoS as part-time official Director of