

# ANNUAL REPORT 2014-2015



## EdCIL (India) Limited

(A Government of India Mini Ratna Enterprise)

ISO 9001-2008 & 14001:2004 Certified Company

*TRANSFORMING EDUCATION*



# Annual Report 2014-15



**EdCIL (India) Limited**

(A Government of India Mini Ratna Enterprise)  
ISO 9001-2008 & 14001:2004 Certified Company

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# Chairman's Speech



Dear Valued Shareholders of EdCIL,

## Ladies and Gentlemen

On behalf of EdCIL India Limited and its Board of Directors, I extend a warm welcome to each one of you at the 34th Annual General Meeting of the Company. I thank you all for sparing your valuable time to be present here and support us at this important meeting.

The notice convening the meeting, the Director's Report and the Audited Annual Accounts are already with you, and with your permission, I take them as read.

## Global Economy

The global economy grew by a modest 3.4 per cent in 2014 and is projected to grow marginally lower at 3.3 per cent in 2015 and then strengthen to 3.8 per cent in 2016. In 2014, growth strengthened in the advanced economies, while emerging economies have been facing a slowdown in growth. More recently, worries related to the health of the Chinese economy have escalated and have been weighing on the global economic prospects with their most

visible impact on emerging market currencies, commodity prices and equities.

## Indian Economy

The Indian Economy exhibited strong growth and was an exception to the emerging economies group, which witnessed a marked slowdown. In 2014-15, Indian economy grew by 7.3 per cent, accelerating from 6.9 per cent recorded in 2013-14. The year also saw the return of macro-economic stability, with inflation, trade deficit, current account deficit and subsidy bill going down. We also witnessed ushering in of major reforms and laying down of the roadmap for other major reforms.

## Education Sector In India

In this year's Union Budget, the Finance Minister has stressed upon the fact that in order to achieve the growth rate of 8% GDP, the economy needs a skilled, trained and educated workforce. An outlay of Rs 68,960 crore has been set aside for education including mid-day meal scheme.

The emphasis on imparting training and skill development activities will continue during the year.

# CHAIRMAN'S SPEECH

The New Education Policy (NEP) lays down several thrust areas thus opening up opportunities for the Company to service the market. In view of the funding in skill development and other areas being made, several new projects are being undertaken by State, Central Government & Educational Institutions.

## OPERATIONAL PERFORMANCE OF EDCIL

The Company continued its profitability record during 2014-15. For the Financial Year 2014-15 your Company has achieved an operating turnover of Rs 74.00 crores as compared to Rs 71 crores during the previous year. The turnover of the company reflects a growth of 4.4% which is comparable with consulting industry average growth rates. The company posted pre-tax profit of Rs 7.09 crores as against Rs 14.05 crores during the previous year.

This decrease is partly attributable due to a spillover of a major recruitment examination of Airports Authority of India (AAI) into F.Y. 2015-16, due to which the complete revenue and corresponding profit of the project could not be recognized in 2014-15.

## DIVIDEND

I am pleased to inform you that despite the dip in profits your Company has recommended 100% dividend on paid up capital amounting to Rs 2.00 crores out of current year's profit for the year 2014-15. This is the twenty eighth consecutive year, the company has declared the dividend. Upon payment of this year's dividend, cumulative value of total dividend paid to Government of India would be Rs 20.35 crores against the paid up equity capital of Rs 2.00 crores.

## THE ROAD AHEAD

As the only Public Sector Undertaking under the aegis of the Ministry of Human Resource Development (MHRD), EdCIL has decided to

focus heavily on Education infrastructure ICT, consulting, online recruitment and overseas student/faculty placements and marketing Indian education products overseas. In pursuit of an aggressive growth strategy, I am confident that your Corporation will surpass the expectations of all stakeholders both in terms of Turnover as well as Profit.

The Company would like to focus on augmenting of Education infrastructure in the Country. Accordingly in addition to the Detailed Project Reports (DPRs) being prepared for leading institutions like new IIMs, IITs NITs, ISERs etc., the Company would like to take up Project Management Consultancies (PMCs) for leading educational institutions.

The Company recognizes ICT to be a game changer in bridging the education divide and increasing access to quality education. Accordingly, the ICT vertical of the Company is being revamped to its enhance market share with Central Government, State Governments and Universities.

EdCIL is going in for a modification of its core competence of Recruitment Services by migrating from "offline" to "on-line" mode of conducting examinations for clients. The Company has received overwhelming customer response on this count. Other areas of EdCIL re-inventing itself is by launching "Study in India" Campaign to market educational products of selected Indian Educational Institutions to the target countries.

With renewed thrust on "Make in India" and Skill Development, the Competence building training spend is increasing manifold. Thus emphasis on imparting training and skill development activities will continue during the year. The Company would like to seize this opportunity to increase its market share.

## CORPORATE SOCIAL RESPONSIBILITY

Being a good corporate citizen is integral to EdCIL's Corporate Vision. Your corporation pursued



Corporate Social Responsibility initiatives with renewed vigour during the year. EdCIL adopted two schools and two Madrasas in the backward area of Barabanki in the state of Uttar Pradesh in previous years.

In FY 2014-15, E-learning packages in Hindi and Urdu were supplied and installed in one school Global Academy High School, Barabanki, UP (India) and Madrasa Darul Uloom Ashrafiya Ahlesunnat Babul ilm, Barabanki, UP (India) so that learning became interactive and interesting. Training was also imparted to teachers in the schools to properly use the e-learning packages. EdCIL also conducted counseling sessions for the students of the madrasa/schools.

An amount of Rs 2 lakh has been disbursed to support NGO 'Ritinjali' centre at Kusumpu Pahari near Vasant Vihar for promotion of education among underprivileged children.

## CORPORATE GOVERNANCE

For EdCIL, Corporate Governance is a priority area as it adds value to customers and stakeholders, and presents opportunities for the Corporation to manage its investment and reduce its reputational risks. Your Corporation has a well-defined policy framework in place to ensure effective implementation of good corporate governance practices, which in turn ensures transparency. "A Report on Corporate Governance" and "Management Discussion and Analysis Report", forms part of the Annual Report for the year ended 31st March, 2015. Annexure III & IV.

## HUMAN RESOURCES

The sanctioned strength of regular employees of the Company was 96 and the operating strength of the Company as on 31st March 2015 was 79. This included 35 reserved category employees under the categories of Schedule Caste – 23, Schedule Tribe – 01 and OBC – 11.

Being a Consultancy organization, the Corporation

considers the human resource pool to be its greatest asset. Hiring right talent and investing in them along with operational excellence, financial prudence, innovation and enhancing reputation and brand value shall be the watchwords of the Company.

Accordingly, your Company for the first time is in the process of hiring young "Management Trainees" in field of Technology, Marketing and Finance to build a world class team of professionals.

At the end, I would like to thank all our shareholders for their unstinted support. I am sure that we shall continue to have their support and encouragement in the coming years.

## ACKNOWLEDGEMENTS

The Board of Directors would like to express its sincere appreciation of the dedicated efforts made and valuable services rendered by the members of the EdCIL team in contributing to the Corporation's achievements during the year 2014-15. On behalf of the Board of Directors and on my own behalf, I extend sincere thanks for the valuable guidance, support and cooperation extended to the company by the Ministry of HRD, Ministry of External Affairs, Indian Missions Abroad and other stakeholders. I also express my sincere thanks to the Directors on the Board for their continuing suggestions and valuable contribution in the working of the Company.

My special thanks to CAG, the tax authorities, shareholders and all of you present, for their continued confidence. In return to your cooperation and support extended to me, I promise to take your company to new and commanding heights.

I now move the Annual Accounts for adoption.

For and on Behalf of the Board

**Diptiman Das**

Chairman and Managing Director

Place: New Delhi

Date: 27.11.2015

**EdCIL (INDIA) LIMITED**  
Formerly known as Educational Consultants India Ltd  
**FINANCIAL RESULT FOR LAST 10 YEARS**

(Rs. in lacs Except for no. of employees & earning per share)

Description	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Paid-up-Capital	125.00	125.00	125.00	150.00	150.00	150.00	150.00	200.00	200.00	200.00
Reserve & Surplus	1,119.09	1,280.15	1,432.20	1,570.82	1,793.03	1,852.70	1,935.11	2,164.09	2,776.61	2,991.31
Capital Employed	1,257.57	1,386.41	1,555.97	1,659.05	1,913.18	1,949.52	2,000.57	2,273.97	2,863.04	2,959.80
Net Worth	1,253.08	1,417.45	1,571.84	1,731.36	1,957.59	2,024.50	2,085.11	2,364.09	2,976.61	3,191.31
Fixed Assets (Net Block)	567.87	554.04	555.30	559.19	556.89	537.08	543.07	529.11	532.06	481.82
Turnover										
a) Domestic Business	2,926.39	2,254.33	2,579.38	3,450.34	3,907.53	4,476.66	5,338.04	5,840.88	6,845.76	7,165.98
b) Overseas Business	1,002.20	1,047.14	1,530.56	1,932.54	2,638.32	2,245.92	3,310.75	244.06	253.99	247.65
Total	3,928.59	3,301.47	4,109.94	5,382.88	6,545.85	6,722.58	8,648.79	6,084.94	7,099.75	7,413.63
Misc. Income	274.30	314.60	352.57	491.05	343.03	245.41	348.12	364.35	490.71	404.48
Total Income	4,202.89	3,616.07	4,462.51	5,873.93	6,888.88	6,967.99	8,996.89	6,449.29	7,590.46	7,818.11
Gross Profit	444.71	485.66	446.98	538.33	705.22	438.54	427.32	856.71	1,444.53	746.02
Depreciation	30.48	28.75	26.45	29.03	32.35	53.35	38.02	41.08	39.08	36.21
Net Profit before Tax	414.23	456.91	420.53	509.30	672.87	385.19	389.30	815.63	1,405.45	709.82
Net Profit after Tax	248.17	279.45	270.40	315.96	401.72	249.13	244.89	525.83	873.08	508.11
Dividend paid	75.00	100.00	100.00	127.50	150.00	150.00	150.00	200.00	200.00	200.00
% of Net profit after Tax to Income	6.32	8.46	6.58	5.87	6.14	3.71	2.72	8.15	11.50	6.50
Number of employees	91	84	84	82	81	85	81	78	81	79
Earning per employee	4.89	5.78	5.32	7.91	8.70	5.16	5.27	10.98	17.83	9.44
Total Value of Business generated	2,849.00	444.00	12,777.00	12,342.00	9525.00	7847.90	17147.00	15155.00	13500.00	15521.00
Earning per share (Rs.)	199.00	224.00	180.00	211.00	268.00	166.00	163.00	263.00	437.00	254.00
Gross Profit Ratio (%)	11.32	14.71	10.88	10.00	10.77	6.52	4.94	14.08	20.35	10.06
Net Profit Ratio (Before Tax)	10.54	13.84	10.23	9.46	10.28	5.73	4.32	12.65	18.52	9.08
Net Profit Ratio (After Tax)	6.31	8.45	6.57	5.87	6.14	3.71	2.72	8.15	11.50	6.50
Net Sales to Capital Employed	3.12	2.38	2.64	3.24	3.42	3.45	4.32	2.68	2.48	2.50
Net Worth/ per Rupee of Paid up Capital	10.02	11.34	12.57	11.54	13.05	13.50	13.90	11.82	14.88	15.96

# Corporate Information

**Chairman & Managing Director**

Shri. Diptiman Das

**Bankers**

Punjab National Bank  
Indian Overseas Bank  
State Bank of India  
ICICI Bank  
IDBI Bank Ltd.  
Corporation Bank  
Indian Bank

**Directors**

Smt. Tripti Gurha, GOI Nominee  
Smt. Nutan Kapoor Mahawar, MEA, GOI Nominee  
Smt. Lata Vaidyanathan, Independent Director  
Prof. Anil K. Gupta, Independent Director

**Company Secretary**

Ms. P. Jayanthi

**Registered Office**

5th Floor, Vijaya Building  
Barakhamba Road  
New Delhi-110001

**Statutory Auditors**

M/s G.R.Garg & Co., Chartered Accountants

**Corporate Office**

"EdCIL House",  
18-A, Sector-16-A  
Noida-201301 (U.P.) India.





## EdCIL-Introduction

EdCIL (India) Ltd., formerly known as Educational Consultants India Ltd. (EdCIL) is a unique Government of India “Mini Ratna” enterprise offering project and consultancy services in all areas of education and human resource development, in India and overseas for more than three decades with special focus on developing countries of Asia and Africa. EdCIL seeks to provide comprehensive solutions through its varied verticals of services.

EdCIL is the only CPSE consultancy organization in the education sector enveloping the entire spectrum of education and human resource development activities on turnkey basis and modular basis. Technology and Innovation drive EdCIL’s growth. EdCIL is also acting as a Govt. of India’s nodal agency for promotion of Indian education overseas and coordinating as a single window agency for admission of international students to institutions in India.

A strong resource base, professionally competent and dedicated workforce and its unique approach and methodology based on the World Bank’s approach to Project Management of pooling relevant expertise in a particular area/field enables EdCIL to provide comprehensive and holistic solutions to client demands and expectations along with cost competitiveness.

EdCIL (India) Limited, is an ISO 9001-2008 & 14001 : 2004 certified Government of India Enterprise, under the aegis of Ministry of Human Resources Development (MHRD), Government of India.

Over a period of three decades of transition, growth and development, EdCIL has proved its strength within the country and abroad by promoting Indian Education and Consultancy services. The company has been continuously profit making for more than 10-15 years. EdCIL has also been awarded the Prime Minister’s Award of Excellence for the year 1998-99 and also awarded MOU “Excellent” rating two times continuously in the years 2008-09 and 2009-10. It had been awarded MOU “Excellent” rating for the financial year 2013-14 also.





## OUR VISION

To be the most trusted project and consultancy organization to provide educational and human resource services.

## OUR MISSION

Our mission is to promote Indian education and placement of Indian Experts abroad, provide quality project and consultancy services in Educational and Human Resource including Skill Development training, provide ICT solution to Educational Institutions and aggressively market our services with greater customer focus in a wider spectrum of areas in national and international arena to facilitate achievement of our vision.

# Service Spectrum

## Edu Information and Communication Technology (ICT)

### Survival of the latest!

The belief that drives us to explore the latest in technology to offer effective solutions.

Education Information and Communication Technology (ICT) solutions Division integrates a gamut of services, which are thoughtfully and innovatively structured to refreshing new levels. Edu ICT offers a wide array of capacity building training services, IT based automation services like enterprise resource planning (ERP) solutions, digital library, smart classrooms, e-learning packages and e-content development, e-Operation and Management (networking & Wi-Fi facilities), solutions to educational institutions along with the setting up of virtual universities.

### Edu Infra Services

#### Catalyzing. Connecting. Creating.

EdCIL undertakes projects on PMC or turnkey basis from concept to commissioning and ensure effective management of all operational activities; from identification and articulation of objectives to the continuous hands-on monitoring and evaluation of projects. The focus is to integrate unique requirement of education sector to modern construction technology with an integrated objective of regulating time and cost overrun. The company undertakes the construction of Institutional building ranging from schools, polytechnics to technical institutions and

universities.

### Structuring the Edifice of Education

During project implementation, paramount importance is given to education related functional requirements & environmental requirement, use of appropriate technology, cost effectiveness & compliance to well documented standards/design practices.

EdCIL assists in the capacity building of educational institutions in India and overseas through procurement of educational equipments ranging from ICT equipments to hi-tech laboratory equipment. EdCIL has been providing procurement services on start to finish basis, essentially to meet and exceed client expectations and requirements- all for the sole endeavor of facilitating optimal utilization of client resources.

### Sourcing the Finest in Procurement Solutions

A wide plethora of procurement solutions provided by EdCIL are based on modern sourcing practices that also strive to achieve the optimal cost effectiveness. EdCIL has successfully completed various projects and procurement assignments for schools, polytechnics, colleges and universities in India and abroad, which are funded by various Ministries of Government of India and also multilateral funding agencies.

### Edu Online Recruitment Services

#### Expanding Reach To Get the Very Best

Edu online recruitment services presently form the strongest vertical of EdCIL. The company diversified its activities and

started offering recruitment solutions during the year 1995-1996 through selection and recruitment of executives/non-executives, professionals, teachers and skilled staff to various Ministries and Departments of Central and State Governments, Public Sector Enterprises, Autonomous Bodies and Academic Institutions within India and abroad. The vertical has grown many fold since then and transformed itself to a major online recruitment service provider for the country.

### **Augmenting EdCIL's Nationwide Presence**

EdCIL has proven its Pan-Indian capability in providing online recruitment solutions, demonstrated through selection and identification of personnel by conduct of screening tests at major & remote locations across the country in more than 200 cities. EdCIL as a Government of India Enterprise is a well renowned professional consultancy organization to conduct recruitment exercises with desirable attributes of maintaining confidentiality of the process and optimizing delivery time frame.

EdCIL services have been well recognized and sought after for transparent and secure conduct of the examinations.

### **Accentuating Activities**

EdCIL's range of recruitment services to the Clients include conceptualization, planning, short-listing of applications/candidates, actual conduct of the examination at National level, conduct of screening tests, online examinations, counseling & interviews and final declaration of the results.

Pre and Post examination activities include activities right from release of advertisement in consultation with the client, Data Processing, Inviting online applications, scrutiny of applications, providing list of eligible and ineligible candidates, sending of admit cards, conducting Online examination and submission of result to the client organization as per given parameters.

Presently more than 30 PSU/Autonomous bodies/Govt. departments have tied up with the company for conduct of online recruitment tests.

### **Edu-Friendly Virtual Examination Centre:**

The following are important features and value added services provided under the Recruitment Package:

- The time cycle for the entire examination process is shortened including preparation of result and handing over the same to client.
- Includes services of capturing bio-metric identity through thumb impression, CCTV coverage during the examination and value added MIS reports on candidate's audit trail.
- Online process is environment friendly.
- Content security is built into the new system.

### **Edu Overseas services**

### **Values, Beyond Borders**

Internationalization of education is one of the features of New Education Policy.



EdCIL endeavours hard to Translate India's ambitions to enhance the market of overseas students in the country and secondment of quality Indian faculty to overseas destinations. Sharing of expertise Human Resources for mutual growth and development is inevitable in the era of globalization.

EdCIL has extensive experience in facilitating Human Resource Development through secondment of Faculty / teachers and experts in diverse fields to various countries in Asia and Africa. For identification of suitable faculty / expert, EdCIL maintains a databank of resource persons and closely associated with various academic Institutions / Bodies across the country, being the only Public Sector Enterprise under the Ministry of Human Resource Development.

India is today recognized as the largest pool of trained manpower particularly in the areas of Science & Technology, Social Science and Medicine and has been a major source for meeting the Human capital requirements of both developed and developing countries. Over 200 of the fortune 500 companies are regularly recruiting from Indian campuses. Today the Indian teachers, faculty and professionals are in great demand in most Asian, African and Western countries. EdCIL has successfully executed secondment projects in Botswana, Ethiopia, Iran, Jordan, Kazakhstan, Kenya, Maldives, Mongolia, Myanmar, Mauritius, Oman, Rwanda, Saudi Arabia, Singapore, South Africa, South Korea, Tanzania, Turkey, U.S.A., and Yemen etc. EdCIL's capability

to recruit right person for the right job in a time bound manner has ensured increasing number of repeated orders and significant addition of new clients to the list.

Placement is one of the core service of EdCIL (India) Limited. The objective is to place International/ NRIs / PIOs in reputed and prestigious Indian Institutions, recognized by the Regulatory Bodies, Government of India. EdCIL (India) Limited 'A Mini Ratna Public Sector Enterprise' has been designated by the Ministry of Human Resource Development, Government of India as the exclusive "Coordinating agency and Single Window facility" for the direct admission of eligible Foreign Nationals / Persons of Indian Origin (PIOs) / Non-Resident Indians (NRIs) to Undergraduate, Postgraduate and Research programs. EdCIL places International/PIO/NRI students in more than 150 EdCIL's associated/ MoU institutions which have accreditations by regulatory bodies like UGC, NAAC, NBA, MCI etc.

### **Edu Project Management Services (Technical Support Groups):**

#### **Inspiring solutions!**

EdCIL has successfully provided critical consulting personnel and logistical support for some of the mega national social sector projects of Government of India and International Funding Agencies. For each of these projects, EdCIL has performed as a strategic consultancy partner providing end to end project management services in the specified areas. Sarva Shiksha Abhiyan (SSA), National Project Implementation

Unit (NPIU), Mid-Day Meal (MDM), Rashtriya Madhyamik Shiksha Abhiyan (RMSA), National Mission on Education through Information & Communication Technology (NMEICT), National Literacy Mission Authority (NLMA) are few social projects undertaken through TSGs by EdCIL.

### **Edu Consultancy Services**

#### **Hallmark of Excellence**

Technical Assistance division is engaged in Edu Consultancy services covering key issues of vision, mission, concept development and detailed mapping of the Institutional/Educational entities including delivery mechanism. The issue addressed by the division includes- Feasibility Report, Governance Plan, Academic Plan, ICT Infrastructure Plan, Financial Plan and Implementation Plan.

EdCIL (India) Limited is proud to have managed prestigious projects in countries ranging from new and old IITs, IIMs, NITs, ISERs, IIITs, Central Universities etc. Our expertise focuses on the education sector in the developing world and our strength lies in tailoring solutions to match client's aspiration of international quality education service delivery.

Recently with increased opportunities, EdCIL Technical Assistance has expanded into other sectors such as Health and Rural Development.

### **Edu Skill development and Training**

#### **Empowering The future!**

Skill development is a highly critical input for driving the mega "Made in India" and "Digital India" initiatives.

EdCIL has expanded its focus on this area with completion of a variety of short-term Skill Development Training Programmes in Bihar, Chattisgarh, Manipur, Sikkim, Tripura, Uttar Pradesh, Uttarakhand, West Bengal etc. The training programmes have been conducted under Skill Development Schemes of various Departments of the Government of India & other States Government. As on date, EdCIL has successfully conducted Skill Development Training Programmes for more than 13500 candidates. Indian educational institutions and training establishments offer a wide range of short-term courses and long term programs to fulfill the diverse training requirements.

EdCIL has been organizing need based short term and long term training programs for foreign nations sponsored by their Governments/ International Funding Agencies at reputed educational institutions/training establishments

EdCIL has established a proven track record in the design and management of customized short term and long term training programs including study visits to meet the requirements of the international clients including foreign governments and funding agencies.

## Foreign Alliances



EdCIL participation in the Najah Educational fair - 2014 from 28<sup>th</sup> October, 2014 to 30<sup>th</sup> October, 2014. During the fair Mr. M.L. Goel, DGM (Projects) EdCIL is interacting with the Mr. D.S. Meena, Second Secretary, Embassy of India, Abu Dhabi.



Executive Director (Technical), EdCIL, Shri KVL Narasimham, giving EdCIL's presentation to the School Principals in the office of the Indian Embassy, Thimphu, Bhutan 9<sup>th</sup> - 12<sup>th</sup> December, 2014



Afghanistan Delegation visit to EdCIL's Associated Institution



EdCIL Officials interacting with the visitors during Education Fair in Nepal from 1<sup>st</sup> to 4<sup>th</sup> August, 2014

### EdCIL Participated in Pravasi Bharatiya Divas (PBD)



EdCIL Executives participated in the Pravasi Bhartiya Diwas (PBD) from 7<sup>th</sup> to 9<sup>th</sup> February, 2015



## The Year gone by: - Swachh Bharat 2014



Cleaning & sanitation work undertaken by EdCIL India Limited in a Govt. Primary School at Noida under Swachh Bharat and Swachh Vidyalaya Abhiyan

## Hindi Pakhwada 2014



EdCIL India Limited celebrated "Hindi Pakhwada" from 12th September to 25th September, 2014 at EdCIL House, Noida which was inaugurated by Smt. Anju Banerjee, CMD EdCIL. Like every year, EdCIL celebrated the event in a grand manner and a large number of enthusiastic employees participated in various competitions organized during the fortnight event. Sh. Amarjeet Singh Sinha, Additional Secretary, MHRD was invited as the chief guest on the closing ceremony on 29th September, 2014. Prizes were distributed by the CMD, EdCIL and Sh. Amarjeet Singh Sinha to the winning participants of the competition. EdCIL also organized "Pustak Pardarshini" for all the employees promoting Rajbhasha as our official language on the last day of the event.

## EdCIL observed Vigilance Awareness Week 2014



EdCIL observed Vigilance Awareness Week during 27 October to 31 October, 2014. Sh. KV L Narasimham, CVO, EdCIL administered the oath taking ceremony to all employees of EdCIL on 27th October, 2014. For the year, 2014 the theme was "Combating Corruption- Technology as an enabler". Mr. J S Emmanuel, DSP,CBI, Ghaziabad participated as the chief guest during the closing ceremony of the Vigilance Awareness Week.

## Corporate Social Responsibility (CSR)

### Business and Social Vision of the Organization:

In alignment with vision of the company, EdCIL, through its CSR initiatives, continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concerned.

### CSR Activities for the year 2014-15

#### Sustainable Development Initiatives at Barabanki

One school namely Indian Farmer Convent Inter College, Barabanki [class-1 to class 10] and one Madrasa Jamia Qasmia, Mohalla Kazipur, Teh. Fatehpur, Barabanki, UP [class-1 to 8] have been provided with the solar energy for running the computer.

#### Corporate Social Responsibility Activity:

##### i. E-learning Packages for two Schools in Barabanki.

During the financial year 2014-15 E-learning packages upto Class 10 have been provided to the following one School/one Madrasa:

- a. Global Academy High School, Barabanki, UP (India) and
- b. Madrasa Darul Uloom Ashrafiya Ahlesunnat Babul ilm, Barabanki, UP (India)

Both the Schools have been provided with cutting edge educational tools for Science and Math subjects in Hindi & Urdu as per their requirement. Training was also imparted to the teachers to make them aware of the E-learning package usages.



(Corporate Social Responsibility Projects undertaken by EdCIL)



## EdCIL officials team Visited schools and Madarsas in Barabanki for CSR Monitoring



Global Academy High School Computer Lab



Indian Farmer Convent Inter College, Khinjhna Road, Baddupur, Barabanki



Madarsa Darul Uloom Ashrafiya Ahlesunnat Babul ilm ,Barabanki



Madarsa Jamia Qasim, Fatehpur, Barabanki

## NOTICE

Notice is hereby given that the Thirty Fourth (34<sup>th</sup>) Annual General Meeting (AGM) of the members of Company will be held on as per the schedule given below:

<b>Day &amp; Date</b>	27 <sup>th</sup> November 2015
<b>Time</b>	16:00 Hrs
<b>Venue</b>	Office of Secretary, Higher Education Ministry of Human Resources Development, Shastri Bhavan, New Delhi.

To transact the following business:

### Ordinary Business:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and Statement of Profit & Loss Account of the Company for the year ended on that date together with the Reports of Statutory Auditors and the Board of Directors thereon and the comments of the Comptroller and Auditor General of India thereon.
2. To declare Dividend

By order of the Board  
EdCIL (India) Limited

Sd/-  
(P. Jayanthi)  
General Manager (Finance) & CS

## DIRECTORS' REPORT

### TO OUR SHAREHOLDERS...

On behalf of the Board of Directors of your Company, We have the pleasure in presenting this 34th Annual Report and Audited Statement of Accounts for the financial year ended 31st March 2015, together with comments of the Comptroller and Auditor General of India on the Accounts of your Company.

### FINANCIAL HIGHLIGHTS

The financial position of the Company's operations is summarized below:

[Rupees in Lacs, except EPS]

Particulars	2014-15	2013-14
Turnover	7,413.62	7,099.74
Other Income	472.15	490.71
Expenditure	7,139.76	6,145.92
Gross Margin	746.01	1,444.53
Depreciation	36.20	39.08
Profit before Tax	709.81	1,405.45
Tax Provision including deferred taxation and Fringe Benefit Tax	201.70	532.37
Net Profit after Tax	508.11	873.08
<b>Appropriations</b>		
Proposed Dividend including tax	240.71	233.99
Transfer to Staff-welfare Fund	5.08	8.73
Transfer to CSR/R&D/SD Fund	17.40	18.40
Transfer to General Reserve	50.81	87.31
Adjustment for Depreciation in compliance of Companies Act 2013	30.48	0.00
Transfer to Balance Sheet (Profit & Loss Balance)	163.63	524.65
<b>EPS (Rs.)</b>	<b>254</b>	<b>437</b>

### DIVIDEND

Considering the performance of the company for the year 2014-15, the Board recommends Dividend @ 100% which is same as Dividend declared during last year. This dividend of ₹ 200 lacs is payable for the year 2014-15, subject to approval of shareholders at the Annual General Meeting. Income Tax payable on distribution of Dividend would be ₹40.71 lakhs. The total outgo towards Dividend and tax thereon would be ₹240.71 lakhs. This Dividend is more than 20% of the post-tax profit and is in line with the guidelines issued by Ministry of Finance, Department of Expenditure, Government of India. This is the Twenty-Seventh consecutive year in which the Company has declared dividend. After this payment of dividend, the accumulated total dividend payment till 2014-15 to Ministry of HRD, Government of India would be ₹2034.75 lakhs.

### A LOOK BACK AT 2014-15

Based on the new accounting policy, adopted in the year 2014-15, the company achieved net profit

before tax of ₹ 709.81 lakhs with turnover of ₹ 7413.75 Lakhs. Last year the company posted net profit before tax of ₹ 1405.45 Lakhs with turnover of ₹ 7099.74 lakhs.

This decrease is partly attributable due to a spillover of a major recruitment examination of Airports Authority of India (AAI) into F.Y 2015-16, due to which the complete revenue and corresponding profit of the project could not be recognised in 2014-15. Reduction in profitability is also due to an increase in the Expenditure from 61 Crore to 71 Crore, on account of certain Training and Technical support group (TSG) (Monitoring institutions) projects in which the profitability was low. The same segments and their profitability along with other segments of the Company are being reviewed continuously to increase the bottom line, for future years.

Strengthening of existing systems and practising process orientation techniques continued to be focus areas during 2014-15. Competency mapping, project management tools helped in achieving improved efficiency during the year. Risk management and mitigation was emphasized during the year in the Project Divisions and Technical Support Groups. Awareness on this thrust made managers identify the risks and work for suitable mitigation strategies as per the directives of the management. Initiative, Innovation and Institutionalisation Division (I<sup>3</sup> division) started implementing the projects both in training and modules of Class-M. Usage of intranet and IT applications in the Technical Support Groups has been practiced during the year towards faster and efficient data movement across the divisions.

Promotion of Indian Education overseas continued to remain one of the focus areas for the Company. During the year 2014-15 EdCIL participated along with its interested partner institutions in 15 Educational Fairs / Seminar cum counseling sessions. The Seminar cum counseling sessions were conducted in 5 cities in India viz. Ahmedabad, Kakinada, Hyderabad, Noida and Visakhapatnam and 6 cities in 4 countries abroad viz Nepal (Kathmandu), Sri Lanka (Colombo, Jaffna, Kandy), Bhutan (Thimphu) and United Arab Emirates (Abu Dhabi).

The total number of projects executed in the operational areas of the company (Technical Assistance, Institutional Development, Placement & Secondment, Recruitment Services and Initiative, Innovative and Institutionalization) stood at 151 for the year. A list of Projects completed and ongoing is provided at Annexure I to this report.

The company has been certified for ISO 9001-2008, 14001:2004. Surveillance Audit for the ISO certification was successfully completed during May 2014. Emphasis was given to improve overall environment through practicing greenhouse regulations including usage of alternate energy sources (solar energy), reducing usage of paper and rainwater harvesting.

## EdCIL IN 2015-16

With the new Management in place, 2015-16 is poised to witness several changes in its strategies and processes. EdCIL aims to develop transparent market driven, efficient processes and systems to streamline its current business verticals. The Corporation has developed a professional Business Development team to systematically map and follow business leads/prospects. These leads would include cross-selling opportunities across geographies and the verticals of EdCIL's portfolio and also enable market diversification where required. As the Company recognized the marketing strength in having regional presence, spreading its presence to metro cities in India will also be a strategy to reach the Clients faster and register higher presence. With renewed thrust on "Make in India" and Skill Development, the Competence building training spend is increasing manifold. Thus emphasis on imparting training and skill development activities will continue during the year. The Company would enhance its thrust on Information and Communication Technology (ICT) as well as education infrastructure building including turnkey project execution, to serve the sector well and generate higher turnover.

## CAPITAL STRUCTURE

The Authorized & Paid up Capital of the Company stood at ₹200 lakhs as at the end of the Financial Year.

At the year end, the cash and bank balances including fixed deposits of the Company stood at ₹66.59 Crores as compared to last year 2013-14 figures of ₹61.22 crores the expenditure on acquisition of capital assets during the year was ₹31.04 lakhs.

## CORPORATE SOCIAL RESPONSIBILITY

As per the guidelines issued by Department of Public Enterprises, EdCIL has constituted a CSR committee and allocated budget of ₹17.40 Lakhs for the financial year 2014-15. As per the approved long range plan blending with its core business areas, the corporation implemented the following initiatives:-

EdCIL adopted two schools and two Madarsas in the backward area of Barabanki in the state of Uttar Pradesh in previous years. In FY 2014-15, E-Learning packages in Hindi and Urdu were supplied and installed in one school Global Academy High School, Barabanki, UP (India) and Madarsa Darul Uloom Ashrafiya Ahlesunnat Babul ilm, Barabanki, UP (India) so that learning became interactive and interesting. Training was also imparted to teachers in the schools to properly use the e-learning packages. EdCIL also conducted counseling sessions for the students of the madarsa / schools.

An amount of ₹2 lakh has been disbursed to support NGO Ritanjali' centre at at Kusumpur Pahari near Vasant Vihar for promotion of education among underprivileged children.

## SUSTAINABLE DEVELOPMENT

Under Sustainable Development, the following activities were undertaken:

- 1) Solar energy panels were installed in two Schools Indian Farmer Convent Inter College, Barabanki and Madarsa Jamia Qasmia, Mohalla Kazipur. Teh. Fatehpur, Barabanki, UP in Barabanki where the CSR intervention taken place. This renewable energy is helping the school to operate the computers in a situation of long power cuts during the school timings.

As per the guidelines of Department of Public Enterprises, activities pertaining to Corporate Social Responsibility and Sustainable Development were monitored by an independent Director of the Board through quarterly review meetings subsequently presented to Board of Directors.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision contained in Section 134 (5) of the Companies Act, 2013, the Directors of your Company confirm that:

- a) In the preparation of the Annual Accounts for the year ended 31.03.2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors have 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 as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have 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 for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;



- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Human Resource Development

EdCIL being a consultancy organisation has always believed in continuous human resource upgradation and continues to work for its development. The ongoing thrust on development of human resource continued during the financial year 2014-15 and employees at all levels were imparted training for improving efficiency and core competency. During the year there has been no man hour loss occurred and good industrial relations maintained.

Training on Corrective Action and Preventive Action (CAPA) & Root Cause Analysis (RCA) was imparted to 12 Executives & 6 Non-executives of the Company. Basic computer knowledge training was given to 7 non-executive cadre besides imparting training to 10 non-executive cadre in Interpersonal Skills in order to improve their working efficiency and enhance output in accordance with given targets. Executive Diploma in Project Management Training was imparted to 2 senior executives of the Corporation and 37 executives were trained in Contract Management course.

The sanctioned strength of the Company is 96 and the operating strength of the Company as on 31st March 2015 was 79, including 35 reserved category employees under the categories of Schedule Caste-23, Schedule Tribe- 01 and OBC-11.

### Particulars of Employees Under Section 134 of the Companies Act, 2013.

The particulars of employees as required under Section 134 of the Companies Act, 2013 read with the particulars of Employees Rules, 1975 are **NIL**.

### AUDITORS

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor General of India (C&AG) under the provisions of the Companies Act, 2013. M/s.G. R. Garg & Co. Chartered Accountants were appointed Statutory Auditors of the Company for the financial year 2014-15 by C&AG.

The comments of the Statutory Auditors on the Accounts of the Company for the Financial Year 2014-15 and Replies of the Management are given at Annexure-II.

### Corporate Governance

As per the Guidelines on Corporate Governance issued by Department of Public Enterprises, following forms an integral part of this Directors' Report.

- (a) A 'Corporate Governance Report "containing the details as required by the guidelines is placed at Annexure "III"
- (b) A "Management Discussion and Analysis Report" is placed at Annexure "IV".

### VIGILANCE DEPARTMENT

Regular vigilance activities including preventive vigilance were carried out with emphasis on systems improvement. Periodic and Surprise check were conducted at regular intervals and observations were communicated to the concerned departments for compliance. Systems improvements and compliances were reinforced aiming to achieve higher productivity with highest transparency. New employees were given induction training on various procedures including vigilance awareness. Vigilance Awareness week was organized in the Corporation during 27/10/2014 to 31/10/2014 as

per CVC guidelines. Various activities were organized during the vigilance awareness week in order to spread general awareness among the employees. Details regarding Vigilance Administration in EdCIL were placed on the website of the Corporation with a facility to link with CVC website for up to date information about CVC circulars / instructions. Facility for lodging vigilance complaints on the website of the Corporation has been provided. Details of Tenders/purchase are being posted on the website of the Corporation and also on the Central Public Portal of Government of India. Sensitive posts were identified and job rotation initiated for job enrichment and preventive vigilance. As the Corporation is practicing ISO 9001-2008, ISO manual for vigilance was prepared and got it approved by Competent Authority to be placed for inclusion during the recertification audit in the month of May 2015.

## ACKNOWLEDGEMENTS

The Directors acknowledge and appreciate the overall hard work, dedication and integrity displayed by all the employees of the Corporation.

The Directors place on record their deep appreciation towards EdCIL's valued clients for their continued cooperation, patronage and confidence and look forward to the growth of this mutually benefitting relationship in future.

The Directors deeply appreciate the continued thrust, guidance, assistance and cooperation received by the Company from Ministry of Human Resource Development, **(MHRD)** along with other Ministries of the Government of India. Special mention is also required to be made of Ministry of External Affairs, Indian Missions abroad, Department of Public Enterprises, Office of the Comptroller & Auditor General of India, Principal Director of Commercial Audit & Ex-officio Member, Audit Board-IV, New Delhi, Statutory Auditors and many other organizations as well as individuals, who have rendered continuous support and assistance to the Company.

For and on behalf of the Board of Directors

Sd/-  
(Diptiman Das)  
Chairman & Managing Director

Dated: 16/9/2015  
Place: New Delhi

## SUMMARY OF PROJECTS COMPLETED / ONGOING DURING THE YEAR 2014-15

### INTERNATIONAL

(COUNTRY NAME / CLIENTS NAME / PROJECT NAME / STATUS)

#### PLACEMENT PROJECTS:- (On—Going)

1. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2011-12 Batch (03 Students).**
2. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2012-13 Batch (33 Students).**
3. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2013-14 Batch (374 Students).**
4. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2014-15 Regular Batch (295 Students).**
5. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2014-15 Foundation Batch (428 Students).**
6. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2012-13 (17 Students).**
7. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2013-14 (32 Students).**
8. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2014-15 (31 Students).**
9. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2011-12 (30 Students).**
10. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2012-13 (25 Students).**
11. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2013-14 (23 Students).**
12. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance

Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2014-15 (32 Students).**

#### PLACEMENT PROJECTS:- (Completed)

13. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2011-12 (23 Students).**
14. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2010-11 (09 Students).**

#### Secondment Projects:- (On-Going)

15. **Ethiopia** / Ethiopian Civil Service University, Addis Ababa, Ethiopia / Secondment of Indian Expatriates to the Ethiopian Civil Service University, Addis Ababa, Ethiopia / **2013-14 (05 Teachers).**
16. **Tanzania** / University of Dodoma, Tanzania / Recruitment of Academic Staff for the University of Dodoma, Tanzania / **2014-15 (16 Teachers).**

#### NATIONAL

##### (COUNTRY NAME / CLIENTS NAME / PROJECT NAME / STATUS)

#### A. INSTITUTIONAL DEVELOPMENT:- (On-Going)

17. **Chhattisgarh:** International Institute of Information Technology, Raipur (Design & Detailed Engineering Consultancy Services) **-2010-11.**
18. **Maharashtra:** establishment of Sholapur Power Training Institute, Sholapur (Design & Detailed Engineering Consultancy Services) **—2003-04.**
19. **Uttar Pradesh:** Construction of Multipurpose Hall at KHS, Agra **—2011-12.**
20. **New Delhi:** Repair & Renovation of Civil & Electrical Works for Copyright Office & Copyright Board (CRO & CRB) New Delhi **— 2014-15.**

#### INSTITUTIONAL DEVELOPMENT:- (Completed)

21. **Madhya Pradesh:** Rustamji Institute of Technology, Tekanpur, Gwalior **— Financial Closure Completed with Client & Contractor-2003-04.**

#### B. PROCUREMENT STATE LEVEL:- (On-Going)

22. Delhi/Procurement Consultancy services to Copy Right Board & Copy Right Office, August Kranti Bhawan, New Delhi **-2014-15.**
23. Madhya Pradesh/Supply and Installation of Furniture Items for ABV-Indian Institute of Information Technology and Management, Gwalior- **2014-15.**
24. Uttar Pradesh/Procurement of Desktop Computers, MS Office and Operating Systems for **NPIU-2014-15.**

#### PROCUREMENT STATE LEVEL:- (Completed)

25. New Delhi/ Supply & Installation of IT equipments at MGIEP&SD 18, Ferozshah Road, New Delhi **-2013-14.**
26. Madhya Pradesh/ Supply & installation of furniture & other related items at ABV-IIITM, Gwalior **-2013-14.**
27. Uttar Pradesh/ Supply & Installation of Photocopier Machine & LED TV at NPIU, EdCIL House, Noida **-2013-14.**

### C. RECRUITMENT SERVICES DIVISION:- (On-Going)

28. **New Delhi:** Conduct of Written Examination for The Post of Executives and Interviews for The Post of DGM's in **Central Railside Warehouse Company Limited - 2014-15.**
29. **New Delhi:** Conduct of Written Examination for the post of Junior Scientific Officer and Junior Scientific Assistant in **Sports Authority of India (SAI) - 2013-14.**

### Recruitment Services Division :- ( Ongoing)- ONLINE MODE

30. **New Delhi:** Conduct of written examination and interview for the post of Assistant Manager (Civil, Electrical and S&T) and Executive (Civil, Electrical, S&T and Finance) for **Dedicated Freight Corridor Corporation of India Ltd. (DFCCIL) - 2013-14.**
31. **New Delhi:** Recruitment for the post of Junior Executive (ATC & Elec) for 200,000 candidates i.e 100,000 each on same day. in **Airport Authority of India - 2014-15.**
32. **New Delhi:** Conduct of a Recruitment test for appointment of Lower Division Clerk (LDCs) in **UGC- 2013-14.**

### RECRUITMENT SERVICES DIVISION:- (Completed)

33. **Punjab:** Conduct of Written Examination for the posts of AE (OT) and JE/APA/AJS/Supervisor-Instrumentation in **Punjab State Power Corporation Limited (PSPCL-III) —2013-14.**
34. **New Delhi:** Direct Recruitment to fill up the post of Dy. General Manager (Telecom Operations / Telecom Finance) in **Bharat Sanchar Nigam Limited (BSNL) — 2013-14.**
35. Recruitment to fill up the posts of Chaudhary from Malies etc. at **Municipal Corporation of Delhi (MCD) — 2012-13.**
36. **Andaman and Nicobar:** Recruitment to fill up the posts of Planning Assistant at **Andaman Public Works Department (APWD), Port Blair — 2012-13.**
37. **New Delhi :** Conduct of written examination for the post of Financial Controller, Divisional Account Officer, Divisional Manager, Senior Manager, Sr. Project Manager (Electrical) & (Civil) in **Delhi State Industrial and Infrastructure Development Corporation Ltd. (DSIIDC). — 2013-14.**
38. **Jharkhand:** Conduct of Skill Test for the post of Lower Division Clerk in **Coal Mines Provident Fund Organization Dhanbad — 2014-15. (TEST CONDUCTED ONLINE)**
39. **New Delhi:** Preparation of Software for validation of software of the Gate 2014 score for recruitment of Assistant Engineer (Software and Network) from the open market in **Centre for Railway Information System (CRIS) —2014-15.**
40. **Jharkhand:** Conduct of Interviews for the post of Provident Fund Inspector in **Coal Mines Provident Fund Organization, Dhanbad —2014-15.**
41. **New Delhi:** Conduct of written examination for the posts of Junior Assistant (Fire Services) in **Airports Authority of India (AAI) —2013-14.**
42. **New Delhi:** Conduct of written examination for the Posts of Junior Executive (Technical, Architect, HR) reserved for SCs, STs & OBCs under Special Recruitment Drive-2014 in **Airports Authority of India (AAI) —2014-15.**
43. **Punjab:** Conduct of written examination of the post of AE (OT) Electrical in **Punjab State Power Corporation (PSPCL-IV) — 2014-15.**
44. **New Delhi:** Conduct of skill test for the post of Lower Division Clerk and Stenographer in **Janakpuri Super Specialty Hospital (JSSH). New Delhi —2014-15.**
45. **Chhattisgarh:** Conduct of written examination and counseling for the post of Junior Engineer (Electrical, Computer Science, Information Technology and Civil for Chhattisgarh **State Power**



**Holding Company Ltd (CSPHCL) —2013-14.**

46. **New Delhi:** Setting up of question papers and evaluation for the post of Senior Assistant (Official Language) in **Airports Authority of India (AAI) — 2014-15.**
47. **New Delhi:** Conduct of Written Test for the Posts of Junior Engineer (Civil) in **National Buildings Construction Corporation Limited (NBCC) —2013-14.**

**D. PLACEMENT PROJECT:- (On-Going)**

48. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in PhD. Programme for **2010-2011 Batch (01 Student).**
49. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture and Veterinary Programmes for **2010-2011 Batch (03 Students).**
50. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BAMS Programme for **2010-2011 Batch (02 Students).**
51. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2011-2012 Batch (151 Students).**
52. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2011-2012 Batch (05 Students).**
53. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture and Veterinary Programmes for **2011-2012 Batch (06 Students).**
54. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2012-2013 Batch (117 Students).**
55. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in MBA / MCA Programme for **2012-2013 Batch (02 Students).**
56. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture and Veterinary Programmes for **2012-2013 Batch (13 Students).**
57. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BAMS Programme for **2012-2013 Batch (02 Students).**
58. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in PhD Programme for **2012-2013 Batch (03 Students).**
59. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2012-2013 Batch (17 Students).**
60. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BBA/BBM/B.Com. Programme for **2012-2013 Batch (50 Students).**
61. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BBA/BBM/B.Com. Programme for **2013-2014 Batch (46 Students).**
62. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2013-2014 Batch (20 Students).**
63. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in PhD. Programme for **2013-2014 Batch (04 Students).**
64. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BAMS / MD Programme for **2013-2014 Batch (01 Student).**
65. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture, Dairy Technology and Veterinary Programmes for **2013-2014 Batch (18 Students).**

66. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in MBA/MCA/MA Programme for **2013-2014 Batch (44 Students)**.
67. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in M.Tech. Programme for **2013-2014 Batch (26 Students)**.
68. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2013-2014 Batch (128 Students)**.
69. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BBA/JBBM/B.Com. Programme for **2014-2015 Batch (46 Students)**.
70. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2014-2015 Batch (09 Students)**.
71. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Ph.D. Programme for **2014-2015 Batch (03 Students)**.
72. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B.Sc. (Nursing) Programme for **2014-2015 Batch (11 Students)**.
73. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture, Dairy Technology and Veterinary Programmes for **2014-2015 Batch (17 Students)**.
74. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in MBA/MCA/MA Programme for **2014-2015 Batch (56 Students)**.
75. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in M.Tech. Programme for **2014-2015 Batch (18 Students)**.
76. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2014-2015 Batch (128 Students)**.
77. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2011-2012 Batch (05 Students)**.
78. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2012-2013 Batch (96 Students)**.
79. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2013-2014 Batch (93 Students)**.
80. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2014-2015 Batch (100 Students)**.

#### PLACEMENT PROJECT:- (Completed)

81. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2010-2011 Batch (151 Students)**.
82. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme in **2010-2011 Batch (19 Students)**.
83. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BBA/BBM/B.Com. Programmes for **2011-2012 Batch (56 Students)**.
84. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in Ph.D. Programme for **2011-2012 Batch (02 Students)**.

85. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in BAMS Programme for **2011-2012 Batch (03 Students)**.
86. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in MCA Programme for **2011-2012 Batch (02 Students)**.
87. **New Delhi:** Ministry of External Affairs, Government of India / Placement of Nepalese Students in M.Tech, Programme for **2012-2013 Batch (31 Students)**.
88. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2009-2010 Batch (04 Students)**.
89. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2010-2011 Batch (05 Students)**.

#### E. PROJECTS OF I<sup>B</sup> DIVISION (TRAINING RELATED)-(On-Going)

90. **West Bengal/Aliah** University Phase — II/ Capacity building training programme for minority community, Kolkata West Bengal for 2500 candidates **-2014-15**.
91. **West Bengal/Aliah** University Phase — III/ Capacity building training programme for minority community, Kolkata West Bengal for 2010 candidates-2014-15.
92. **West Bengal/West** Bengal Minority Development Finance Corporation/ Capacity building training programme for minority community, for 360 candidates-2013-14.
93. **West Bengal/** West Bengal Minority Development Finance Corporation/ Capacity building training programme for minority community for 550 candidates-2014-15.
94. **West Bengal/** West Bengal SC,ST Development Finance Corporation/ Capacity building training programme for minority community, for 500 candidates-2014-15.
95. **Bihar/NSKFDC/** Capacity building training programme for training for 291 candidate in Bihar-2013-14.
96. Bihar/NSKFDC/ Capacity building training programme for training for 60 candidate in Bihar-2013-14.
97. **Bihar/** NSKFDC/ Capacity building training programme for training for 709 candidate in Bihar. **-2013-14**.
98. **Tripura/** NSKFDC/ Capacity building training programme for training for 1000 candidate in Tripura. **-2013-14**.
99. **Assam & Tripura/** NSKFDC/ Capacity building training programme for training for 480 women candidate in Assam & Tripura. **-2014-15**.
100. **Sikkim/** NSCFDC/ Capacity building training programme for Training for 100 candidates in Sikkim. **-2013-14**.
101. **Tripura/** NSCFDC/ Capacity building training programme for training for 150 candidates in Tripura. **-2013-14**.
102. NSCFDC/ Capacity building training programme for training for 940 candidates in 7 states (Assam, Bihar, J&K, Manipur, Sikkim, Tripura & Uttrakhand) **-2014-15**.
103. **Tripura/** Training for 167 candidates at Karbook & Silchari for Govt. of Tripura. **-2014-15**.
104. Training for 33 candidates for Khadi & Village industries Commission. **-2013-14**.
105. **Uttar Pradesh/ NMDFC/** Training for 60 trainees in U.P. for National Minority Development Finance Corporation-2013-14.

### PROJECT OF I<sup>3</sup> DIVISION (TRAINING RELATED)-(Completed)

106. **West Bengal**/Aliah University Phase — I/Capacity building training programme for minority community, Kolkata West Bengal for 867 candidates-2014-15.
107. **Uttar Pradesh**/MOSJ&E/ Training for 100 candidates at Lucknow for MOSJ&E. -**2013-14**.
108. **Assam & Bihar**/ MOSJ&E/ Training for 200 candidates at Assam & Bihar for MOSJ&E. -**2014-15**.

### (ICT Projects)- (On-Going)

109. **Assam**: Computerization of Assam Engineering College with Implementation of ERP Technology using SAP Software-2013-14.
110. **Maharashtra**: Class- M Project, Nagpur, for Govt. of Maharashtra-**2014-15**.
111. **Kerala**: Conversion of Text Books into Talking Books for special students — for state Resources Centre, Kerala-2014-15.
112. **Himachal Pradesh**: Himachal Pradesh State Govt./ Quality School Certification from QCI / NABET / **2010-11**.

### (ICT Projects)- (Completed)

113. **Maharashtra**: Class- M Project, Mumbai, for Govt. of Maharashtra-**2013-14**.

### F. TECHNICAL ASSISTANCE:-(On-Going)

114. **Delhi**, Delhi Institute of Tourism & Travel Management - Feasibility cum DPR for Conversion of Indian Institute of Tourism and Travel Management to Delhi Institute of Tourism & Travel Management — **2010-11**.
115. **Delhi**, Ministry of Human Resource Development, Government of India - Development and Updation of Website Contents of MHRD — **2014-15**.
116. **Delhi**, Central Board of Secondary Education - Conducting Study on Comprehensive & Continuous Evaluation Scheme (CCE) for CBSE — **2011-12**.
117. **Delhi**, Indian Tourism Development Corporation - Preparation of DPR for Establishment of Tourism University — **2013-14**.
118. **Himachal Pradesh**, SJVN - DPR for setting up Engineering College in Himachal Pradesh — **2010-11**.
119. **Gujarat**, Reliance India Limited - Preparation of DFR on Establishment of Engineering College at Jamnagar — **2010-11**.
120. **Haryana**, Gurgaon, Ministry of Defence, Government of India Preparation of DPR, Draft Layout Plan and Acts & Statutes for Setting Up the Indian National Defence University (INDU) at Binala, Gurgaon — **2011-12**.
121. **West Bengal**, Kolkata, Damodar Valley Corporation - Evaluation Study of the Existing DVC Schools and Preparation of Future Road Map — **2013-14**.
122. **West Bengal** Central University, Darjeeling: Preparation for DPR.-**2014-15**.
123. **Andhra Pradesh** MHRD/ DPR for Seven New Institutes of National Importance.-2014-15.
124. **Tamilnadu** Ministry of Chemical and Fertilisers/ DPR for National Institute of Pharmaceutical Education and Research (NIPER) — **2014-15**.

### TECHNICAL ASSISTANCE:-(Completed)

125. **New Delhi** Preparation of DPR of National Mission for Teacher's Training (NMTT) — 2014-15.
126. **New Delhi** Preparation for concept note for National Communication University — **2014-15.**

### G. TECHNICAL ASSISTANCE (PRU and TSGs):- (On-Going)

127. **New Delhi:** Department of Higher Education, MHRD-Providing Manpower services (Data Entry Operator) on contractual basis — **2010-11. (170 nos.).**
128. **New Delhi:** National Scholarship Division, MHRD -Providing Manpower services (Data Entry Operator) on contractual basis — **2011-12. (5 nos.).**
129. **New Delhi:** All India Council for Technical Education- Providing Manpower services (Helper, Safai Karamchhari, Receptionist, Electrician, Help Desk Executive etc) on contractual basis — **2010-11. (203 nos.).**
130. **New Delhi :** Department of Justice- Access to Justice- Providing Manpower services (Project Manager, Project Officer, Monitoring & Evaluation Officer, Contract Specialist etc.) on contractual basis- **2013-14. (6 nos.).**
131. **New Delhi:** Department of Justice- National Mission- Providing Manpower services (Legal Officer, Statistical Assistant, Executive Assistant, Office Assistant etc.) on contractual basis- **2012-13. (8 nos.).**
132. **New Delhi :** Ministry of Urban Development- Providing Manpower services (Data Entry Operator & Consultants) on contractual basis-**2011-12. (16 nos.).**
133. **New Delhi :** Dedicated Freight Corridor Corporation- Providing Manpower services (Stenographer, Office Assistant, PR Executive, Telecom Assistant etc) on contractual basis- **2012-13. (32 nos.).**
134. **New Delhi :** BP & Copyright, MHRD - Providing Manpower services (Professionals and Non professionals) on contractual basis- **2013-14. (33 nos.).**
135. **New Delhi :** Central Vigilance Commission- Recruitment of Data Entry Operator- **2014-15.**
136. **New Delhi** National Institute of Immunology, MHRD-Providing Manpower services (Data Entry Operator) on contractual basis — **2014-15. (17 nos.).**
137. **New Delhi** National Commission for Minority Educational Institutions, **MHRD-Providing** Manpower services (Data Entry Operator) on contractual basis — **2014-15. (9 nos.).**
138. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for Sarva Shiksha Abhiyan (SSA) Project. **2014-15.**
139. **Ministry of Human Resource Development.** Government of India. Department of Elementary Education & Literacy. Providing of Logistic Support for Mid Day Meal (MDM) Project **-2014-15.**
140. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for Release of Funds to Monitoring Institutes for Sarva Shiksha Abhiyan (SSA-MI) Project. **-2014-15.**
141. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for the National Project implementation Unit (NPIU), Technical Educational — **III. -2014-15.**
142. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for Release of funds to National Scheme for Incentive for Girls of Secondary Education (NSIGSE). **-2014-15.**
143. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for National Mission on Education through Information and Communication Technology (NMEICT). **-2014-15.**



144. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for Girls Hostel Project (GHP). **-2014-15.**
145. **Ministry of Human Resource Development.** Government of India. Providing Logistic Support for Rastriya Madhyamic Shiksha Abhiyan (RMSA) Project **-2014-15.**
146. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under National Literacy Mission Authority (NLMA) for Shaakshar Bharat Scheme. **-2014-15.**
147. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Teachers Education Project (TE). **-2014-15.**
148. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Mahila Samakhya Project **-2014-15.**
149. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under SPQEM Project. **-2014-15.**
150. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Higher Education Statistics and Public Information System (HESPIS) Project, **-2014-15.**
151. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Pandit Madan Mohan Malviya National Mission for Teacher's Training (PMMMNMTT) Project. **-2014-15.**

## ADDENDUM TO THE DIRECTORS' REPORT

**Management's Replies to the Comments contained in the Statutory Auditor's Report to the Shareholders on the Accounts of EdCIL (India) Limited for the year ended 31st March, 2015**

Sl.	Comments of the Statutory Auditors	Management Replies
1	Balances of trade receivables, trade payables, loans & advances and bank balances with Midland Bank, London have not been got confirmed from counter parties. The financial impact of this non-compliance, if any, could not be determined.	<p>In respect of Sundry Debtors of ₹762.76 Lacs, provision for Doubtful Debts for ₹24.79 Lakhs has not been provided for, since the Management is still hopeful for its recovery and pursuing the same. Besides Debtors of ₹588.96 Lakhs has been collected in FY-2015-16.</p> <p>With new systems for better monitoring and pursuing being developed in FY 2015-16, Sundry Debtors Management and Settlement of Loans and Advances are being pursued more efficiently.</p> <p>There has been no transaction with Midland Bank for the past more than 6 years. Efforts were again made to obtain fresh confirmation certificate vide letter and email dated 14.07.2015. However no response was received from the Bank. Balance as per books is only GBP 10/- (INR 1000/- apprx) and the impact of the same is negligible.</p>
2	Information is not available regarding classification of creditors into Micro, Small and Medium enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 (refer to note 6.1 to financial statements). The financial impact of this non-compliance, if any, could not be determined.	Reference is kindly drawn to note no. 6.1 of Notes to Accounts wherein it has been stated that "There are no dues outstanding which attract the provisions of Section 22 of the MSME Development Act 2006."
3	The company has not provided liability for gratuity of contractual employees engaged in various PRU and TSG projects (refer to para 7.1 to Note to accounts). The financial impact of this non-compliance cannot be quantified as the company has not got the actuarial valuation done for the same.	For Financial year 2014-15, Gratuity provision has been provided for TEQIP (TSG) Project along with contractual employees of EdCIL and Regular Employees of EdCIL. For The Gratuity Provision of PRU and TSG Projects, since the projects are 'cost plus', confirmation from various Clients are being taken before booking the expenditure. Project Managers are pursuing the matter with the respective Ministries/Clients.

4	<p>The company has not provided for liability towards post-retirement medical cost benefits payable to employees which is in violation of AS-15 regarding Accounting for Employee Benefits. The financial impact of the same cannot be ascertained.</p>	<p>With the approval of MHRD dated 26.05.2014, Company adopted policy for “Post retirement mediclaim facility”. Thereafter committee had been constituted to study various Medical Insurance Policies for the coverage of the retired personnel.</p> <p>However, due to low volumes in terms of numbers of employees, beneficial mediclaim policy options could not be finalised. Company is exploring ways to fulfil the minimum number that can satisfy insurance companies. The matter should be crystalised by FY 2015-16.</p>
5	<p>Loans &amp; Advances includes ₹71.07 lakhs (previous year ₹69.58 lakhs) which are unsecured, and outstanding for a period of more than three years have not been got confirmed. The company has created provision of ₹49.47 lakhs (previous year ₹49.47 lakhs) against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of ₹21.60 lakhs (previous year ₹20.11 lakhs), profit of the company and loans and advances are overstated.</p>	<p>The remaining balances are considered recoverable, and accordingly for this no provision was considered necessary in the books of accounts for the FY 2014-15.</p> <p>In the current FY 2015-16, MIS Systems are being devised for monitoring, reviewing and timely action of old outstanding.</p>
6	<p>Trade Receivables include ₹104.09 lakhs (previous year ₹79.30 Lakhs) which are unsecured and outstanding for more than five years have not been got confirmed. The company has created a provision of ₹79.30 lakhs (previous year ₹79.30 lakhs) only against such outstanding (refer note 10.1 to financial statements). To the extent of shortfall of provisioning of ₹24.79 lakhs (previous year Nil), profit of the company and Trade Receivables are overstated.</p>	<p>The trade receivables for ₹24.79 Lakhs pertaining to a) TA- ₹14.59 Lakhs, b) ID (Civil) - ₹7.39 Lakhs c) Mahila Samakhya-MHRD- ₹2.81 Lakhs are still being actively pursued by the respective divisions.</p> <p>For FY 2014-15, they have still not been considered as Doubtful and hence no provision has been made against these.</p>

7	<p>Reference may be made to para 3 of note no. 15 to financial statements regarding execution of ERP implementation project for Assam Engineering College. The company has recognized Project expenses and its corresponding income to the tune of ₹240.84 lakhs and ₹247.28 lakhs respectively in year under audit. However, invoices were issued by the vendors/ service providers against the goods supplied and work accomplished as per milestones subscribed in proposal accepted by client amounting to ₹213.11 lakhs (inclusive of taxes) in previous financial year, against which a work-in-progress of ₹67.10 lakhs only was booked as of 31-03-2014. The company has not been able to provide satisfactory reply for not recognising proportionate expenses and income to the extent of project executed in Financial Year 2013-14 as prior-period expense and income. To the extent of purchases and project expenses of ₹211.34 lakhs (exclusive of taxes) and its corresponding sales and project income, the current year expenses and income have been overstated and prior-period period items have been understated.</p> <p>Further, Office of CAG has observed on 29.05.2015 (Half Margin observation) that there has been certain adverse remarks regarding selection of vendors and execution of above said project. The management has not furnished any reply to this half margin till conclusion of our audit. In the absence of proper explanation from the co., we cannot make any comments on the same.</p>	<p>The Project is a Lumpsum Project with stage completion of ERP Implementation and supply of hardware. The “Go Live” phase of the Project was achieved in June 2014 (vide Clients letter dated 02.06.2014). As already mentioned in para 3 of Note no. 15 to Financial statements, the booking of revenue as well as matching expenditure has been made, based on the stage completion which was completed in FY 14-15.</p> <p>Regarding half margin/ observation made by CAG in their transaction audit for 2013-14, it is stated that Client has already confirmed receipt of goods and completion of ERP implementation vide their letter dated 02.06.2014.</p> <p>Further, matter regarding selection of vendors etc for this project is being reviewed by the Management in detail, so that a comprehensive and detailed reply along with complete facts may be furnished to CAG. Letter to CAG for time extension of another two months has been sought .</p> <p>It may also be stated that as part of continual improvement, Management is already actively preparing new processes to ensure more transparency in back end processes. Tendering Guidelines for EdCIL, templates for Agreements, purchase orders, franchisee agreements, etc. are in the process of being made and the same will be implemented in the current Financial year.</p>
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8	<p>Reference may be made to Note 11.1 to Financial Statements wherein company has shown work-in-progress of ₹42.25 lakhs against training projects which have been completed in all respects in year under audit. The non-booking of income and its corresponding expenditure has resulted in understatement of income by ₹94.92 lakhs and of expenditure by ₹89.22 lakhs.</p> <p>Further, this has resulted in overstatement of Work-in-progress and advances from client by ₹42.25 lakhs and ₹45.68 lakhs respectively; and understatement of Trade receivables and Trade payables by ₹60.97 lakhs and ₹46.97 lakhs respectively.</p>	<p>The training projects referred to is part of skill development project for NSKFDC in various backward areas of the Country. The amounts have been categorised as “Work in Progress”, since, the stage completion for these training programmes is only achieved after successful completion and placement of the students. Thus, the Income of the said projects is booked in according only after receipt of Final Completion certificate from the Clients and/or receipt of Final payments from the Clients.</p> <p>Booking them as Income would result in as overstatement of Income and hence the amount has been kept under Work In Progress.</p>
9	<p>Other Current liabilities shown in Note 6 to Financial Statements include Advance against project of ₹35.69 lakhs (net off service tax of ₹6.25 lakhs) received on account of Training project against which work of ₹73.95 lakhs has been accomplished by the service provider as per the milestones stated in work order issued by company to the service provider. The company has not provided satisfactory reply for not recording the liability of the vendor as per the milestones achieved. To the extent of ₹73.95 lakhs, the work-in-progress, Trade payables and its corresponding income are understated.</p>	<p>The mentioned Current Liability for ₹35.69 Lakhs pertains to NSKFDC (Under GAIL CSR Activity) for skill development training for 480 candidates in the State of Assam and Tripura.</p> <p>Since, the stage completion for these training programmes is only achieved after successful completion of the course and placement of the students as per the terms and conditions of the work order.</p> <p>Thus, the Income and corresponding expenditure of the said projects is booked accordingly only after receipt of Final Completion certificate from the Clients and/or receipt of Final payment from the Clients.</p> <p>Consequently the trade payables, work in progress.</p>



10.	Advances received against projects includes ₹405.78 lakhs which are unsecured, and outstanding for a period of more than five years, have not been got confirmed. In our opinion, liability towards this amount has ceased as the projects have already been completed. This has resulted in overstatement of liabilities to the extent of ₹405.78 lakhs.	<p>The Advances that are lying idle for more than 5 years are against projects under execution. Unless the final confirmation/ work certification/ handing over from Client is not attained, the same will remain as a Liability as a matter of conservatism. As and when final completion, last mile connectivity' is reached, these Advances will be settled accordingly.</p> <p>The Management has taken a serious note of the matter and decided to make a time bound plan for the closure.</p>
11.	Provisions include ₹141.93 lakhs payable for a period of more than 3 years. The management has not been able to provide a satisfactory reply for non-settlement of the same. In absence of satisfactory reply, liabilities are overstated by ₹141.93 lakhs	<p>Provisions for expenses relate to certain projects which are still under execution. Claims against the Company can only be crystallised on final completion of the projects. However, the Provisions will be reviewed periodically.</p> <p>The Management has taken a serious note of the matter and decided to make a time bound plan for the closure.</p>
12.	An amount of ₹222.11 lakhs included as advance tax paid and Tax recoverable represents Income Tax and FBT pertaining to year 2006-07, the adjustment of which by charging to Profit & loss account was omitted to be done in past resulting in overstatement of Tax assets by ₹222.11 lakhs and overstatement of Liability on Tax and FBT provision by ₹219.35 lakhs (refer note 7.2 to financial statements).	The adjustment could not be made due to pending assessment of FBT and Income Tax for the Financial Year 2006- 07.

## CORPORATE GOVERNANCE REPORT

### 1. A brief statement on Corporate Governance

The Corporate Governance is the conducting the affairs of the Company with transparency and in compliance with management practices, laws, rules, regulation.

### 2. Board of Directors:

#### 2.1 Composition of the Board of Directors of EDCIL as follows:

- Chairman and Managing Director.
- One Nominee of Ministry of Human Resources Development.
- One Nominee of Ministry of External Affairs.
- Four Independent Non-official Directors

#### 2.2 Strength of the Board

On the date of the report, the total strength of the Board of Directors of the Company is five comprising One Chairman & Managing Director, one part-time nominee Director from Ministry of Human Resources Development (MHRD), one part time nominee Director from Ministry of External Affairs (MEA) and two independent part time Director. At present, the place of two part time independent Directors are vacant. The Company has requested the Ministry of Human Resource Development to fill up the vacancies of two independent Part Time Directors.

#### 2.3 Attendance of Directors at the Board Meetings

During the financial year 2014-15, the Board of Directors met four times to transact the business and have complied with the provisions of Companies Act, 1956 read with the DPE guidelines relating to Board Meetings. In all cases of absence of Director, Leave of Absence was granted under clause (g) of sub section (1) of section 283 of the Companies Act, 1956. The meetings of the Board of Directors of EDCIL were held on following dates as mentioned below:

S.No.	Meeting No.	Dates
1	140 <sup>th</sup> Meeting	03.06.2014
2.	141 <sup>st</sup> Meeting	25.08.2014
3.	142 <sup>nd</sup> Meeting	26.11.2014
4.	143 <sup>rd</sup> Meeting	16.03.2015

Name of Director	140 <sup>th</sup>	141 <sup>st</sup>	142 <sup>nd</sup>	143 <sup>rd</sup>
Mrs. Anju Banerjee, CMD	Yes	Yes	Resigned	08.10.2014
Sh. Rakesh Ranjan, CMD	Joined on 08.10.2014		Yes	Yes
Smt. Amita Sharma, MHRD Nominee	No	Yes	Retired on 25.08.2014	
Smt. Tripti Gurha MHRD Nominee	Joined on 21.11.2014		Yes	No
Mrs. Lata Vaidyanathan	-	Yes	Yes	Yes
Prof. Anil Kumar Gupta	Yes	No	No	Yes

## 2.4 Statement of sitting fees paid to independent Directors paid during F. Y. 2014-15.

(Rs.)

Name of Director	140 <sup>th</sup>	141 <sup>st</sup>	142 <sup>nd</sup>	143 <sup>rd</sup>	Total
Mrs. Lata Vaidyanathan	-	10000	10000	10000	30000
Prof. Anil Kumar Gupta	10000	-	-	10000	20000

## 3. Audit Committee / Remuneration Committee

### 3.1.1 Composition and Strength of Audit/ Remuneration Committee

- One Independent Director as Chairman of the Audit Committee.
- One Independent Director as Member.
- One Nominee Director of MHRD as Member.
- One Nominee Director from MEA as Member.

### 3.1 Attendance of Members at Committee Meetings:

Sl. No.	Date	Members Present /Absent				
		Mrs. Lata Vaidyanathan (Chairman)	Mrs. Amita Sharma (Member)	Mrs. Neeta Bhushan (Member)	Mrs. Tripti Gurha (Member)	Prof. Anil Kr. Gupta (Member)
1 <sup>st</sup>	30.04.2014	Present	Absent	-	Joined on 21.11.2014	-
2 <sup>nd</sup>	12.08.2014	Present		-		Present
3 <sup>rd</sup>	18.08.2014	Present		-		Present
4 <sup>th</sup>	18.12.2014	Present	Retired on 25.08.2014		Present	-
5 <sup>th</sup>	23.02.2015	Present	-	-	-	Present

### 3.2 Statement of sitting fees paid to independent Directors Members of Audit/ Remuneration Committee paid during F. Y. 2014-15.

(Rs.)

Name of Director	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	4 <sup>th</sup> Meeting	5 <sup>th</sup> Meeting	Total
Mrs. Lata Vaidyanathan	5000	5000	5000	5000	5000	25000
Prof. Anil Kr. Gupta	Absent	5000	5000	Absent	5000	15000

## 4. Disclosure on Remuneration package of Chairman & Managing Director:

(Rs.)

S. No	Name of the Directors	Salary & Allowances	Other Benefits & Perks	Performance Related Pay	Retirement Benefits	Bonus/ Commission / Ex-gratia	Total
	Smt. Anju Banerjee, CMD	10,29,778/-	17,30,142/-	NIL	14,01,616/-	NIL	41,61,536/-

## 5. GENERAL MEETINGS

### 5.1 Annual General Meetings

The Annual General Meetings of the Company are held at New Delhi, where the registered office of the Company is situated. The details of such meetings held during the last three years are as under:

Particulars	Venue	Date	Time
31 <sup>st</sup> AGM of 2011-12	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi.	11.12.2012	1730 Hrs
Adjourned 31 <sup>st</sup> AGM of 2011-12	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi.	21.05.2013	1500 Hrs
Extra- Ordinary General Meeting	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	23.07.2012	1700 Hrs
32 <sup>nd</sup> AGM for F.Y. 2012-13	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	30.09.2013	1500 Hrs
33 <sup>rd</sup> AGM for F.Y 2013-14	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	29.12.2014	1000 Hrs

### Detail of special resolutions passed in the previous three AGMs.

AGM	Year	Subject Matter of the Special Resolution	Date
31 <sup>st</sup>	2011-12	Change in the Object Clause.	11.12.2012
EGM		Change in the Object Clause.	23.07.2012
32 <sup>nd</sup>	2012-13	No Special Resolution Passed	30.09.2013
33 <sup>rd</sup>	2013-14	No Special Resolution Passed	29.12.2014

## 6. Code of Business Conduct and Ethics

The Company has in place a Code of Conduct for Board Members and Senior Level Management duly approved by the Board of Directors. The Board approved Code of Business Conduct and Ethics for Board members and Senior Management during 126<sup>th</sup> Meeting of Board of Directors held on 29.08.2011.

## 7. Means of Communication

The company communicates with its shareholders through its Annual Report, General Meetings and disclosures through website. The audited annual financial results are displayed on EDCIL website at [www.edcilindia.co.in](http://www.edcilindia.co.in). Information and latest updates on Tenders/EOI's details of tenders/contracts awarded, press releases, Mission and objectives of the Company can be accessed at company's website. Company publishes its quarterly Newsletter.

## 8. Orientation/ Exposure to Board Members

EDCIL is concerned to take various training programmes for its officers/ employees. In order to acquaint the Board Members, presently the Corporation has adopted the practice of furnishing a set of documents/ booklets to a Director on his/ her joining the Board. The set of documents provided includes Annual Reports for the last financial years, Memorandum and

Articles of Association, a copy of the Memorandum of Understanding and MOU targets and achievements. This provides the basic information about the Company to the incumbent.

## **9. Whistle Blower Policy**

Under the Corporate Governance initiative, a Whistle Blower Policy, in accordance with CVC policy, has been adopted by the corporation during the Financial Year 2014-15. The policy ensures that a genuine Whistle Blower is granted due protection from any victimization.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

**Education** — School as well as technical & higher, remains one of the highest priorities of Govt. of India. Successive 5 year plans adopted by progressive governments has accorded focused role on education. Accordingly, sizeable budgets were also allocated indicating high priority to this sector.

Last 5 years have witnessed several policy initiatives and focus on quality education resulting in strengthening the school education system at the grass root level and charting out high growth path for technical & higher education segments. Right to education, usage of ICT in school education, affordable computer tablets for all the school children, content development & digitalization of school education module, learning through computers, entry of foreign universities to **Indian** education system, exploring dual degrees & credit recognitions in between Indian and foreign universities are some of the important achievements / happenings witnessed in the recent years. Improving quality of education both in school as well as higher education system remained a top priority of the government. A measureable and comparable robust education system keeping in view of the global standards is need of the hour in the Indian scenario.

Population dividend can be made into a major opportunity for increasing spread and effectiveness of the Education Sector. Therefore, strengthening the education system right from the school education will help the economy to achieve the role of transformation in to a knowledge based economy. Accordingly, market opportunities are noted to be plenty in the educational consultancy and service sector. As private enterprises enhance knowledge and knowhow in specialized areas and network through ICT infrastructure, there is a need to harness strengths of these segmented knowledge hubs and integrate them into offering value added services to large Government clients. Business opportunities are going to grow rapidly, especially for those who innovate and leverage technologies.

### Strengths

- Only CPSE under MHRD.
- Continuous profit making/dividend payment record.
- High Level of Brand recall within Government/s in India & Overseas.
- Comfort of Clients in view of CPSE credibility.
- Close association with MHRD.
- Alliances with experts in different fields.
- In-house manpower & expertise developed for Client Servicing.
- Expertise in the areas traditionally handled (average 110-120 Projects per annum having 4-6 months life cycle)

### Weaknesses

- Operates as an extended arm of the Ministry & not as a strategic business unit.
- Large in-house Competence gap.
- Absence of institutional/ large consulting corporate alliances.
- Self limiting strategy leading to not thinking big and undertaking large projects.

- Inability to benchmark, diversify, innovate and compete.
- Lack of focus on Human Resource as is critical to a consulting company.
- Absence of marketing vertical to tap business aggressively.
- Diversified overseas opportunities not tapped.
- Absence of systems driven internal processes & controls.
- PSU process challenges in business acquisition & delivery.
- Inability to bag any consultancy/project execution assignment under any of the ongoing projects (NMEICT, SSA, TEQUIP and MDM etc)

### Opportunities

- HRD spend of Rs 60-70K crores by Union & States.
- Similar spend by Pvt. Sectors.
- 1.25 bn Demographic dividend (to reach 15% GER in 2020, 1500 new Universities required).
- Services sector growing to 60% of GDP needing trained manpower.
- Absence of many large credible players in education space.
- Unmapped and un-serviced Government market (Project, O&M, strategy, aggregation).
- Skill Development Training market estimated at Rs 10K crores (Renewed Make in India and Skill development focus).
- Teacher's Training Market similarly estimated to be sizeable.
- Sunrise ICT & e-learning market (primary education/open universities).
- Growing PPP opportunities (outsourcing/aggregation/infra).
- Growing SAARC and African market (Global Trade in Higher Education \$30 bn).

### Threats

- Diminishing & skewed public funding in Higher Education (0.6% of GDP in 2014)
- Entry of non-education PSUs into this space.
- Increased Government checks & control.
- Growing challenges in franchisee market in quality service delivery.

### Strategies

- Formulate a business plan through high-end professional strategic consultants.
- Overcome competence gap through external hiring from lateral sources of PSUs/Government, Campuses and open market.
- Develop transparent and ethical process and systems to streamline.
- Develop professional Business Development (BD) team to systematically map and follow business leads/prospects.
- Seek strong support & guidance of Board of Directors on manning and process & systems improvement would be required.
- Company to target only sizeable business (say > ₹ 5 crores).
- Cross selling & market diversification (especially State Govt./Overseas to be mapped & explored) .

## Internal Control Systems

In any organisation, internal control is an integral process designed to address risks and to provide reasonable assurance that the general objectives of executing the operations economically, ethically efficiently and effectively is achieved and the resources are safeguarded against loss, misuse and damage.

The company has internal systems and controls in place, which ensures the execution of operation in a more economical, ethical and efficient manner, which is adequate and commensurate with the size of the Company. Enterprise Risk Management practices, integrity pact with vendors, fraud policy & whistle blower policy are being practiced in order to strengthen the systems and ensure transparency in operations. The management reviews the findings and recommendations of the auditors, takes corrective actions wherever necessary, and monitors the implementation of the recommendations.

## Human Resource Development and Industrial Relations.

Human Resource Development of EdCIL is one of the key strategies for growth of the Corporation. Manpower is by far the greatest asset any organisation and helps in achieving organizational goals and objectives in line with the Corporations Vision and Mission. The HR Department aims to serve the corporation through alignment of HR policies with the organizational goals, along with alliance with experts and rendering quality consultation. This will not only ensure high growth rate but also higher motivation and better industrial relation.

### a) Human Resource Development Plan

EdCIL has been involved and also plans to formulate ways to attract and retain talent, through training delivery methods, through emphasis on organizational culture and values, performance evaluation, discipline, conflict resolution, periodical audits of HR Policies and programs, assessment of HR budgetary needs, various systems of HR enhancement, etc.

### b) HR Policies

EdCIL's HR Policies, rules and regulations including employees benefits perquisites etc have been reviewed & effective steps taken from time to time to modify the same to enhance motivation and productivity.

### c) Training Need Analysis

EdCIL is actively involved in capacity building, providing necessary training and conducting development programmes to impart the necessary skills required to raise human resource quality at national and international level. These developmental training plans are mainly designed in the area of management and technical competency development and in the areas of consultancy. Some of the areas identified for training are:-

- (i) Project Management
- (ii) Project Risk Management
- (iii) Contract Management
- (iv) Correction Action & Prevention Action
- (v) Marketing and Market Analysis
- (vi) ICT Knowledge
- (vii) Leadership and motivation.

## EdCIL (INDIA) Limited

### Balance Sheet as at 31st March, 2015

(Rs in Thousand)

Particulars	Note	Figures as at the end of Current reporting period 31.3.2015	Figures as at the end of previous reporting period 31.3.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	20,000.00	20,000.00
(b) Reserves and Surplus	2	2,99,130.95	2,77,660.67
(c) Money received against share warrants			
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)			
(c) Other Long term liabilities	3	9,872.13	10,561.20.
(d) Long term provisions	4	25,476.57	14,798.41
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings			
(b) Trade payables	5	69,287.62	593,59.55
(c) Other current liabilities	6	6,89,044.44	5,77,756.86
(d) Short-term provisions	7	1,26,337.32	1,57,062.34
<b>Total</b>		<b>12,39,149.02</b>	<b>11,17,199.03</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		46,400.20	51,877.85
(ii) Intangible assets		1,641.33	1,187.50
(iii) Capital work-in-progress		140.45	140.45
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)	9	23,150.64	11,356.35
(d) Long term loans and advances	10	15,695.71	15,712.95
(e) Other non-current assets			
<b>(2) Current assets</b>			
(a) Current investments			
(b) Inventories	11	30,843.89	15,978.53
(c) Trade receivables	12	68,358.29	59,015.52
(d) Cash and cash equivalents	13	6,65,915.47	6,12,163.59
(e) Short-term loans and advances	14	3,74,027.70	3,39,324.32
(f) Other current assets	14A	12,975.35	10,441.99.
<b>Total</b>		<b>12,39,149.02</b>	<b>11,17,199.03</b>

Significant Accounting Policies & Notes from 1 to 24 Accounts forming an integral part of Balance Sheet

Sd/-  
**N.Choudhury**  
CGM (Finance)

Sd/-  
**Diptiman Das**  
Chairman & Managing Director

Sd/-  
**Mrs. Tripti Gurha**  
Director

As per our report of even date  
For G R GARG & CO.  
CA. Gaurav Garg  
Partner  
Membership No. :097327  
FRN: 000214N  
Place: New Delhi  
Date: 16.09.2015

## EdCIL (INDIA) Limited

### Statement of Profit and Loss for the year ended 31st March, 2015

(Rs in Thousand)

Particulars	Note No	Figures as at the end of Current reporting period 31.3.2015	Figures as at the end of previous reporting period 31.3.2014
I. Revenue from operations	15	7,41,362.40	7,09,974.63
II. Other Income	16	47,215.29	47,809.75
<b>III. Total Revenue (I +II)</b>		<b>7,88,577.69</b>	<b>7,57,784.38</b>
<b>IV. Expenses:</b>			
Project Expenditure	17	5,71,345.84	4,77,040.42
Purchase of Stock-in-Trade (Software/Hardware)	17A	11,811.51	7951.48
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	18	-14,865.37	-13,601.33
Employee benefit expenses	19	1,16,393.35	1,10,981.69
Financial costs			
Depreciation and amortization expenses	20	3620.51	3,903.09
Other expenses	21	22,535.65	31,878.90
<b>Total Expenses</b>		<b>710841.50</b>	<b>618159.26</b>
V. Profit before exceptional, Prior Period and extraordinary items and tax	(III - IV)	77,736.19	1,39,625.12
VI. Exceptional Items	22	-12.79	341.72
VII. Prior Period Items (Net)	23	6,767.15	-1261.69
<b>VIII. Profit before extraordinary items and tax (V - (VI+VII))</b>		<b>70,981.84</b>	<b>1,40,545.09</b>
IX. Extraordinary Items			
X. Profit before tax (VII - VIII)		70,981.84	1,40,545.09
XI. Tax expense:			
(1) Current tax		27,705.38	54,882.24
(2) Deferred tax		-10,330.31	-2,343.98
(3) Short/(Excess) provision for tax relating to prior years		2,795.60	698.88
<b>XII. Profit/(Loss) from the period from continuing operations (X-XI)</b>		<b>50,811.17</b>	<b>87,307.95</b>
XIII. Profit/(Loss) from discontinuing operations			
XIV. Tax expense of discounting operations			
XV. Profit/(Loss) from Discontinuing operations (XIII - XIV)			
<b>XVI. Profit/(Loss) for the period (XI + XIV)</b>		<b>50,811.17</b>	<b>87,307.95</b>
XVI. Earning per equity share:			
(1) Basic		<b>254</b>	<b>437</b>
(2) Diluted			

Notes referred to above attach there to form an integral part of Profit &amp; Loss Account

Sd/-  
N.Choudhury  
CGM (Finance)

Sd/-  
Diptiman Das  
Chairman & Managing Director

Sd/-  
Mrs. Tripti Gurha  
Director

As per our report of even date  
For G R GARG & CO.  
CA. Gaurav Garg  
Partner  
Membership No. :097327  
FRN: 000214N  
Place: New Delhi  
Date: 16.09.2015



## EdCIL (INDIA) Limited

### Cash Flow Statement for the year ended 31st March, 2015

(Rs in Thousand)

Particulars	2014-15	2013-14
Net Profit before Tax and Extra Ordinary Items	70,981.84	1,40,545.09
<b>Add:- Adjustment for :-</b>		
Depreciation	3,620.51	3,908.09
Loss on sale of Assets (Net)		528.44
Bad Debts and Provision for Doubtful Debts	199.36	2,461.79
Provision for Doubtful Debts Written Back	(11.74)	(186.72)
Provision for Gratuity	6,188.82	2,417.19
Provision for PRP	869.20	(1,389.34)
Provision for Leave Salary	16,053.40	2,654.83
Advances Written Off	49.61	135.02
TDS Disallowed		1,443.41
Interest Income	(42,008.49)	(38,517.76)
CSR Utilised	(1,145.62)	(1,577.49)
Staff Welfare Fund Utilised	(1,061.10)	(831.80)
R & D Fund Utilised	(14.42)	(248.50)
Foreign Exchange Variation Gain/ Loss	(863.72)	(4,651.71)
Deffered tax on Depreciation charged with Retained Earning	1,463.98	
<b>Depreciation Written Back</b>	<b>(57.85)</b>	<b>(29.89)</b>
<b>Excess Provision for Depreciation written back</b>	<b>46.32</b>	
Excess Provision for PRP Adj. with Prior Period Income	(1,834.18)	
<b>Less:- Paid during the Year :-</b>		
Leave Encashment	(6,291.62)	(2,562.62)
Gratuity	(4,946.37)	(445.71)
Profit on sale of Assets (Net)	(1.05)	
<b>Operating Profit before working capital changes (I)</b>	<b>41,236.87</b>	<b>1,03,652.32</b>
Increase/Decrease in Current Assests	(69,010.53)	8,716.42
Increase/Decrease in Liabilities	1,20,247.79	(1,44,534.11)
<b>Cash generated from Operations (II)</b>	<b>92,474.12</b>	<b>(32,165.37)</b>
Income Tax Paid	(55,099.16)	(25,003.59)
Dividend Tax Paid	(3,399.00)	(5,677.07)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>33,975.97</b>	<b>(62,846.03)</b>
<b>Cash flow from investing activities</b>		
Purchase of Fixed Assets	(3,103.55)	(4,691.15)
Sale of Fixed Assets	7.24	130.19
Interest received	42,008.49	38,517.76
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)	(46,105.39)	(74,666.02)
<b>Capital Work In Progress</b>	<b>-</b>	<b>(140.45)</b>
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(7,193.21)</b>	<b>(40,849.67)</b>
<b>Cash flow from financing activities</b>		
<b>Dividend Paid</b>	<b>(20,000.00)</b>	<b>(35,000.40)</b>
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(20,000.00)</b>	<b>(35,000.40)</b>
<b>Foreign Exchange Variation Gain/ Loss</b>	<b>863.72</b>	<b>4,651.71</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A+B+C+D)</b>	<b>7,646.48</b>	<b>(1,34,044.39)</b>
CASH AND CASH EQUIVALENT (OPENING)	2,26,283.17	3,60,327.56
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>2,33,929.65</b>	<b>2,26,283.17</b>

Note: The Cash Flow Statement has been prepared in accordance with indirect method.

Sd/-  
**N.Choudhury**  
CGM (Finance)

Sd/-  
**Diptiman Das**  
Chairman & Managing Director

Sd/-  
**Mrs. Tripti Gurha**  
Director

As per our report of even date  
For G R GARG & CO.  
CA. Gaurav Garg  
Partner  
Membership No. :097327  
FRN: 000214N  
Place: New Delhi  
Date: 16.09.2015

# STATEMENT OF ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

## Significant Accounting Policies

### 1. ACCOUNTING CONCEPT

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The Company generally follows Mercantile System of accounting and recognizes significant items of income and expenditure on accrual basis.

### 2. REVENUE RECOGNITION

#### A. Technical Assistance & other Projects except Institutional Development, Procurement and Placement Projects

Income and Expenditure on incomplete Technical Assistance, Secondment and Testing projects are computed on the basis of stage completion method as evaluated by the Management within the framework of the Agreement with the Client. In the case of other projects awarded on cost plus basis income is booked on the basis of direct expenditure incurred upto the close of the financial year by adding Company's margin on direct expenditure. In respect of those projects where consultancy fee is paid by the Client in terms of Agreement, Income is recognized to the extent of consultancy fee accrued during the year. In respect of the projects where no stage has been achieved, the direct expenditure incurred during the year is booked under Work-in-Progress.

#### B. Institutional Development Projects

- (i) Institutional Development Projects awarded on Cost plus basis:
  - (a) The income is booked on 'cost plus' basis within the framework of agreement with the client by adding company's margin on the total direct expenditure incurred during the year on these projects and also based on work certified upto the close of financial year.
  - (b) The income in respect of those projects where the payments to contractors are made directly by the client is booked to the extent of fees due and billable to client within the framework of agreement with the client.
  - (c) No provision for unforeseeable factors is made for these projects, as the same is to be borne either by the Contractor or by the Client in terms of Agreement.
- (ii) Institutional Development Projects awarded on lump-sum basis.
  - a) The income is booked based on "Percentage of Completion Method" for the work done by sub-contractors & certified by the Architect by adding the following percentage of estimated profit to work certified:

Extent of work certified	Percentage of Estimated Profit accounted for based on work certified
a) Upto 20%	NIL
b) Above 20%	80%
c) On completion	100%

- b) Where billing stage as per the Agreement is not achieved, the difference between work certified (including estimated profit) and the billed amount is booked under 'Work-in-progress' (including estimated profit).

- c) Where loss is anticipated provision for entire loss is made.
- d) Liquidated damages arising from contractual obligations in respect of contracts under dispute/ negotiation and not considered payable/receivable are not accounted for till final settlement.

### C. Procurement projects

- (i) Where service charges have been agreed on lump-sum basis, Income is recognized on the basis of bills raised/due to be raised in respect of the different stages of work completed as per agreement with the client.
- (ii) Where a fixed percentage of the cost of equipment to be supplied/installed has been agreed as service charges, income is recognized on the basis of service charges due as per different stages of delivery/installation etc. agreed with the client. Where no such stages are defined in the agreement with client income is recognized on the basis of service charges due on the amount paid/due for payment to supplier as per the different stages of delivery/installation etc. as per agreement.
- (iii) Work done but not billable in respect of incomplete stages are recognized on the basis of Technical Certificate from the concerned Head of Department.

### D. Placement Projects

Income on Placement Projects is recognized on EdCIL Service Charges payable by clients / students on Institutional Fee on academic year basis and EdCIL Service Charges on Student Cost on financial year basis.

### E. Sales

- (i) Revenue in respect of Sales is recognized when the property in the goods with significant risk and rewards of ownership are transferred to the buyer.
- (ii) The revenue recognition is done where there is reasonable certainty of collection. On the other hand, revenue recognition is postponed in case of Uncertainty as assessed by management.

## 3. FIXED ASSETS

All the fixed assets are stated at historical cost less accumulated depreciation.

## 4. DEPRECIATION

- 4.1 Depreciation on Fixed Assets is charged on Straight Line Method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by Technical Expert in the Company or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act 2013.
- 4.2 The cost of capitalized software is amortised over a period of five years from the date of acquisition and for ERP software over a period of ten years.

## 5. INVESTMENT

Investments are valued at market price or cost price whichever less is. However, where the market prices of the investments are not ascertainable, these are shown at cost.

## 6. FOREIGN CURRENCY TRANSACTIONS

Income and expenditure on foreign projects for which the consideration is agreed in foreign currency and realized before the close of financial year, are translated at the actual rate of foreign exchange received and at the closing rate for which foreign currency dues could not be realized by the close of the year.

Exchange Earner Foreign Currency (EEFC) Account is maintained at the standard rate being closing rate of previous financial year. The internal utilization from the account is accounted for at standard rate. Other expenditure are met out of this account is translated at the actual rate whenever the transaction takes place. The balance at the close of the year is translated at the closing rate.

TT buying rate for outstanding foreign currency transactions has been applied by translating the dues at the following exchange rate on the date of close of the financial year:

- |                 |          |
|-----------------|----------|
| a) 1 US\$       | = ₹62.22 |
| b) 1 Stg. Pound | = ₹91.60 |
| c) 1 Euro       | = ₹66.87 |

## 7. LEAVE TRAVEL CONCESSION

The provision for expenses on Leave Travel Concession is made on the basis of eligibility of the employees.

## 8. EMPLOYEE BENEFITS

### (A) Leave Salary

Provision for Leave Salary for both encashable and non encashable earned leave and encashable half pay leave is accounted for based on Actuarial Valuation made by Actuary on the basis of the leave accumulated by the employee's upto the close of the financial year.

The actuarial gains/ losses determined on such actuarial valuation are charged to Profit and Loss account as income or expense.

### (B) Gratuity

Provision for Gratuity is based on actuarial valuation made by actuary and the actuarial gains/ losses determined on such actuarial valuation are charged to Profit and Loss account as income or expense.

Liability with regard to Gratuity Plan is determined by actuarial valuation using Projected Unit Credit method. The company has subscribed to Group Gratuity Cash Accumulation Policy with LIC of India. The premium is paid on the basis of actuarial valuation done by LIC of India. The Company recognizes the NET obligation of the Gratuity Plan in the Balance Sheet as Asset/Liability respectively in accordance with **AS-15- "Employee Benefits"**.

## 9. PROVISION FOR CURRENT AND DEFERRED TAX

- Current tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961.
- Deferred tax assets / liabilities is provided on significant timing differences arising from the different treatments in accounting and taxation of relevant item. Deferred tax assets/liabilities shall be reviewed as at each Balance Sheet date, based on development during the year, to reassess realization / liabilities.

- EdCIL PF Trust has informed the management that Regional Provident Fund Commissioner (North Delhi) has recommended for grant of exemption to The O/o ACC (DL & UK) Vide it's letter no. E/DL/9088/DLI/Ex/811 dt.9.7.2015 for the period from 01.02.1988 to 31.01.2018. The Exemption certificate is expected to be received in the Financial year 2014-15. PF Trust has also informed that PF Returns are being regularly filed as per the stipulation of CPFC.

**11. CONTINGENT LIABILITIES**

These are disclosed by way of notes on the Balance Sheet. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the finalization of accounts and have material effect on the position stated in the Balance Sheet.

**12. CASH AND CASH EQUIVALENT**

For the purpose of Cash Flow Statement cash and cash equivalent comprises of cash in hand, cash at bank and fixed deposit. Cash Flow Statement has been prepared by using Indirect Method.

**13. PROVISIONING FOR BAD & DOUBTFUL DEBTS**

EdCIL has Provisioning Policy for Bad & Doubtful Debts, which stipulates 100% provisioning of Trade Receivables greater than 5 years.



## NOTES ON ACCOUNTS

### Note : 1 Share Capital

(Rs. in Thousand)

Sr. No	Particulars	As at 31.3.2015	As at 31.3.2014
<b>1</b>	<b>AUTHORIZED CAPITAL</b>		
	2,00,000 Equity Shares of ₹100/- each.	20,000.00	20,000.00
		<b>20,000.00</b>	<b>20,000.00</b>
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
	2,00,000 Equity Shares of ₹100/- each, Fully paid up.	20,000.00	20,000.00
	Out of the Paid up Capital, 49,996 Equity Shares & 25004 Equity Shares of ₹100/-each have been issued as Bonus Shares in the F.Y. 2012-13 and 2008-09 respectively.		
	<b>Total</b>	<b>20,000.00</b>	<b>20,000.00</b>

#### 1.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 15 No. of Shares	As at 31st March, 14 No. of Shares
Equity Shares at the beginning of the year	2,00,000	2,00,000
Add : Bonus Shares issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>2,00,000</b>	<b>2,00,000</b>

#### 1.2 List of Share holder holding more than 5 % share

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
President of India	200000	100	200000	100
The Entire Share Capital of the Company is held by Government of India.				

#### 1.3 Detail of share allotted otherwise than in Cash (Last 5 year)

Particulars	Year (Aggregate No. of Shares)					
	Total	2014-15	2013-14	2012-13	2011-12	2010-11
<b>Equity Shares :</b>						
Fully paid up pursuant to contract(s) without payment being received in cash	0	0	0	0	0	0
Fully paid up by way of bonus shares	49996	0	0	49996	0	0
Shares bought back	0	0	0	0	0	0
	<b>49996</b>	<b>0</b>	<b>0</b>	<b>49996</b>	<b>0</b>	<b>0</b>

## Note : 2 Reserve & Surplus

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	-	-
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Shares Option Outstanding Account	-	-
7	<b>General Reserve</b>		
	Opening Balance	136,014.01	127,283.22
	Addition During the Year	5,081.12	8,730.80
	Less : Utilize during the Year (Issue of Bonus Share)	-	-
	Closing Balance	141,095.13	136,014.01
8	<b>Surplus (Profit &amp; Loss Account)</b>		
	Opening Balance	139,349.40	86,884.73
	Addition During the Year	50,811.17	87,307.95
	Less : Utilize during the Year		
	Transfer to General Reserve	(5,081.12)	(8,730.80)
	Transfer to Staff welfare fund	(508.11)	(873.08)
	Proposed Dividend	(20,000.00)	(20,000.00)
	Dividend Distribution Tax	(4,071.53)	(3,399.00)
	Transfer to CSR Fund	(1,740.26)	(1,577.49)
	Transfer to R & D Fund	-	(262.92)
	Depreciation adjustment on transition to Schedule II of the Companies Act, 2013 on tangible Fixed Assets with nil remaining useful life (Net of Deferred Tax of ₹14,63,985/-) (Refer Note 8(a))	(3,048.22)	-
	Closing Balance	155,711.33	139,349.40
9	<b>Staff welfare Fund</b>		
	Opening Balance	2,282.84	2,241.56
	Addition During the Year	508.11	873.08
	Less: Utilize During the Year	(1,061.10)	(831.80)
	Closing Balance	1,729.85	2,282.84
10	<b>CSR Fund</b>		
	Opening Balance	-	-
	Addition During the Year	1,740.26	1,577.49
	Less: Utilize During the Year	(1,145.62)	(1,577.49)
	Closing Balance	594.64	-

11	<b>R &amp; D Fund</b>		
	Opening Balance	14.42	-
	Addition During the Year	-	262.92
	Less: Utilize During the Year	(14.42)	(248.50)
	Closing Balance	-	14.42
	<b>Total</b>	<b>299,130.95</b>	<b>277,660.67</b>

**Note: 3 Other Long Term Liabilities**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Security Deposit From Suppliers (Unsecured)	9,872.13	10,561.20
	<b>Total</b>	<b>9,872.13</b>	<b>10,561.20</b>

**Note : 4 Long Term Provisions**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Present Value of Obligation (Gratuity Liability)	1,812.77	929.37
2	Present Value of Obligation (Earned/Sick Leave Liability)	23,663.79	13,869.04
	<b>Total</b>	<b>25,476.57</b>	<b>14,798.41</b>

**Note : 5 Trades Payable**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Trade Payable	69,287.62	59,359.55
	<b>Total</b>	<b>69,287.62</b>	<b>59,359.55</b>

**Note : 6 Other Current Liabilities**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Advance Against Projects	551,487.19	472,508.98
2	Security Deposited From Suppliers	38,983.11	14,766.56
3	Duties & Taxes	8,268.88	6,013.72
4	Other Liabilities	87,557.67	80,949.50
5	Non-Trade Payable	2,747.59	3,796.88
	<b>Total</b>	<b>689,044.44</b>	<b>578,035.64</b>

- 6.1 No classification of outstanding as on 31.03.2015 had been made separately for dues towards entities covered under Micro Small and Medium Enterprises Development, 2006 on account of non furnishing their status as Micro Small & Medium Enterprise. In view of this, there are no dues outstanding which attract the provisions of Section 22 of the Micro Small & Medium Enterprises Development Act, 2006.
- 6.2 An amount of ₹9.975 crores received from MHRD for capacity building project for NPIU is parked as advance received from HRD Ministry in view of MHRD letter asserting that the amount was not an income of EdCIL. Disbursement made out of this advance to various IIMs & IITs towards capacity building activities have also been parked as advance in view of position taken by MHRD. Service tax deposited by the company against advance received for ₹1.10 crores has so far not been accepted by MHRD as advance was not meant to be income for the company according to them the matter is pending resolution.

**Note : 7 Short Term Provisions**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Income Tax	93,427.18	120,604.04
2	Fringe Benefit Tax	1,144.42	4,447.42
3	Proposed dividend	20,000.00	20,000.00
4	Tax on Proposed Dividend	4,071.53	3,399.00
5	Present Value of Obligation (Earned Leave Liability)	939.90	972.88
6	Performance related Payment	6,173.93	7,138.91
7	Present Value of Obligation (Gratuity Liability)	457.53	98.48
8	Leave Travel Concession	122.83	122.83
	<b>Total</b>	<b>126,337.32</b>	<b>156,783.56</b>

7.1 The Company has subscribed to Group Gratuity Cash Accumulation Policy with the Life Insurance Corporation of India (LIC). The premium for gratuity is paid on the basis of actuarial valuation done by LIC. Accordingly, the premium charged by the LIC during the year is considered as "Company's Contribution to Gratuity", except for contractual employees who are employed in various PRU and TSG projects of EdCIL for which valuation of Gratuity from an Actuary and correspondingly provision for gratuity of the said contractual employees has not been made.

7.2(a) Amount of ₹11,48,896/- standing as advance FBT paid reflected in note 14 (2) (iii) has a corresponding liability of ₹11,44,421/- for the FY 2005-06 and ₹4475/- for earlier year in note no 7 (2). Adjustment by off-setting is still pending for want of receipt of the assessment order concerned.

(b) Amount of ₹118.10 lacs standing as advance Income Tax & amount of ₹92.52 lacs standing as TDS Recoverable reflected in note 14 (2) (ii) & 14 (2) (i) respectively, has a corresponding liability of ₹207.86 lacs for the FY 2006-07 in note no 7 (1). Adjustment by off-setting is still pending for want of receipt of the assessment order concerned.

**7.3 Contingent liabilities are:**

- Service Tax Department has issued Show-Cause Notice dt. 11.10.2012 for Irregular availment of Cenvat Credit to the tune of ₹101.32 Lacs for the FYs 2007-08 to 2012-13. The Company has furnished Reply dt. 03.12.2012 to the Notice and the management does not anticipate any loss/liability on this account.
- In respect of pending court cases by/against ex-employees amount is indeterminable.
- In respect of pending income tax assessments whether regular or under appeal amount indeterminable.
- Guarantees issued by banks on behalf of Company amounting to total of ₹4,71,781/- (Last year ₹8,12,000/-) as per detail mentioned below:

Bank Guarantee in ₹4,71,781/-.



- (e) M/s. Vinayasa Engineers Pvt. Ltd. Bangalore had filed an arbitration claim against the Company. The Arbitrator passed an award amounting to ₹1.77 Crores against the Company during 2008-09. The Company has not accepted this claim and challenged it in the court of Civil Judge, Bangalore. EdCIL is submitting additional written statement explaining the various events which unfolded before M/s. Vinyasa invoked arbitration and other contract stipulations, which were not observed by the Hon'able Arbitrator at the time of arbitration to the Hon'ble Court. The Company has paid ₹0.48 Lakhs towards settlement against R.A. Bill of the Contractor in respect of which provision was already existing in the Books of accounts. However for the balance, the Company has not provided for the liability as management is of the opinion that creation of provision at this stage will be too premature and will be detrimental to the proceedings in Court of Law.
- (f) M/s. Multiplzone had filed civil suit in the lower court for recovery of ₹13.95 lacs in respect of supply of software which payment was not processed by EdCIL due late supply of software and consequent non acceptance by client. The case was rejected by the lower court as was time barred. M/s. Multiplzone has moved appeal in High Court, Delhi contesting the judgment of lower court. Corresponding to the claim of M/s. Multiplzone, provision of ₹7.68 lacs is existing in the books of accounts.
- (g) NOIDA Authority has demanded ₹36.30 lakhs towards interest on arrear lease rent for the period from Jan, 2006 to Aug, 2015. EdCIL is pursuing with the Authority for waiver of Interest and management does not anticipate loss on this account, at present.
- (h) Additional liability, if any, in respect of which amount are not ascertainable, may arise due to service tax demand on completion of assessments, non-deduction of Provident Fund / ESI by the contractors.
- (i) TDS in some cases have not been deducted since the provision has been made pending payment with the parties/consultants. In such cases, the TDS is deducted at the time of final settlement/payment made to them.
- (j) Commitments

**(Rs.)**

Particulars	2015	2014
Capital Expenditure (EdCIL Corporate Office Building Ext 5th Floor)	135.82 Lacs	135.82 Lacs

**NOTE: 8**

**SCHEDULE OF FIXED ASSETS AS AT 31<sup>ST</sup> MARCH, 2015  
AS PER COMPANIES ACT, 1956**

(Rs. in Thousand)

			Gross Block				Depreciation					NET BLOCK		
S.N.	Item of Assets	Rate of Dep.	1 As on 01.04.2014	2 Additions during the year	3 Deletions during the year	4 Total as on 31.03.2015	5 Upto 1.4.2014	Depreciation Written back	6 For the Year	6A Deprecia- tion Written back	7 On sale/adj. during the year	8 Total as on 31.03.2015	9 As on 31.3.2015	10 As on 31.3.2014
	(A) TANGIBLE ASSETS													
1	Leasehold Land	90 yrs	21,262.57	-	-	21,262.57	4,311.58	-	-	236.25	-	4,547.83	16,714.74	16,950.99
2	Building	60 yrs	22,655.58	-	-	22,655.58	5,949.10	-	-	354.91	-	6,304.01	16,351.57	16,706.48
3	Electrical Equip. & A. C.	10 yrs	15,027.46	2,058.05	11.59	17,073.92	6,001.86	1,361.00	1.36	1,024.69	1,315.31	8,340.50	8,733.42	9,025.60
4	Office Machinery & Equip.	5 yrs	6,774.34	10.78	-	6,785.11	3,304.40	548.00	0.55	464.54	1,791.54	5,559.92	1,225.19	3,469.93
5	Furniture & Fixtures	10 yrs	11,852.32	81.81	-	11,934.13	10,170.38	55,944.00	55.94	283.20	226.62	10,624.25	1,309.88	1,681.94
6	Vehicles	8 yrs	1,576.06	-	-	1,576.06	705.30	-	-	240.40	-	945.70	630.36	870.76
7	Computer System-Hardware	3 yrs	15,716.81	119.09	-	15,835.90	13,843.47	-	-	394.39	1,176.87	15,414.73	421.17	1,873.34
8	Computer Server & Networks	6 yrs	3,262.92	-	-	3,262.92	2,321.82	-	-	314.60	-	2,636.42	626.50	941.10
9	Fire Extinguisher	10 yrs	1,747.72	35.77	-	1,783.49	1,555.99	-	-	26.29	-	1,582.28	201.21	191.74
10	Carpet & Venetian Blinds	5 yrs	1,252.90	138.61	-	1,391.51	1,086.93	-	-	75.63	42.78	1,205.35	186.16	165.96
	<b>TOTAL (A)</b>		<b>101,128.67</b>	<b>2,444.11</b>	<b>11.59</b>	<b>103,561.20</b>	<b>49,250.83</b>	<b>57,853.00</b>	<b>57.85</b>	<b>3,414.90</b>	<b>4,553.12</b>	<b>57,161.00</b>	<b>46,400.20</b>	<b>51,877.85</b>
	(B) INTANGIBLE ASSETS													
11	Computer Software(ERP)	10 yrs	1,425.00	-	-	1,425.00	237.50	-	-	142.50	-	380.00	1,045.00	1,187.50
12	<b>Computer Software</b>	<b>5 yrs</b>	<b>-</b>	<b>659.44</b>	<b>-</b>	<b>659.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63.11</b>	<b>-</b>	<b>63.11</b>	<b>596.33</b>	<b>-</b>
	<b>TOTAL (B)</b>		<b>1,425.00</b>	<b>659.44</b>	<b>-</b>	<b>2,084.44</b>	<b>237.50</b>	<b>-</b>	<b>-</b>	<b>205.61</b>	<b>-</b>	<b>443.11</b>	<b>1,641.33</b>	<b>1,187.50</b>
	(C) CAPITAL WIP													
13	<b>Extension Of Building</b>		<b>140.45</b>	<b>-</b>	<b>-</b>	<b>140.45</b>						<b>-</b>	<b>140.45</b>	<b>140.45</b>
	<b>TOTAL (C)</b>		<b>140.45</b>	<b>-</b>	<b>-</b>	<b>140.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140.45</b>	<b>140.45</b>
	<b>GRAND TOTAL (A+B)</b>		<b>102,694.12</b>	<b>3,103.55</b>	<b>11.59</b>	<b>105,786.09</b>	<b>49,488.33</b>	<b>57,853.00</b>	<b>57.85</b>	<b>3,620.51</b>	<b>4,553.12</b>	<b>57,604.11</b>	<b>48,181.98</b>	<b>53,205.80</b>
	Previous year figures		101,213.58	4,961.48	3,480.94	102,694.12	48,302.56	29,890.00	29.89	3,908.09	2,692.43	49,488.33	53,205.79	52,911.02

a) During the Current Financial Year the Company has charged depreciation according to the useful life defined in the Schedule II of the Companies Act 2013 as compared to rate of depreciation given in Schedule XIV of the Companies Act 1956. Consequent to the change in the useful life of the Assets, the Company has fully depreciated the carrying value of the Assets where remaining useful life of the asset was determined to be nil as on April 1, 2014 and has adjusted an amount of Rs.30.48 lacs (Net of Deferred Tax of Rs 14.64 lacs) against the opening surplus balance in statement of profit and loss under reserves and surplus.

b) The Depreciation in the Statement of Profit & Loss higher by ₹66,984.48 Consequent to the change in the useful life of the Assets.

c) The management perceives that there has been no indication of impairment to its Fixed Assets and therefore the process of Impairment testing has not been done.

d) Consequent upon re-classification of assets, the following changes due to re grouping is given below :-

- Gross value of Electrical Equipment and AC for ₹23,82,859/- has been transferred to Office Machinery and Equipment and reflected in S.no 4 above.
- Gross value of Furniture and Fixtures totalling to ₹
- Gross value of Repographic Machine worth ₹12,64,577/- has been transferred to Office Machinery and Equipment and is reflected in S.no 4 above. Consequantly the "Accumulated Depreciation" at S.no 8 above has been regrouped accordingly.

## NOTE : 9 Deferred Tax Assets (Net)

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
	<b>A-Deferred Tax Assets:</b>		
	Provision for Leave Salary	7,982.67	330.68
	Provision for Doubtful Debts	4,174.00	4,376.75
	Provision for Project Expenses	12,369.88	7,938.61
	Provision for LTC	39.85	41.75
	Provision for Gratuity	736.60	1,812.42
	Provision for ESI	742.06	1,071.34
	Provision for PRP	2,003.13	2,426.51
	<b>Sub-Total (A)</b>	<b>28,048.19</b>	<b>17,998.06</b>
	<b>B-Deferred Tax Liabilities:</b>		
	Depreciation	4,897.55	6,641.72
	<b>Sub-Total (B)</b>	<b>4,897.55</b>	<b>6,641.72</b>
	<b>Deferred Tax Assets (Net)</b>	<b>23,150.64</b>	<b>11,356.35</b>

## NOTE : 10 Long Term Loans and Advances

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
I)	<b>Capital Assets</b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	3,537.44	3,537.44
	Less : Allowance for doubtful Advances	(3,537.44)	(3,537.44)
II)	<b>Security Deposit</b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	11,777.67	12,018.01
	c) Doubtful		
III)	<b>Loans &amp; Advances to related parties</b>		
IV)	<b>Other Loans &amp; Advances</b>		
	a) Secured, Considered Good :		
	(i) Loan to Employee	120.51	1,248.62
	b) Unsecured, Considered Good :		
	(i) Advance to Supplier and others	3,797.53	2,446.32
	c) Doubtful	1,409.44	1,409.44
	Less : Allowance for doubtful Advances	(1,409.44)	(1,409.44)
	<b>Total</b>	<b>15,695.71</b>	<b>15,712.94</b>

- 10.1** EdCIL has provisioning Policy for Bad & Doubtful Debts, duly approved by the Board in its 127th meeting dated 05.12.2011, which stipulates for provisioning of Trade Receivables greater than 5 years. As against Trade Receivables greater than 5 years of ₹104.09 lacs. as on 31.03.2015 provision has been made to the extent of ₹79.30 lacs, for the balance amount of ₹24.79 lacs, management is pursuing hard for recovery.

### NOTE :11 Inventories

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Raw Material		
2	Work-in-Progress	30,843.89	15,978.53
3	Finished Goods		
4	Stock-in-Trade		
5	Stores & Spares		
6	Loose Tools		
7	Other (Specify the nature)		
8	Goods-in-transit		
	<b>Total</b>	<b>30,843.89</b>	<b>15,978.53</b>

- 11.1 Work In Progress includes training projects to the tune of ₹42.25 lakhs, which are being carried forward from FY 2013-14 against no income or expenses have been booked during current FY on account of non-realisation of fund from client.

### NOTE : 12 Trade Recievables

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	<b>Current Receiveable less than Six Month</b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	62,314.65	49,257.89
	c) Doubtful		
2	<b>Current Receivable Other</b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	6,043.64	9,757.63
	c) Doubtful	7,917.96	7,929.70
	Less: Allowance for doubtful debts	(7,917.96)	(7,929.70)
	<b>Total</b>	<b>68,358.29</b>	<b>59,015.52</b>

## NOTE : 13 Cash & Cash Equivalent

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
a	Cash and Cash equivalents (as per AS 3 Cash Flow Statement)		
i)	Cash Balance	449.28	304.76
ii)	Cheques on Hand	-	901.93
iii)	<b>Balance with Scheduled Banks</b>		
	In Current Accounts	231,523.11	211,087.77
	IN EEFC Account	1,947.79	13,979.24
iv)	Balance with Non-Scheduled Banks (In Current Accounts)		
	Midland Bank, London (U.K) *	9.47	9.47
	Cash and Cash equivalents (as per AS 3 Cash Flow Statement) Sub Total (A)	233,929.65	226,283.17
b	Other Bank Balances		
	In Fixed Deposits (Free)	431,514.04	385,068.42
	In Fixed Deposits (Lien against Bank Gurantee)	471.78	812.00
	<b>Other Bank Balances Sub Total (B)</b>	<b>431,985.82</b>	<b>385,880.42</b>
	<b>Total [ A + B]</b>	<b>665,915.47</b>	<b>612,163.59</b>

13.1 All deposits accounts included in other bank balances represent fixed deposits with maturity of more than 3 months from the date of acquisition but less than 12 months from the balance sheet date.



**NOTE :14 Short Terms Loans and Advances**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
<b>1</b>	<b>Loans &amp; Advances from related parties</b>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Less : Provision for Doubtful Advances		
<b>2</b>	<b>Others</b>		
	(i) TDS Recoverable	78,135.94	68,137.86
	(ii) Advance/Self Assessment Income Tax	39,021.93	41,268.40
	(iii) Advance FBT	1,148.90	4,451.89
	(iv) Income Tax Refund Receivable	24,581.58	24,581.58
	(v) Service Tax	17,809.11	31,313.90
	(vi) Advance to Supplier and others	209,682.50	166,866.05
	(vii) Mobilization & Other Advances	71.18	1,553.02
	(viii) Prepaid Expenses	1,367.76	730.93
	(ix) Loan to Employee	-	
	(A) Secured Considered Good	962.74	62.81
	(B) Unsecured Considered Good	1,246.05	357.89
	<b>Total</b>	<b>374,027.70</b>	<b>339,324.32</b>

**NOTE :14A Other current Assets**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Interest accrued but not due on Fixed Deposits	12,975.35	10,441.99
	<b>Total</b>	<b>12,975.35</b>	<b>10,441.99</b>

14.1 Income Tax Refund at SI No.14 (2) (iv) includes amount receivable from Income Tax Department for Financial Years 2007,2008-09,2009-10 & 2010-11 for which the company has filed rectification and refund application and is management is of the view that the entire amount is recoverable.

## EARNING PER SHARE

	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
	Net Profit After Tax (in Rs.)	50,811.17	87,307.95
	Weighted average No. of Equity Shares	200,000	200,000
	Nominal Value of Equity Shres	100.00	100.00
	Baisc and Diluted Earning per Share	254	437

## Notes Forming Part of the Profit & Loss Account

### NOTE No.15 Revenue from Operations

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
<b>1</b>	<b>INCOME FROM PROJECTS</b>		
<b>(A)</b>	<b>Income from Technical Assistance</b>		
(i)	Educational Aids	1,168.99	1,372.15
(ii)	Income from NI	85,250.44	15,845.37
(iii)	Income from NLMA	35,108.76	44,341.65
(iv)	Income From TEQIP	67,799.23	56,003.41
(v)	Income from SSA Project	107,144.75	106,485.43
(vi)	Income from GHP/NSIGSE	2,642.63	2,741.27
(vii)	Income from MDM	31,933.42	46,501.86
(viii)	Income from RMSA	44,026.25	47,958.58
(ix)	Income from Monitering Instt.(SSA)	38,231.34	18,050.45
(x)	Income from NMEICT	22,232.58	19,838.42
(xi)	Other Projects (Admin & TA Projects)	124,976.42	120,049.93
(xii)	Income from Mahila Samakhya	-	363.02
(xiii)	Income from SPQEM	-	113.53
(xiv)	Income from Teachers Education Project	11,078.10	11,915.58
<b>(xv)</b>	<b>Income from Monitoring Instt.(RMSA)</b>	15,638.20	-
<b>(B)</b>	<b>Income from Institutional Development</b>	22,323.17	14,219.06
<b>(C)</b>	<b>Income from Human Resource Development</b>	-	-
(i)	Income from Placement	24,092.43	23,654.59
<b>(ii)</b>	<b>Income from Secondment</b>	672.18	1,744.30
(iii)	Income from Testing Activities	94,902.45	170,347.48
<b>2</b>	<b>SALE OF PRODUCTS</b>	-	-
(i)	<b>Sale of Software/Hardware</b>	12,141.05	8,428.57
	<b>TOTAL</b>	<b>741,362.40</b>	<b>709,974.63</b>

- 15.01 Income from placement projects consists primarily of fees accrued at the time of admission of foreign students and annual fee accrued in the beginning of every academic year during the period of the course.
- 15.02 Income indicated in S.No. 1(A) (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi){In case of Admin Project Only}, (xii), (xiii), (xiv) & 1(B) in the above table are recognised at gross value following cost plus method in accordance with accounting policy to Technical assistance, as the role played by company is not limited to that of an agent, instead is of a 'principal' to 'principal' basis.
- 15.03 The I3 Project relating to supply of SAP Licenses, ERP Implementation, Supply of Hardware/ Furniture to Assam Engineering College was awarded by Directorate of Technical Education, Assam on Lump sum basis of ₹310 lacs inclusive of all taxes. In the last Financial Year 2013-14, though certain hardware and soft ware had been procured, the stage of work had not been completed and because of which the supplies to the extent procured in 2013-14 was booked under the head Work In Project (WIP). During the FY 2014-15, the "Go -live" part of Software Implementation and Supply of Hardware commensurate to the Software Implementation was completed in June 2014, in terms of Client's letter dt.2.6.2014. Consequently the Income pertaining to Software, Implementation and Supply of Hardware connected to 'Go Live' phase of the project has been included in the Income at 1 (A) (ii) & 2 (i) of Note 15 above, for ₹247.28 Lakhs. Similarly in accordance with the matching concept, the corresponding expenditure pertaining to 'Go Live' stage completion of the project has been recognised in the Profit and Loss Account as Project Expenses for ₹240.84 Lakhs and the same is included in the Note 17.1(ii)(d), and at 17 A of Profit and Loss Account, and WIP of the FY 2013-14 thus the WIP for the FY 2013-14 has been adjusted. Balance works pertaining to supply of servers, rack, UPS etc. will be recognised after final supply and installation of items and receipt of final completion certificate from the Client. The same is expected to be completed in the FY2015-16.

## NOTE No.16 Other Income

(Rs in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Interest from Bank Deposits	42,008.49	38,517.76
2	Exchange Variation Gain / (Loss)	863.72	4,651.71
3	Other Income	1,899.24	963.04
4	Rent Office	2,443.84	2,609.24
5	Business Associates Fees	-	1,068.00
	<b>Total</b>	<b>47215.29</b>	<b>47,809.75</b>

## NOTE No.17 Project Expenses

(Rs in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
<b>1</b>	<b>Expenditure on Technical Assistance</b>		
(i)	<b>Educational Aids</b>	<b>14.72</b>	<b>22.25</b>
(ii)	<b>Exp on NI</b>	<b>86,745.23</b>	<b>24,960.17</b>
	a) Online E-Coupan Service Charges	-	9,030.13
	b) Training Exp.	67,578.05	8,616.89
	c) Others Misc. Exp.	19,167.17	7,313.15
	<b>d) Purchase of Software/ Hardware</b>	<b>-</b>	<b>-</b>
(iii)	<b>Exp on NLMA</b>	<b>30,807.94</b>	<b>38,934.03</b>
	a) Consultancy Fees	7,140.98	8583.77
	b) Salary & Allowance	8,040.62	8043.99
	c) ILD Workshop	3,079.25	2432.47
	d) Rent Exp.	3,763.80	3796.71
	e) Research Studies	6,334.14	4596.72
	f) Travelling & Conveyance Exp.	2,449.12	4546.66
	<b>g) Others Misc. Exp.</b>	<b>-</b>	<b>6933.72</b>
(iv)	<b>Exp.on TEQIP</b>	<b>58,478.09</b>	<b>52,439.08</b>
	a) Consultancy Fees	13,174.21	9220.57
	b) Revolving Fund	1,266.69	17625.85
	c) Salaries	16,319.92	11402.12
	d) Repair & Maintenance Exp.	5,541.56	6319.43
	e) Survey Exp.	5,252.50	1305.21
	f) Non Recurring Exp.	-	2209.48
	<b>f) Others Misc. Exp.</b>	<b>16,923.21</b>	<b>4356.42</b>
(v)	<b>Exp.on GHP/NSIGSE</b>	<b>2,329.95</b>	<b>2,406.60</b>
(vi)	<b>Exp. on SSA</b>	<b>94,584.56</b>	<b>93,942.59</b>
	a) Salary & Allowance	23,638.80	22891.30
	b) Consultancy Fees	17,960.13	19250.67
	c) Travelling & Conveyance Exp.	2,965.12	3447.00
	d) Workshop, Seminar & Meeting	15,137.99	11668.63
	e) Research & Studies	18,543.81	19584.98
	f) Repair & Renovation Exp.	7,491.41	3387.42
	g) Security Exp.	1,942.40	3284.82
	h) Printing, Stationery & Photostate Exp.	1,670.88	2589.53
	<b>i) Others Misc. Exp.</b>	<b>5,234.03</b>	<b>7838.25</b>
(vii)	<b>Exp on MDM</b>	<b>28,022.94</b>	<b>40,799.55</b>
	a) Salary & Allowance	8,135.09	8336.90
	b) Travelling & Conveyance Exp.	751.45	4982.19

	c) Consultancy Fees	6,848.41	7936.18
	d) Joint Review Mission	1,824.49	11166.33
	e) Workshop, Seminar & Meeting	5,474.11	4064.17
	<b>f) Other Misc. Exp.</b>	<b>4,989.40</b>	<b>4313.79</b>
(viii)	EXP. On RMSA	38,684.94	42,113.73
	a) Consultancy Fees	15,288.84	11947.58
	b) Salary & Allowance	11,262.94	9495.07
	c) Spece & Utility Exp.	9,969.98	523.76
	d) Travelling & Conveyance Exp.	-	2543.46
	e) Workshop, Seminar & Meeting	2,163.18	11025.79
	<b>f) Other Misc. Exp.</b>	<b>-</b>	<b>6578.07</b>
(ix)	Exp.on Monitoring Instt. (SSA)	36,410.80	17,190.90
	a) Fee to Monitoring Institutes	33,566.03	16875.78
	<b>b) Travelling &amp; Conveyance Exp.</b>	<b>2,844.77</b>	<b>315.12</b>
(x)	Exp on NMEICT	21,173.88	18,899.11
	a) Consultancy Fees	15,423.36	7978.17
	b) Salary & Allowance	-	4722.08
	c) Travelling & Conveyance Exp.	2,626.35	2801.81
	d) Workshop, Seminar & Meeting	1,029.38	1890.15
	<b>e) Other Misc. Exp.</b>	<b>2,094.79</b>	<b>1506.91</b>
(xi)	Other Projects (Admin & TA Projects)	99,891.02	88,817.56
	a) Salary & Allowance	94,834.98	70553.89
	b) Employee Benefit Exp.	-	9270.98
	c) Travelling & Conveyance Exp.	1,961.04	1137.81
	d) Consultancy Fees	3,095.00	3878.21
	<b>e) Other Misc. Exp.</b>	<b>-</b>	<b>3976.67</b>
(xii)	Exp on Mahila Samakhya	304.01	318.43
(xiii)	Exp on SPQEM-Ito	-	99.59
(xiv)	Exp on Teachers Education Project	9,717.63	10,452.26
	a) Joint Review Mission	1,462.31	5517.66
	b) Travelling & Conveyance Exp.	567.14	1945.52
	<b>c) Other Misc. Exp.</b>	<b>7,688.18</b>	<b>2989.09</b>
(xv)	Exp on MI (RMSA)	21,427.17	-
<b>2</b>	<b>Expenditure on Institutional Development</b>	<b>18,971.86</b>	<b>4,633.06</b>
<b>3</b>	<b>Expenditure on Human Resource Development</b>	<b>-</b>	<b>-</b>
<b>(i)</b>	<b>Placement</b>	<b>2,046.36</b>	<b>3,867.97</b>
(ii)	Secondment	61.55	16.39
(iii)	Testing Activities	21,673.20	37,127.14
	a) Centre Management Exp.	4,469.41	11783.68
	b) Mobile Jammer Exp.	3,508.17	7120.05
	c) Printing & Stationery	6,558.11	8031.70



d) Travelling Exp.	3,103.33	4919.24
e) Postage Exp.	602.11	573.27
f) Honorarium Exp.	1,428.22	2807.90
g) Others Misc. Exp.	2,003.86	1891.31
<b>Total</b>	<b>571,345.84</b>	<b>477,040.42</b>

**NOTE No.17A Purchase of Stock-in-Trade (Software/Hardware)**
**(Rs in Thousand)**

Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
Purchase of Hardware	11,811.51	7,951.48
<b>Total</b>	<b>11,811.51</b>	<b>7,951.48</b>

**17.1 EXPENDITURE IN FOREIGN CURRENCY (Closing Conversion rates considered)**
**(Rs in Thousand)**

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
	Expenditure on Placement activity	421.71	315.36
	Other includes travel expenses, miscellaneous expenses, DA paid in Indian Currency	1,258.65	2,063.96
	TA (Foreign)	-	-
	<b>Total</b>	<b>1,680.36</b>	<b>2,379.31</b>

**17.2 INCOME IN FOREIGN CURRENCY (Closing Conversion rates considered)**
**(Rs in Thousand)**

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
	From Placement Projects	12,359.19	10,837.03
	From Secondment Projects	679.26	1,710.12
	From Technical Assistance Projects	-	-
	<b>Total</b>	<b>13,038.45</b>	<b>12,547.15</b>

**17.3** Project Expenses at note no 17 at SI No.1 (vi), (vii) & (viii) include amount of ₹46.44 Lacs paid to Contractors for Repair & Renovation of Rented Premises at 5th & 6th Floor, Vijaya Building awarded in the F.Y. 2011-12, on obtaining approval from MHRD in current FY and consequently corresponding income has been booked in the current FY.

- 17.4 Expenses of ₹31.92 lacs have been booked in current year against bills issued by the Civil Contractor in the FY 2012-13 on full and final settlement with the client as well as the Civil Contractor, M/S Kirti Construction. Accordingly the corresponding income of ₹38.99 lacs has been booked in the Current FY.

#### NOTE No.18 Change in Inventories

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Opening Work in Progress	15,978.53	2,377.19
2	Closing Work in Progress	30,843.89	15,978.53
	<b>Decrease /Increase</b>	<b>(14,865.37)</b>	<b>(13,601.33)</b>

#### NOTE No.19 Employment Benefit Expenses

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
1	Salaries and Allowances	83,374.80	82,449.91
2	Honorarium	95.50	11.49
3	Rent of Officers' Accommodation	690.50	989.00
4	Provident Fund	7,195.42	7,044.94
5	ESIC	108.27	81.26
6	Gratuity	5,116.59	2,233.24
7	Group Insurance	73.42	105.80
8	Medical Insurance	305.45	235.36
9	Leave Salary	7,345.95	2,322.70
10	Productivity Linked Incentives (PRP)	869.20	7,027.26
11	Medical Expenses	6,243.46	4,952.99
12	Welfare Expenses	2,636.08	1,480.64
13	Seminar & Training	1,722.68	1,074.46
14	Interest Subsidy on Housing Loan	1.02	2.44
15	Overtime Allowance	613.41	840.82
16	Merit Scholarship	1.60	129.40
	<b>Total</b>	<b>1,16,393.35</b>	<b>1,10,981.69</b>

#### 19.1 RELATED PARTY DISCLOSURES

The related parties were identified by the Company in accordance with Accounting Standard (AS)-18 and nature of transactions entered by CMD during the year are as follows:

**DETAILS OF KEY MANAGEMENT PERSONNEL OF THE COMPANY**
**Ms Anju Banerjee**
**Chairperson & Managing Director ( from 01.04.2014 to 08.10.2014)**

1) Remuneration paid to CMD (FY.2014-15) ₹41,61,536/- (Previous Year ₹35,25,176/-)

Particular	Amount ₹	Amount ₹
	2014-15	2013-14
Salary & Allowances	9,19,445	16,18,160
PF Contribution	1,10,333	1,94,179
Medical, Leased Accommodation, LTC, & Other Perquisites	5,29,666	17,12,837
Medical Indoor Treatment of Dependent as per EdCIL Rules	12,00,476	
Terminal benefits (Earned leave and Gratuity	14,01,616	
<b>Total</b>	<b>41,61,536</b>	<b>35,25,176</b>

- The Company has provided an air-conditioned car to the Chairperson & Managing Director for official and private use in terms of Ministry of Finance, Department of Expenditure Circular No. 4(12)/82-BPE(WC) dated 01.04.87 as amended from time to time for private use not exceeding 1000 km per month. A sum at the rate of ₹2000/- is being recovered towards the use of car for personal purposes.
- The Company has provided leased accommodation to Chairperson & Managing Director. A sum of ₹48,344/- (Previous Year ₹91,125/-) has been recovered towards House Rent Recovery during the financial year 2014-15.
- The Company has provided furnished accommodation to Chairperson & Managing Director. An amount of ₹11,586/- (Previous Year 22,500/-), (2.5% of basic) has been recovered in this financial year towards rent for furniture & fixtures in respect of accommodation provided to Chairperson & Managing Director.

**19.2** Salary to the tune of ₹59.79 Lakhs has been charged to various projects executed during the year 2014-15 (Previous Year ₹38.24) Lakhs)

**19.3 GRATUITY**

Actuarial Valuation of Gratuity Liability for the period from 01/04/2014 to 31/03/2015

(Rs. in Thousand)

Sr. No	Particulars	Gratuity (Funded) 31.03.15	Gratuity (Funded) 31.03.14
<b>A</b>	<b>Change in Present Value of Obligation</b>		
i	Present value of obligation as at the beginning of the period	36,566.65	32,259.53
ii	Interest Cost	3,108.17	2,742.06
iii	Past Service Cost	-	-
iv	Current Service Cost	2,494.37	2,049.70
v	Curtailment/ Settlement Cost	-	-
vi	Benefits Paid	(4,829.19)	(1,000.00)
vii	Actuarial (gain)/ loss on obligation (Balancing figure)	3,407.85	515.36
viii	Present value of obligation as at the end of the period	40,747.84	36,566.65
i	Fair Value of plan assets as at the beginning of the period	35,538.80	33,314.56
ii	Expected return on plan assets	3,130.97	2,915.02
iii	Contributions	4,945.74	334.31
iv	Benefits paid	(4,829.19)	(1,000.00)
v	Actuarial (gain)/ loss on obligation	109.66	(25.09)
vi	Fair Value of plan assets as at the end of the period	38,895.97	35,538.80
<b>C</b>	<b>The amounts to be recognized in the balance sheet</b>	-	
i	Present value of obligation as at the end of the period	40,747.84	36,566.65
ii	Fair Value of plan assets as at the end of the period	38,895.97	35,538.80
iii	Difference	(1,851.87)	(1,027.85)
iv	Net Assets /(liability ) recognized in Balance Sheet	(1,851.87)	(1,027.85)
<b>D</b>	<b>Expenses recognized in the statement of profit and loss</b>	-	
i	Current Service Cost	2,494.37	2,049.70
ii	Past Service Cost	-	-
iii	Interest Cost	3,108.17	2,742.06
iv	Expected return on plan assets	(3,130.97)	(2,915.02)
vi	Net Actuarial(gain) /loss recognized in Period	3,298.19	540.45
vii	Expenses recognized in the statement of profit and loss	5,769.73	2,417.19

## Summary of results

The table below shows a summary of the key results of the report including past results as applicable.

(Rs. in Thousand)

Assets / Liability	31.03.2015	31.03.2014
b) Fair value of plan assets	38,895.97	35,538.80
c) Net assets / (liability) recognized in balance sheet as provision	(1,851.87)	(1,027.85)
c) Net assets / (liability) recognized in balance sheet as provision	(10.28)	10.55
d) Enterprise best estimate of contribution during next year is Rs.36,60,509/-.		

## Actuarial Assumptions

### a) Economic Assumptions

"The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company: "

Particulars	31.03.2015	31.03.2014
i) Discounting Rate	8	8.5
ii) Future salary Increase	5.5	6
iii) Expected Rate of return on plan assets	8.81	8.75

### b) Demographic Assumption

i) Retirement Age (Years)	60	60
ii) Mortality Table	IALM (2006 - 08)	
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	-	-
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

## Actuarial Method

- Projected Unit Credit (PUC) actuarial method has been adopted to assess the plan's liabilities of exit employees for retirement, death-in-service and withdrawals (Resignations / Terminations).
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active member of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

## 19.4 Earned Leave Liability

Actuarial Valuation of Earned Leave Liability for the period from 01/04/2014 to 31/03/2015.

### (i) Summary of results

The table below shows a summary of the key results of the report including past results as applicable.

(Rs. in Thousand)

Assets / Liability	31.03.2015	31.03.2014
a) Present value of obligation	14,444.68	14,841.92
b) Fair value of plan assets	-	-
c) Net assets / (liability) recognized in balance sheet as provision	(14,444.68)	(14,841.92)

### (ii) Summary of membership data

As at	31.03.2015	31.03.2014
a) Total Monthly Salary for (Lakhs)	53.72	54.20
leave encashment		
b) Total Monthly Salary for (Lakhs)	79.05	108.41
leave availment		
c) Average Past Service (Years)	12.80	11.97
d) Average Age (Years)	42.56	41.79
e) Average remaining working life (Years)	17.44	18.21

### (iii) Actuarial Assumptions

#### a) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

Particulars	31.03.2015	31.03.2014
i) Discounting Rate	8.00	8.50
ii) Future salary Increase	5.50	6.00
iii) Expected Rate of return on plan	-	-



**b) Demographic Assumption**

i) Retirement Age (Years)	60	60
ii) Mortality Table	IALM (2006-08)	IALM (2006-08)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

**(iv) Actuarial Method**

- a) Projected Unit Credit (PUC) actuarial method has been adopted to assess the plan's liabilities on exit of employees due to retirement, death-in-service and withdrawal, and also compensated absence while in service.

**(v) Change in present value of obligation**

Particulars	31.03.2015	31.03.2014
a) Present value of obligation as at the beginning of the period (31/03/2014)	14,841.92	14,749.71
b) Acquisition adjustment	-	-
c) Interest cost	1,261.56	1,253.73
d) Past service cost	-	-
e) Current service cost	1,302.51	1,580.37
f) Curtailment cost/(Credit)	-	-
g) Settlement cost/(Credit)	-	-
h) Benefits paid	(6,291.62)	(2,562.62)
i) Actuarial (gain)/loss on obligation	3,330.31	(179.27)
j) Present value of obligation as at the end of period (31/03/2015)	14,444.68	14,841.92

**(vi) Changes in the fair value of plan assets**

Particulars	31.03.2015	31.03.2014
a) Fair value of plan assets at the beginning of the period	--	--
b) Acquisition adjustment	--	--
c) Expected return on plan assets	--	--
d) Employer contributions	--	--
e) Benefits paid	--	--
f) Actuarial gain/(loss) on plan assets	--	--
g) Fair value of plan assets at the end of the period	--	--

**(vii) The amounts to be recognized in balance sheet and related analysis****(Rs. in Thousand)**

Particulars	31.03.2015	31.03.2014
a) Present value of obligation as at the end of the period	14,444.68	14,841.92
b) Fair value of plan assets as at the end of the period	-	--
c) Funded status	(14,444.68)	(14,841.92)
d) Excess of actual over estimated	-	-
e) Unrecognized actuarial (gains)/losses	-	-
f) Net asset/(liability) recognized in balance sheet	(14,444.68)	(14,841.92)

**(viii) Expense recognized in the statement of profit and loss****(Rs. in Thousand)**

Particulars	31.03.2015	31.03.2014
a) Current service cost	1,302.51	1,580.37
b) Past service cost	-	-
c) Interest cost	1,261.56	1,253.73
d) Expected return on plan assets	-	-
e) Curtailment cost / (Credit)	-	-
f) Settlement cost / (credit)	-	-
g) Net actuarial (gain)/ loss recognized in the period	3,330.31	(179.27)
h) Expenses recognized in the statement of profit & losses	5,894.39	2,654.83

**(ix) Major categories of plan assets (as percentage of total plan assets)****(Rs. in Thousand)**

Particulars	31.03.2015	31.03.2014
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--
e) Property	--	--
f) Special Deposit Scheme	--	--
g) Funds Managed by Insurer	--	--
h) Bank Balance	--	--
<b>Total</b>	--	--

**19.5 Sick Leave Liability**

Actuarial Valuation of Sick Leave Liability for the period from 01/04/2014 to 31/03/2015

**(i) Summary of results**

The table below shows a summary of the key results of the report including past results as applicable.

**(Rs. in Thousand)**

<b>Assets / Liability</b>	<b>3/31/2015</b>	<b>3/31/2014</b>
a) Present value of obligation	10,159.01	8,166.39
b) Fair value of plan assets	-	-
c) Net assets / (liability) recognized in balance sheet as provision	(10,159.01)	(8,166.39)
d) Enterprise best estimate of contribution during next year is Rs.17,58,525/-.		

**(ii) Summary of membership data**

<b>As at</b>	<b>3/31/2015</b>	<b>3/31/2014</b>
a) Number of employees	85.00	85.00
b) Total Monthly Salary for (Lakhs) leave encashment	45.19	41.92
c) Total Monthly Salary for (Lakhs) leave availment	90.39	83.83
d) Average Past Service (Years)	18.39	17.39
e) Average Age (Years)	48.15	47.15
f) Average remaining working life (Years)	11.85	12.85

**(iii) Actuarial Assumptions**
**a) Economic Assumptions**

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

<b>Particulars</b>	<b>3/31/2015</b>	<b>3/31/2014</b>
i) Discounting Rate	8.00	8.50
ii) Future salary Increase	5.50	6.00
iii) Expected Rate of return on plan assets		-

**b) Demographic Assumption**

i) Retirement Age (Years)	60	60
ii) Mortality Table	IALM (2006-08)	IALM (2006-08)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	-	-
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

**(iv) Actuarial Method**

- a) Projected Unit Credit (PUC) actuarial method has been adopted to assess the plan's liabilities on exit of employees due to retirement, death-in-service and withdrawal, and also compensated absence while in service.

- b) Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active member of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as of the beginning and end of the period for active members including availment, encashment while in service.

(v) **Change in present value of obligation**

Rs. in Thousands

Particulars	3/31/2015	3/31/2014
a) Present value of obligation as at the beginning of the period (31/03/2014)	8,166.39	-
b) Acquisition adjustment	-	-
c) Interest cost	694.14	-
d) Past service cost	-	-
e) Current service cost	680.11	-
f) Curtailment cost/(Credit)	-	-
g) Settlement cost/(Credit)	-	-
h) Benefits paid	-	-
i) Actuarial (gain)/loss on obligation	618.37	-
j) Present value of obligation as at the end of period (31/03/2015)	10,159.01	-

(vi) **Changes in the fair value of plan assets**

Particulars	3/31/2015	3/31/2014
a) Fair value of plan assets at the beginning of the period	--	--
b) Acquisition adjustment	--	--
c) Expected return on plan assets	--	--
d) Employer contributions	--	--
e) Benefits paid	--	--
f) Actuarial gain/(loss) on plan assets	--	--
g) Fair value of plan assets at the end of the period	--	--

(vii) **The amounts to be recognized in balance sheet and related analysis.**

Particulars	3/31/2015	3/31/2014
a) Present value of obligation as at the end of the period	10,159.01	-
b) Fair value of plan assets as at the end of the period	-	--
c) Funded status	(10,159.01)	-
d) Excess of actual over estimated	-	-
e) Unrecognized actuarial (gains)/losses	-	-
f) Net asset/(liability) recognized in balance sheet	(10,159.01)	-

**(viii) Expense recognized in the statement of profit and loss**
**Rs. in Thousands**

Particulars	3/31/2015	3/31/2014
a) Current service cost	680.11	-
b) Past service cost	-	-
c) Interest cost	694.14	-
d) Expected return on plan assets	-	-
e) Curtailment cost / (Credit)	-	-
f) Settlement cost / (credit)	-	-
g) Net actuarial (gain)/ loss recognized in the period	618.37	-
h) Expenses recognized in the statement of profit & losses	1,992.62	-

**(ix) Major categories of plan assets (as percentage of total plan assets)**

Particulars	3/31/2015	3/31/2014
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--
e) Property	--	--
f) Special Deposit Scheme	--	--
g) Funds Managed by Insurer	--	--
h) Bank Balance	--	--
Total	--	--

**19.6 Additional Information**
**1 Payments made to Auditors:**

Sr. No.	Particulars	2014-15	2013-14
a)	As Auditor		
	· For Statutory Audit	225000/-	200000/-
	· For Tax Audit	100000/-	100000/-
b)	As Advisor and in any other capacity:		
	· For Certification	165000/-	194000/-
	[Included in project expenditure]		
	· Out of Pocket Exp.	15957/-	18500/-
	<b>Total</b>	<b>505957/-</b>	<b>512500/-</b>

2 The Company has since adopted policy in FY 2014-05 on "Post Retirement Mediciam Facility" for extending medical facilities to Retired / Deceased Employees after 1.1.2007, with the approval of MHRD dated 26.05.2014. Based on the approval a suitable policy from various Insurance Companies are being studied.

3 The Cash Flow Statement has been prepared in accordance with indirect method.

**NOTE NO. 20 Depreciation & Amortised Cost**

(Rs in Thousand)

Sr. No.	Particulars	2014-15	2013-14
1	Depreciation	3,620.51	3,908.09
	Refer Note 8(b)		
2	Preliminary Expenses W/O		-
	<b>Total</b>	<b>3,620.51</b>	<b>3,908.09</b>

**NOTE NO: 21 Other Expenses**

(Rs. in Thousand)

Sr. No.	Particulars	2014-15	2013-14
1	Recruitment Expenses	109.27	104.35
2	Postage, Telephone & Telex	1,112.36	1,389.27
3	Travelling & Conveyance	2,023.54	1,704.57
4	Electricity & Water Charges	2,878.35	2,124.59
5	Generator Set Exp.	638.10	1,170.37
6	Office Insurance	213.35	232.59
7	Bad Debts	199.36	288.41
8	Provision for Bad Debts	-	2,173.38
9	Advances written off	49.61	135.02
10	Car Running & Maintenance(Net of Recovery)	371.36	446.94
11	Printing & Stationery	1,861.33	2,390.31
12	PF Outsource Expences/PF Trust Expenses	-	234.96
13	Repair & Maintenance	-	-
14	Office Equipment	2,391.35	3,549.08
15	Premises	5,225.47	4,758.61
16	Advertisement & Publicity	1,487.46	2,473.75
17	Legal & Professional Charges	439.26	1,472.15
18	Auditors' Remuneration	-	-
19	Statutory Audit Fee	265.96	218.50
20	Tax Audit Fee	100.00	100.00
21	Bank Charges	14.58	28.21
22	Internal audit Fees	194.43	73.00
23	Miscellaneous Expenses	971.58	1,425.05
24	Membership and Subscription	139.77	91.63
25	Board Meetings Expenses	272.62	232.53



26	Books & Periodicals	55.72	45.05
27	Consultancy fee	196.50	989.67
28	Ground Rent	900.00	2,250.00
29	Business Promotion Expenses	424.32	201.45
30	TDS Disallowed	-	1,443.41
31	CSR Activity	-	132.07
	<b>Total</b>	<b>22535.65</b>	<b>31878.90</b>

### NOTE NO. 22 Exceptional Items

(Rs in Thousand)

Sr. No.	Particulars	2014-15	2013-14
1	Loss on sale of Fixed Assests	-	562.53
2	Profit on Sale of Fixed Asset	(1.06)	(34.09)
3	Allowances for Doutful debts written Back	(11.74)	(186.72)
4	Unclaimed Balances Written Off	0	-
	<b>Total</b>	<b>(12.79)</b>	<b>341.72</b>

### NOTE NO. 23 Prior Period Income (Net)

(Rs. in thousand)

Sr. No.	Particulars	2014-15	2013-14
1	Prior Period Income		
	Income From Testing	-	6.07
	Income From Placement & Secondment Division	571.95	15.95
	Income from Institutional Development	-	162.84
	Income from Administration	249.55	2,067.85
	Income from Procurement	-	489.73
	Reversal of Excess provision of PRP for F.Y.2013-14	1,834.18	
2	Prior Period Expenditure	-	
	Expenses on Administration	-	1,464.03
	Interest on Service tax of Earlier Years	992.76	-
	Expenses on Placement	225.17	4.72
	Provision for Half Pay leave of Earlier Years as per Actuarial Valuation	34.91	-
	Expenses of Institutional Development	8,166.39	12.00
		3.60	
	<b>Prior Period Income/Loss(net)</b>	<b>(6,767)</b>	<b>1,262</b>

### NOTE NO. 24

Previous year figures have been regrouped/rearranged wherever considered necessary to facilitate comparison.

## PRIMARY BUSINESS SEGMENT

(Rs. in Thousand)

Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
<b>Segment Revenue</b>		
(I) Technical Assistance	5,87,231	4,91,581
(II) Institutional Development	22,323	14,219
(III) Human Resource Development	119,667	1,95,746
Sale of Software	12,141	8,429
<b>Total:</b>	<b>741,362</b>	<b>7,09,975</b>
<b>Segment Result</b>		
(I) Technical Assistance	71,434	60,185
(II) Institutional Development	5421	8,869
(III) Human Resource Development	95,886	1,53,599
Sale/Purchase of Software	330	15,931
<b>Total:</b>	<b>1,73,070</b>	<b>2,38,584</b>
Other Income	47,215	49,071
	<b>2,20,286</b>	<b>2,87,655</b>
Less: Unallocated Expenses		
Depreciation	3,621	3,908
Other exp., Extraordinary & Prior Period Items	1,45,683	1,43,202
<b>Net Profit before Tax</b>	<b>70,982</b>	<b>1,40,545</b>
Income tax including Deferred Tax	20,171	53,237
<b>Net Profit after Tax</b>	<b>50,811</b>	<b>87,308</b>
<b>Segment Assets:</b>		
Technical Assistance	3,73,318	3,86,831
Institutional Development	6,774	5,859
Human Resource Development	28,168	35,484
<b>Total Segment Assets:</b>	<b>4,08,261</b>	<b>4,28,174</b>
<b>Segment Liabilities:</b>		
Technical Assistance	4,17,231	4,61,384
Institutional Development	57282	46,699
Human Resource Development	2,66,158	1,14,116
<b>Total Segment Liabilities:</b>	<b>7,40,672</b>	<b>6,22,199</b>

**(Rs. in Thousand)**

Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
<b>OTHER INFORMATION</b>		
Fixed Assets(Net)*	48,042	53,206
Current Assets,Loans & advances	11,67,816	10,65,513
Current Liabilities	9,20,018	8,32,415
Capital Employed*	2,95,840	2,86,304
<b>Segment Assets excludes:</b>		
Fixed Assets	48,042	53,206
Cash & Bank Balances	6,04,487	4,59,148
Advances Recoverable	828	6,884
TDS Recoverable	78,136	68,138
Advance Income Tax	390,22	41,268
Prepaid Exp.	752	731
Income Tax Refund	24,582	24,582
Service Tax	37,551	31,314
Advance FBT	1,149	4,452
Deferred Tax Asset	11,356	11,356
Security Deposit	1,021	823
<b>Total</b>	<b>8,46,925</b>	<b>7,01,902</b>
<b>Segment Liabilities excludes:</b>		
Share Capital	20,000	20,000
Reserves & Surplus	3,35,042	2,75,378
Staff Welfare Fund	1,730	2,283
CSR Fund	609	0
Sundry Creditors	2,748	3,797
Other Liabilities	1,60,706	32,381
Security Deposit From Suppliers	692	2,842
Provisions	96,960	1,71,196
<b>Total</b>	<b>6,18,485</b>	<b>5,07,877</b>

## SECONDARY GEOGRAPHICAL SEGMENT

Domestic Segment: Relating to domestic business

Overseas Segment: Relating to export business

(Rs. in Thousand)

Particulars	Figure for the Current Reporting Period 2014-15	Figure for the Previous Reporting Period 2013-14
<b>Segment Revenue</b>		
Domestic	7,16,598	6,84,576
Overseas	24,765	25,399
<b>Total</b>	<b>7,41,362</b>	<b>7,09,975</b>
<b>Segment Results Profit/Loss(-)</b>		
Domestic	1,70,963	2,18,814
Overseas	2,108	19,770
<b>Total</b>	<b>1,73,070</b>	<b>2,38,584</b>
<b>Segment Assets</b>		
Domestic	3,93,793	4,13,357
Overseas	14,468	14,817
<b>Total</b>	<b>4,08,261</b>	<b>4,28,174</b>
<b>Segment Liabilities</b>		
Domestic	5,44,446	6,18,655
Overseas	1,96,226	3,544
<b>Total</b>	<b>7,40,672</b>	<b>6,22,199</b>
<b>Segment Assets excludes:</b>		
Fixed Assets	48,042	53,206
Cash & Bank Balances	6,04,487	4,59,148
Advances Recoverable	828	6,884
TDS Recoverable	78,136	68,138
Advance Income Tax	39,022	41,268
Prepaid Exp.	752	731
Income Tax Refund	24,582	24,582
Service Tax	37,551	31,314
Advance FBT	1,148	4,452
Deferred Tax Asset	11,356	11,356
Security Deposit	1,021	823
<b>Total</b>	<b>8,46,925</b>	<b>7,01,902</b>
<b>Segment Liabilities excludes:</b>		
Share Capital	20,000	20,000
Reserves & Surplus	3,35,042	2,75,378
Staff Welfare Fund	1,730	2,283
CSR Fund	609	-
Sundry Creditors	2,748	3,797
Other Liabilities	1,60,706	32,381
Security Deposit From Suppliers	692	2,842
Provisions	96,960	1,71,196
<b>Total</b>	<b>6,18,487</b>	<b>5,07,877</b>



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### **Independent Auditor's Report**

To the Members of

**Ed.CIL (INDIA) LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Ed.CIL (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of profit & Loss and also the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made hereunder.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Basis for Qualified opinion**

- 1) *Balances of trade receivables, trade payables, loans & advances and bank balances with Midland Bank, London have not been got confirmed from counter parties. The financial impact of this non-compliance, if any, could not be determined.*
- 2) *Information is not available regarding classification of creditors into Micro, Small and Medium enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 (refer to note 6.1 to financial statements). The financial impact of this non-compliance, if any, could not be determined.*
- 3) *The company has not provided liability for gratuity of contractual employees engaged in various PRU and TSG projects (refer to para 7.1 to Note to accounts). The financial impact of this non-compliance cannot be quantified as the company has not got the actuarial valuation done for the same.*
- 4) *The company has not provided for liability towards post-retirement medical cost benefits payable to employees which is in violation of AS-15 regarding Accounting for Employee Benefits. The financial impact of the same cannot be ascertained.*
- 5) *Loans & Advances includes ₹ 71.07 lakhs (previous year ₹ 69.58 lakhs) which are unsecured, and outstanding for a period of more than three years have not been got confirmed. The company has created provision of ₹ 49.47 lakhs (previous year ₹ 49.47 lakhs) against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of ₹ 21.60 lakhs (previous year ₹ 20.11 lakhs), profit of the company and loans and advances are overstated.*
- 6) *Trade Receivables include ₹ 104.09 lakhs (previous year ₹ 79.30 lakhs) which are unsecured and outstanding for more than five years have not been got confirmed. The company has created a provision of ₹ 79.30 lakhs (previous year ₹ 79.30 lakhs) only against such outstanding (refer note 10.1 to financial statements). To the extent of shortfall of provisioning of ₹ 24.79 lakhs (previous year Nil), profit of the company and Trade Receivables are overstated.*
- 7) *Reference may be made to para 3 of note no. 15 to financial statements regarding execution of ERP implementation project for Assam Engineering College. The company has recognized Project expenses and its corresponding income to the tune of ₹ 240.84 lakhs and ₹ 247.28 lakhs respectively in year under audit. However, invoices were issued by the vendors/ service providers against the goods supplied and work accomplished as per milestones subscribed in*



proposal accepted by client amounting to ₹ 213.11 lakhs (inclusive of taxes) in previous financial year, against which a work-in-progress of ₹ 67.10 lakhs only was booked as of March 31, 2014. The company has not been able to provide satisfactory reply for not recognising proportionate expenses and income to the extent of project executed in Financial Year 2013-14 as prior-period expense and income. To the extent of purchases and project expenses of ₹ 211.34 lakhs (exclusive of taxes) and its corresponding sales and project income, the current year expenses and income are overstated and prior-period period items are understated.

Further, Office of CAG has made adverse observations on 29.05.2015 (Half Margin, observation) citing serious irregularities in selection of vendors and execution of above said project. The management has not furnished any reply to this half margin till conclusion of our audit. In the absence of proper explanation from the company, we have not been able to take an independent view on the matter.

- 8) Reference may be made to Note 11.1 to Financial Statements wherein company has shown work-in-progress of ₹ 42.25 lakhs against training projects which have been completed in all respects in year under audit. The non-booking of income and its corresponding expenditure has resulted in understatement of income by ₹ 94.92 lakhs and expenditure by ₹ 89.22 lakhs. Further, this has resulted in overstatement of Work-in-progress and advances from client by ₹ 42.25 lakhs and ₹ 45.68 lakhs respectively; and understatement of Trade receivables and Trade payables by ₹ 60.97 lakhs and ₹ 46.97 lakhs respectively.
- 9) Other Current liabilities shown in Note 6 to Financial Statements include Advance received against project of ₹ 35.69 lakhs (net off service tax of ₹ 6.25 lakhs) received on account of Training project against which work of ₹ 73.95 lakhs has been accomplished by the service provider as per the milestones stated in work order issued by company to the service provider. The company has not provided satisfactory reply for not recording the liability of the vendor as per the milestones achieved. To the extent of ₹ 73.95 lakhs, the work-in-progress, Trade payables and its corresponding income are understated.
- 10) Advances received against projects includes ₹ 405.78 lakhs which are unsecured, and outstanding for a period of more than five years, have not been got confirmed. In our opinion, liability towards this amount has ceased as the projects have already been completed. This has resulted in overstatement of liabilities to the extent of ₹ 405.78 lakhs.
- 11) Provisions include ₹ 141.93 lakhs payable for a period of more than 3 years. The management has not been able to provide a satisfactory reply for non-settlement of the same. In absence of satisfactory reply, it is opined that liabilities are overstated by ₹ 141.93 lakhs.
- 12) An amount of ₹ 222.11 lakhs included in Advance Tax paid and Tax recoverable represents Income Tax and FBT pertaining to year 2006-07, the adjustment of which by charging to Profit & loss account was omitted to be done in past resulting in overstatement of Tax assets by ₹ 222.11 lakhs and overstatement of Liability on Tax and FBT provision by ₹ 219.35 lakhs (refer note 7.2 to financial statements).

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the matters described in the Basis for Qualified Opinion paragraph*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015; and
- (b) in the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the movement of cash and cash equivalents during the year ending 31.03.2015.

### Emphasis of matter

- 1) Attention is invited to para (c) of Note 8 to Financial Statements, wherein management has stated that there has been no indication of impairment to fixed assets of the company during the year under audit. We are unable to express any opinion about this management perception in the absence of sufficient information.
- 2) The company has accounted for revenue of ₹ 538.69 lakhs (Previous year- ₹ 180.50 lakhs) and expenditure of ₹ 513.04 lakhs (previous year- ₹ 171.91 lakhs) and booked work-in-progress of ₹ 65.44 lakhs (previous year – Nil) on Monitoring Institutes Project. As per information and explanation provided to us there is no Tri-partite agreement between the Ministry of Human Resource Development, Government of India, the Monitoring Institutes and EdCIL(India) Ltd.  
However, transactions have been undertaken with the parties based on the verbal understanding and minutes of meetings. The company is recording revenue based on gross sales/receipts basis on the understanding mentioned above. This practice has consistently been followed by the company since the commencement of the project.
- 3) Attention is drawn to para 2 to note 15 of Financial Statements regarding break-up of income that certain incomes are accounted for on gross basis as the company perceives the relationship with the counter-party on a principle to principle basis.
- 4) Attention is drawn to Note 19.1 to financial statements, wherein company has disclosed details of payments made to Ex-CMD of the company including payment towards Medical treatment of dependent of ₹12 lakhs. Govt. Audit Party of CAG has raised issue of irregular payment to the tune of ₹ 14.88 lakhs on account of the same vide Half margin dated 29.04.2015. The company is yet to furnish a reply and in absence of same, no comments can be made by us.
- 5) CAG of India had advised the company to seek an expert opinion of Institute of Chartered Accountants of India on Revenue recognition in respect of projects executed under Technical Assistance, Secondment and Institutional Development. However, the Board of Directors of the company have unanimously resolved not to seek opinion citing consistency in following the Accounting policies and in its adherence to Accounting Standards issued by ICAI.
- 6) Attention is drawn to Note 6.2 to the financial statements, wherein company has parked advance of ₹997.50 lakhs, on which service tax of ₹109.73 lakhs was deposited in Financial year 2012-13, received from MHRD for capacity building project of NPIU and a disbursement of ₹824.81 lakhs to various IIT's and IIM's are parked in advances to suppliers. According to the management, the matter is pending resolution.

- 7) Attention is drawn to Note 7.3(a) to the financial statements, wherein the company has shown the contingent liability of service tax of ₹ 101.32 Lakhs on the basis of show cause notices issued by the Commissioner of Service Tax for Financial years 2007-08 to 2012-13.

#### **Report on Other Legal and regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the central government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act and Companies (Audit and Auditors) Rule 2014, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except to the information sought at Note 7 of Basis of Qualified Opinion para.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014 *except in the case of:-*
    - i) AS-15 (Employee Benefits) on points covered in Basis of Qualified Opinion at para 3 and 4;
    - ii) AS -5 (Prior-period items) on points covered in Basis of Qualified Opinion at para 7;
    - iii) AS -9 (Revenue Recognition) on points covered in Basis of Qualified Opinion at para 8 and 9;
  - e) In compliance to requirements of Clause (f) of Subsection (3) of Section 143 of The Companies Act, 2013, we are of the opinion that *Observation at para 7 in Basis of Qualification stated above might have adverse effect on financials of the company.*
  - f) *In the absence of written representations from Directors as on March 31, 2015, no comments can be made about their disqualification from being appointed as a director as on March 31, 2015 in terms of sub section (2) of section 164 of the Companies Act 2013.*
  - g) In compliance to requirements of Clause (h) of Subsection (3) of Section 143 of The Companies Act, 2013, we are of the opinion that *Observations at para 7, 8, 9, 10, 11 and 12 in Basis of Qualification stated above might have adverse effect in relation to maintenance of accounts and other matter connected therewith.*

h) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 7.3 to the financial statements;
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

**Report on Directions by C&AG U/s 143(5):**

As required by Section 143(5) of the Companies Act 2013, on the basis of the information and explanation received from the management and in our opinion we report that:

1. The Company has not been selected for disinvestment.
2. The company has written off 2 debts outstanding for more than 6 years and 2 security deposits during the year amounting to ₹1.99 lakhs and ₹0.50 lakhs respectively. As per the view of management the same were unsecured and not realisable.
3. The Company is not maintaining proper records of inventories lying with the third parties. There are 2 generators in operation for which expense are incurred by the company. However, these generators are not reflected in the Fixed Assets Register. It is explained that these were received from Govt. of India for no cost.
4. Pending legal/arbitration cases have been duly reported by the company along with financial impact vide Note 7.3 to the financial statements. The Company has reviewed all the claims against the Company not acknowledged as debts and it has been assessed by the management that in no case any provision is required to be created.

Place: New Delhi

Date: 16.09.2015

For G.R. Garg & Co.

Chartered Accountants

FRN: 000214N



(CA Gaurav Garg)

FCA, Partner

Membership No.: 097327



## ANNEXURE

RE: EdCIL INDIA LIMITED

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2015 ("the Order") referred to in our report of even date.

1. Fixed Asset

(a) Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. There are 2 generators in operation for which expense are incurred by the company. However, these generators are not reflected in the Fixed Assets Register. It is explained that these were received from Govt. of India for no cost.

(b) During the year, assets were physical verified by management. However, *assets having cost of acquisition of ₹ 40.29 Lakhs and written Down Value of ₹ 2.65 lakhs as on 1<sup>st</sup> April, 2014 were found short. The discrepancy noticed was not accounted for in the books of accounts during the financial year under audit. Moreover, the company has charged Depreciation of ₹ 0.10 lakhs and written off ₹ 1.28 lakhs (net of Deferred Tax of ₹ 0.61 lakhs) against Retained Earnings. This has resulted in overstatement of Fixed Assets by ₹ 0.66 lakhs and understatement of profit by ₹ 0.10 lakhs.*

2. According to the information and explanation given to us, the inventory has neither been physically verified during the year by the management nor proper records of inventory have been maintained by the company, hence we are unable to comment on points mentioned under paragraph 3(ii)(a) to (c).

3. The company has not granted any loans, secured or unsecured to Companies, firms or other parties concern covered under the register maintained under section 189 of the Companies Act, 2013, and hence para (a) and (b) are not applicable.

4. In our opinion and according to the information and explanations given to us, the internal control system needs to be intensified to make commensurate with the size of the Company and the nature of its business with regards to purchase of inventory and fixed assets and for the sale of goods and services. *Attention is invited to note 15.3 to the financial statements wherein company has booked purchases of goods and services of ₹ 240.84 Lakhs from various vendors and sales of goods and services of ₹ 247.24 lakhs to Assam Engineering College, Guwahati. Out of the said purchases/ services received, invoices amounting to ₹ 213.11 lakhs (inclusive of taxes) as per milestones subscribed in proposal accepted by client were issued by the vendors/ service providers in Financial year 2013-14 against which Work-in-progress of ₹ 67.10 lakhs only was booked in the concerned year. Govt. Audit Party of CAG vide Half margin dated 29.05.2015 has pointed out serious irregularities in selection of*





*vendors and execution of the said project. The management has not furnished a reply to this Half Margin till the conclusion of audit. In our opinion, the internal controls with regards to selection of vendors and procurement of goods and services and with regards to sale of goods and services being undertaken by 13 Division particularly need to be intensified to make it commensurate with the approved policies, size of the company and nature of activities being carried on.*

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit during the year under audit, in violation of provisions of, Section 73 to 76 of The Companies Act, 2013 and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
6. According to the information and explanation given to us, government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the company.
7. (a) According to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, custom duty, excise duty and other material statutory dues applicable to it. *However, the company has not deposited Employee State Insurance dues of ₹ 21.85 lakhs pertaining to Financial year 2013-14 till the conclusion of our audit.* Further, the company has availed and utilised CENVAT credit on service tax paid on reverse charge basis on Taxi hire charges to the tune of ₹5.84 lakhs.  
Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the companies Act 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.  
(b) According to Information & Explanation given to us, there are no disputed statutory dues pending payment with sales tax, income tax, custom duty, wealth tax or excise authorities  
(c) According to information and explanation given to us, there is no amount which is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
8. In our opinion and according to information and explanations given to us, the company has neither accumulated losses as at 31<sup>st</sup> March, 2015 nor has it incurred cash loss either during the financial year ended on that date or in the immediately preceding financial year.
9. According to information and explanations given to us, the company has not defaulted in repayment of any dues to a financial institution or bank or debenture holders during the year of audit.
10. As per information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us, the company has not taken or accepted any term loans during the year under audit. Hence this clause is not applicable.



12. Attention is invited to note 15.3 to the financial statements and para 7 of Basis of qualification of our Independent Auditor's Report wherein company has booked purchases of goods and services of ₹240.84 Lakhs from various vendors and sales of goods and services of ₹247.24 lakhs to Assam Engineering College, Guwahati. Govt. Audit Party of CAG vide Half margin dated 29.05.2015 has made observation pointing out serious irregularities in selection of vendors and execution of the said project. The management has not furnished a reply to this Half Margin till the conclusion of audit. In the absence of proper explanation from the company, we have not been able to take an independent view on the matter.

Place: New Delhi

Date : 16.09.2015

For G.R. Garg & Co.

Chartered Accountants

FRN: 000214N



(CA. Gaurav Garg)

FCA, Partner

Membership No.:097327

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 FINANCIAL STATEMENTS OF EdCIL (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2015.

The preparation of financial statements of **EdCIL (India) Limited** for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **16 September 2015**.

1. on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the Financial statements of **EdCIL (India) Limited** for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the Financial statements and the related audit report:

### I. Balance Sheet

#### Cash and Cash Equivalents Note — 13

#### Cash and Cash Equivalents

(As per AS-3 Cash Flow Statement) ₹ 2339.29 lakh

Other Bank Balances ₹ 4319.86 lakh

The above 'Other Bank Balances' include five Fixed Deposits amounting to ₹6.12 Crore which were due to mature within three months (three maturing on 17 April 2015 and two maturing on 18 June 2015) of 31 March 2015. This amount should have been included in 'Cash and Cash Equivalents'. This resulted in overstatement of 'Other Bank Balances' and corresponding understatement of 'Cash and Cash Equivalents' each by ₹6.12 Crore.

**II. STATEMENT OF PROFIT AND LOSS****Revenue from operation****₹ 7413.62 lakh (Note No. 15)****Project expenditure****₹ 5713.46 lakh (Note No. 17)**

The above are overstated by 44.51 crore each due to recognition of expenditure on 25 technical assistance projects (₹43.03 crore) and 5 institutional development projects (₹1.48 crore) executed during the year by EdCIL as service provider on fixed service charges. for/on behalf of the clients. Instead of recognising the service charges on these projects as revenue, recognition of project expenditure as own expenditure and the project expenditure plus service charges as its own revenue was in violation of the Accounting Standard 9. The recognition of revenue in violation of provisions of AS 9 resulted in overstatement of revenue from operations and project expenditure ₹44.51 crore each.

**For and on the behalf of the  
Comptroller & Auditor General of India**

  
(Dr. Ashutosh Sharma)

Principal Director of Commercial Audit &amp;

Ex-Officio Member, Audit Board-IV

**Place: New Delhi****Date: .11.2015**

**ANNOTATED STATEMENTS OF NOTE NUMBER 1 and 2 ISSUED TO EDCIL INDIA LIMITED FOR THE PERIOD OF 2014-15**  
vide CAG Letter dated 03.11.15

Half Marg in No.	Subject	Particulars	Management Replies	Statutory Auditor Comments	CAG Audit Comments
1	Statement of Profit and Loss (A N No.1) Revenue from operation Rs.7413.62 lakhs (Note no.15) Project expenditure Rs.5713.46 lakhs (Note no.17)	<p>As per Accounting Standard 9, in case of service contracts, inter-alia, the revenue is measured by charges made to customers or clients for services rendered to them as part of ordinary activities of the enterprise. In the year 2011-12, CAG office issued a comment with respect to Income recognition, relating to four areas of turnover namely Technical Assistance, placement services, secondment and Institutional Development. However, during the year 2013-14 Company has booked turnover for cost plus contract in case of projects relating to technical assistance only. For placement services, accounting system already changed as per CAG Comment. For rest two areas relating to secondment and Institutional development no turnover was booked in case of cost plus contracts. Vide letter dated 01.01.2015 your company was directed to seek opinion from the Institute of Chartered Accountants of India regarding revenue recognition in respect of Secondment, Technical Assistance and Institutional Development.</p> <p>In the year 2014-15, EdCIL executed 25 projects and 5 projects of technical assistance projects and institutional development respectively as service provider for on behalf of clients for which it accounted the project expenditure as own expenditure and expenditure plus service charges as own</p>	<p>The company was incorporated in the year 1981 and right from the inception, Accounting Policies has been followed by adhering to the Generally accepted Accounting Principles in India, doctrine of Consistency, Accounting Standards as applicable to the Company and provisions of the Companies Act 2013.</p> <p>For the projects mentioned by CAG, it is maintained that EdCIL is acting as a Principal and the relationship between EdCIL and the Clients are on 'Principal' to 'Principal' basis and not that of an agent. Consequently the Income has been booked as per Accounting Standard 9 of Revenue Recognition and not as that of an agent, along with the applicable provisions for Accounting Standard 7 regarding construction contracts.</p> <p>In this regard, Legal opinion had been taken in financial year 2013-14 and accounting is being done based on the opinion,</p>	<p>While concurring with the reply of management, we would like to further submit that the annual financial statements of the year under consideration have been drawn and authenticated by the Board of Directors on the same basis and in the same manner following the past accepted policies, practices and precedents. Further, there is no impact on the net profitability or the state of the affairs of the company which has been opined in our audit report. Further, requisite</p>	

		revenue in violation of the Accounting Standard 9, the incorrect accounting resulted in overstatement of revenue from operations and project expenditure by Rs.4450.76lacs (4302.43 lakhs Technical Assistance and Rs.148.33 Lakhs in case of Institutional Development.	<p>which in turn is line with EdCIL's Accounting policy for revenue recognition for different business verticals as mentioned above and also the governing Accounting Standard. The same is again annexed.</p> <p>With reference to CAG 's Letter dated 01.01.2015 regarding referring the matter to the Institute. We have replied to CAG vide our letter dated 23.03.15 with the approval of EdCIL Board. Copy of the same is again enclosed for ready reference.</p> <p>However taking note of the CAG observation the management may again revisit the policy by comparing our Accounting Policy with that of other PSUs regarding booking of turnover in case the contracts are on 'Principal' to 'Principal' basis, in the current financial year.</p> <p>It is therefore again pleaded that the income and corresponding expenditure , which does not have any impact on the profits of the Company, for Rs 4450.76 lakhs, may not be categorized as an overstatement and therefore may be dropped.</p>	disclosures the regarding were same made by us at S.no. 2, 3 and 5 of Emphasis of Matter para of our Independent Auditor's Report.	
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2	<p><b>Cash and Cash Equivalents</b> <b>Note-13</b> <b>(A N No.2)</b> <b>Cash and Cash Equivalents</b> <b>(As per AS-3 Cash Flow Statement)</b> <b>Rs.2339.29 lakhs</b> <b>Other Bank Balances</b> <b>Rs.4319.86 lakhs</b></p>	<p>Above "Other Bank Balances" includes five FDs of an amount of Rs.612.44 lakh which had remaining maturity period less than three months ( three maturing on 17.04.2015 and two maturing on 18.6.2015) on the date on financial statement i.e.31 March 2015. This amount should be included under the Cash Equivalent. This has diluted the liquid/ quick ratio by around seven percent and resulted in overstatement of " Other Bank Balance" and corresponding understatement of the " Cash and Cash Equivalent " by 612.44 lakhs.</p>	<p>As per Accounting Standard-3 <i>an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.</i> Based on this principle the FDRs having maturity of more than 3 months from the date of acquisition has been categorized as "Other Bank Balances " in consistency with Accounting Standard- 3, and reflected accordingly both in the Books of Accounts as well as the Cash Flow Statement of 2014-15.</p> <p>However the point brought out by the CAG Half Margin regarding considering the Balance sheet date for classification as "cash and cash equivalents" is duly noted for future compliance and therefore it is again requested that this para may kindly be dropped.</p>	We concur with the reply of Management	
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## EdCIL (India) Limited

(A Government of India Mini Ratna Enterprise)

ISO 9001-2008 & 14001:2004 Certified Company

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