

# Annual Report 2012 - 2013



## Transforming Indian Education



**EdCIL (India) Limited**  
(A Government of India Enterprise)  
ISO 9001:2008 & 14001:2004 Certified Company



Mrs. Anju Banerjee, Chairperson and Managing Director, EdCIL (India) Limited presenting cheque for 100% dividend for the year 2012-2013 to Dr. M. Mangalpati Pallam Raju, Hon'ble Minister of Human Resource Development, Government of India at New Delhi.

# Annual Report 2012-13



**EdCIL (India) Limited**

(A Government of India Enterprise)

ISO 9001-2008 & 14001:2004 Certified Company

## CONTENTS

4

CMD Message

9

Service Spectrum

7

Corporate Information

13

MOU & celebrated  
Hindi Pakhwada  
2012

6

Financial  
Performance  
for last  
10 years

11

Foreign Alliances

8

EdCIL- Introduction

14

EdCIL Celebrated  
International  
Women's Day

**15**

EdCIL's Expertise

**41**

P&L Account

**17**

Director's Report

**73**

Comments of the  
Comptroller &  
Auditor General of  
India

**16**

Notice

**68**

Auditor Report

**40**

Balance Sheet



## CHAIRPERSON'S SPEECH



### Distinguished Shareowners,

On behalf of the Board of Directors of EdCIL, it gives me immense pleasure to welcome all of you at this 32nd Annual General Meeting of your Company. I take this opportunity to extend sincere thanks to you for joining us today and your unstinted support, provided to the Company during the year.

The Director's Report and the Annual Audited Accounts for the year 2012-13 are already with you, and with your permission I take them as read.

Based on the comments of CAG during their audit for the F.Y. 2011-12, the accounting policy pertaining to placement projects has been changed after considering expert opinion. The change of accounting policy of placement projects has been duly approved in the 135th Board Meeting held on 19.08.2013. The change implies revenue recognition in the placement project of EdCIL on the service charges portion only and tuition fee & other institutional charges are not recognized as revenue.

I am pleased to place before the Board of Directors that in the Financial Year 2012-13 your Company has achieved a turnover of Rs. 60.85 crores as compared to Rs.86.48 crores during the previous year after adoption of the new accounting policy. The turnover of the company has decreased by 29.64% which is mainly on account of revision in accounting

policy. The revision has impacted to the extent of Rs. 41.12 crores. Had this accounting policy not changed, the turnover could have been Rs. 101.97 crores which reflects growth of 18% over the previous year comparable in similar accounting standards. The company posted pre-tax profit of Rs. 8.16 crores as against Rs. 3.89 crores during the previous year. Thus, the company achieved 109.51% growth (unprecedented) in the pre-tax profits for the year 2012-13.

Top Management is striving to achieve sustained growth in turnover as well as in pre-tax profits continually through strategic interventions like cost-control, optimum utilization of resources and system improvements. The Company has achieved "Good" Rating under the Memorandum of Understanding (MOU) for the year 2012-13 signed with the Ministry of HRD (Administrative Ministry) as per the guidelines by Department of Public Enterprises (DPE), Government of India. It is to place on record that your Company is certified for **Integrated Management System (IMS)** comprising of quality management systems confirming to ISO 9001:2008 & environmental management systems confirming to ISO 14001:2004. Surveillance Audit was successfully completed for the year for 2012-13.

I am pleased to inform you that 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 2012-13. This is the twenty sixth 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. 16.35 crores against the paid up equity capital of Rs. 2.00 crores.

Promotion of Indian Education abroad continued to remain one of the focus areas for the company. During the year 2012-13 EdCIL participated along with its interested partner institutions in 15 Educational Fairs / Seminar cum counseling sessions in 11 countries. EdCIL's promotion of Indian Education abroad efforts were implemented through seminar

cum counseling sessions, road shows and participation in the 15 educational fairs including escorting the selected Institutional delegation for customized fairs in 11 countries viz Bangkok, Bangladesh, Bhutan, Dubai, Ethiopia, Indonesia, Iraq, Mauritius, Nepal, Sri Lanka and Uzbekistan.

Systems strengthening and process orientation continued as focus areas during 2012-13. Implementation of ERP in Project Divisions was planned and accordingly actions were initiated in this direction during the year. Competency mapping for the executive cadres was conducted by a third party expert during the year understanding of strengths and weakness and enabling future HR strategy plans of the company. Results of the mapping and future actions are going to yield results in the coming years. Risk Management Policy was developed by a third party expert during the year 2012-13. Enterprise level risk measurement and mitigation strategies were developed and reported to Board of Directors during the year. Usage of intranet and IT applications in the Technical Support Groups has been practised during the year towards faster and efficient data movement across the divisions. Under the Public Private Partnership in your company is striving to provide value added services to the education system in India. Several proposals were submitted during the year. As a result, business opportunities started in the areas of skill upgradation training, computerization of universities and supply of e-learning equipment to municipal schools.

While catching progressive trends in the education sector as envisaged in the 12th plan by Government of India, your Company

is assisting endeavors of Government of India in the areas of policy initiative, implementation of national schemes and promoting Indian education.

I would also like to inform you that as per the guidelines issued by Department of Public Enterprises on Corporate Governance for Central Public Sector Enterprises in May 2010, "A Report on Corporate Governance" and "Management Discussion and Analysis Report", forms the part of the Annual Report for the year ended 31st March 2013.

### **Acknowledgements**

In conclusion, I take this opportunity to express my gratitude to our customers for their continued support and patronage as partners in process.

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 stakeholders. I also express my sincere thanks to the Directors on the Board for their suggestions and valuable contribution in the working of the Company.

I place on record the appreciation to the hard work, commitment and unstinting efforts put in by your Company's employees at all the levels. My special thanks to all of you and the shareholders 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.

Sd/-

**(Mrs. Anju Banerjee)**

Chairperson & Managing Director

Place: New Delhi

Date: 30.09.2013

**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	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Paid-up-Capital	125.00	125.00	125.00	125.00	125.00	150.00	150.00	150.00	150.00	200.00
Reserve & Surplus	945.85	958.16	1,119.09	1,280.15	1,432.20	1,570.82	1,793.03	1,852.70	1,935.11	2,164.09
Capital Employed	1,136.34	1,121.03	1,257.57	1,386.41	1,555.97	1,659.05	1,913.18	1,949.52	2,000.57	2,273.97
Net Worth	1,078.24	1,090.90	1,253.08	1,417.45	1,571.84	1,731.36	1,957.59	2,024.50	2,085.11	2,364.09
Fixed Assets (Net Block)	641.71	590.02	567.87	554.04	555.30	559.19	556.89	537.08	543.07	529.11
Turnover										
a) Domestic Business	3,380.06	1,347.19	2,926.39	2,254.33	2,579.38	3,450.34	3,907.53	4,476.66	5,338.04	5,840.88
b) Overseas Business	840.70	1,013.52	1,002.20	1,047.14	1,530.56	1,932.54	2,638.32	2,245.92	3,310.75	244.06
Total	4,220.76	2,360.71	3,928.59	3,301.47	4,109.94	5,382.88	6,545.85	6,722.58	8,648.79	6,084.94
Misc. Income	148.57	193.46	274.30	314.60	352.57	491.05	343.03	245.41	348.12	364.35
Total Income	4,369.33	2,554.17	4,202.89	3,616.07	4,462.51	5,873.93	6,888.88	6,967.99	8,996.89	6,449.29
Gross Profit	332.32	144.84	444.71	485.66	446.98	538.33	705.22	438.54	427.32	856.71
Depreciation	33.38	31.39	30.48	28.75	26.45	29.03	32.35	53.35	38.02	41.08
Net Profit before Tax	298.94	113.45	414.23	456.91	420.53	509.30	672.87	385.19	389.30	815.63
Net Profit after Tax	196.13	69.44	248.17	279.45	270.40	315.96	401.72	249.13	244.89	525.83
Dividend paid	100.00	50.00	75.00	100.00	100.00	127.50	150.00	150.00	150.00	200.00
% of Net profit after Tax to Income	4.65	2.94	6.32	8.46	6.58	5.87	6.14	3.71	2.72	8.15
Number of employees	88	89	91	84	84	82	81	85	81	78
Earning per employee	3.78	1.63	4.89	5.78	5.32	7.91	8.70	5.16	5.27	10.98
Total Value of Business generated	8,464.00	2,415.00	2,849.00	2,444.00	12,777.00	12,342.00	9525.00	7847.90	17,147.00	15,155.00
Earning per share (Rs.)	157.00	56.00	199.00	224.00	180.00	211.00	268.00	166.00	163.00	263.00
Gross Profit Ratio (%)	7.87	6.14	11.32	14.71	10.88	10.00	10.77	6.52	4.94	14.08
Net Profit Ratio (Before Tax)	7.08	4.81	10.54	13.84	10.23	9.46	10.28	5.73	4.32	12.65
Net Profit Ratio (After Tax)	4.65	2.94	6.31	8.45	6.57	5.87	6.14	3.71	2.72	8.15
Net Sales to Capital Employed	3.71	2.11	3.12	2.38	2.64	3.24	3.42	3.45	4.32	2.68
Net Worth/ per Rupee of Paid up Capital	8.63	8.73	10.02	11.34	12.57	11.54	13.05	13.50	13.90	11.82



## Corporate Information

### Chairperson & Managing Director

Smt. Anju Banerjee

### Directors

Smt. Amita Sharma  
Prof. Surendra Prasad  
Smt. Neeta Bhushan  
Smt. Lata Vaidyanathan  
Prof. Anil K. Gupta

### Company Secretary

Mrs. Anju Biyani

### Statutory Auditors

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

### Bankers

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

### Registered Office

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

### Corporate Office

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





## EdCIL- Introduction

EdCIL, a public sector undertaking under the Ministry of Human Resource Development, is a global consultant in the field of education having three decades of wide range experience. EdCIL has diversified into other Social Sector areas such as Health, Agriculture and Rural Development and has been accepted as a preferred organization nationally & internationally for undertaking consultancy assignments.

### **Vision:**

To maintain the market leadership position in the field of education consultancy and emerge as a reputed global consultancy company.

### **Mission:**

Grow profitability by aggressively perusing educational consultancy opportunities in national and international arena.

Improved competitiveness through organizational transformation, networking, strategic alliance and linkage with eminent experts in the field.

Attract and build a team of people by fostering creativity to harness the potential of education consultancy.

## Service Spectrum

### Technical Assistance Services

EdCIL has successfully managed projects in countries with diverse economic and political landscapes. The services rendered by the Technical Assistance division of EdCIL includes

- Educational Planning and Administration • Feasibility Reports for Educational Institutions
- Detailed Project Report (DPR) • Development of Learning Resources and Computer Infrastructure, including ICT • Human Resource Planning /Manpower Forecasting/ Institutional Planning • Curriculum & Text Book Development & • Training Needs Assessment.

### Placement and Secondment Services

**Placement:** EdCIL (India) Limited is the Nodal Agency of Government of India towards promotion of Indian Education abroad and is the “Single Window Service Provider” for the placement of Foreign students, NRIs and Persons of Indian Origin (PIOs) for higher education in its associated institutions in India. Every year EdCIL places students in more than 300 of its associated institutions which includes Central and State University and other colleges and institutions which are recognized by the regulatory/statutory bodies viz. UGC. EdCIL places students for Graduate, PG and Doctoral programmes in the fields of Engineering & Technology, IT & Computer Science, Biotechnology & Bioinformatics, Medicine, Dentistry, Pharmacy, Nursing and Para-medical. Hotel Management & Catering Technology, Management, Agriculture/Veterinary Sciences, Dairy Technology and Fisheries, Arts & Fine Arts, Law, Mass Communication and Journalism Humanities, Social Sciences, Commerce and Science.

#### **Placement Schemes that EdCIL offers to NRIs, PIOs and International Students:**

1. Scholarship Programme for Diaspora Children (SPDC):
2. Self-Financing Scheme (SFS)
3. Scholarship sponsored by Foreign Governments

**Secondment:** EdCIL also undertakes recruitment of Indian faculty, teachers and experts in various international institutions in developing countries. It's capability to recruit the 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. EdCIL also undertakes preparatory/training programmes for various students/ educationists/teachers in India and abroad.

### **Testing (Recruitment) Services**

EdCIL is a well-known professional consultancy organization in providing recruitment/assessment services in selection and identification of personnel by conducting written examinations /interviews/ skill tests for various Ministries and Govt. Deptts., PSUs, Autonomous Bodies and Academic institutions across the country.

### **Civil and Procurement Services**

EdCIL undertakes projects on turnkey basis from concept to commissioning and ensure effective management of operational activities ranging from schools, polytechnics, technical institutions to universities. During the project implementation, paramount importance is given to functional requirements & aesthetics, use of appropriate technology and local materials, cost effectiveness & compliance to well documented standards/ design practices and pre-empt cost & time overruns.

EdCIL assists in the capacity building of educational institutions in India and abroad through procurement of educational aids ranging from school kits to hi-tech laboratory equipment. EdCIL have been providing procurement services on turnkey basis meeting the client requirements in the endeavor of facilitating optimal utilization of client resources.

### **Technical Support Groups**

EdCIL has successfully provided logistic support for national level implementation of prestigious social sector projects of Government of India and International Funding Agencies. For each of these projects, EdCIL has performed as a strategic partner consultancy organization providing core competence 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 under TSGs by EdCIL.



## Foreign Alliances



EdCIL participated in the "Gulf Education & Training Exhibitions" (GETEX) held from 19<sup>th</sup> April to 22<sup>nd</sup> April 2012 in Dubai, UAE



EdCIL participated in an Education fair held in Bangkok from 12<sup>th</sup> May to 13<sup>th</sup> May 2012



EdCIL organized an exclusive "Indian Education Fair - 2012" in Dhaka, Bangladesh from 27<sup>th</sup> to 28<sup>th</sup> June 2012.



EdCIL organized the Indian Education Fair – 2012 and Seminar-cum-Counselling Session in Kathmandu, Nepal from 13<sup>th</sup> to 14<sup>th</sup> July 2012 along with twenty EdCIL's Associated Institutions



Shri KVL Narasimham, Director (Corporate Planning), EdCIL visited Baghdad, Iraq from 11<sup>th</sup> to 13<sup>th</sup> August 2012 to discuss about signing of an MoU and discussion about the placement of Iraqi Students to study in India. A Counselling Session was also organized by the Indian Ambassador, Shri Suresh K Reddy where around 15 Professors from various reputed Universities attended the Session.



## Foreign Alliances

### Bhutan



A Memorandum of Understanding signed amongst the EdCIL, Royal Civil Service Commission (RCSC) and Royal Government of Bhutan for the placement of Bhutanese students in Indian Institutions for five years, was further renewed for period of three years on 15<sup>th</sup> November, 2012.

### Mauritius



EdCIL (India) Limited participated in 'Indian Education Fair-2012' held in Port Louis, Mauritius from 7<sup>th</sup> to 9<sup>th</sup> December 2012. EdCIL's Nine Associated Institutions also participated in the said fair.

### Indonesia



EdCIL participated in the 'World Education Expo-2013' held in Jakarta, Indonesia from 14<sup>th</sup> to 16<sup>th</sup> February 2013, with the support of Shri Pradeep Gupta, First Secretary and Mr. Ramakrishna, Second Secretary, Embassy of India, Jakarta, Indonesia.

### Uzbekistan



EdCIL participated in the "International Education Fair" held from 19<sup>th</sup> February to 21<sup>st</sup> February 2013 in Tashkent, Uzbekistan.

### Sri Lanka



Mrs. Anju Banerjee, CMD, EdCIL and Hon'ble S B Dissanayake, Minister of Higher Education in Indian Education Fair in Sri Lanka from 2<sup>nd</sup> March to 9<sup>th</sup> March, 2013.

## MOU's

### MOU between EdCIL (India) Limited and IIITM, Gwalior



CGM (C&P) and Deputy Manager (Procurement), EdCIL visited Gwalior during 03-04 September, 2012 for signing of Agreement between EdCIL & IIITM, Gwalior, for providing Procurement Consultancy Services. CGM (C&P) on behalf of EdCIL and Registrar on behalf of IIITM, Gwalior signed the Agreement, in presence of Director and Deputy Registrar, IIITM-Gwalior. IIITM-Gwalior has been retained by EdCIL for providing procurement consultancy services for a period of three years.

### EdCIL (India) Limited celebrated Hindi Pakhwada 2012

EdCIL (India) Limited celebrated "Hindi Pakhwada" from September 14 to September 27, 2012 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.

Prizes were handed over by the CMD, EdCIL to the winning participants of the competition. EdCIL also organized "Pustak Pradarshini" for all the employees promoting Rajbhasha as our official language on the last day of the event.





## EdCIL CELEBRATED INTERNATIONAL WOMEN'S DAY



In the picture (L to R), Mrs. Anju Banerjee, CMD, EdCIL, Ms. Annie Abraham, DIG (Intelligence), CRPF, Ms. Karnika Seth, Chairperson, Cyberlaws Consulting Centre and Ms. Mehak Jain.

EdCIL celebrated International Women's Day at EdCIL House, Noida on 8<sup>th</sup> March, 2013. The theme this year was Safety for Ourselves. EdCIL published a booklet on 'Safety for Ourselves' for women employees containing comprehensive details for women's safety collected from various newspapers, books and magazines. The Guest of Honor were Ms. Annie Abraham, DIG (Intelligence), CRPF, Ms. Karnika Seth, Chairperson, Cyberlaws Consulting Centre and Ms. Mehak Jain.

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### EdCIL observed Vigilance Awareness Week 2012

EdCIL observed Vigilance Awareness Week during October 29 and November 3, 2012. Mrs. Anju Banerjee, CMD, EdCIL administered the oath taking ceremony to all the employees of EdCIL. This year the theme was "Transparency in Public Procurement". Shri S. K. Rakesh (ISA), CVO, Central Warehousing Corporation participated as the chief guest during the closing ceremony of the Vigilance Awareness Week.

## EdCIL's Expertise



### Integrated Project Management

From concept to commissioning, EdCIL undertakes the projects on turnkey basis and follows an integrated approach combining the technical, managerial and financial skills, in the effective management of all operation activities, culminating in the fulfillment of objectives to the clients' satisfaction.

### Innovation

EdCIL constantly upgrades the organizational knowledge base and applies innovative concepts to meet the varying client requirement in the rapidly changing business environment marked by diminishing trade barriers in the emerging knowledge society.

### Commitment to Excellence

EdCIL's continued commitment to excellence and its efforts to continually enhance the quality of all its services to deliver the clients value for money through successful completion of projects within the stipulated time frame and budgeted cost.

### Flexibility

A large pool of technical and managerial manpower well supported by assigning based eminent consultants and on-going research activities enable us to provide the most appropriate expertise for a range of national and international projects combined with the flexibility to meet the evolving needs of our projects and clients.



## NOTICE

Notice is hereby given that the Thirty Second Annual General Meeting (AGM) of the members of Company-M/s EdCIL (India) Limited will be held as per the schedule given below:

Day & Date	Monday, 30 <sup>th</sup> September 2013
Time	3 pm.
Venue	Office of Secretary, Higher Education Ministry of Human Resources Development, Shastri Bhavan, New Delhi

To transact of the following business:

### Ordinary Business:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 and 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, the comments of the Comptroller and Auditor General of India thereon.
2. To declare Dividend

Place: Delhi

Date: 29.08.2013

By order of the Board

EdCIL (India) Limited

Sd/-  
(P. Jayanthi)  
GM (Finance)

### Notes:

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIM AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**



## DIRECTORS' REPORT

### TO OUR SHAREHOLDERS...

On behalf of the Board of Directors of your Company, I have the pleasure in presenting this 32<sup>nd</sup> Annual Report and Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2013, 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 Lakh, except EPS]

Particulars	2012-13	2011-12
Turnover	6084.94	8648.77
Other Income	373.99	359.78
Expenditure	5602.22	8581.22
Gross Margin	856.71	427.33
Depreciation	41.08	38.02
Profit before Tax	815.63	389.31
Tax Provision including deferred taxation and Fringe Benefit Tax	289.80	144.42
Net Profit after Tax	525.83	244.89
Appropriations		
Proposed Dividend including tax	232.44	174.33
Transfer to Staff-welfare Fund	5.26	2.45
Transfer to CSR/R&D/SD Fund	9.80	7.47
Transfer to General Reserve	52.58	24.49
Transfer to Balance Sheet (Profit & Loss Balance)	225.75	36.15
<b>EPS (Rs.)</b>	<b>263</b>	<b>163</b>

### DIVIDEND

Considering the performance of the company for the year 2012-13, the Board recommends Dividend @ 100% which is same as Dividend declared during last year. This dividend of Rs. 200 lacs is payable for the year 2012-13, subject to approval of shareholders at the Annual General Meeting. Income Tax payable on distribution of Dividend would be Rs. 32.44 lakhs. The total outgo towards Dividend and tax thereon would be Rs. 232.44 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-Sixth consecutive year in which the Company has declared dividend. After this payment of dividend, the total dividend payment till 2012-13 to Ministry of HRD, Government of India would be Rs. 1634.75 lakhs.

### A LOOK BACK AT 2012-13

Comptroller and Auditor General of India had observed that EdCIL's role in placement of students activity is like an agent. An expert view was taken on the comments of CAG and accordingly EdCIL changed its Accounting Policy on placement of students activity to an agent. The change of Accounting Policy w.e.f F.Y 2012-13 was approved by the Board of Directors in their 135<sup>th</sup> meeting

held on 19<sup>th</sup> August 2013. Accordingly, the turnover and accounting for placement of student activity was treated and booked for the financial year 2012-13.

Based on the new accounting policy, in the year 2012-13, the company achieved net profit before tax of Rs 815.63 lakhs with turnover of Rs 6084.94. Last year the company posted net profit before tax of Rs. 389.31 Lakhs with turnover of Rs.8648.77 lakhs.

Systems strengthening and process orientation continued has focus areas during 2012-13. Implementation of ERP in Project Divisions was planned and accordingly actions were initiated in this direction during the year. Competency mapping for the executive cadres was conducted by a third party expert during the year understanding of strengths and weakness and enabling future HR strategy plans of the company. Results of the mapping and future actions are going to yield results in the coming years. Risk Management Policy was developed by a third party expert during the year 2012-13. Enterprise level risk measurement and mitigation strategies were developed and reported to Board of Directors during the year. 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 abroad continued to remain one of the focus areas for the company. During the year 2012-13 EdCIL participated along with its interested partner institutions in 15 Educational Fairs / Seminar cum counseling sessions in 11 countries. EdCIL's promotion of Indian Education abroad efforts were implemented through seminar cum counseling sessions, road shows and participation in the 15 educational fairs including escorting the selected Institutional delegation for customized fairs in 11 countries viz Bangkok, Bangladesh, Bhutan, Dubai, Ethiopia, Indonesia, Iraq, Mauritius, Nepal, Sri Lanka and Uzbekistan.

The total number of projects executed in the operational areas of the company (Technical Assistance, Institutional Development, Placement & Secondment, and Testing etc.) stood at 100 for the year. A list of Projects completed and ongoing is provided at Annexure I to this report.

Exploration of new business areas were undertaken during the year 2012-13 under New Initiatives Division. A product named "Class M" was developed in order to strengthen the educational institutions / schools. This product is a modular system starting with digitisation of its processes and ultimately aiming at implementation of ERP and certification. EdCIL after following due processes empanelled the business associates in the areas of ERP implementation, e-classrooms, skill upgradation, skill certification and online admission processes. This area is going to strengthen portfolio of EdCIL in delivering technology driven and relevant solutions to educational institutions / schools.

The company has been certified for ISO 9001-2008, 14001:2004. Recertification Audit for the ISO certification was successfully completed during May 2012 (for the next three years). 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 2013-14**

Achieving higher customer satisfaction and increasing its presence in international business remain priority areas of EdCIL. Management practices aiming at timely completion of projects using Project Management practices along with increased efficiency resulting higher customer satisfaction will be aimed during the year. Public Private Partnerships and value addition to clientele remain one of the focused areas for the year 2013-14. Interactive intranet which is operational will be strengthened to achieve speedy information dissemination. The company will take up Corporate Social Responsibility (CSR) activities, Research & Development and Sustainable Development Activities as per the guidelines of Department of Public Enterprises, Government of India. The company will continue to focus on promotion of Indian Education abroad. The company will adopt

appropriate cost control mechanisms during the year and strive to improve its gross margin.

### **CAPITAL STRUCTURE**

The Authorized & Paid up Capital of the Company stood at Rs. 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 Rs. 67.01 crores as compared to last year 2011-12 figures of Rs. 34.90 crores, the expenditure on acquisition of capital assets during the year was Rs. 27.12 lakhs.

### **VIGILANCE DEPARTMENT**

Regular vigilance activities were carried out with focus on implementation of preventive vigilance activities. Periodic and Surprise check were done at regular intervals and observations were communicated to the concerned departments for compliance. Systems improvements and compliances reinforced aiming to achieve higher productivity and transparency. New employees were given induction training on various procedures including vigilance awareness. Vigilance Awareness week was organized in the Corporation during 29/10/2012 to 03/11/2012 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 was 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. Sensitive posts were identified and job rotation has been done for job enrichment and preventive vigilance. Under the Corporate Governance, a Whistle Blower Policy, in accordance with CVC policy and Code of Ethics for Board Members and Senior Management were also been practiced during the year.

### **CORPORATE SOCIAL RESPONSIBILITY**

As per the guidelines issued by Department of Public Enterprises, EdCIL has constituted a CSR cell and allocated budgets for the financial year 2012-13. As per the approved long range plan blending with its core business areas, the corporation implemented three initiatives :-

1. EdCIL adopted two schools and two madarasas in the backward area of Barabanki in the state of Uttar Pradesh. A need assessment survey was conducted and action plan was prepared for the intervention. Computers along with learning packages were provided to the four schools. EdCIL also conducted counseling sessions for the students of the madarsa / schools.
2. EdCIL adopted a slum area in NCR region. A gap analysis has been done and based on the needs, educational training coupled with health interventions took place in the selected area.
3. EdCIL also prepared a baseline study for the long term interventions in the CSR activity.

All the above three activities were conducted by NGO / Institutions specialised in the areas.

### **RESEARCH & DEVELOPMENT**

Under the R & D activities, the following three activities were undertaken:

- 1) A handbook was prepared towards benchmarking standard for educational institutions including laboratories and the report was shared with MHRD.
- 2) A research report was prepared on Copyrights in Educational Domain and was shared with MHRD.

- 3) A software was developed to monitor timely completion of the projects within EdCIL. The same was implemented in Project Divisions and provided training to the users.

### **SUSTAINABLE DEVELOPMENT**

Under Sustainable Development, the following three activities were undertaken:

- 1) A comprehensive training was provided EdCIL employees on “Aspects of Sustainable Development”. This training increased understanding of sustainable development as a progressive tool to the employees.
- 2) Energy conservation practices were followed resulting in reduction of electricity units and diesel consumption, however, marginal savings in terms of expenditure was observed due to increase of electricity / diesel charges.
- 3) EdCIL replaced conventional lights outside its campus with solar energy partially.

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 217 (2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- a) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that the Directors selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended 31<sup>st</sup> March 2013.
- c) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors prepared the annual accounts on a going concern basis.

### **PERSONNEL AND ADMINISTRATION**

EdCIL being a consultancy organisation has always believed that human resource is the most important resource and continues to work for its development. The ongoing thrust on development of human resource continued during the financial year 2012-13 and employees at all levels were given training for improving efficiency and core competency. During the year there has been no man hour loss occurred and good industrial relations maintained.

Competency mapping for all the executive cadres of the Corporation conducted during the year by a third party agency. Also a certification programme on “Project Management” was conducted for 25 employees at the beginning of the year.

The sanctioned strength of the Company is 96 and the operating strength of the Company as on 31st March 2013 was 78, including 32 reserved category employees under the categories of Schedule Caste-23, Schedule Tribe- 02 and OBC-07.

## **PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A)**

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, 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 Section 619(2) of the Companies Act. M/s.G. R. Garg & Co. Chartered Accountants were appointed Statutory Auditors of the Company for the financial year 2012-13 by C&AG.

The comments of the Statutory Auditors on the Accounts of the Company for the Financial Year 2012-13 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.
- (c) A certificate on compliance of Corporate Governance Guideline obtained from Practicing Company Secretary is placed at Annexure V.

## **COMPLIANCE CERTIFICATE FROM PRACTISING COMPANY SECRETARY**

Pursuant to the requirement of proviso to section 383A(1) of the Companies Act, 1956, the Company has obtained a Compliance Certificate from Ajay Kumar Behra, Company Secretary (CP No. 7980) , which is attached herewith and is considered part of this report.

## **ACKNOWLEDGEMENTS**

The Directors acknowledge and appreciate the hard work, dedication and integrity of 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 continuance of this mutually supportive relationship in future.

The Directors deeply appreciate the continued support, guidance, help and cooperation received by the Company from various Ministries of the Government of India particularly from the Ministry of Human Resource Development, 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.

For and on behalf of the Board of Directors

Sd/-

**(Anju Banerjee)**

Chairperson & Managing Director

Dated: 29.08.2013

Place: New Delhi



## Annexure- I

## SUMMARY OF PROJECTS COMPLETED / ONGOING DURING THE YEAR 2012-13

### INTERNATIONAL

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

1. **Afghanistan:** Afghan Ministry of Higher Education, Kabul, Afghanistan. Placement of Afghan Students in EdCIL's Associated Institutions for Under-Graduate for Under –Graduate and Post Graduate programmes **for 2011-12 Batch**. Project Ongoing.
2. **Afghanistan:** Afghan Ministry of Higher Education, Kabul, Afghanistan. Placement of Afghan Students in EdCIL's Associated Institutions for Under-Graduate for Under –Graduate and Post Graduate programmes **for 2012-13 Batch**. Project Ongoing.
3. **Bhutan:** Royal Civil Service Commission, Royal Government of Bhutan. Placement of Bhutanese Students in Indian Educational Institutions for Post-Graduate Programmes **for 2010-2011 Batch**. Project Completed.
4. **Bhutan:** Royal Civil Service Commission, Royal Government of Bhutan. Placement of Bhutanese Students in Indian Educational Institutions for Post-Graduate Programmes **for 2011-2012 Batch**. Project Ongoing.
5. **Bhutan:** Royal Civil Service Commission, Royal Government of Bhutan. Placement of Bhutanese Students in Indian Educational Institutions for Post-Graduate Programmes **for 2012-2013 Batch**. Project Ongoing.
6. **Bhutan:** DANIDA Scholarship, Royal Government of Bhutan. Placement of Bhutanese Students in Indian Educational Institutions for Under-Graduate Programmes **for 2007-2008 Batch**. Project Ongoing.
7. **Eritrea:** National Board for Higher Education, Asmara, Eritrea, Placement of Eritrean Students in Indian Institutions/Universities for higher studies **for the 2011 – 2012 Batch**. Project Completed.
8. **Nepal:** Holding of entrance examination for the selection of Nepalese students for admission in Indian Universities for MBBS, BE, B.Pharm, BVSc., Dairy Technology etc. courses for the academic **year 2012-2013 [COMPEX Nepal 2012]**. Project Completed.
9. **Placement of International Students in Hotel Management Institutions:** Placement of Foreign Nationals/PIO/NRI Students in 24 Institutes of Hotel Management and 6 Food Craft Institutions under NCHM&CT. Project Ongoing
10. **Placement of International Students in Agricultural Institutions:** Placement of Foreign Nationals/PIOs/NRIs candidates in 46 Agricultural Universities throughout India under Indian Council for Agricultural Research (ICAR). Project Ongoing.
11. **SELF-FINANCING STUDENTS:** Various Countries. Placement of Self-Financing Students (SFS) in Indian Educational Institutions. Project Ongoing.

#### Secondment Projects:

12. **Tanzania:** Recruitment of Academic Staff for the University of Dodoma, Tanzania 2012-13. Project Ongoing.
13. **Mongolia:** Ministry of Human Resource Development, Government of India, Deputation of Teachers from India for the Joint Indo-Mongolia Higher Secondary School. Project Completed.

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

14. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **LLM Programme for 2011-2012 Batch**. Project Completed.
15. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme in NITs/IITs for 2008-2009 Batch**. Project Completed.
16. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme in EdCIL's Association Institutions/University for 2009-2010 Batch**. Project Completed.
17. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme in EdCIL's Association Institutions/University for 2010-2011 Batch**. Project Ongoing.
18. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme in EdCIL's Association Institutions/University for 2011-2012 Batch**. Project Ongoing.
19. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme in EdCIL's Association Institutions/University for 2012-2013 Batch**. Project Ongoing.
20. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B. Pharmacy Programme for 2008-2009 Batch**. Project Completed.
21. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B. Pharmacy Programme for 2010-2011 Batch**. Project Ongoing.
22. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B. Pharmacy Programme for 2011-2012 Batch**. Project Ongoing.
23. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B. Pharmacy Programme for 2012-2013 Batch**. Project Ongoing.
24. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **Ph.D Programme for 2010-2011 Batch**. Project Completed.
25. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **Ph.D Programme for 2011-2012 Batch**. Project Ongoing.
26. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **Ph.D Programme for 2012-2013 Batch**. Project Ongoing.
27. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Sc. (Agriculture), B.Sc. (Dairy Technology) and BVSc Programme for 2010-2011 Batch**. Project Ongoing.
28. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Sc. (Agriculture), B.Sc. (Dairy Technology) and BVSc Programme for 2011-2012 Batch**. Project Ongoing.
29. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Sc. (Agriculture), B.Sc. (Dairy Technology) and BVSc Programme for 2012-2013 Batch**. Project Ongoing.
30. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BBA/BBM/BA/BCom/BCA Programme for 2010-2011 Batch**. Project Completed.
31. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BBA/BBM/BA/BCom/BCA Programme for 2011-2012 Batch**. Project Ongoing.

32. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BBA/BBM/BA/BCom/BCA Programme for 2012-2013 Batch**. Project Ongoing
33. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BAMS Programme for 2011-2012 Batch**. Project Ongoing.
34. **New Delhi:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BAMS Programme for 2012-2013 Batch**. Project Ongoing.
35. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India. Implementation including Examination, Placement of Students & Administration, and Disbursement of Scholarship to selected Students for various Under Graduate Programme under **SPDC for 2008-2009**. Project Completed.
36. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India. Implementation including Examination, Placement of Students & Administration, and Disbursement of Scholarship to selected Students for various Under Graduate Programme under **SPDC for 2009-2010**. Project Ongoing.
37. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India. Implementation, Placement of Students & Administration, and Disbursement of Scholarship to selected Students for various Under Graduate Programme under **SPDC for 2010-2011**. Project Ongoing.
38. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India. Implementation, Placement of Students & Administration, and Disbursement of Scholarship to selected Students for various Under Graduate Programme under **SPDC for 2011-2012**. Project Ongoing.
39. **New Delhi:** Ministry of Overseas Indian Affairs, Government of India. Implementation, Placement of Students & Administration, and Disbursement of Scholarship to selected Students for various Under Graduate Programme under **SPDC for 2012-2013**. Project Ongoing.
40. **NEW DELHI** – Supply & installation of Furniture items, Air Conditioners, Access Control System, CCTV, PA System etc. for establishment of Mahatma Gandhi Institute of Education for Peace & Sustainable Development (MGIEP & SD) in New Delhi. Project Completed – Financial Closure Under Progress.

#### INSTITUTIONAL DEVELOPMENT

41. **Agra:** Construction of Multi Purpose Hall at Kendriya Hindi Sansthan– **Project Ongoing**.
42. **Andhra Pradesh :** Concept report of upgradation of National Institute for Micro, Small and Medium Enterprise (ni- MSME) to SME University. **Project Ongoing**.
43. **Chattisgarh:** Setting-up of International Institute of Information Technology (IIIT), Raipur, Chattisgarh (Consultancy Services Package for Preparation of Detailed Engineering Drawings and Tendering Specifications ) – **Project Ongoing**.
44. **Gujrat :** DFR for setting up of Engineering & Polytechnic college in Gujarat, RIL. Project Ongoing.
45. **Himachal Pradesh:** Establishment of Central University of Himachal Pradesh at Dharamshala Kangra District (H.P.) –(Consultancy services for Conducting Detailed Contour & Geo-Technical Survey and Master Plan) – **Project Ongoing**.
46. **Jammu:** Establishment of Central University of Jammu (Consultancy Services for conducting Detailed Contour Survey, – Architectural Design Competition & Master Plan) – **Project Completed**.
47. **Kashmir:** Establishment of Central University of Kashmir (Consultancy Services for conducting Architectural Design Competition & Master Plan) – **Project Ongoing**.

48. **Madhya Pradesh:** Residential Staff Quarters and 2<sup>nd</sup> & 3<sup>rd</sup> Boys Hostel, MDP Centre and Guest House for Atal Bihari Vajpayee Indian Institute of Information Technology & Management, Gwalior (Package-II Works). – **Project Completed & Handed over – Financial Closure Under Progress.**
49. **Madhya Pradesh:** Rustamji Institute of Technology (RJIT), Tekanpur. Construction of Rustamji Institute of Technology, Tekanpur, Gwalior. – **Project Completed. - Financial Closure Under Progress.**
50. **Maharashtra:** Preparation of Detailed Engineering Drawings and Tendering Specifications for Setting up of Solapur Power Training Institute, Solapur for NTPC Limited. – **Project nearing completion.**
51. **New Delhi:** University Grants Commission (UGC). Construction of University Grants Commission Campus at JNU Campus, New Delhi. – **Project Closed.**
52. **New Delhi:** Establishment of Mahatma Gandhi Institute of Education for Peace & Sustainable Development in New Delhi- **Project Ongoing.**
53. **New Delhi:** Development of Web-Portal on Higher Education of India with uplinking facility to UNESCO Portal, MHRD Delhi. **Project Ongoing.**
54. **New Delhi:** Development of Web-Portal on Higher Education of India with uplinking facility to UNESCO Portal, MHRD Delhi. **Project Ongoing.**
55. **New Delhi:** Development and Updation of Website Contents of MHRD. Project Ongoing.
56. **New Delhi (Gurgaon) :**DPR for Indian National Defence University (INDU). Project Ongoing.
57. **New Delhi:** DPR for establishment of National Institute of Communication Finance (NICF) campus. Project Ongoing.
58. **New Delhi :** DFR for MIIT, Myanmar. Project Ongoing.
59. **New Delhi :** Evaluation of Comprehensive & Continuous Evaluation Scheme (CCE), CBSE. Project Ongoing.
60. **New Delhi :** Proposal for Tabulation of Copyright Application for MHRD. Project Ongoing.
61. **New Delhi :** DPR for Conversion of Indian Institute of Tourism and Travel Management Tourism to Delhi Institute of Tourism and Travel Management. Project Ongoing.
62. **New Delhi :** Preparation of DPR for establishment of Tourism University for ITDC. Project Ongoing.
63. **New Delhi :** Conducting Evaluation Study on Artists Pension Scheme, Ministry of Culture. Project Ongoing.
64. **New Delhi:** Conducting evaluation on schemes for development of Indian languages for MHRD . Project Ongoing.
65. **New Delhi :** DPR for establishment of six Universities for the Minority Dominated areas, Ministry of Minority Affairs. Project Ongoing.
66. **Himachal Pradesh:** Department of Elementary Education- Quality School Certification (Shimla) for Himachal Pradesh State Govt. Project Ongoing.
67. **New Delhi :** Grade 8 exam administration and marking software in Ethiopia through Lucky Exports Pvt. Ltd. Project Ongoing.
68. **New Delhi :** Anti Ragging Helpline for University Grant Commission Financial Closure Ongoing.
69. **New Delhi:** Anti Ragging Web Portal for University Grant Commission Financial Closure Ongoing.
70. **Uttar Pradesh:** DPR for establishment of AMU Kishanganj centre. Project Ongoing.
71. **Orissa:** Indira Gandhi National Open University, Preparation of Master Plan for National Centre for Vocational Education and Training at Phulbani, District- Kandhmal, Orissa. – Completed – Financial Closure Under Progress.

**TECHNICAL ASSISTANCE STATE LEVEL**

72. **Andaman & Nicobar Islands:** Conduct of written test for recruitment of Patwaris in the District Administration in Andaman & Nicobar Islands - Project Completed.
73. **Chandigarh:** Conduct of Written Examination for recruitment to various posts in Punjab State Power Corporation Limited (PSPCL-II) - Project Completed.
74. **Chandigarh:** Conduct of Written Examination for recruitment to various posts in Punjab State Transmission Corporation Limited (PSTCL) – Project Physically Completed.
75. **Madhya Pradesh:** Recruitment of Officers / Employees in Various Cadres for Madhya Pradesh Power Generating Co. Ltd. – Project Physically Completed
76. **New Delhi:** Recruitment of Executive (Civil), (Electrical) & (Sig. & Tele.) in Dedicated Freight Corridor Corporation of India Limited (DFCCIL-II) – Project Completed.
77. **New Delhi:** Conduct of Written Examination for the Recruitment of DM (Tech.), DM (Mktg.), Manager (P&A) and DM (P&A) in RailTel Corporation Ltd. . – Project Completed.
78. **New Delhi:** Conduct of Written Examination for recruitment Assistant Manager (Civil, Electrical, S&T, Finance & HR) and Diploma Engineer (Civil, Electrical, S&T and Finance) in Dedicated Freight Corridor Corporation of India Limited (DFCCIL-III) – Project Physically Completed.
79. **New Delhi:** Conduct of written test for recruitment to the post of Lower Division Clerk cum Typists in Delhi Development Authority (DDA) – Project Physically Completed.
80. **New Delhi:** Recruitment to the post of Additional General Manager, Joint General Manager, Deputy General Manager, Manager, Assistant Manager, Senior Executive & Executive in Dedicated Freight Corridor Corporation in India (DFCCIL-IV) – Project Physically Completed.
81. **New Delhi:** Recruitment for the posts of Ambulance Paramedic and Ambulance Driver in Centralized Accident and Trauma Services (CATS) – Project Physically Completed.

**TECHNICAL ASSISTANCE - OTHERS NATIONAL**

82. **New Delhi:** Department of Higher Education, MHRD: Engagement of Data Entry Operators and Peons/Helpers on contractual basis.
83. **New Delhi:** National Scholarship Division, Ministry of HRD: Engagement of Data Entry Operators on contractual basis.
84. **New Delhi:** All India Council for Technical Education Head Office and Regional Offices : Engagement of various post i.e. Steno, DEO, Helper etc. on contractual basis.
85. **New Delhi:** JNNURM Directorate, Ministry of Urban Development: Engagement of DEOs on contractual basis.
86. **New Delhi:** Ministry of Housing and Urban Poverty Alleviation: Engagement of DEOs on contractual basis.
87. **New Delhi:** Department of Justice, Ministry of Law & Justice: Engagement of Legal Advisor, Legal Assistant, Research Assistant, Project Officer, Project manager, Contract Specialist etc. etc on contractual basis.
88. **New Delhi:** Dedicated Freight Corridor Corporation of India Limited: Recruitment of Steno, Office Assistant, IT Assistant etc. on contractual basis.
89. **New Delhi:** BP & Copyright Division, Ministry of HRD: Recruitment of Consultants on contractual basis.
90. **New Delhi:** Sarva Shiksha Abhiyan, Tamil Nadu :Recruitment of Consultants on contractual basis.
91. **New Delhi:** Ministry of Women & Child Development: Recruitment of manpower i.e. Consultant, Assistant Research Associate etc. on contractual basis.



92. **Ministry of Human Resource Development:** Government of India. Providing of Logistic Support for Sarva Shiksha Abhiyan (SSA) Project. Project Ongoing.
93. **Ministry of Human Resource Development.** Government of India. Department of Elementary Education & Literacy. Providing of Logistic Support for Mid Day Meal (MDM) Project. Project Ongoing.
94. **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. Project Ongoing.
95. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for the National Project Implementation Unit (NPIU), Technical Educational – III. Project Completed.
96. **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). Project Ongoing.
97. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for National Mission on Education through Information and Communication Technology (NMEICT). Project Ongoing.
98. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for Girls Hostel Project (GHP). Project Ongoing.
99. **Ministry of Human Resource Development.** Government of India. Providing Logistic Support for Rastriya Madhyamic Shiksha Abhiyan (RMSA) Project . Project Ongoing.
100. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under National Literacy Mission Authority (NLMA) for Shaakshar Bharat Scheme. Project Ongoing.

**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 31<sup>st</sup> March, 2013**

Sl.	Comments of the Statutory Auditors	Management Replies
1	Non Confirmation of balances of trade receivables, trade payables, Loans & Advances and bank balances with Midland Bank, London (Refer to Note No. 12.1 of Notes to Accounts). The Financial impact of this non –compliance, if any, could not be determined.	<p>The Recovery Cell is in the process of reconciliation of balances with Sundry Debtors greater than 6 months, towards recovery of dues and also settlement of Loans and Advances. The Management has also reviewed recovery positions of debtors, loans and advances during the F.Y 2012-13. Based on such review and assessment, the balances in the aforesaid accounts have been considered good by the Management and disclosed vide Note No. 9&amp;11 to Notes to Accounts.</p> <p>The Balance in Midland Bank London is GBP 138.86 and there has been no transaction in the bank account for the past more than 5 years.</p> <p>Despite repeated reminders we have not received the bank statement of F.Y. 2012-13 from the Bank.</p>
2	Information is not available regarding classification of creditors into Micro, Small and Medium enterprise as required under the Micro, Small and Medium Enterprise Development Act, 2006 (refer to note 5.1 of notes to accounts). The Financial impact of this non –compliance, if any, could not be determined.	No classification of outstanding as on 31.03.2013 had been made separately of dues towards entities covered under Micro, Small & Medium Enterprises Development Act, 2006 on account of non furnishing their status as Micro, Small & Medium Enterprises. In view of this, there is no dues outstanding which attract the provisions of Section 22 of the Micro Small & Medium Enterprises Development Act, 2006.
3	Loans and Advances includes Rs. 83.91 lacs (Previous year Rs. 97.78 lacs) which are unsecured, unconfirmed and outstanding for a period of more than three years. The Company has created has ad-hoc provision of Rs. 30.66 lacs (previous year Rs. 30.66 lacs) against these advances. In our opinion, the recovery of Rs. 53.25 lacs (previous year Rs. 67.12 lacs) the profit and loans and advances have been overstated.	The management review loans and advances recoverable during the F.Y 2012-13. The dues considered doubtful have been provided in the books of accounts, Giving the importance to Loans and Advances greater than 3 years, the Recovery Cell is also focusing on reconciliation and adjustment of the same. The other balances have been considered good and recoverable by the Management and accordingly for this no provisions was considered to be made in the books of accounts for the F.Y 2012-13.

4	<p>Reference may be made to:</p> <p>(i) Note 18.3 to the financial statement and tabulation based on information given by LIC of India, based on which the Company has paid an annual premium of Rs. 4.12 lacs (previous year Rs. 41.30 lacs) towards liability for Gratuity of employees other than those on contractual basis; and,</p> <p>(ii) Para 8 of the Significant Accounting policies to the financial statements with regard too basis adopted by the Company to account for the provision for encashable leave in subsequent years / or on retirement which is made on the basis of accrued earned leave and encashable portion of half pay leave accumulated by the employees up to the close of the financial year. The provision created for the year ended March 31, 2013 is Rs. 36.90 lacs (previous year Rs. 42.28 lacs).</p> <p>The liability is however stated as not on actuarial valuation as per the requirements of AS -15 issued by ICAI; and accordingly, we are unable to comment on the adequacy or otherwise thereof as at the year end.</p>	<p>The Company has subscribed to Group Gratuity Cash Accumulation Policy with 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 was considered as "Company's Contribution to Gratuity".</p> <p>However, the requirement of AS-15 for separate actuarial valuation for Leave Encashment &amp; Gratuity is noted for future compliance.</p>
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## 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:

- One Chairman and Managing Director.
- One Nominee of Ministry of Human Resource & Development.
- One Nominee of Ministry of External Affairs.
- Three 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 three comprising One Chairperson & 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 one 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 Following Director joined to be on Board after the closure of the financial year 2012-13.

Smt Neeta Bhushan, Joint Secretary (Coord. & Parliament) from Ministry of External Affairs, has joined as Part Time Director EdCIL on receipt of her nomination vide MEA letter No Q/PA-I/551/02/2013 dated 06.08.2013.

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

During the financial year 2012-13, 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.	Quarter	Dates
1	For the quarter ended June 2012	25.06.2012
2.	For the quarter ended September 2012	24.08.2012
3.	For the quarter ended December 2012	21.11.2012
4.	For the quarter ended March 2013	19.02.2013

Name of Director	129 <sup>th</sup> Meeting	130 <sup>th</sup> Meeting	131 <sup>st</sup> Meeting	132 <sup>nd</sup> Meeting
Mrs. Anju Banerjee, CMD	Yes	Yes	Yes	Yes
Smt. Amita Sharma	No	Yes	No	Yes
Sh. Surendra Prasad	Yes	Yes	Yes	Yes

#### 2.5 Brief Resume of Directors appointed after the financial year 2012-13.

Smt. Neeta Bhushan, Part Time Director, EdCIL is Joint Secretary, (Coord. & Parliament) from Ministry

of External Affairs. She is IFS of 1994 batch. As a career diplomat, her overseas assignments have included political and information work in Tokyo (Japan), Head of the Press, Culture and Information Wing in Dhaka (Bangladesh), and Head of the Economic and Commercial Wing in the Indian Embassy in Berlin (Germany). She also worked as a desk officer for Japan and Korea in New Delhi.

### 3. Audit Committee

#### Composition of the Audit Committee

Owing to insufficient Part Time Directors on the Board during the year, the Audit Committee was not in place. Hence there was no meeting of the Audit Committee during the year.

### 4. Remuneration Committee

Owing to insufficient Part Time Directors on the Board during the year, the Remuneration Committee has not been constituted. Hence there was no meeting of the Remuneration Committee during the year.

Disclosure on Remuneration package of Chairperson & Managing Director and sitting fees to independent directors:

(Rs.)

S. No	Name of the Directors	Salary & Allowances	Other Benefits & Perks	Performance Related Pay	Retirement Benefits	Bonus/ Commission /Ex-gratia	Total
1	Smt. Anju Banerjee, CMD	14,53,133	9,76,873	NIL	2,48,865	NIL	26,78,871

#### Statement of sitting fees paid to independent Directors paid during F. Y. 2012-13

Name of Director	129 <sup>th</sup> Meeting	130 <sup>th</sup> Meeting	131 <sup>st</sup> Meeting	132 <sup>nd</sup> Meeting	Total
Prof. Surendra Prasad	3000/-	3000/-	3000/-	3000/-	12000/-

### 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
29 <sup>th</sup> AGM of 2009-10	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	24.09.2010	1230 Hrs.
30 <sup>th</sup> AGM of 2010-11	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	28.09.2011	1430 Hrs.
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

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

AGM	Year	Subject Matter of the Special Resolution	Date
29th	2009-10	No Special Resolution Passed	24.09.2010
30th	2010-11	Change in the Object Clause proposed but could not be passed	28.09.2011
31st	2011-12	Change in the Object Clause.	11.12.2012
EGM		Change in the Object Clause.	23.07.2012

**6. Code of Business Conduct and Ethics**

The Company has in place the 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/EOIs, 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. Training of 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, a Whistle Blower Policy, in accordance with CVC policy, has been adopted in the corporation during the Financial Year. The policy ensures that a genuine Whistle Blower is granted due protection from any victimization.

**10. Compliance Certificate**

The Certificate from a practicing Company Secretary regarding Compliance of the conditions of Corporate Governance in accordance with the guidelines issued by the Department of Public Enterprises forms the part of the Annual Report. Further, as an explanation to the observations contained in the certificate given by practicing Company Secretary regarding compliance of the conditions of Corporate Governance, this is to inform that since two vacant positions of Part Time Independent Directors are to be filled up by the Ministry of Human Resources Development, it was not possible for EdCIL to meet the requirement of the clauses no. 3.1, 4.1, 4.4, 4.5 and 5.1 of the DPE Guideline on Corporate Governance.

## Annexure IV

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

Government of India adopted highest priority to education sector. During the last five year plan project, the allocation to the education are at the highest. During the current plan period also, education remains as one of the focused sectors of Indian economy. As a result of continued policy initiatives, the education sector today is witnessing a high growth path coupled with global opportunities. In this scenario, school education attains utmost attention of the policymakers in view of the Right to Education Act. Education to all in the country was once a dream and coming to realization very soon. Technical and higher education is demand driven in a global society. Entry of foreign universities is going to change dynamics of opportunities in the higher education sector, infrastructure needs, stringent regulations, accreditations and overall quality in education is going to dominate in the years to come. In the overall system, there is an urgent need to address quality in education, so that the output is measurable on par with global standards. This also ensure that Indian workforce can compete with global market opportunities. Services are primarily at high demand in school as well as higher education arenas. Consultancy services and value addition to clients are expected to witness explosive growth trends in the years to come.

### Strength

- Only consultancy organization in Education and Human Resource Development Sector in India offering gamut of services in education and human resource development.
- Accumulated inline experience of service spectrum catering to the requirement of institution establishment as one stop shop.
- Experience in developing countries and transformation strategies.
- Flexibility in operations and adoption of project management mode in delivery mechanism resulting in project basis resource mobilization.
- Horizontal and vertical growth opportunities inline with growing economy in India.
- Intellectual inventory on account of multi-task consultancy assignments.

### Weakness

- Lack of perceived core strength in specialized disciplines and dependence on empanelled consultants.
- Absence of effective mechanism for knowledge upgradation of empanelled consultants.
- Capacity constraints at times in undertaking voluminous projects.
- Low integration strategies in relation to developments in information technology.
- Inadequate application of behavioural dynamics in internal environment.
- Unable to capture major share of opportunities in government spending (education sector).

### Opportunities

- Plenty of opportunities in consultancy services and value addition pertaining to school as well as higher education segments.
- Opening up Indian education for foreign universities.
- Quality in education: certification and accreditation
- Skill development opportunities across the board.
- E-education and third party certification opportunities.
- Standardisation and benchmarking opportunities in schools and colleges.

### Threats

- Low cost national competition from private players
- Forward integration approach of specialized institutions
- Increasing manpower costs as well as increasing manpower turnover
- Apt synergy of delivery Vs project objectives

### Strategies

- Forward and backward integration of existing service pattern in selected areas
- Capacity building for integrated project management
- Networking and partnership approach with specialized service agencies, especially in private sector
- Aggressive marketing of its core business areas
- Increasing presence as well as market share in developing countries / markets
- Managing a healthy portfolio of government and private business opportunities.
- System oriented technology driven strategies to improve productivity and bring transparency as a part of good governance

### Enterprise Risk Management (ERM)

In business includes the methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives. ERM provides a framework for risk management, which typically involves identifying particular events or circumstances relevant to the organization's objectives (risks and opportunities), assessing them in terms of likelihood and magnitude of impact, determining a response strategy, and monitoring progress. By identifying and proactively addressing risks and opportunities, business enterprises protect and create value for their stakeholders, including owners, employees, customers, regulators.

EdCIL being a consulting organization has several risks that are to be addressed in conducting its business operations. To identify the risk areas the job was assigned to a third party agency to study and formulate a Risk Management Policy for the Corporation. The Board has approved the risk management policy in its 133<sup>rd</sup> meeting held on 16<sup>th</sup> May 2013. The policy is to be implemented with effect from 2013-14.

Risk management gives comfort to stakeholders that the business is being effectively managed and helps the organisation confirm its compliance with corporate governance requirements.

### Internal Control Systems

In any organisation, internal control being an integral process effected by an entity's management and personnel is designed to address risks and to provide reasonable assurance that in pursuit of entity's mission, the general objectives of executing the operations more orderly, ethically, economically, efficiently and effectively is achieved and the resources are safeguarded against loss, misuse and damage.

The company has internal systems and processes in place, which ensures the execution of operation more orderly, ethically, economically, efficiently, and effectively, which is adequate and commensurate with the size of the Company. 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 serves as the backbone of the Corporation. Manpower is by far the 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, professional experts and quality consultation.

**a) Human Resource Development Plan**

EdCIL has been involved and also plans to formulate ways to attract and retain talent, formulation of training delivery methods, the road map towards achieving organizational culture and values, the strategy for ensuring performance evaluation, discipline, conflict resolution, periodical audits of HR Policies and programs, assessment of HR budgetary needs, various systems of HR enhancement, etc are a part of activities being planned under Human Resource Development.

**b) HR Policies**

EdCIL's HR Policies, rules and regulations including employees benefits perquisites etc have been reviewed recently and also alteration / changes in rules / procedures are done from time to time. These changes / policies are notified by HR Department of EdCIL.

**c) Training Need Analysis Training Institute.**

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

- (i) Project Management
- (ii) Project Risk Management
- (iii) Tendering Procedures
- (iv) Team Building
- (v) Presentation and Communication Skills
- (vi) ISO Awareness
- (vii) Computer Knowledge Especially for Group D Staff
- (viii) Corporate Etiquettes.

To The Members of  
M/s EdCIL (India) Limited  
New Delhi.

## **REG: COMPLIANCE CERTIFICATE WITH REFERENCE TO COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER GUIDELINES ON CORPORATE GOVERNANCE FOR CENTRAL PUBLIC SECTOR ENTERPRISES 2010**

1. This Certificate is in accordance with compliance of conditions of Corporate Governance by EdCIL (India) Limited (Hereinafter referred to as "Company") for the Financial year ended on 31<sup>st</sup> March, 2013 as stipulated in the Guidelines issued for Central Public Sector Enterprises 2010 effective from May 2010 (Hereinafter referred to as "Guidelines").
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said guidelines. It is neither an audit and nor an expression of opinion of the financial statement of the Company. Our responsibility is to carry out an examination, on the basis of my professional judgment so as to award a reasonable assurance of the correctness and completeness of the records for the purpose of this certificate.
3. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certifications etc as had been required by us
4. I certify that in respect of the aforesaid financial year ended 31<sup>st</sup> March 2013, the company has complied with various provisions of the Guidelines on Corporate Governance and its annexes *except in respect of the following Clauses.*
  1. *Clause No 3.1 regarding Composition of Board*
  2. *Clause No. 3.3.3 regarding Review of Compliance of Laws*
  3. *Clause No 3.6 and 7.3 regarding Risk Management*
  4. *Clause No. 4.1 regarding Audit Committee*
  5. *Clause No. 4.4 regarding meeting of Audit Committee*
  6. *Clause No. 4.5 regarding Review of information by Audit Committee*
  7. *Clause No. 5.1 regarding Remuneration Committee*

I hereby state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi  
Date: 08.07.2013

Sd/-  
(Ajay Kumar Behera)  
Company Secretary  
CP. No. 7980

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## **AFFIRMATION WITH COMPLIANCE OF CODE OF CONDUCT**

Declaration by the Chairperson & Managing Director regarding compliance with the Code of Conduct by Board Members and Senior Management during Financial Year 2012-13

I, Anju Banerjee, Chairperson & Managing Director, EdCIL (India) Limited, do hereby declare on the basis of affirmation received from the concerned Board Members and Senior Management Personnel of the Company, that the members of the Board and Senior Management Personnel have affirmed compliance of the Company's Code of Business Conduct and Ethics during 2012-13.

Place: New Delhi  
Date: 29-08-2013

Sd/-  
**Anju Banerjee**  
Chairperson & Managing Director



## COMPLIANCE CERTIFICATE

Registration No. of the Company: U74899DL1981GOI011882

Nominal Capital: Rs. 2,00,00,000/- (Rs. Two Crores Only)

To

The Members,

EdCIL (India) Limited, New Delhi

We have examined the registers, records, books and papers of EdCIL (India) Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2013 (Financial year). In our opinion and the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate. as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in. Annexure 'B' to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company a public limited company, comments are not required.
4. The Board of Directors duly met 4 times respectively on 25.06.2012, 24.08.2012, 21.11 .2012 and 19.02.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company was not required to close its Register of Members or Debenture holders during the financial year.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March 2012 was held on 11.12.2012 (adjourned on that date and concluded on 21-05-2013) on after giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose
7. One extra-ordinary general meeting was held on 23-07-2012 during the financial year after giving due notice to the members of the company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
8. As per the information and explanations given, the Company has not advanced any loans to its directors or person or firms of companies referred in the section 295 of the Act during the year.
9. As per information and explanations provided to us the Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. As per information and explanations provided to us the company was not required to make any entries in the register maintained under section 301 of the Act.
11. As per the information and explanations given, there were no instances falling within the purview of section 314 of the Act. the company need not obtained any approvals from the Board of directors, members or Central Government
12. The company has not issued any duplicate share certificates during the financial year.
13. The company has:
  - i) delivered all the certificates on allotment of securities and on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act,
  - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared in the AGM dated 11-12 -2012 (adjourned and concluded on 21-05-2013. However in adjourned meeting dated 21-05-2013 adoption of accounts and 100% dividend was declared but the date falls outside the reported financial year)
  - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year. Please see para no. (ii) above.
  - iv) The Company was not required to transfered the amounts in unpaid dividend account, application money due for refund matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven year to Investor Education and Protection Fund (applicable when Rules are notified)

- v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointment of directors, additional directors alternate directors and directors to fill casual vacancies has been made.
15. The company has not appointed any Managing Director / Whole-time Director / Manager during the financial year
16. The company has not appointed any sole selling agents during the financial year.
17. The company has obtained all necessary approvals of the Central Government, Company Law Board. Regional Director. Registrar or such other authorities as prescribed under the various provisions of the Act as detailed below:-
- (i) Under section 166 (1) from Registrar of Companies for extension of time in holding AGM of the Company.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under
19. The Company has issued bonus equity shares during the financial year and complied with the provisions of the Act.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. As per information and explanations provided to us the company has not invited / accepted any deposits including any unsecured loans fallen within the purview of section 58A during the financial year.
24. The company has not made any borrowings during the financial year ended 31<sup>st</sup> March 2013.
25. As per information and explanations provided to us the company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from One State to another during the year under scrutiny.
27. The company has altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny and complied with provisions of the Act.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year.
31. As per information and explanations provided to us there was/were no prosecution initiated against or show cause notices received by the company and on fines or penalties or any other punishment was imposed on the company during the financial year for offences under the Act
32. As per information and explanations provided to us the company has not received any money as security from its employees during the financial year
33. The company has deposited, both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

**(Ajay Kumar Behera)**  
Company Secretary  
CP No 7980

Place. New Delhi  
Date: 08.07.2013

## Annexure A

### Registers as maintained by the Company

#### Statutory Registers

1. Register of Members and index of Members u/s 150 and 151.
2. Registers and Returns u/s 163.
3. Books of Accounts u/s 209.
4. Register of particular of contracts in which Directors are interested u/s 301.
5. Register of Directors, Managing Director, Manager and Secretary u/s 303.
6. Register of Directors' Shareholding u/s 307.
7. Minute Books of Board Meetings and General Meetings u/s 193.

#### Other Register

1. Register of Share Transfer
2. Director's Attendance Register

## Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director Central Government or other authorities during the financial year ending 31.03. 2013.

S. No	Form no./ Return	Filed under section of the Act	For
1.	Eform No, 32	303	Appt /Cessation of Directors
2.	Eform No 32	303	Appt /Cessation of Directors
3.	Eform No 32	303	Appt /Cessation of Directors
4.	Eform No 32	303	Appt /Cessation of Directors
5.	Eform No. 32	303	Appt /Cessation of Directors
6.	Efoim No. 32	303	Appt /Cessation of Directors
7.	Eform No. 32	303	Appt /Cessation of Directors
8.	Eform No. 20B	159 and other applicable provisions	Filing of Annual Return
9.	Eform No 23B	224 (1A) and other applicable provisions	Information by Auditor to Registrar
10.	Eform No 2 3	17(1) & 18(1)	Filing of special resolution regarding alteration of main objects
11.	Eform No 23	17(1) & 18(1)	Filing of special resolution regarding alteration of main objects
12.	Eform No 18	146	Shifting of registered office within the same city
13.	Eform No. 61	166(1)	Application to Registrar for extension of time in holding AGM

## EdCIL (INDIA) Limited

### Balance Sheet as at 31st March, 2013

(Rs in Thousand)

Particulars	Note	Figures as at the end of Current reporting period 31.3.2013	Figures as at the end of previous reporting period 31.3.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	20,000.00	15,000.40
(b) Reserves and Surplus	2	216,409.29	193,509.92
(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	25,040.22	16,118.88
(d) Long term provisions			
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings			
(b) Trade payables	4	86,756.07	83,697.78
(c) Other current liabilities	5	683,035.89	295,447.39
(d) Short-term provisions	6	207,411.93	149,431.79
<b>Total</b>		<b>1,238,653.00</b>	<b>753,206.00</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		51,581.02	54,307.00
(ii) Intangible assets		1,330.00	
(iii) Capital work-in-progress			-
(iv) Intangible assets under development			855.00
(b) Non-current investments			
(c) Deferred tax assets (net)	8	9,012.36	8,454.00
(d) Long term loans and advances	9	16,341.82	20,240.07
(e) Other non-current assets			
<b>(2) Current assets</b>			
(a) Current investments			
(b) Inventories	10	2,377.19	10,708.84
(c) Trade receivables	11	244,702.38	76,528.83
(d) Cash and cash equivalents	12	671,096.27	348,951.23
(e) Short-term loans and advances	13	242,211.58	233,160.56
(f) Other current assets			
<b>Total</b>		<b>1,238,653.00</b>	<b>753,206.00</b>

Significant Accounting Policies & Notes from 1 to 22 Accounts forming an integral part of Balance Sheet

Sd/-  
**P. Jayanthi**  
GM (Finance)

Sd/-  
**Mrs. Anju Banerjee**  
Chairperson & Managing Director

Sd/-  
**Mrs. Neeta Bhushan**  
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: 29.08.2013



## EdCIL (INDIA) Limited

### Profit and Loss statement for the year ended 31st March, 2013

(Rs in Thousand)

Particulars	Note No	Figures as at the end of Current reporting period 31.3.2013	Figures as at the end of previous reporting period 31.3.2012
I. Revenue from operations	14	608,494.39	864,877.99
II. Other Income	15	36,435.23	34,810.99
<b>III. Total Revenue (I +II)</b>		<b>644,929.62</b>	<b>899,688.98</b>
<i>IV. Expenses:</i>			
Project Expenditure	16	421,431.01	737,013.62
Purchase of Stock-in-Trade (Software)		700.00	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	17	8,331.64	9,652.49
Employee benefit expense	18	95,685.04	86,436.81
Financial costs		-	-
Depreciation and amortization expense	19	4,107.62	3,802.42
Other expenses	20	34,075.76	25,019.19
<b>Total Expenses</b>		<b>564,331.07</b>	<b>861,924.53</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	80,598.55	37,764.45
VI. Exceptional Items (Prior Period Adjustment)	21	964.48	1,166.36
VII. Profit before extraordinary items and tax (V - VI)		81,563.03	38,930.81
VIII. Extraordinary Items			
<b>IX. Profit before tax (VII - VIII)</b>		<b>81,563.03</b>	<b>38,930.81</b>
X. Tax expense:			
(1) Current tax		29,538.85	15,397.00
(2) Deferred tax		(558.86)	(956.00)
<b>XI. Profit(Loss) from the period from continuing operations</b>	<b>(IX-X)</b>	<b>52,583.00</b>	<b>24,490.00</b>
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>52,583.00</b>	<b>24,490.00</b>
XVI. Earning per equity share:			
(1) Basic		263	163
(2) Diluted			

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

Sd/-  
**P.Jayanthi**  
 GM (Finance)

Sd/-  
**Mrs. Anju Banerjee**  
 Chairperson & Managing Director

Sd/-  
**Mrs. Neeta Bhushan**  
 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: 29.08.2013

## EdCIL (INDIA) Limited

### Cash Flow Statement for the year ended 31st March , 2013

(Rs in Thousand)

Particulars	2012-13	2011-12
Net Profit before Tax and Extra Ordinary Items	81,563.03	38,930.81
Add:- Adjustment for :-		
Depreciation	4,107.62	3,802.42
Loss/(Profit) on sale of Assets (Net)	-	594.11
Bad Debts and Provision for Doubtful Debts	8,991.02	3,213.74
Provision for Doubtful Debts Written Back	(1,251.80)	(2,876.78)
Provision for Leave Salary	3,689.96	4,228.21
Advances Written Off	21.23	-
Unclaimed Balances Written Off	(3,726.72)	-
Interest Income	(26,268.53)	(27,779.51)
CSR Utilised	(962.33)	(994.89)
Staff Welfare Fund Utilised	(233.09)	-
R & D Fund Utilised	(122.45)	-
Sustainable Development Fund Utilised	(122.45)	-
Less: Leave Encashment(paid during the year)	(2,682.32)	-
Operating Profit before working capital changes (i)	63,003.19	19,118.11
Increase/Decrease in Current Assets	(147,200.15)	(22,068.00)
Increase/Decrease in Liabilities	407,485.06	11,333.00
Cash generated from Operations (ii)	323,288.10	8,383.11
Income Tax Paid	(25,554.98)	(26,667.00)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>297,733.12</b>	<b>(18,283.89)</b>
Cash flow from investing activities		
Purchase of Fixed Assets	(1,856.61)	(5,180.90)
Sale of Fixed Assets	-	217.86
Interest received	26,268.53	27,779.51
Capital Work In Progress	-	(855.00)
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>24,411.92</b>	<b>21,961.48</b>
Cash flow from financing activities		
Dividend Paid	-	(17,491.78)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>-</b>	<b>(17,491.78)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>322,145.03</b>	<b>(13,814.19)</b>
<b>CASH AND CASH EQUIVALENT (OPENING)</b>	<b>348,951.23</b>	<b>362,768.00</b>
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>671,096.27</b>	<b>348,953.81</b>

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

Sd/-  
P.Jayanthi  
GM (Finance)

Sd/-  
Mrs. Anju Banerjee  
Chairperson & Managing Director

Sd/-  
Mrs. Neeta Bhushan  
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: 29.08.2013

# 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 recognised 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 on 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:**

New Policy:- The Income on Placement Projects is recognised 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.

Previous Policy:- The revenue receipts and expenditure in respect of Placement Projects comprise of Institutional Fees and Student Cost. Institutional fee payable by the Company to respective institutions is accounted for on academic year basis, such year may be different from the accounting year of the Company. The student cost are accounted for on financial year basis.

**E Sales**

- (i) Revenue in respect of Sales is recognised 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 is provided on the 'Straight Line Method' at the rates specified in Schedule XIV of the Companies Act, 1956 except on Carpets and Venetian blinds and ERP Software Package. In respect of Carpets and Venetian blinds, the useable life is assessed as Five Years by the Management and the depreciation is charged @ 20% per annum. 100 per cent depreciation is provided for on the assets which remain in Company's custody and whose actual cost does not exceed Rs. 5,000/- in compliance with the Notification No. 756 (e) dated 16th December 1993 issued by the Department of Company Affairs. However, if the fixed assets costing upto Rs. 5,000/- are purchased in block, normal depreciation is provided.

Capital items, which remain in individual custody and costing Rs. 5,000/- or less are treated Revenue items and charged in "Repair and Maintenance-Equipment" or "Repair and Maintenance-Premises" as the case may be.

- 4.2 The cost of land is amortized over the total lease period of 90 years.
- 4.3 ERP Package has been developed and implemented in HR & Admin Division, the useful life of which has been ascertained by the management to be of 10 years and accordingly, the cost will be amortized over the period of 10 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) 1US\$        | = Rs. 54.02 |
| b) 1 Stg. Pound | = Rs. 68.79 |
| c) 1Euro        | = Rs. 81.46 |

## 7 LEAVE TRAVEL CONCESSION

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

## 8 LEAVE SALARY

The provision for encashable leave in subsequent years/or on retirement is made on the basis of accrued earned leave and encashable portion of half-pay leave accumulated by the employees up to the close of the financial year. The company has not adopted the policy of actuarial valuation for the same.

## 9 PROVISION FOR CURRENT AND DEFERRED TAX

- a) 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.
- b) 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.

- 10 PF Trust has informed the management that the Trust is pursuing vigorously with CPFC for continuation of PF relaxation and is confident in the matter. On this basis the Company is regularly making contribution to the PF Trust. 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 CHANGE IN ACCOUNTING POLICY OF PLACEMENT PROJECTS

The Accounting Policy on revenue recognition of Placement Projects has been revised w.e.f FY 2012-13 with the approval accorded by the Board in their 135th Meeting held on 19th August 2013



Earlier the company was recognising the revenue receipts and expenditures in respect of placement projects on Institutional Fees, Student Cost and EdCIL Service Charges.

From FY 2012-13, income on Placements Projects is recognized on the 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.

The C&AG of India in its comments on financial statements for the year ended March 31, 2012 had commented upon the accounting policy of the company for revenue recognition for cost plus projects. The management had sought an expert opinion on the same and in view of the opinion received, the management has changed the policy regarding revenue recognition for Placement division maintaining status quo for other divisions.

As a result of change in Accounting Policy, the revenue from operation of Placement Projects and the Company as a whole, along with the corresponding expenditure has reduced by Rs.4111.54 lacs having no impact on the net profit and loss account of the Company during the year. The total turnover/ revenue from operation has reduced from Rs.10196.48 lacs to Rs.6084.94 lacs for the year ended 31st March 2013

Previous year's figures have not been restated/reworked to give effect to the change in accounting policy. To that extent, the Turnover and expenses of current year for placement projects are not comparable to previous year.

As otherwise stated above, the company has prepared and presented its financial statement in accordance with the Accounting Policies and in the same manner/ format as was being done in earlier years. The management is of the view that all the expenditure and corresponding revenue are its own except for Placement and Procurement Projects.

## NOTES ON ACCOUNTS

### Note : 1 Share Capital

(Rs. in Thousand)

Sr. No	Particulars	As at 31.3.2013	As at 31.3.2012
<b>1</b>	<b><u>AUTHORIZED CAPITAL</u></b>		
	2,00,000 Equity Shares of Rs. 100/- each.	20,000.00	20,000.00
		<b>20,000.00</b>	<b>20,000.00</b>
<b>2</b>	<b><u>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</u></b>		
	2,00,000 (1,50,004) Equity Shares of Rs. 100/- each, Fully paid up.	20,000	15,000
	Out of the Paid up Capital, 49,996 Equity Shares & 25004 Equity Shares of Rs. 100/-each have been issued as Bonus Shares in the F.Y. 2012-13 and 2008-09 respectively.		
	<b>Total</b>	<b>20,000</b>	<b>15,000</b>
1.1	The reconciliation of the number of shares outstanding is set out below :		
	<b>Particulars</b>	<b>As at 31st March, 13 No. of Shares</b>	<b>As at 31st March,12 No. of Shares</b>
	Equity Shares at the beginning of the year	150,004	150,004
	Add : Bonus Shares issued during the year	49,996	-
	<b>Equity Shares at the end of the year</b>	<b>200,000</b>	<b>150,004</b>

1.2	List of Share holder holding more than 5 % share				
	Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	President of India	200000	100	150004	100

1.3	Detail of share allotted otherwise than in Cash (Last 5 year)						
	Particulars	Year (Aggregate No. of Shares)					
		Total	2012-13	2011-12	2010-11	2009-10	2008-09
	<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	75000	49996	0	0	0	25004
	Shares bought back	0	0	0	0	0	0
		<b>75000</b>	<b>49996</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25004</b>

## Note : 2 Reserve & Surplus

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
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	127,025.00	124,575.57
	Addition During the Year	5,258.00	2,449.00
	Less : Utilize during the Year (Issue of Bonus Share)	(5,000.00)	-
	Closing Balance	127,283.00	127,024.57
8	<b>Surplus (Profit &amp; Loss Account)</b>		
	Opening Balance	64,309.39	60,694.62
	Addition During the Year	52,583.04	24,489.00
	Less : Utilize during the Year		
	Transfer to General Reserve	(5,258.30)	(2,449.00)
	Transfer to Staff welfare fund	(525.83)	(245.00)
	Proposed Dividend	(20,000.00)	(15,000.40)
	Dividend Distribution Tax	(3,244.00)	(2,433.07)
	Transfer to CSR Fund	(734.67)	(747.39)
	Transfer to R & D Fund	(122.45)	-
	Transfer to Sustainable Development Fund	(122.45)	-
	Closing Balance	86,884.73	64,308.77
9	<b>Staff welfare Fund</b>		
	Opening Balance	1,948.82	1,703.92
	Addition During the Year	525.83	245.00
	Less: Utilize During the Year	(233.09)	-
	Closing Balance	2,241.56	1,948.92
10	<b>CSR Fund</b>		
	Opening Balance	227.66	475.16
	Addition During the Year	734.67	747.39
	Less: Utilize During the Year	(962.33)	(994.89)
	Closing Balance	-	227.66
11	<b>R &amp; D Fund</b>		
	Opening Balance	-	-

	Addition During the Year	122.45	-
	Less: Utilize During the Year	(122.45)	-
	Closing Balance	-	-
12	<b>Sustainable Development Fund</b>		
	Opening Balance	-	-
	Addition During the Year	122.45	-
	Less: Utilize During the Year	(122.45)	-
	Closing Balance	-	-
	<b>Total</b>	<b>216,409.29</b>	<b>193,509.92</b>

**Note: 3 Other Long Term Liabilities**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Security Deposit From Suppliers (Unsecured)	25,040.22	16,118.88
	<b>Total</b>	<b>25,040.22</b>	<b>16,118.88</b>

**Note : 4 Trades Payable**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Trade Payable	86,756.07	83,697.78
	<b>Total</b>	<b>86,756.07</b>	<b>83,697.78</b>

**Note : 5 Other Current Liabilities**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Advance Against Projects	372,402.92	194,095.89
2	Security Deposited From Suppliers	2,859.02	11,178.33
3	Duties & Taxes	11,244.36	8,971.88
4	Other Liabilities	292,560.00	76,822.55
5	Non-Trade Payable	3,969.58	4,378.75
	<b>Total</b>	<b>683,035.89</b>	<b>295,447.39</b>

- 5.1 No classification of outstanding as on 31.03.2013 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.

## Note : 6 Short Term Provisions

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Income Tax	142,616.29	113,079.00
2	Fringe Benefit Tax	4,447.41	4,447.41
3	Proposed dividend	35,000.40	15,000.40
4	Tax on Proposed Dividend	5,677.07	2,433.07
5	Provision for Leave Salary	13,906.26	12,898.62
6	Provision for salary Including Perks	297.81	224.49
7	Performance related Payment	5,363.05	1,305.56
8	Leave Travel Concession	103.64	43.25
	<b>Total</b>	<b>207,411.93</b>	<b>149,431.79</b>

### 6.1 Contingent liabilities are:

- In respect of pending income tax assessments whether regular or under appeal amount indeterminable.
- In respect of pending court cases by/against ex-employees amount indeterminable.
- Guarantees issued by banks on behalf of Company amounting to total of Rs.1849335/- (Last year Rs. 1783901/-) as per detail mentioned below:-  
Bank Guarantee in INR 1849335/-.
- M/s Vinayasa Engineers Pvt. Ltd. Bangalore had filed an arbitration claim against the Company. The Arbitrator passed an award amounting to Rs. 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 Rs. 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.
- 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.
- 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.
- Commitments

Particulars	2013	2012
Capital Expenditure	NIL	7.45 lacs



## NOTE: 7

**SCHEDULE OF FIXED ASSETS AS AT 31ST MARCH, 2013  
AS PER COMPANIES ACT, 1956**

(Rs. in Thousand)

S.N.	Item of Assets	Rate of Dep.	Gross Block				Depreciation				NET BLOCK	
			1 As on 01.04.2012	2 Additions during the year	3 Deletions during the year	4 Total as on 31.03.2013	5 Upto 1.4.2012	6 For the Year	7 On sale/ adj. during the year	8 Total as on 31.03.2013	9 As on 31.3.2013	10 As on 31.3.2012
	(A) TANGIBLE ASSETS											
1	Leasehold Land	90 yrs.	21,262.57	-	-	21,262.57	3,839.08	236.25	-	4,075.33	17,187.24	17,423.49
2	Building	1.63%	22,655.58	-	-	22,655.58	5,210.53	369.29	-	5,579.81	17,075.77	17,445.06
3	Electrical Equip. & A. C.	4.75%	14,506.45	777.71	-	15,284.16	6,454.41	738.46	-	7,192.87	8,091.28	8,052.04
4	Office Machinery & Equipmt.	4.75%	3,239.26	38.50	-	3,277.76	1,879.32	136.83	-	2,016.15	1,261.61	1,359.94
5	Reprographic Machine	4.75%	653.63		-	653.63	155.32	31.05	-	186.37	467.26	498.31
6	Furniture & Fixtures	6.33%	11,605.11	61.39	-	11,666.50	8,901.15	709.86	-	9,611.02	2,055.48	2,703.96
7	Vehicles	9.50%	1,576.06		-	1,576.06	406.05	149.63	-	555.68	1,020.38	1,170.01
8	Computer System-Hardware	16.21%	20,350.85	141.35	-	20,492.20	14,987.40	1,524.91	-	16,512.31	3,979.89	5,363.45
9	Fire Fighting	16.21%	1,480.06	267.67	-	1,747.72	1,480.06	32.54	-	1,512.60	235.13	-
10	Carpet & Venetian Blinds	20.00%	1,172.41		-	1,172.41	881.64	83.80	-	965.44	206.98	290.77
	<b>TOTAL (A)</b>		<b>98,501.97</b>	<b>1,286.61</b>	<b>-</b>	<b>99,788.58</b>	<b>44,194.95</b>	<b>4,012.62</b>	<b>-</b>	<b>48,207.56</b>	<b>51,581.02</b>	<b>54,307.02</b>
	(B) INTANGIBLE ASSETS											
11	Computer Software	10 yrs.	-	1,425.00	-	1,425.00	-	95.00	-	95.00	1,330.00	-
	<b>TOTAL (B)</b>		<b>-</b>	<b>1,425.00</b>	<b>-</b>	<b>1,425.00</b>	<b>-</b>	<b>95.00</b>	<b>-</b>	<b>95.00</b>	<b>1,330.00</b>	<b>-</b>
	<b>GRAND TOTAL (A+B)</b>		<b>98,501.97</b>	<b>2,711.61</b>	<b>-</b>	<b>101,213.58</b>	<b>44,194.95</b>	<b>4,107.62</b>	<b>-</b>	<b>48,302.56</b>	<b>52,911.02</b>	<b>54,307.02</b>
	Previous year figures		96,202.13	6,036.00	2,881.06	99,356.97	42,494.41	1,614.86	487.03	44,194.95	55,162.02	53,707.72

- a) ERP Package has been developed and implemented in HR & Admin Division, the useful life of which has been ascertained by the management to be of 10 years and accordingly, the cost will be amortized over the period of 10 years.
- b) Rs. 2,67,667/- has been capitalized during the year and Rs. 7,40,656/- has been charged to Repair & Maintenance-Premises, out of total amount of Rs. 10,08,323/- expended for revamping of Fire Fighting System. Capitalized amount is the amount expended on enhancing the coverage/capacity of asset as per the management.

**NOTE : 8 Deferred Tax Assets (Net)**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
	<b>A-Deferred Tax Assets:</b>		
	Provision for Leave Salary	4,785.54	4,184.96
	Provision for Doubtful Debts	3,533.24	1,473.86
	Provision for Project Expenses	7,970.47	9,477.69
	Provision for LTC	33.63	14.03
	<b>Sub-Total (A)</b>	<b>16,322.88</b>	<b>15,150.54</b>
	<b>B-Deferred Tax Liabilities:</b>		
	Depreciation	7,310.52	6,697.04
	<b>Sub-Total (B)</b>	<b>7,310.52</b>	<b>6,697.04</b>
	<b>Deferred Tax Assets (Net)</b>	<b>9,012.36</b>	<b>8,454.00</b>

**NOTE : 9 Long Term Loans and Advances**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
I)	<b>Capital Assets</b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	471.33	471.33
	c) Doubtful	3,066.11	3,066.11
	Less : Allowance for doubtful Advances	(3,066.11)	(3,066.11)
II)	<b>Security Deposit</b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	12,096.38	13,561.94
	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	1,149.26	1,991.69
	b) Unsecured, Considered Good :		
	(i) Advance to Supplier and others	2,624.85	4,215.11
	c) Doubtful		
	Less : Allowance for doubtful Advances		
	<b>Total</b>	<b>16,341.82</b>	<b>20,240.07</b>

**NOTE :10 Inventories**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Raw Material		
2	Work-in-Progress	2,377.19	10,708.84
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>2,377.19</b>	<b>10,708.84</b>

**NOTE : 11 Trade Recievables**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	<b><u>Current Receiveable less than Six Month</u></b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	235,964.60	45,941.38
	c) Doubtful		
2	<b><u>Current Receivable Other</u></b>		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	8,737.77	30,587.44
	c) Doubtful	7,823.82	1,476.55
	<u>Less: Allowance for doubtful debts</u>	(7,823.82)	(1,476.55)
	<b>Total</b>	<b>244,702.38</b>	<b>76,528.83</b>

- 11.1 EdCIL has Provisioning Policy for Bad & Doubtful Debts, duly adopted by the Board in its 127<sup>th</sup> meeting dated 5<sup>th</sup> December 2011, which stipulate for provisioning of Trade Receivables greater than 5 years. As against Trade Receivables greater than 5 years of Rs. 83.18 lacs as on 31.03.2013, provision has been made to the extent of Rs. 78.24 lacs only. In respect of balance receivables of Rs.4.94 lacs greater than 5 years, the clients have given written assurances for release of payment during the FY 2013-14.

## NOTE : 12 Cash & Cash Equivalent

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Cash-in-Hand		
	Cash Balance	365.01	352.18
	Petty Cash Balance		
	<b>Sub Total (A)</b>	<b>365.01</b>	<b>352.18</b>
2	Balance with Scheduled Banks		
	In Current Accounts	207,894.00	42,624.56
	IN EEFC Account	1,683.30	2,365.96
	In Fixed Deposits (Free)	364,612.48	290,736.43
	In Fixed Deposits (Lien against Bank Gurantee)	2,573.87	1,783.90
	Remittance in Transit	77,552.94	-
3	Balance with Non-Scheduled Banks (In Current Accounts)		
	Midland Bank, London (U.K) *	9.47	9.47
4	Interest accrued but not due on Fixed Deposits	10,495.76	10,947.45
	<b>Sub Total (B)</b>	<b>664,821.80</b>	<b>348,467.77</b>
5	<b>Cheques on Hand (C)</b>	5,909.45	131.28
	<b>Total [ A + B + C ]</b>	<b>671,096.27</b>	<b>348,951.23</b>

- 12.1 Balances in Trade Receivables/ Payables, Loans & Advances, Bank balances with Midland Bank, London are subject to confirmation/ reconciliation with them.

**NOTE :13 Short Terms Loans and Advances****(Rs. in Thousand)**

<b>Sr. No</b>	<b>Particulars</b>	<b>Figure for the Current Reporting Period 2012-13</b>	<b>Figure for the Previous Reporting Period 2011-12</b>
1	Loans & Advances from related parties		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Less : Provision for Doubtful Advances		
2	<b>Others</b>		
	(i) TDS Recoverable	111,667.42	91,701.49
	(ii) Advance Income Tax	74,009.62	67,861.71
	(iii) Advance FBT	4,451.89	4,451.89
	(iv) Advance to Supplier and others	47,099.42	67,355.52
	(vi) Mobilization & Other Advances	3,245.06	323.40
	(vi) Prepaid Expenses	804.85	1,103.90
	(v) Loan to Employee		
	(A) Secured Considered Good	270.80	-
	(B) Unsecured Considered Good	662.52	362.65
	<b>Total</b>	<b>242,211.58</b>	<b>233,160.56</b>

13.1 The short term advances include Rs. 50.76 lacs paid to contractors for Repair & Renovation work of rented premises at 5th & 6th Floor, Vijaya Building, Barakhambha Road, New Delhi based upon instruction from MHRD. The same are subject to adjustment upon settlement of final bills of the Contractors and approval of MHRD for the entire amount of.

13.2 Provision has not been made in respect of possible claim amounting to Rs.40.71 lacs from Civil contractor, 'M/s Kirti Construction' due to the pending finalization of the final bill with the client. As per the Agreement with Client and Contractor, Management is of the view that the claim of the contractor shall be settled after finalization and approval of bills by the client and also on receipt of corresponding fund thereof. The final payment shall be released to the contractor after adjustment of ad-hoc advance released to the contractor. The Management does not anticipate any loss in this account.

**EARNING PER SHARE**

	<b>Particulars</b>	<b>Figure for the Current Reporting Period 2012-13</b>	<b>Figure for the Previous Reporting Period 2011-12</b>
	Net Profit After Tax (in Rs.)	52583	24491
	Weighted average No. of Equity Shares	200	150
	Nominal Value of Equity Shares	100	100
	Basic and Diluted Earning Per Share	263	163



## Notes Forming Part of the Profit & Loss Accounts

### NOTE No.14 Revenue from Operation

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
<b>1</b>	<b><u>INCOME FROM PROJECTS</u></b>		
<b>(A)</b>	Income from Technical Assistance		
(i)	Educational Aids	1,289.91	-
(ii)	Income from NI	2,164.72	1,212.41
(iii)	Income from NLMA	53,708.07	40,842.40
(iv)	Income From TEQIP	43,883.95	35,294.30
(v)	Income from SSA Project	112,837.01	174,839.90
(vi)	Income from GHP	1,925.89	1,154.15
(vii)	Income from MDM	33,737.23	26,806.22
(viii)	Income from RMSA	37,288.73	28,047.85
(ix)	Income from Monitoring Instt.	50,916.82	25,551.96
(x)	Income from NMEICT	20,253.60	16,425.19
(xi)	Other Projects (Admin & TA Projects)	81,248.32	64,079.13
(xii)	Income from Mahila Samakhya	581.86	-
(xiii)	Income from SPQEM	469.88	-
(xiv)	Income from Teachers Education Project	1,195.74	-
<b>(B)</b>	Income from Institutional Development	35,692.71	37,508.89
<b>(.C)</b>	Income from Human Resource Development		
(i)	Income from Placement	13,878.18	316,213.60
(ii)	Income from Secondment	3,412.27	10,769.63
(iii)	Income from Testing Activities	112,344.91	86,132.36
<b>2</b>	<b><u>SALE OF PRODUCTS</u></b>		
(i)	Sale of Software	1,664.60	-
	<b>TOTAL</b>	<b>608,494.39</b>	<b>864,877.99</b>

- 14.1 In respect of placement projects, the Company moved a proposal for change in accounting policy for Revenue Recognition to the extent of EdCIL service charges payable by the clients / students on Institutional Fee on academic year basis and EdCIL service charges on Student Cost on financial year basis w.e.f financial year 2012-13 and the same was approved by the Board in their 135<sup>th</sup> meeting held on 19.08.2013.
- 14.2 Consequent to the revision of the accounting policy of revenue recognition of placement projects, the turnover of Placement projects of current year 2012-13 is reduced by Rs. 4111.54 lacs on account of revision in turnover from Rs. 4250.32 lacs to Rs. 138.78 lacs. The total turnover of the Company, as a consequence, has been reduced from Rs. 10196.48 lacs to Rs. 6084.94 lacs, the overall profit position of the Company remaining unaffected.
- 14.3 Accordingly, the financial statements have been prepared and presented in the manner and fashion as was being followed in earlier years, except for change in accounting policy for placement services.

**NOTE No.15 Other Income**

(Rs in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Interest from Bank Deposits	26,268.53	27,779.51
2	Exchange Variation Gain / (Loss)	1,050.98	677.74
3	Other Income	579.65	3,420.10
4	Rent Office	1,955.55	
5	Business Associates Fees	1,602.00	
6	Allowances for Doubtful debts written Back	1,251.80	2,876.78
7	Unclaimed Balances Written Off	3,726.72	
8	Profit on Sale of Fixed Asset	-	56.86
	<b>Total</b>	<b>36,435.23</b>	<b>34,810.99</b>

**NOTE No.16 Project Expenses**

(Rs in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Expenditure on Technical Assistance		
(i)	Educational Aids	3.62	-
(ii)	Exp on NI	1,952.90	8,425.66
(iii)	Exp on NLMA	46,343.33	35,349.22
(iv)	Exp.on TEQIP	37,830.99	30,433.47
(v)	Exp.on GHP	1,662.00	997.76
(vi)	Exp. on SSA	97,451.06	150,813.98
(vii)	Exp on MDM	29,129.77	23,137.98
(viii)	EXP. On RMSA	32,165.45	24,276.48
(ix)	Exp.on Monitoring Instt.	48,492.21	24,335.20
(x)	Exp on NMEICT	19,289.14	15,642.43
(xi)	Other Projects (Admin & TA Projects)	59,390.46	45,609.77
(xii)	Exp on Mahila Samakhya	451.86	
(xiii)	Exp on SPQEM-Ito	390.28	
(xiv)	Exp on Teachers Education Project	1,048.89	
2	Expenditure on Institutional Development	3,519.07	21,606.23
3	Expenditure on Human Resource Development	-	
(i)	Placement	1,720.73	304,915.71
(ii)	Secondment	2,787.48	7,824.05
(iii)	Testing Activities	37,801.76	43,645.67
	<b>Total</b>	<b>421,431.01</b>	<b>737,013.62</b>

- 16.1** During the year, Rs. 101.21 lacs has been charged as Project expenditure for the UGC Anti-Ragging helpline project and revenue to the extent of Rs. 19.35 lacs only has been recognized in absense of any confirmation from client for the payment of balance amount keeping in line with the accounting standards on revenue recognition.

**16.2 EXPENDITURE IN FOREIGN CURRENCY (Closing Conversion rates considered)**

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
	Expenditure on Placement activity	416,147	8,847,356
	Other includes travel expenses, miscellaneous expenses, DA paid in Indian Currency	1,695,384	5,482,584
	TA (Foreign)	1,611,855	2,033,659
	<b>Total</b>	<b>3,723,386</b>	<b>16,363,599</b>

**16.3 INCOME IN FOREIGN CURRENCY (Closing Conversion rates considered)**

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
	From Placement Projects	1,582,933	29,241,158
	From Secondment Projects	563,827	1,623,832
	From Technical Assistance Projects	3,424,790	3,150,491
	<b>Total</b>	<b>5,571,550</b>	<b>34,015,481</b>

**NOTE No.17 Change in Inventories**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Opening Work in Progress	10,708.84	20,361.32
2	Closing Work in Progress	2,377.19	10,708.84
	<b>Decrease /Increase</b>	<b>8,331.64</b>	<b>9,652.49</b>

- 17.1** In respect of UGC – Anti-Ragging Helpline Project, the amount of Rs.81.86 lacs shown as WIP in the FY 2011-12 has been charged to the project expenditure account during the year without recognizing the corresponding revenue, in line with principle of Accounting Standards as no confirmation has been received from Client for acceptance till the closure of the Books of Accounts for the FY 2012-13 and the project was finally handed over during the year.

**NOTE No.18 Employment Benefit Expenses****(Rs. in Thousand)**

<b>Sr. No</b>	<b>Particulars</b>	<b>Figure for the Current Reporting Period 2012-13</b>	<b>Figure for the Previous Reporting Period 2011-12</b>
1	Salaries and Allowances	72,172.56	62,990.57
2	Honorarium	71.50	60.04
3	Rent of Officers' Accommodation	915.77	895.84
4	(Net of Rent Recovery)		
5	Provident Fund	5,985.10	5,451.99
6	Gratuity	412.31	4,129.85
7	Group Insurance	114.63	120.51
8	Medical Insurance	434.55	412.83
9	Leave Salary	3,689.96	4,228.21
10	Productivity Linked Incentives (PRP)	4,078.15	1,209.10
11	Medical Expenses	4,088.86	3,926.97
12	Welfare Expenses	1,376.46	1,497.30
13	Seminar & Training	1,462.74	393.87
14	Interest Subsidy on Housing Loan	2.23	2.44
15	Overtime Allowance	865.83	1,058.89
16	Merit Scholarship	14.40	58.40
	<b>Total</b>	<b>95,685.04</b>	<b>86,436.81</b>

**18.1 RELATED PARTY DISCLOSURES**

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

**DETAILS OF KEY MANAGEMENT PERSONNEL OF THE COMPANY****Ms Anju Banerjee****Chairperson & Managing Director**

- a) Remuneration paid to CMD (Financial year 2012-13): Rs. 2604664/-  
Present Chairperson & Managing Director  
(Previous year Rs.2561242/-)
- b) Rent paid to Relative of CMD (FY 2012-13):- Rs.630000/-  
(Previous Year-Rs.622340/-).

- 18.2 Salary to the tune of Rs.43.92 lacs has been charged to various projects executed during the year 2012-13 (Previous Year Rs 71.04 lacs)

**18.3 GRATUITY**

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".

The following table summarizes the component of the various employee benefits and the component of net benefit expenses as informed by LIC of India.

(Rs. in Lacs)

<b>A</b>	<b>Change in Present Value of Obligation</b>	<b>Gratuity (Funded) 31.03.13</b>	<b>31.03.12</b>
i	Present value of obligation as at the beginning of the period	277.83	218.36
ii	Interest Cost	22.23	17.47
iii	Past Service Cost	-	-
iv	Current Service Cost	13.98	13.21
v	Curtailment/ Settlement Cost	-	-
vi	Benefits Paid	-1	0.19
vii	Actuarial (gain)/ loss on obligation (Balancing figure)	18.55	28.98
viii	Present value of obligation as at the end of the period	322.6	277.83
<b>B</b>	<b>Changes in fair value of plan assets</b>		
i	Fair Value of plan assets as at the beginning of the period	271.08	202.71
ii	Expected return on plan assets	28.68	22.65
iii	Contributions	43.39	45.9
iv	Benefits paid	-1	0.19
v	Actuarial (gain)/ loss on obligation	-	-
vi	Fair Value of plan assets as at the end of the period	333.15	271.08
<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	322.60	277.83
ii	Fair Value of plan assets as at the end of the period	333.15	271.08
iii	Difference	10.55	6.75
iv	Net Assets /(liability ) recognized in Balance Sheet	10.55	6.75
<b>D</b>	<b>Expenses recognized in the statement of profit and loss</b>		
i	Current Service Cost	13.98	13.21
ii	Past Service Cost	-	-
iii	Interest Cost	22.23	17.47
iv	Expected return on plan assets	-28.68	-22.65
v	Curtailment/ Settlement Cost	-	-
vi	Net Actuarial(gain) /loss recognized in Period	18.55	28.98
vii	Expenses recognized in the statement of profit and loss	26.08	37.01



The principal assumptions used in determining employee benefits are given below:

	Particulars	Gratuity (Funded)	
		2012-13	2011-12
	Discount Rate	8%	8%
	Expected rate of return on plan assets		
	Salary escalation rate	6%	6%

The Company has not certified its valuation of Gratuity from an Actuary and the company has not adopted any policy for provision for gratuity for contractual employees.

#### 18.4 ADDITIONAL INFORMATION

Additional information required under Part-II of Schedule-VI of the Companies Act, 1956.

- 1 Remuneration and benefits include Rs.26,04,664/- (Previous year 25,61,242/-) incurred during the financial year 2012-13 on Chairperson & Managing Director as per details below :

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
	Salary & Allowances	1,453,133.00	1,340,893.00
	PF Contribution	174,658.00	160,909.00
	Medical, Leased Accommodation, LTC, & Other Perquisites	976,873.00	1,059,440.00
	<b>Total</b>	<b>2,604,664.00</b>	<b>2,561,242.00</b>

- 2 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 Rs. 780/- per month till February'13 and Rs.2000/- from March 2013 onwards has thus been recovered towards the use of car for personal purposes.
- 3 The Company has provided leased accommodation to Chairperson & Managing Director. A sum of Rs. 90000/- (Previous Year Rs.88904/-) has been recovered towards House Rent Recovery during the financial year 2012-13.
- 4 The Company has provided furnished accommodation to Chairperson & Managing Director. An amount of Rs.22500/-, (Previous Year 22223/-), (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.
- 5 Traveling expenses include Rs.64841/- incurred on inland and foreign travel of the Chairman and Managing Director (Previous Year Rs. 929615/-)

## 6 Payments made to Auditors:

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
a)	As Auditor		
	• For Statutory Audit	200000/-	1,23,596/-
	• For Tax Audit	100000/-	61,798/-
b)	As Advisor and in any other capacity:		
	• For Certification	167444/-	1,36,237/-
	[Included in project expenditure]		
	• Out of Pocket Exp.	20600/-	23,600/-
	<b>Total</b>	<b>488074/-</b>	<b>3,45,531/-</b>

- 7 The Company is in the process of adopting a policy on "Post Retirement Mediclaim Facility" for extending medical facilities to Retired/ Deceased Employees after 1.1.2007, subject to approval of MHRD, in terms of DPE Letter dated 02.04.2009.

**NOTE NO.19 Depreciation & Amortised Cost**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Depreciation	4,107.62	3,802.42
2	Preliminary Expenses W/O	-	-
	<b>Total</b>	<b>4,107.62</b>	<b>3,802.42</b>

**NOTE NO:20 Other Expenses**

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
	Recruitment Expenses	282.20	83.62
	Postage, Telephone & Telex	1,252.67	1,547.50
	Travelling & Conveyance	2,357.78	3,233.91
	Electricity & Water Charges	1,923.15	1,743.42
	Generator Set Exp.	1,102.33	1,118.30
	Bad Debts	1,391.95	2,548.60
	Provision for Bad Debts	7,599.07	665.14

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
	Car Running & Maintenance	254.56	346.67
	(Net of Recovery)	-	
	Printing & Stationery	1,991.69	3,326.15
	PF Outsource Expences	274.00	212.53
	Interest on Service Tax	696.54	-
	Repair & Maintenance	-	
	Office Equipment	2,680.33	2,270.21
	Premises	3,893.14	3,237.12
	Food & Bravrage to Client	-	-
	Advertisement & Publicity	2,111.44	534.89
	Legal & Professional Charges	696.84	667.31
	Auditors' Remuneration	-	
	Statutory Audit Fee	290.00	123.60
	Tax Audit Fee	100.00	85.40
	Bank Charges	20.89	16.44
	Internal audit Fees	60.00	61.55
	Miscellaneous Expenses	756.78	39.08
	Membership and Subscription	288.06	128.07
	Board Meetings Expenses	177.93	135.39
	Books & Periodicals	64.56	35.92
	Consultancy fee	2,203.29	1,478.36
	Ground Rent	450.00	450.00
	Business Promotion Expenses	172.60	279.07
	Loss on sale of Fixed Assests	-	650.97
	R & D Activity	121.06	-
	Sustainable Development	83.12	-
	CSR Activity	779.79	-
	<b>Total</b>	<b>34,075.76</b>	<b>25,019.19</b>

### NOTE NO.21 Prior Period Income (Net)

(Rs. in Thousand)

Sr. No	Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
1	Prior Period Income		
	Income from Project	1,597.47	686.69
	Income Admin & Other exp.		-
	Income from Acc. Dep-Office Mach. & Equip.	-	1,614.86
2	Prior Period Expenditure		
	Expenses on Admin & Other exp.	145.82	967.89
	Expenses on Project	487.17	167.30
	<b>Prior Period Income/Loss(net)</b>	<b>964.48</b>	<b>1,166.36</b>

### NOTE NO.22

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 2012-13	Figure for the Previous Reporting Period 2011-12
<b>Segment Revenue</b>		
(I) Technical Assistance	441,502	414,254
(II) Institutional Development	35,693	37,509
(III) Human Resource Development	129,635	413,116
Sale of Software	1,665	
<b>Total:</b>	<b>608,494</b>	<b>864,879</b>
<b>Segment Result</b>		
(I) Technical Assistance	56,116	63,254
(II) Institutional Development	32,490	9,438
(III) Human Resource Development	88,461	45,520
Sale/Purchase of Software	965	
<b>Total:</b>	<b>178,032</b>	<b>118,212</b>
Other Income	36,435	37,113
	<b>214,467</b>	<b>155,325</b>
Less: Unallocated Expenses		
Depreciation	4,108	3,802
Other exp., Extraordinary & Prior Period Items	128,796	112,591
<b>Net Profit before Tax</b>	<b>81,563</b>	<b>38,932</b>
Income tax including Deferred Tax	28,980	14,219
<b>Net Profit after Tax</b>	<b>52,583</b>	<b>24,713</b>
Segment Assets:		
Technical Assistance	264,961	130,691
Institutional Development	3,971	5,093
Human Resource Development	219,731	35,511
<b>Total Segment Assets:</b>	<b>488,663</b>	<b>171,295</b>
Segment Liabilities:		
Technical Assistance	329,426	161,606
Institutional Development	65,278	88,190
Human Resource Development	367,660	100,710
<b>Total Segment Liabilities:</b>	<b>762,364</b>	<b>350,506</b>



(Rs. in Thousand)

Particulars	Figure for the Current Reporting Period 2012-13	Figure for the Previous Reporting Period 2011-12
<b>OTHER INFORMATION</b>		
Fixed Assets(Net)*	52,911	55,162
Current Assets,Loans & advances	1,187,619	698,043
Current Liabilities	1,013,133	559,814
Capital Employed*	227,397	193,391
<b>Segment Assets excludes:</b>		
Fixed Assets	52,911	55,162
Cash & Bank Balances	497,826	348,951
Advances Recoverable	8,998	4,397
TDS Recoverable	111,657	91,700
Advance Income Tax	74,010	67,862
Advance FBT	4,452	4,452
Deferred Tax Asset	9,012	8,454
Security Deposit	2,013	933
<b>Total</b>	<b>760,880</b>	<b>581,911</b>
<b>Segment Liabilities excludes:</b>		
Share Capital	20,000	15,000
Reserves & Surplus	214,168	191,565
Staff Welfare Fund	2,242	1,941
CSR Fund	0	228
Sundry Creditors	3,970	4,452
Other Liabilities	24,565	24,310
Security Deposit From Suppliers	3,300	9,856
Provisions	218,934	155,348
<b>Total</b>	<b>487,179</b>	<b>402,700</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 2012-13	Figure for the Previous Reporting Period 2011-12
Segment Revenue		
Domestic	584,088	533,804.00
Overseas	24,406	331,075.00
<b>Total</b>	<b>608,494.00</b>	<b>864,879.00</b>
Segment Results Profit/Loss(-)		
Domestic	161,219	103,503.00
Overseas	16,813	14,709.00
<b>Total</b>	<b>178,032.00</b>	<b>118,212.00</b>
Segment Assets		
Domestic	276,903	148,615.00
Overseas	211,760	22,680.00
<b>Total</b>	<b>488,663.00</b>	<b>171,295.00</b>
Segment Liabilities		
Domestic	715,464	282,514.00
Overseas	46,901	67,992.00
<b>Total</b>	<b>762,364.00</b>	<b>350,506.00</b>
Segment Assets excludes:		
Fixed Assets	52,911.00	55,162.00
Cash & Bank Balances	497,826.00	348,951.00
Advances Recoverable	8,998.00	4,397.00
TDS Recoverable	111,657.00	91,700.00
Advance Income Tax	74,010.00	67,862.00
Advance FBT	4,452.00	4,452.00
Security Deposit	9,012.00	933.00
Deferred Tax Asset	2,013.00	8,454.00
<b>Total</b>	<b>760,880.00</b>	<b>581,911.00</b>
Segment Liabilities excludes:		
Share Capital	20,000.00	15,000.00
Reserves & Surplus	214,168.00	191,565.00
Staff Welfare Fund	2,242.00	1,941.00
CSR Fund	-	228.00
Sundry Creditors	3,970.00	4,452.00
Other Liabilities	24,565.00	24,310.00
Security Deposit From Suppliers	3,300.00	9,856.00
Provisions	218,934.00	155,348.00
<b>Total</b>	<b>487,179.00</b>	<b>402,700.00</b>

G.R. Garg & Co.  
Chartered Accountants



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## INDEPENDENT AUDITOR'S REPORT

To the Members of

EdCIL India Ltd.

### Report on Financial Statements

We have audited the accompanying financial statements of EdCIL India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and 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

Management is responsible for the preparation 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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.

### Basis of Qualified opinion

- 1) *Non confirmation of balances of trade receivables, trade payables, loans & advances and bank balances with Midland Bank, London (refer to note 12.1 of notes to accounts). 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 5.1 of notes to accounts). The financial impact of this non-compliance, if any, could not be determined.*
- 3) *Loans & Advances includes ₹83.91 lakhs (previous year ₹97.78 lakhs) which are unsecured, unconfirmed and outstanding for a period of more than three years. The company has created an adhoc provision of ₹30.66 lakhs (previous year ₹30.66 lakhs) against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of ₹53.25 lakhs (previous year ₹67.12 lakhs), the profit and loans and advances have been overstated.*
- 4) *Reference may be made to:-*
  - (i) *Note 18.3 to the financial statements and the tabulation based on information given by LIC of India, based on which the company has paid an annual premium of ₹4.12 lakhs (Previous year ₹41.30 lakhs) towards liability for gratuity of employees other than those on contractual basis; and,*

- (ii) *Para 8 of the Significant Accounting policies to the financial statements with regard to basis adopted by the company to account for the provision for encashable leave in subsequent years/or on retirement which is made on the basis of accrued earned leave and encashable portion of half-pay leave accumulated by the employees up to the close of the financial year. The provision created for the year ended on March 31, 2013 is ₹36.90 lakhs (Previous year-₹42.28 lakhs)*

*The liability is however stated as not on Actuarial valuation as per the requirements of AS-15 issued by ICAI; and accordingly, we are unable to comment on the adequacy or otherwise thereof as at the year end.*

### 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 qualification opinion, to the extent quantified in para 2 and as not ascertained at para 1, 2 and 4*, 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, 2013;
- b) in the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of matter

- 1) Attention is drawn to para 7 of Note 18.4 to the financial statements, wherein the company has still not formulated the policy for providing post-retirement medical facilities for the employees, the impact of which is unascertainable at this stage.
- 2) Attention is drawn to the Significant Accounting Policy no. 2D on Revenue Recognition applicable to Placement Projects and the related para 13 of significant accounting policies and Note 14.1, 14.2 and 14.3 to the financial statements regarding the stated change in the policy, pursuant to which, only the net service charges of the company are disclosed as the company revenue instead of the gross receipts (based on 'cost plus' basis) adopted in the earlier years. This change was pursuant to the comment of the Comptroller & Auditor General of India on the previous years' financial statements and confirmed by expert opinion obtained and accepted by the company subsequently.

The change so made was effected during the year and the net service charges have been disclosed, the corresponding figures of the previous year have not been restated; and had the previous accounting policy been followed the current years 'gross' revenue from operation (in note 14) of ₹6084.94 lakhs and corresponding cost/expenditure (in note 16) of ₹4214.31 lakhs would have been higher to the extent of ₹4111.54 lakhs. Had the corresponding figures of the previous year been restated, the comparable gross revenue (in note 14) of ₹8648.78 lakhs and cost / expenditure would have been lower by ₹3015.72 lakhs. The change in the policy and notes, as stated above, have no effect on the net profit / operating results of the company.

The change in accounting policy has not been extended to other cost plus arrangements where the company is entitled to receive remuneration on a percentage basis, especially in respect of:-

- (i) Monitoring Institute project, where the company has accounted for revenue of ₹509.17 lakhs (Previous year- ₹255.52 lakhs) and expenditure of ₹484.92 lakhs (previous year- ₹243.35 lakhs). As per information, 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; and
- (ii) Joint Indo-Mongolian School Secondment project, where the company has accounted for revenue of ₹28.48 lakhs (Previous year - ₹107.69 lakhs) and expenditure of ₹23.79 lakhs (Previous year - ₹78.24 lakhs) respectively. As per information, explanation provided to us there is no Tri-partite agreement between Ministry of Human Resource Development, Govt, of India, Ministry of External Affairs, Govt, of India and EdCIL India Ltd.

However, transactions have been undertaken with the parties based on the verbal understanding and minutes of meeting. The company is recording revenue based on gross sales/receipts basis on the understanding mentioned above, even in the absence of a written contract, there being no impact on the net operating results of the company for the same. This practice has consistently been followed by the company since the commencement of the projects.

- 3) Attention is drawn to Notes 16.1 and 17.1 to the financial statements, wherein the company has recognised the expenses to the tune of ₹101.21 lakhs as against revenue recognition of ₹9.35 lakhs in absence of any confirmation from the client for payment of amount in line with Accounting standard on revenue recognition.

**Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 *except as stated in para 4 of Basis of Qualification*;
  - e) Since the company is a Government Company Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 is not applicable to the Company in terms of Notification No. GSR-829 (E) dated 21.10.2003
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **G.R. Garg and Co.**

Chartered Accountants

FRN:000214N

Sd/-

**Gaurav Garg**

(Partner)

Membership No.: 097327

Place: New Delhi

Date: 29.08.2013

G.R. Garg & Co.  
Chartered Accountants



## ANNEXURE

### RE: EdCIL (INDIA) LIMITED

Referred to in the paragraph 3 of our report of even date.

- 1) (a) *The company is not maintaining proper records for fixed assets as prescribed.*  
 (b) All the assets were physically verified by the management during the year. *This physical verification was carried out after a gap of more than two years, which in our opinion, is not satisfactory having regard to the size of the company and the nature of its assets. The discrepancies were noticed between assets physically verified and as per books record and have not been reconciled till the conclusion of our audit exercise.*  
 (c) During the year, the company has not disposed off substantial part of fixed assets and which as per our opinion and knowledge does not have any effect on the going concern status of the company.
- 2) Since the company does not have any inventory, therefore, no comment is required to be given under paragraph 4(ii)(a) to (c).
- 3) (a) The company has not granted any loans, secured or unsecured to Companies, firms or other parties concern covered under the register maintained under section 301 of the Companies Act, 1956. Paragraphs (b), (c) and (d) are hence not applicable.  
 (b) The company has not taken any loans, secured or unsecured from Companies, firms or other parties concern covered under the register maintained under section 301 of the Companies Act, 1956. Paragraphs (b), (c) and (d) are hence 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, fixed assets and with regards to sale of goods and services. Attention is invited to Loans and advances which include an amount of ₹50.76 lakhs advanced to 2 contractors for execution of renovation work of building premises taken on rent by Technical Support Group (TSG) at Vijaya Building, Barakhamba Road and is still pending adjustment and finalization (refer note 9.1 of notes to accounts).
- 5) (a) According to the information and explanations given to us, particulars of contracts have been entered into register maintained under Section 301 of the Companies Act, 1956. However, the register has not been signed by the Board of Directors.  
 (b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts as mentioned above is in line of principles of self lease approved by Board of Directors.
- 6) 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 58A or Section 58AA. 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.
- 7) In our opinion and according to information and explanations given to us, the internal audit system of the company needs to be strengthened in accordance with the size and nature of its business.
- 8) According to the information and explanations given to us, we are of the opinion that the concerned company is not required to maintain cost records under section 209(1) (d) of the Companies Act, 1956.
- 9) (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, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty and other material statutory dues applicable to it except for service tax not paid to the tune of ₹1.56 lakhs on reverse charge mechanism on Advocate fee, Director's sitting fee and Taxi service charges.  
 (b) According to Information & Explanation given to us, there are disputed dues with respect to following cases:  
 i) Income Tax liability of ₹2,67,897 for Assessment Year 2009-10. The appeal is pending with The Commissioner of Income Tax (Appeal-XIII), New Delhi.



- ii) In addition to this, there is liability in respect of Income Tax amounting to ₹4,79,855 for Assessment Year 2008-09. The Company has filed for rectification in calculation of assessment order to The Deputy Commissioner of Income Tax (OSD) CIT-IV, New Delhi.
- 10) 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, 2013 nor has it incurred cash loss either during the financial year ended on that date or in the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the company has not borrowed funds from financial institution, bank or issued debentures.
- 12) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 15) As per information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- 16) 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.
- 17) According to the information and explanations given to us, the company has not raised funds from term loans.
- 18) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- 19) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- 20) During the year under audit, no money was raised from public issues.
- 21) During the course of our examination of the books of accounts and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have not come across any instance of fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

For **G.R. Garg and Co.**

Chartered Accountants

FRN:000214N

Sd/-

**Gaurav Garg**

(Partner)

Membership No.: 097327

Place: New Delhi

Date: 29.08.2013

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF EdCIL (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2013.

The preparation of financial statements of **EdCIL (India) Limited** for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on the independent audit in accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **29.08.2013**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619 (3) (b) of the Companies Act, 1956 of the financial statements of **EdCIL (India) Limited** for the year ended 31 March 2013. 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, nothing significant has come to my knowledge which would give rise to any comment upon or supplement the Statutory Auditor's report under Section 619(4) of the Companies Act, 1956.

For and on behalf of the Comptroller  
and Auditor General of India  
Sd/-

**(Atreyee Das)**

Pr. Director of Commercial Audit &  
Ex-Officio Member, Audit Board-IV

Place: New Delhi.  
Date: 25.09.13











**EdCIL (India) Limited**

(A Government of India Enterprise)

ISO 9001-2008 & 14001:2004 Certified Company

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