



Annual Report 2011 -2012



EdCIL (India) Limited

(A Government of India Enterprise)

ISO 9001-2008 & 14001:2004 Certified Company



“Mrs. Anju Banerjee, Chairperson and Managing Director, EdCIL presenting Dividend cheque of Rs. One crore fifty Lakh four hundred only for the year 2011-2012 to Dr. M. Mangalpati Pallam Raju, Hon’ble Minister of Human Resource Development, Government of India”

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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	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Paid-up-Capital	125.00	125.00	125.00	125.00	125.00	125.00	150.00	150.00	150.00	150.00
Reserve & Surplus	863.51	945.85	958.16	1,119.09	1,280.15	1,432.20	1,570.82	1,793.03	1,852.70	1,874.51
Capital Employed	1,055.67	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
Net Worth	994.92	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
Fixed Assets (Net Block)	673.50	641.71	590.02	567.87	554.04	555.30	559.19	556.89	537.08	543.07
Turnover										
a) Domestic Business	5,141.56	3,380.06	1,347.19	2,926.39	2,254.33	2,579.38	3,450.34	3,907.53	4,476.66	5,247.23
b) Overseas Business	1,152.11	840.70	1,013.52	1,002.20	1,047.14	1,530.56	1,932.54	2,638.32	2,245.92	3,401.54
Total	6,293.67	4,220.76	2,360.71	3,928.59	3,301.47	4,109.94	5,382.88	6,545.85	6,722.58	8,648.77
Misc.Income	109.49	148.57	193.46	274.30	314.60	352.57	491.05	343.03	245.41	348.12
Total Income	6,403.16	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
Gross Profit	387.45	332.32	144.84	444.71	485.66	446.98	538.33	705.22	438.54	427.32
Depreciation	33.90	33.38	31.39	30.48	28.75	26.45	29.03	32.35	53.35	38.02
Net Profit before Tax	353.55	298.94	113.45	414.23	456.91	420.53	509.30	672.87	385.19	389.30
Net Profit after Tax	204.45	196.13	69.44	248.17	279.45	270.40	315.96	401.72	249.13	244.89
Dividend paid	156.25	100.00	50.00	75.00	100.00	100.00	127.50	150.00	150.00	150.00
% of Net profit after Tax to Income	3.25	4.65	2.94	6.32	8.46	6.58	5.87	6.14	3.71	2.72
Number of employees	92	88	89	91	84	84	82	81	85	81
Earning per employee	4.21	3.78	1.63	4.89	5.78	5.32	7.91	8.70	5.16	5.27
Total Value of Business generated	8,205.00	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
Earning per share (Rs.)	164.00	157.00	56.00	199.00	224.00	180.00	211.00	268.00	166.00	163.00
Gross Profit Ratio (%)	6.16	7.87	6.14	11.32	14.71	10.88	10.00	10.77	6.52	4.94
Net Profit Ratio (Before Tax)	5.62	7.08	4.81	10.54	13.84	10.23	9.46	10.28	5.73	4.32
Net Profit Ratio (After Tax)	3.25	4.65	2.94	6.31	8.45	6.57	5.87	6.14	3.71	2.72
Net Sales to Capital Employed	5.96	3.71	2.11	3.12	2.38	2.64	3.24	3.42	3.45	4.32
Net Worth/ per Rupee of Paid up Capital	7.96	8.63	8.73	10.02	11.34	12.57	11.54	13.05	13.50	13.90

Corporate Information

Chairperson & Managing Director

Mrs. Anju Banerjee

Directors

Smt. Amita Sharma
Prof. Surendra Prasad

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

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 activates 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.

Ensuring our presence with Success

Clientele

On the national front, EdCIL's clients include the Central & State Governments and the Private Sector. On the international front Funding agencies such as ADB, UNDP, UNESCO, UNICEF, USAID, WHO, World Bank, the European Union, and the Governments of Australia, Bangladesh, Botswana, other international clients like British Universities India Consortium, UK; AESMA/DEAKIN University, Australia constitute the list of clients.



EdCIL's - Success Story - Awards & Recognition

IPE CSR Corporate Governance Award 2012 to EdCIL



The Institute of Public Enterprise (IPE) has conferred IPE CSR Corporate Governance Award 2012 to EdCIL India Ltd. in recognition to the Best practices in CSR. The Award was received by Smt. Anju Banerjee, CMD EdCIL, a function organized by IPE at Hotel Taj Lands End on November 24, 2012 in Mumbai.

These awards are research based and are decided by an Independent Jury with the perspective to recognize the CSR contribution made by an organization in the social.

These awards are endorsed by World CSR Congress, CMO Asia and Asian Confederation of Business.

- * Awarded Prime Minister's Award For Excellence for the year 1988-89
- * Categorized as the Mini Ratna Organisation by the Government of India
- * Placed international students from over 30 countries in Indian institutions
- * Secondment of Indian faculty/Experts to over 15 countries

Experience of working on several national and international projects in diverse areas of education



Mrs. Anju Banerjee, CMD, EdCIL doing tree plantation in the campus of IITM-Gwalior on 11.01.2012



EdCIL received the Shield for Rajbhasha from Town official Language implementation Committee, Noida

Foreign Alliances

Sri Lanka



EdCIL participated in Indian Education Fair held in Colombo and Jaffna in Sri Lanka in May 2011

Brazil



EdCIL visits Brazil to attend Joint Working Group meeting in the field of education between India & Brazil under Education Exchange Project in February 2012

Myanmar



EdCIL delegation visited Myanmar in March 2012

Tanzania



EdCILs participated in Tanzania Education Expo in April 2012

Bangkok



EdCIL participated in an Education Fair held in Bangkok from 12th May to 13th May 2012

Bangladesh



EdCIL organized an exclusive “Indian Education Fair - 2012” in Dhaka, Bangladesh from 27th to 28th June 2012.

Dubai



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

MoUs Signed



EdCIL India Limited signed an MoU with the Afghan Government in July 2011 for placing Afghan students in Indian Institution

Events - during the last year



Women's Day celebrated on 12.03.2012



Smt. Anju Banerjee, Chairman and Managing Director, EdCIL, administering vigilance pledge

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 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.

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 Adjourned 31st 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.

We know that 31st Annual General Meeting was held on 11th December, 2012 in which the items of Adoption of Accounts for the year ended 31st March, 2012 together with Auditors' Report and Directors' Report and Declaration of Dividend could not be passed owing to non receipt of CAG Comments and the meeting was adjourned till the receipt of the CAG Comments.

On receipt of the CAG Comments, we again gather here at this Adjourned 31st AGM to consider the items mentioned in the fresh Notice for Adjourned 31st AGM. The Director's Report and the Annual Audited Accounts for the year 2011-12 are already with you, and with your permission I take them as read.

I am pleased to place before the members that in the Financial Year 2011-12 your Company has achieved a turnover of Rs. 86.48 crores as compared to Rs. 67.22 crores during the previous year. The company posted pre-tax profit of Rs. 3.89 crores as against Rs. 3.85 crores during the previous year. Thus, the company achieved 28.65% growth in the turnover and 1.03% growth in the pre-tax profits also.

However, the achieved growth in turnover is comparable with the market of similar business, marginal growth in the pre-tax profit is due to increasing the overhead. Top Management is striving to achieve growth in pre-tax profits through strategic interventions like cost-control, optimum utilization of resources and continual system improvements. The Company has achieved Good Rating under the Memorandum of Understanding (MOU) for the year 2011-12 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. After three years of the certification, re-certification audit was conducted during May, 2012 and the company has been recertified for IMS and QMS for another three years.

I am pleased to inform you that your Company has recommended 100% dividend on paid up capital amounting to Rs. 1.50 crores out of current year's profit for the year 2011-12. This is the twenty fifth 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. 14.35 crores against the paid up equity capital of Rs. 1.50 crores. Further, the issue of Bonus Shares of Rs. 50 lakh (approx) is also in process and the matter is placed for approval during this AGM.

Promotion of Indian Education abroad continued to remain one of the focus areas for the company. During the year 2011-12 EdCIL participated along with its interested partner institutions in 15 Educational Fairs/ Seminar cum

counseling sessions in 10 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 10 countries viz Saudi Arabia, Sri Lanka, Nigeria, Sudan, Nepal, Iran, Ghana, Oman, Brazil and Tanzania.

Your company continued its services through Technical Assistance, Placement & Secondment, and Testing & Recruitment to the existing clientele. Improvements in delivery mechanisms and focus on quality brought new clients to its basket. System improvements, application of IT in critical operation in select divisions yielded desired results in terms of achieving higher customer satisfaction and scale of economy.

During the year 2011-12, System Integration and increased usage of ICT such as online application filling systems, e-procurement, Electronic Document Management System and introduction of Enterprise Resource Planning (ERP) has been undertaken to achieve higher transparency and operational efficiency. Preliminary preparations for the same are on. The company is taking up Corporate Social Responsibility (CSR) activities, activities pertaining to research & development and sustainable development as per the guidelines of Department of Public Enterprises, Government of India.

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.

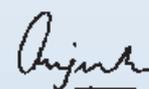
I would also like to inform you that as per the guidelines issued by Department of Public Enterprises on Corporate Governance for Central Public Sector Enterprises in May 2010, "A Report on Corporate Governance" and "Management Discussion and Analysis Report", forms the part of the Annual Report for the year ended 31st March 2012.

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.



(Mrs. Anju Banerjee)

Chairperson & Managing Director

Place : New Delhi

Date: 21.05.2013

DIRECTOR'S REPORT

TO OUR SHAREHOLDERS...

On behalf of the Board of Directors of your Company, I have the pleasure in presenting this 31st Annual Report and Audited Statement of Accounts for the financial year ended 31st March, 2012, 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	2011-12	2010-11
Turnover	8648.77	6722.58
Other Income	359.78	304.21
Expenditure	8581.22	6588.25
Gross Margin	427.33	438.54
Depreciation	38.02	53.35
Profit before Tax	389.31	385.19
Tax Provision including deferred taxation	153.34	136.06
Net Profit after Tax	235.97	249.13
Appropriations		
Proposed Dividend including tax	174.33	174.91
Transfer to Staff-welfare Fund	2.37	2.49
Transfer to CSR Fund	-	12.05
Transfer to General Reserve	23.69	24.91
Transfer to Balance Sheet (Profit & Loss Balance)	35.58	34.76
EPS (Rs.)	157	166

DIVIDEND

Considering the performance of the company for the year 2011-12, the Board recommends Dividend @ 100% which is same as Dividend declared during last year. This dividend of Rs. 150 lacs is payable for the year 2011-12, subject to approval of shareholders at the Annual General Meeting. Income Tax payable on distribution of Dividend would be Rs. 24.33 lakhs. The total outgo towards Dividend and tax thereon would be Rs. 174.33 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-Fifth consecutive year in which the Company has declared dividend. After this payment of dividend, the total dividend payment till 2011-12 to Ministry of HRD, Government of India would be Rs. 1434.75 lakhs.

A LOOK BACK AT 2011-12

In the year 2011-12 the company achieved net profit before tax of Rs 389.31 lakhs with turnover of Rs 8648.78 lakhs, registering a growth of 28.66% in turnover, while profit position remaining nearly the same as last year. Turnover of Rs. 290.23 lacs on account of UGC –Anti Ragging project and Civil Project could not be booked in the F.Y 2011-12 due to non confirmation from the client on financial closure of the projects. Further the LIC Exam had to be re-conducted in July'11 with additional expenditure being borne by EdCIL, all of which impacted the profit of the Company to the extent of Rs. 286.16 lakhs. Besides there was marginal increase in overhead expenditure.

Technology driven systems strengthening was focused during 2011-12. Enterprise Resource Planning (ERP) was implemented during the year in HR, enabling process improvements in Human Resources Department. Technical Support Groups, Sarva Shiksha Abhiyan, Rashtriya Madhyamik Shiksha Abhiyan and Mid Day Meals were shifted to rented premises in Bharakhamba Road as per directives of MHRD. All the technical support groups were connected to EdCIL's Head Quarters online, thus filing monthly reports and other data through project monitoring systems. An interactive intranet was launched during the year and access has been given to all technical support groups. Useful information was placed on the intranet acting as ready reference to employees supporting in their day-to-day work.

Promotion of Indian Education abroad continued to remain one of the focus areas for the company. During the year 2011-12 EdCIL participated along with its interested partner institutions in 15 Educational Fairs / Seminar cum counseling sessions in 10 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 10 countries viz Brazil, Ghana, Iran, Nepal, Nigeria, Oman, Saudi Arabia, Sri Lanka, Sudan and Tanzania.

The total number of projects executed in the operational areas of the company (Technical Assistance, Institutional Development, Placement & Secondment, and Testing etc.) stood at 106 for the year. A list of Projects completed and ongoing is provided at Annexure I to this report.

EdCIL has been awarded a turnkey project towards setting up of India-Africa Institute of Information Technology at Ghana by Ministry of External Affairs, Government of India. Preparation of detailed project report based on the feasibility study was completed and accepted by MEA during the year.

The company has been certified for ISO 9001-2008. Surveillance Audit for the ISO certification was successfully completed during the year. Emphasis was given to improve overall environment through weeding out of old files, cleaning the storage areas etc. Towards greenhouse environment, rainwater harvesting systems were installed at EdCIL Head Quarters as well as usage of solar energy in the cafeteria was started aiming at green house environment in the long run.

EdCIL IN 2012-13

Achieving higher customer satisfaction and increasing its presence in international business remain priority areas of EdCIL. Management practices aiming at timely completion of projects with increased efficiency resulting higher customer satisfaction will be practiced during the year. Entering into new markets with strategic business partnerships and exploring business opportunities in e-education domain will be focused activity of EdCIL during the year. 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 by organizing roadshows and participating in Education Fairs in 18 countries. The company will adopt appropriate cost control mechanisms during the year and strive to improve its gross margin.

CAPITAL STRUCTURE

As on 31.03.2012, the Authorized Capital of the Company stood at Rs. 200 lakhs & Paid up Capital at Rs. 150 lakhs. During the recent Board meeting held in June'12, the Board has recommended issue of 49996 fully paid Bonus Equity Shares of Rs. 100/- each to the existing Shareholders in the ratio of 1 Bonus Share for every 3 shares held by the shareholders. The proposal is with Ministry of HRD for obtaining their concurrence and upon issue of Bonus Shares, the Paid up Capital of the Company would equal the Authorised Capital.

At the year end, the cash and bank balances including fixed deposits of the Company stood at Rs. 34.90 crores as compared to last year 2010-11 figures of Rs. 36.28 Crores

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 31/10/2011 to 05/11/2011 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 Ed.CIL 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, has been adopted in the corporation during the Financial Year. Code of Ethics for Board Members and Senior Management has also been adopted during the current Financial 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 2011-12. As per the approved long range plan blending with its core business areas, the corporation implemented two initiatives:-

1. The Energy and Resource Institute (TERI) took a review of designs prepared during last financial year under the CSR activity. These designs provide guidelines to setup educational institutions in different terrains using local resources. TERI also prepared a report on walkthrough audit and green design guidelines for new and existing schools that includes the retrofitting measures for existing schools to improve the energy efficiency, water management and overall health & environmental quality of the school premise.
2. Study on providing amenities for differently-abled students was prepared after visiting eight schools in NCR Region. User friendly infrastructure, amenities and guidelines to the teachers were highlighted in the report.

Both the reports were shared with interested stakeholders in addition to submitting them at concerned departments in MHRD.

RESEARCH & DEVELOPMENT

Under the R & D activities, a handbook was prepared towards obtaining accreditation by medical, engineering and general arts/science colleges. Procedural and mandatory requirements with relevant data was prepared as a guideline to obtain accreditation from certifying institutions. Besides, Single Window package was developed for Foreign Universities establishing their centers in India.

SUSTAINABLE DEVELOPMENT

Under Sustainable Development, guidelines were prepared on natural disaster preparedness in school and educational institutions and circulated to interested stakeholders. Steps have been taken to convert the Corporate Office of EdCIL into green building through usage of solar energy and rain water harvesting during the year.

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 31st March 2012.

- 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 organization 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 2011-12 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.

The sanctioned strength of the Company is 95 and the operating strength of the Company as on 31st March, 2012 was 81 including 32 reserved category employees under the categories of Schedule Caste -23, Schedule Tribe - 2 and OBC-7.

PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A)

During the year 2011-12, no employee of the Company has drawn a remuneration of Rs. 60 lakh or more per annum, if employed, for the full year or Rs. 5 lakh or more per month, if employed, for the part of the year, as required to be disclosed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 amended from time to time.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

The particulars required to be disclosed pursuant to section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of the Conservation of Energy and Technology Absorption shall be treated as Nil as the Company is in service industry.

However, the Foreign Exchange Earnings and Outgo during the period under review are as indicated in the Notes to Accounts.

BOARD OF DIRECTORS

During the year, Mr. Mushrul Hassan, Mr. S. N. Ray and Mr. P. R. Dasgupta, Directors ceased to be the Directors of the Company. Till the date of Report, Mr. N. K. Sinha, (nominee Director of Ministry of Human Resource Development) and Mr. L. T. Muana (Nominee of Ministry of External Affairs) ceased to be Directors. The Company placed on record its appreciation for the valuable contribution made by these Directors during their tenure as Directors. Smt Amita Sharma, Additional Secretary, MHRD has been nominated as Director by Ministry of Human Resource Development w. e. f. 03.08.2012.

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 2011-12 by C&AG.

The comments of the Statutory Auditors on the Accounts of the Company for the Financial Year 2011-12 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”.

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

(Mrs. Anju Banerjee)
Chairperson & Managing Director

Dated : 24/8/2012

Place : New Delhi

SUMMARY OF PROJECTS COMPLETED / ONGOING DURING THE YEAR 2011-12

INTERNATIONAL

(COUNTRY/CLIENTS NAME/PROJECTNAME/STATUS)

1. **UZBEKISTAN** : Ministry of Public Education, Republic of Uzbekistan / ICT in Basic Education/ Completed.
2. **GHANA** : Ministry of External Affairs, Government of India / Feasibility Study for Establishment of India-Africa Institute of Information Technology (IAIIT)/ Completed.
3. **MYANMAR** : Ministry of External Affairs, Government of India / DPR for Establishment of Myanmar Institute of Information Technology (MIIT) – Ongoing.
4. **NEPAL**: Holding of entrance examination for the selection of Nepalese students for admission in Indian Universities for MBBS, BE, B.Sc. (Agr.), BVSc. & Animal Husbandry, etc. courses for the academic year 2011-2012 [**COMPEX Nepal 2010-2011**]. Project Completed.
5. **AFGANISTAN**: Afghan Ministry of Higher Education, Kabul, Afghanistan. Placement of Afghan Students in EdCIL's Associated Institutions for Under-Graduate and Post Graduate programmes **for 2011-12 Batch** . Project on going.
6. **BHUTAN** : Royal Civil Service Commission, Royal Government of Bhutan. Placement of Bhutanese Students in Indian Educational Institutions for Post-Graduate Programmes **2010-2011 Batch**. Project Completed.
7. **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 Completed/ Ongoing.
8. **BHUTAN** : DANIDA Scholarship, Royal Government of Bhutan. Placement of Bhutanese Students in Indian Educational Institutions for Under-Graduate Programmes **for 2007-2008 Batch**. Project Completed/Ongoing.
9. **ERITREA** : National Board for Higher Education, Asmara, Eritrea, Placement of Eritrean Students in Indian Institutions/Universities for higher studies for the academic year **2010 – 2011**. Project Completed/ Ongoing.
10. **MONGOLIA** : Ministry of Human Resource Development, Government of India, Deputation of Teachers from India for the Joint Indo-Mongolia Higher Secondary School. Project Ongoing.
11. **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 Completed/Ongoing.

12. **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 Completed/ Ongoing.
13. **SELF-FINANCING STUDENTS :** Various Countries. Placement of Self-Financing Students (SFS) in Indian Educational Institutions. Project Completed/Ongoing.
14. **TANZANIA :** Recruitment of Academic Staff for the University of Dodoma, Tanzania 2011. Project Completed.

NATIONAL

(COUNTRY / CLIENTS NAME / PROJECT NAME / STATUS)

A. INSTITUTIONAL DEVELOPMENT

15. **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.**
16. **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.**
17. **JAMMU :** Establishment of Central University of Jammu (Consultancy Services for conducting Detailed Contour Survey – Architectural Design Competition & Master Plan) – **Project Ongoing.**
18. **MADHYA PRADESH :** Residential Staff Quarters and 2nd & 3rd 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.**
19. **MADHYA PRADESH :** Rustamji Institute of Technology (RJIT), Tekanpur. Construction of Rustamji Institute of Technology, Tekanpur, Gwalior. – **Project Completed. - Financial Closure Under Progress.**
20. **MAHARASHTRA :** Preparation of Detailed Engineering Drawings and Tendering Specifications for Setting up of Solapur Power Training Institute, Solapur for NTPC Limited. – **Project Nearing Completion**
21. **NEW DELHI :** University Grants Commission (UGC). Construction of University Grants Commission Campus at JNU Campus, New Delhi. – **Project Dropped – Financial Closure Under Progress.**
22. **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.**

B. TECHNICAL ASSISTANCE STATE LEVEL

23. **ASSAM** : Department of Higher Education, Govt of Assam / DPR & Master Plan for Developing Cotton College / Completed.
24. **ASSAM** : Department of Higher Education, Govt of Assam/ DPR for Establishment of Womens University in Gauhati / Ongoing.
25. **AHMEDABAD** : Supply of Question Bank to **Gujarat Technological University** for 2011-2012. Project Completed.
26. **GUJARAT** : Reliance Industry Limited/ DFR on Establishment of Engineering & Polytechnic College at Jamnagar & Dwarka, Gujarat / Ongoing.
27. **HARYANA** : Tawaan Trust/ DPR for Establishment of Objective University under the Haryana Private University Act at Palwal District / Completed.
28. **HIMACHAL PRADESH** : Department of Elementary Education, (H.P)/Quality School Certification (Shimla)/This is the pilot project for escorting schools to achieve quality school certification, system implementation phase is going on presently. On Going.
29. **HIMACHAL PRADESH** : Govt of Himachal Pradesh/ DPR for setting up Engineering College in Himachal Pradesh / Ongoing.
30. **HIMACHAL PRADESH** :Department of Elementary Education, (H.P)/Quality School Certification (Shimla)/This is the pilot project for escorting schools to achieve quality school certification, system implementation phase is going on presently. On Going.
31. **JABALPUR** : Recruitment to the post of Executive Trainees (Electrical & Accounts), Supervisor Trainees, Computer Operator-cum-Jr Stenographer & Testing Attendant/ Line Attendant Grade-II Trainee in **Madhya Pradesh Power Transmission Company Limited** (MPPTCL). Project Completed.
32. **JABALPUR** : Recruitment of Officers/Employees in various cadres for **Madhya Pradesh Power Generating Co. Limited** on regular for the year 2011-2012. Project Completed.
33. **MADHYA PRADESH** : Indira Gandhi National Tribal University, Amarkantak / DPR for Establishment of a Hospital and Medical College at Indira Gandhi National Tribal University / Ongoing.
34. **NEW DELHI** : Ministry of Human Resource Development, Government of India / Data Collection and Collation in the Central Sector Scheme of Scholarship for College and University Students / Completed.
35. **NEW DELHI**: Delhi Institute of Tourism and Travel Management / Feasibility cum DPR for Conversion of Indian Institute of Tourism and Travel Management to Delhi Institute of Tourism & Travel Management / Ongoing.
36. **NEW DELHI**: Ministry of Human Resource Development, Government of India / Development and Updation of Website Contents of MHRD / Ongoing.

37. **NEW DELHI:** Ministry of Defence, Government of India / DPR, Draft Layout Plan and Acts & Statutes for Setting Up the Indian National Defence University (INDU) at Binala, Gurgaon, Haryana / Ongoing.
38. **NEW DELHI:** National Institute of Communication Finance, Ministry of Communications & IT, Department of Telecommunications, Government of India / DPR on Setting Up of Physical Infrastructure of National Institute of Communication Finance, Ghitori / Ongoing.
39. **NEW DELHI:** Nalanda University / Project Report on Re-estimation of Working of Nalanda University / Ongoing.
40. **NEW DELHI:** Ministry of Human Resource Development, Govt. of India / DPR on establishment of Campuses for 8 New IITs /- Completed.
41. **NEW DELHI:** Recruitment of Para-Medical Staff for **Central Industrial Security Force**. Project Completed.
42. **New Delhi:** Recruitment of Sub-Inspector (Executive) through Limited Departmental Competitive Examination: 2011 in **CISF**-Setting-up & supply of Confidential material and evaluation of results. Project Completed.
43. **NEW DELHI:** Conduct of written examination and Skill Test for recruitment of Stenographer and Junior Assistant for **National Institute of Open Schooling (NIOS)**. Project Completed.
44. **NEW DELHI:** Recruitment of Assistant Administrative Officers in **Life Insurance Corporation (LIC) of India Limited**. Project Completed.
45. **NEW DELHI:** Conduct of written examination for recruitment of Lower Division Clerk & Junior Accountant in **Sports Authority of India**. Project Completed.
46. **NEW DELHI:** Conduct of written examination for recruitment of Assistant Manager (Civil) and (Signal & Telecommunication) in **Dedicated Freight Corridor Corporation of India Limited (DFCCIL)**. Project Completed.
47. **NEW DELHI:** Conduct of written examination for the post of Scientist-B in **Bureau of Indian Standards (BIS)**. Project Completed.
48. **NEW DELHI:** Conduct of written test for recruitment to the post of Staff Nurses in **Dr. Ram Manohar Lohia Hospital**, New Delhi. Project Completed.
49. **NEW DELHI:** Conduct of written test for recruitment to the post of Junior Engineer (Civil) and Junior Engineer (Electrical/ Mechanical) in **DDA**. Project Completed.
50. **NEW DELHI:** Technical Assistance & Consultancy services by deployment of manpower under World Bank Assisted project for preparedness, control & containment of Avian Influenza (Animal Health Component) for **Ministry of Agriculture**. Project Completed.
51. **NEW DELHI:** Filling up of vacancies in respect of PGT, TGT, Miscellaneous Teaching Posts, Primary & Music Teacher in **KVS** through direct recruitment for the year **2011-2012**. Project Completed/Ongoing.

52. **NEW DELHI:** Recruitment of Executive (Civil), (Electrical) & (Sig. & Tele) in Dedicated Freight Corridor Corporation of India Limited (DFCCIL). Project Ongoing.
53. **NEW DELHI:** Conduct of written examination & Interview for recruitment of Senior Management Trainees in various functional streams (Telecom, Civil, Electrical, Finance, Marketing, HR and Legal) in **Mahanagar Telephone Nigam Limited**. Project Ongoing.
54. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **M.Tech Programme for 2010-2011 Batch**. Project Completed.
55. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **M.Tech Programme for 2011-2012 Batch**. Project Completed/Ongoing.
56. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **LLM Programme for 2010-2011 Batch**. Project Completed.
57. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **LLM Programme for 2011-2012 Batch**. Project Completed / Ongoing.
58. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme** in NITs/IIITs **for 2008-2009 Batch**. Project Completed.
59. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Tech Programme** in NITs/IIITs **for 2009-2010 Batch**. Project Completed/Ongoing.
60. **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 Completed/Ongoing.
61. **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 Completed/Ongoing.
62. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Pharmacy Programme for 2008-2009 Batch**. Project Completed/Ongoing.
63. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Pharmacy Programme for 2009-2010 Batch**. Project Completed/Ongoing.
64. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Pharmacy Programme for 2010-2011 Batch**. Project Completed/Ongoing.
65. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **B.Pharmacy Programme for 2011-2012 Batch**. Project Completed/Ongoing.
66. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **Ph.D Programme for 2010-2011 Batch**. Project Completed/Ongoing.
67. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **Ph.D Programme for 2011-2012 Batch**. Project Completed/Ongoing.

68. **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 Completed/Ongoing.
69. **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 Completed/Ongoing.
70. **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/Ongoing.
71. **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 Completed/Ongoing.
72. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **MBA/MCA/MA/M.Sc Programme for 2010-2011 Batch.** Project Completed/Ongoing.
73. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **MBA/MCA/MA/M.Sc Programme for 2011-2012 Batch.** Project Completed/Ongoing.
74. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BAMS Programme for 2010-2011 Batch.** Project Completed/Ongoing.
75. **NEW DELHI:** Ministry of External Affairs, Government of India. Placement of Nepalese Students in **BAMS Programme for 2011-2012 Batch.** Project Completed/Ongoing.
76. **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 2007-2008.** Project Completed.
77. **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/Ongoing.
78. **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 Completed/Ongoing.
79. **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 Completed/Ongoing.

80. **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 Completed/Ongoing.
81. **PATIALA :** Conduct of Written Examination for recruitment to Various posts in Punjab State Power Corporation Limited (PSPCL). Project Completed.
82. **PUNJAB :** Punjab Technical University / Baseline Study on Evaluating of Distance Education Programme for Punjab Technical University / Ongoing.
83. **PORT BLAIR:** Conduct of written test for recruitment of Junior Assistant, Senior Assistant, Assistant Manager (Accounts) and Deputy Manager (Accounts) in **Andaman & Nicobar Islands Integrated Development Corporation Limited**. Project Completed.
84. **PORT BLAIR:** Proposal for conduct of written test for recruitment of Patwaris in the District Administration in Andaman & Nicobar Islands. Project Ongoing.
85. **TAMIL NADU:** Sardar Vallabhbhai Patel Institute of Textile and Management (SVPITM), Coimbatore / DPR for Upgradation of SVPITM / Completed.
86. **UTTAR PRADESH:** Power Management Institute, NTPC Limited / DFR for Setting up of Hydro Engineering College in HP / Completed.
87. **WEST BENGAL:** RITES/ DFR on Establishment of Polytechnic cum ITI College at Dankuni in West Bengal / Ongoing.

TECHNICAL ASSISTANCE - OTHERS NATIONAL

88. **All India Council for Technical Education-** Providing consultancy services for Deployment of Manpower and Maintenance of Personnel. Project ongoing.
89. **Central Vigilance Commission, Government of India-** Providing consultancy services for Recruitment of Manpower. Project completed.
90. **JNNURM, Ministry of Urban Development-** Providing consultancy services for Deployment of Manpower and Maintenance of Personnel. Project ongoing.
91. **Ministry of Human Resource Development, Department of Higher Education, Government of India-** Providing consultancy services for Deployment of Manpower and Maintenance of Personnel. Project ongoing.
92. **National Scholarship Division, Ministry of Human Resource Development-** Providing consultancy services for Deployment of Manpower and Maintenance of Personnel. Project ongoing.
93. **Ministry of Housing and Urban Poverty Alleviation-** Consultancy services for Deployment of Manpower and Maintenance of Personnel. Project ongoing.
94. **Sarva Shiksha Abhiyan, Tamil Nadu-** Providing consultancy services for Recruitment of Manpower. Project ongoing.

95. **IGNOU:** Student Assistance Helpline/A call centre is to be established for the largest open university in India, currently the background processes of the university are being simplified so that the call centre can work efficiently. Completed.
96. **UGC:** Anti-Ragging helpline/ A helpline was being operated for the students in India who can register their ragging related complaints here, EdCIL was facilitating the operations of this helpline. The project is now over since 15th June, 2012.
97. **UGC:** Anti-Ragging Web-Portal/Planet E-Com Solutions Pvt. Ltd. was shortlisted through tendering process to develop a web-portal on anti-ragging. The portal has now been launched on 26th July, 2012.
98. **Ministry of Human Resource Development** - Government of India. Providing of Logistic Support for Sarva Shiksha Abhiyan (SSA) Project. Project Ongoing.
99. **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.
100. **Ministry of Human Resource Development** - Government of India. Providing of Logistic Support for Release of Funds to Monitoring Institutes for Sarva Shiksha Abhiyan (SSA) Project. Project Ongoing.
101. **Ministry of Human Resource Development** - Government of India. Providing of Logistic Support for the National Project Implementation Unit (NPIU), Technical Educational – III. Project Completed.
102. **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.
103. **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.
104. **Ministry of Human Resource Development** - Government of India. Providing of Logistic Support for Girls Hostel Project (GHP). Project Ongoing.
105. **Ministry of Human Resource Development** - Government of India. Providing Logistic Support for Rastriya Madhyamic Shiksha Abhiyan (RMSA) Project. Project Ongoing.
106. **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 Director's Report

Management's Replies to the Comments contained in the Statutory Auditor's Report to the shareholders on the Accounts of EdCIL (India) Limited for the year ended 31st March 2012

SI.	Comments of the Statutory Auditors	Management Replies
(a)	Non confirmation of balances of trade receivables, trade payables, loans & advances, bank balances with Midland Bank, London and ICICI Bank, Bangaluru (refer to note 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 for settlement of Loans and advances. The Management has also reviewed recovery positions of debtors, Loans and Advances during the F.Y 2011-12. Based on such review and assessment, the balances in the aforesaid accounts have been considered good by the management and disclosed vide Notes No. 9 & 11 to Notes to Accounts.</p> <p>There have no transactions in the bank account with Mid land bank London & ICICI Bank Bengaluru Branch during the F.Y 2011-12. However, confirmation of balance with these two bank accounts have since been obtained.</p>
(b)	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 financials impact of this non-compliance, if any could not be determined.	No classification of outstanding as on 31.03.2012 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 Enterprise. In view of this, there is no dues outstanding which attract the provisions of section 22 of the Micro Small & Medium Enterprise Development Act, 2006.
(c)	Trade Receivables includes Rs. 103.03 lakhs which are unsecured, unconfirmed and outstanding for a period of more than five years. The company has created a provision of Rs. 12.96 lakhs only against such outstanding (refer to note 11.1 of note to accounts). In our opinion, the recovery of dues is doubtful and entire amount must be provided for. To the extent of shortfall of provisioning of Rs. 88.11 lakhs, the profits and trade receivables have been overstated.	In respect of the balance Trade Receivable greater than 5 years, the cases are being followed rigorously with the concerned clients and the amount is due mainly from the Government bodies and Foreign Government bodies. The dues considered doubtful have been provided fully in the books of accounts. Other balances in the aforesaid accounts have been considered good and recoverable by the Management. Accordingly the Management has not provided for the balance receivables greater than 5 years debts of Rs. 88.11 lacs and the same was informed to the Board during approval of Annual Accounts of the Company for the F.Y 2011-12.

SI.	Comments of the Statutory Auditors	Management Replies
(d)	<p>Loan & Advances includes Rs. 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 Rs. 30.66 lakhs against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of Rs. 67.12 lakhs, the profit and loans and advances have been overstated.</p>	<p>The Management review loans and advances recoverable during the F.Y 2011-12. The dues considered doubtful have been provided in the books of accounts. Giving due 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 provision was considered to be made in the books of accounts for the F.Y 2011-12.</p>
(e)	<p>Trade Receivables and work-in-progress includes amounts of Rs. 97.50 lakhs and Rs. 81.86 lakhs respectively on accounts of amount recoverable from University Grants Commission (UGC) for Antiragging Helpline project executed by EdCIL India Ltd. There is no formal agreement entered with UGC for the same and the amounts stated above are subject to acceptance and final settlement by UGC (refer to note 17.1 of notes to accounts). The overall impact on the profit, if any, for the year is unascertainable.</p>	<p>As per the Hon'ble Supreme Court directives on Anti-Ragging measures had to be undertaken, EdCIL has been awarded to undertake the Anti-Ragging helpline projects on behalf of UGC in 2009. Setting up of a Anti-Ragging helpline was one of such projects that EdCIL facilitated for UGC. EdCIL along the Bharat Sanchar Nigam Limited (BSNL) presented a model helpline concept to UGC. With reference to the meeting dated May 29, 2009 held in UGC wherein chairman, UGC, Joint Secretary, MHRD and CMD, EdCIL had agreed to the proposal of BSNL and decided that the helpline should be in place by 15-06-2009. Accordingly, the work was awarded to EdCIL by UGC vide their letter No. F.1-21/2009 (Ragging Cell) dated 09-06-2009 and accordingly, EdCIL started the Anti-Ragging Helpline in June, 2009 with the help of Bharat Sanchar Nigam Limited (BSNL).</p> <p>EdCIL has withdrawn the facilitation to the helpline with effect from 15th June, 2012. UGC has paid Rs. 1.76 crores till date and UGC issued further sanction order of Rs.79.85 lakhs during October, 2012.</p>
(f)	<p>No valuation from a certified Actuary was obtained to ascertain the value of employee benefits relating to Leave Encashment and Gratuity in violation of provisions of AS-15 issued by ICAI (refer to note 18.3 of notes to accounts and point No. 8 of significant accounting policies). The financial impact of this non-compliance could not be determined.</p>	<p>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 was considered as "Company's Contribution to Gratuity".</p>

Sl.	Comments of the Statutory Auditors	Management Replies
		<p>However, the requirement of AS-15 for separate actuarial valuation for Leave Encashment & Gratuity is noted for future compliance.</p>
(g)	<p>Income from Institutional development includes amount of Rs. 161.84 lakhs booked on rescission of Project Management Consultancy project for construction of UGC headquarters. This amount is subject to acceptance and final Settlement by University Grants Commission (refer Note 14.1 of notes to accounts). The overall financial impact on the profit for the year, if any, is unascertainable.</p>	<p>The work was undertaken by EdCIL as per the scope of work stipulated in the Agreement between EdCIL & UGC. The invoice amount of Rs. 161.84 lakhs towards EdCIL's consultancy fees raised for the subject assignment pertains to the work undertaken by EdCIL before 31.03.2008.</p> <p>The said amount of Rs. 161.84 lakhs does not pertain to EdCIL Final Claim, additional claim/ consequential cost raised after rescission of the Agreement. Also amount considered as income pertains to the legitimate payment of EdCIL within the frame work of the Agreement.</p> <p>The said invoice have been acknowledge by UGC vide their letter dated 08.11.2011.</p> <p>The rescission of the agreement was conveyed by UGC only on 03.01.2012. As such the amount of Rs. 161.84 lakhs shown as income is legitimate.</p>
(h)	<p>Attention is further invited to (without making it a subject matter of qualification) income booked under the head income from Technical Assistance which includes amount of Rs. 420.87 lakhs booked on execution of contracts relating to deployment of manpower which is ultravires the objects of the company (Memorandum of Association) (refer note 14.3 of notes to accounts).</p>	<p>The Board of Directors had accorded approval for amendment of MOA in their 126th meeting held on 29th August 2011 and with the approval of the shareholders accorded in the Extra Ordinary General Meeting held on 11th July 2012, the Object Clause of the Memorandum of Association of the Company was altered by inserting new sub clauses no. 17 after the sub clause no 16 of Main Object Clause III (A) of Memorandum of Association of the Company:</p> <p>17 To deploy personnel in the rolls of EdCIL, on behalf of clients, both at home and abroad including International Agencies.</p> <p>The Company has also Obtained Labour Licenses from Ministry of Labour.</p>

CORPORATE GOVERNANCE REPORT

1. A brief statement on Corporate Governance

The Corporate Governance is 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:

The 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, there are three Directors on the Board of the Company. One Chairperson & Managing Director, one part-time nominee Director from Ministry of Human Resources Development (MHRD) and one independent part time Director. At present, there are three vacant places of Directors viz a nominee Director of Ministry of External Affairs and two part time Independent Directors. 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 2011-12.

- a. Smt. Amita Sharma, Additional Secretary MHRD has joined as Part Time Director EDCIL on receipt of her nomination vide MHRD office order no F-20-12/2012 TS VII dated 03.08.2012.

2.4 Following directors ceased to be on Board after the closure of the financial year 2011-12.

- a. Sh. L. T. Muana, Part Time Director from Ministry of External Affairs ceased to hold the office of the part time Director since he was appointed as Ambassador of India to The Republic of Croatia.
- b. Sh. N. K. Sinha, Part Time Director from MHRD ceased to hold the office of the part time Director since Smt. Amita Sharma, Additional Secretary MHRD has been nominated as Director in his place by MHRD.

2.5 Attendance of Directors at the Board Meetings

During the financial year 2011-12, the Board of Directors met Five 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(s), 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 2011	21.06.2011
2.	For the quarter ended September 2011	29.08.2011
3.	For the quarter ended December 2011	05.12.2011
4.	For the quarter ended March 2012	21.01.2012, 22.03.2012

Name of Director	125 th Meeting 21.06.2011	126 th Meeting 29.08.2011	127 th Meeting 05.12.2011	127A Meeting 21.01.2012	128 th Meeting 22.03.2012
Mrs. Anju Banerjee, CMD	Yes	Yes	Yes	No	Yes
Sh. N. K. Sinha,	No	No	No	No	No
Sh. L. T. Muana	Yes	Yes	Yes	Yes	Yes
Sh. P. R. Dasgupta	Yes	Ceased to be Director			
Sh. Mushrul Hussan	No				
Sh. Surendra Prasad	No	Yes	Yes	Yes	Yes

2.6 Brief Resume of Directors appointed after the financial year 2011-12.

Smt. Amita Sharma, Part Time Director, EDCIL is an Additional Secretary, Department of Higher education, MHRD. She is IAS of 1981 batch from Madhya Pradesh. She has served as Resident Commissioner, Madhya Pradesh Bhavan, 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:

S. No.	Name of the Director	Salary & Allowances (In Rs.)	Other Benefits & Perks (in Rs.)	Performance Related Pay (In Rs.)	Retirement Benefits (In Rs.)	Bonus/ Commission /Ex-gratia (in Rs.)	Total (in Rs.)
1	Smt. Anju Banerjee, Chairperson & Managing Director	13,40,893/-	9,15,888/-	1,43,552/-	2,29,047/-	Nil	26,29,380/

Statement of sitting fees paid to independent Directors paid during F. Y. 2011-12

Name of Director	125th Meeting 21.06.2011	126th Meeting 29.08.2011	127th Meeting 05.12.2011	127A Meeting 21.01.2012	128th Meeting 22.03.2012	Total
Mr. P.R. Das Gupta	Rs. 3000/-	-	-	-	-	Rs. 3000/-
Mr. Surendra Prasad	-	Rs. 3000/-	Rs. 3000/-	Rs. 3000/-	Rs. 3000/-	Rs. 12000/-

5. GENERAL MEETINGS

5.1 Annual General Meetings

The Annual General Meetings of the Company were 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:

AGM	Year	Venue	Date	Time
28 th	2008-2009	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	29.10.2009	1100 Hrs
29 th	2009-2010	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	24.09.2010	1230 Hrs
30 th	2010-2011	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi	28.09.2011	1430 Hrs

Detail of special resolutions passed in the previous three AGMs.

AGM	Year	Subject Matter of the Special Resolution	Date	Time
28 th	2008-2009	No Special Resolution Passed	29.10.2009	1100 Hrs
29 th	2009-2010	No Special Resolution Passed	24.09.2010	1230 Hrs
30 th	2010-2011	Change in the Object Clause proposed but could not be passed	28.09.2011	1430 Hrs

6. Code of Business Conduct and Ethics

The Board approved Code of Business Conduct and Ethics for Board members and Senior Management during 126th 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. 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

A 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 as two vacancies 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.

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 areas. 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.
- 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.
- 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

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

Outlook

The outlook for EdCIL is filled with opportunities. However, customer satisfaction through timely delivery mechanism holds the key to maintain constant growth in business. New business areas in e-education, third party certification and quality in education will support targeted growth rates for the next five years. Continuous capacity building activities with focused strategies on manpower retention will help the company coping up with the challenges posed during the growth period.

Risks and Concerns

- Manpower turnout and retention of knowledge based is a big risk.
- Fair business practices with private sector is a risk element.
- Procedural delays at times pose some risks in delivery mechanisms.

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 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. It ensures the execution of operation more efficiently, and effectively. It 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 of any organization 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 expertise 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 employee benefits, perquisites etc were reviewed last year and from time to time alterations are done if required to strengthen the Human Resource of the Corporation. These changes/ policies are notified by HR Department of EdCIL.

c) Training Need Analysis/ Specialized Training Institute

EdCIL is actively involved in capacity building, providing necessary training and conducting developmental 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 :-

- a. Project Management.
- b. Project Risk Management .
- c. Tendering procedures.
- d. Team Building.
- e. Presentation and Communication Skills.
- f. ISO awareness.
- g. Computer knowledge especially for Group D staff.
- h. Corporate etiquettes.

TRILOK CHAND GARG
Company Secretaries

Annexure-V
RZ-108, Indra Park
New Delhi-110059
cstrilokucc@gmail.com
880411755, 26738406
C.P. No. - 10939

To
The Members of
M/s EdCIL (INDIA) LIMITED,
EdCIL House, Plot-18A
Sector-16 A
Noida

**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 31st March 2012 as stipulated in the Guidelines issued for Central 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. My 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. My responsibility is to carry out an examination, on the basis of my professional judgement 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 me.
4. I certify that in respect of the aforesaid financial year ended 31st March 2012, 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: Delhi
Date: 06.08.2012

Trilok Chand Garg



EdCIL (India) Ltd.

**AFFIRMATION WITH COMPLIANCE
OF CODE OF CONDUCT**

Declaration by Chairperson & Managing Director regarding compliance with the Code of Conduct by Board members and senior Management during financial Year 2011-12

I, **Anju Banerjee**, Chairperson & Managing Director, EdCIL (INDIA) Limited, do hereby declare on the basis of affirmative received from the concerned Board Member and Senior Management Personnel of the Company that the members of the Board of Directors and the senior Management Personnel have affirmed compliance of the company's Code of Business Conduct and Ethics during 2011-12.

Place : Noida
Date : 01.10.2012

(Anju Banerjee)
Chairperson & Managing Director

EdCIL (India) Ltd.
(A Government of India Enterprise)
Balance Sheet as at 31st March, 2012

(Rs. in Thousand)

Particulars	Note	Figures as at the end of Current reporting period 31.3.2012	Figures as at the end of previous reporting period 31.3.2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	15,000	15,000
(b) Reserves and Surplus	2	193511	187,451
(c) Money received against share warrants			
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)			
(c) Other Long term liabilities	3	16,119	17,196
(d) Long term provisions			
(4) Current Liabilities			
(a) Short-term borrowings			
(b) Trade payables	4	83,698	52,777
(c) Other current liabilities	5	295,447	313,019
(d) Short-term provisions	6	149431	133,679
Total		753,206	719,122
II.Assets			
(1) Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		54,307	53,708
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development		855	0
(b) Non-current investments			
(c) Deferred tax assets (net)	8	8,454	7,499
(d) Long term loans and advances	9	20,240	8,784
(e) Other non-current assets			

Particulars	Note	Figures as at the end of Current reporting period 31.3.2012	Figures as at the end of previous reporting period 31.3.2011
(2) Current assets			
(a) Current investments			
(b) Inventories	10	10,709	20,361
(c) Trade receivables	11	76,528	96,534
(d) Cash and cash equivalents	12	348,951	362,767
(e) Short-term loans and advances	13	233,160	169,469
(f) Other current assets			
Total		753,206	719,122

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

forming an integral part of Balance Sheet

P. Jayanthi
DGM (Finance)

Mrs Anju Banerjee
Chairperson & Managing Director

Mrs Amita Sharma
Director

As per our report of even date attached.

FOR G R GARG & CO.

Membership No.

097327

Chartered Accountants

FRN

000214N

PLACE

Delhi

CA. Gaurav Garg (Partner)

DATE

24.08.2012

EdCIL (India) Ltd.

(A Government of India Enterprise)

Profit and Loss statement for the year ended 31st March, 2012 (Rs. in Thousand)

Particulars	Note No	Figures as at the end of current reporting period 31.3.2012	Figures as at the end of previous reporting period 31.3.2011
I. Revenue from operations	14	864,877	672,258
II. Other Income	15	34,812	24,900
III. Total Revenue (I +II)		899,689	697,158
IV. Expenses:			
Project Expenditure	16	737013	551529
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	17	9,652	1,217
Employee benefit expense	18	86,023	84,924
Financial costs		-	-
Depreciation and amortization expense	19	3,802	5,335
Other expenses	20	25,436	21,155
Total Expenses		861,926	664,160
V. Profit before exceptional and extraordinary items and tax	(III - IV)	37763	32998
VI. Exceptional Items (Prior Period Adjustment)	21	1167	5,522
VII Profit before extraordinary items and tax (V - VI)		38930	38520
VIII. Extraordinary Items			
IX. Profit before tax (VII - VIII)		38930	38520
X. Tax expense:			
(1) Current tax		15397	16663
(2) Deferred tax		(956)	(3,057)
XI. Profit(Loss) from the period from continuing operations	(IX-X)	24,489	24,914
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			
XV. Profit/(Loss) for the period (XI + XIV)		24,489	24,914
XVI. Earning per equity share: Basic		163	166
As per our report of even date attached.			

(P. Jayanthi)
DGM (Finance)**(Mrs. Anju Banerjee)**
Chairperson & Managing Director**Mrs. Amita Sharma**
Director

As per our report of even date attached.

FOR G R GARG & CO.
CHARTERED ACCOUNTANTSPlace: New Delhi
Date : 24.08.2012Membership No. 097327
FRN 000214N
CA. Gaurav Garg (Partner)

EdCIL (India) Ltd.
(A Government of India Enterprise)
Cash Flow Statement for the year ended 31st March, 2012 (Rs. in Thousand)

Particulars	2011-12	2010-11
Net Profit before Tax and Extra Ordinary Items	38,930	38,520
Add:- Adjustment for :-		
Depreciation	3,802	5,335
Loss/(Profit) on sale of Assets (Net)	594	919
Provision for Doubtful Debts	3,214	1
Provision for Doubtful Debts Written Back	(2,877)	(359)
Provision for Leave Salary	4,228	4,470
Interest Income	(27,780)	(22,229)
Foreign Exchange(Profit)/Loss	(678)	28
Other Income	(3,420)	(2,340)
CSR Utilised	(995)	(730)
Operating Profit before working capital changes (i)	15,018	23,615
Increase/Decrease in Current Assests	(22,068)	4,741
Increase/Decrease in Liabilities	11,333	(36,880)
Cash generated from Operations (ii)	4,283	(8,524)
Income Tax Paid	(26,667)	(32,119)
NET CASH FROM OPERATING ACTIVITIES (A)	(22,384)	(40,643)
Cash flow from investing activities		
Purchase of Fixed Assets	(5,181)	(4,454)
Sale of Fixed Assets	218	180
Interest received/other Income	31,877	24,541
Capital Work In Progress	(855)	-
NET CASH FROM INVESTING ACTIVITIES (B)	26,059	20,268
Cash flow from financing activities		
Dividend Paid	(17,492)	(17,549)
NET CASH USED IN FINANCING ACTIVITIES (C)	(17,492)	(17,549)
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	(13,817)	(37,925)
CASH AND CASH EQUIVALENT (OPENING)	362,768	400,693
CASH AND CASH EQUIVALENT (CLOSING)	348,951	362,768

Note: Cash Flow Statement has been prepared in accordance with Indirect Method

P. Jayanthi
DGM (Finance)

Mrs. Anju Banerjee
CMD

Mrs.Amita Sharma
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: 24.08.2012

EdCIL (India) Ltd.

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 expect institutional development and procurement projects:-

- a) 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) 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 costs are accounted for on financial year basis.

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:

- 1) 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.
- 2) 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. agreed with suppliers.
- 3) Work done but not billable in respect of incomplete stages are recognized on the basis of Technical Certificate from the concerned Head of Department.

3. FIXED ASSETS

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

4. DEPRECIATION

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. 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.

The cost of land is amortized over the total lease period of 90 years.

5. INVESTMENT

Investments are valued at market price or cost price whichever is less. 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. 50.74
- b) 1 Stg. Pound = Rs. 80.90
- c) 1Euro = Rs.67.45

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. 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.

NOTES ON ACCOUNTS**Note : 1 Share Capital****(Rs. in Thousand)**

Sr. No	Particulars	2011-12	2010-11
1	<u>AUTHORIZED CAPITAL</u> 2,00,000 Equity Shares of Rs.100/- each.	20,000.00	20,000.00
		20,000.00	20,000.00
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u> 1,50,004 Equity Shares of Rs. 100/- each, Fully Paid up (of the above shares 25,004 equity shares allotted as fully paid up Bonus Shares by capitalizing reserves)	15,000	15,000
	Total	15,000	15,000
1.1 The reconciliation of the number of shares outstanding is set out below :			
	Particulars	2011-12	2010-11
		No. of Shares	No. of Shares
	Equity Shares at the beginning of the year	15,000	15,000
	Add : Shares issued during the year	-	-
	Less : Shares cancelled on buy back of Equity Shares	-	-
	Equity Shares at the end of the year	15,000	15,000
1.2 The Entire Share Capital of the Company is held by Government of India.			

Note : 2 Reserve & Surplus**(Rs. in Thousand)**

Sr. No	Particulars	2011-12	2010-11
1	Capital Reserve	--	--
2	Capital Redemption Reserve	--	--
3	Securities Premium reserve	--	--
4	Debenture Redemption Reserve	--	--
5	Revaluation Reserve	--	--
6	Shares Option Outstanding Account	--	--
7	General Reserve		
	Opening Balance	124,576	122,084
	Addition During the Year	2449	2,491
	Closing Balance	127,025	124,575

Sr. No	Particulars	2011-12	2010-11
8	Surplus (Profit & Loss Account)		
	Opening Balance	60,695	57,219
	Addition During the Year	24,489	24,914
	Less : Utilize during the Year		
	Transfer to General Reserve	(2,449)	(2,491)
	Transfer to Staff welfare fund	(245)	(249)
	Proposed Dividend	(15,000)	(15,000)
	Dividend Distribution Tax	(2,433)	(2,491)
	Transfer to CSR Fund	(747)	(1,205)
	Closing Balance	64,310	60,697
9	Staff welfare Fund		
	Opening Balance	1,704	1,455
	Addition During the Year	245	249
	Closing Balance	1,949	1,704
10	CSR Fund		
	Opening Balance	475	1,205
	Addition During the Year	747	-
	Less: Utilize During the Year	(995)	(730)
	Closing Balance	227	475
	Total	193511	187,451

Note: 3 Other Long Term Liabilities

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Unsecured:		
	Security Deposit From Suppliers	16,119	17,196
	Total	16,119	17,196

Note : 4 Trades Payable

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Trade Payables	83,698	52,777
	Total	83,698	52,777

Note : 5 Other Current Liabilities

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Advance Against Projects	194,096	213,141
2.	Security Deposit From Suppliers	11,177	13,118
3.	Duties & Taxes	8,972	6,107
4.	Other Liabilities	76,823	73,083
5.	Non-Trade Payables	4,379	7,572
	Total	295,447	313,019

5.1 No classification of outstanding as on 31.03.2012 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	2011-12	2010-11
1	Provision for employee Benefits		
	a) Leave Salary	12,899	12,706
	b) Provision for salary Including Perks	224	196
	c) Performance related Payment	1,306	1,156
	d) Leave Travel Concession	43	3
2.	Others		
	a) Income Tax	113079	97,680
	b) Fringe Benefit Tax	4,447	4,447
	c) Proposed dividend	15,000	15,000
	d) Tax on Proposed Dividend	2,433	2,491
	Total	149431	133679

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.
- Claims against the Company amounting to Rs. 4.35 lacs (Plus Interest) in the courts/consumer courts not acknowledged as debts.
- Guarantees issued by banks on behalf of Company amounting to total of Rs.1783901/- (Last year Rs.642000/-) as per detail mentioned below:-
Bank Guarantee in INR 1783901/-.
- 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. The Management is of the opinion that Company will succeed in the suit. The company has provided for a liability of Rs.0.48 lakh towards settlement against R.A.bill of contractor. Further a legal opinion has been obtained which substantiates management's stand.
- M/s Visesh Infotecmics Limited had filed suit for recovery of Rs.4.85 lakhs on amount of supply of computer items. Additional District Judge-1, New Delhi District PHC has awarded the verdict against the company for Rs.4.35 lacs plus interest. The company has not provided for the liability as management is filing an appeal in Hon'ble High Court of Delhi against the order and under the circumstances 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	(Rs.) 2012	(Rs.) 2011
Capital Expenditure	7.45 lacs	16 lacs

EdCIL (India) Limited

**SCHEDULE OF FIXED ASSETS AS AT 31ST MARCH, 2012
AS PER COMPANIES ACT, 1956**

NOTE: 7
(Rs. in Thousand)

S.N.	Item of Assets	Rate of Dep.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			1 As on 01.04.2011	2 Additions during the year	3 Deletions during the year	4 Total as on 31.03.2012	5 Upto 01.04.2011	6 For the Year	7 On sale/adj. during the year	8 Total as on 31.03.2012	9 As on 31.3.2012	10 As on 31.3.2011
	(A) TANGIBLE ASSETS											
1	Leasehold Land	90 yrs.	21,263	-	-	21,263	3,603	236	-	3,839	17,423	17,660
2	Building	1.63%	22,656	-	-	22,656	4,841	369	-	5,211	17,445	17,814
3	Electrical Equip. & A. C.	4.75%	15,823	918	2,234	14,506	7,116	668	1,333	6,454	8,052	8,707
4	Office Machinery & Equipt.	4.75%	3,145	94	-	3,239	1,746	142	-	1,879	1,360	1,399
5	Reprographic Machine	4.75%	753	-	99	654	211	31	86	155	498	542
6	Furniture & Fixtures	6.33%	11,865	-	260	11,605	8,508	659	260	8,901	2,704	3,358
7	Vehicles	9.50%	1,809	-	233	1,576	512	22	233	406	1,170	1,297
8	Computer System-Hardware	16.21%	17,716	2,689	54	20,351	15,068	1,478	54	14,987	5,363	2,648
9	Fire Extinguisher	16.21%	1,480	1,480	-	1,480	-	-	(1,480)	1,480	-	-
10	Carpet & Venetian Blinds	20.00%	1,172	-	-	1,172	891	106	96	882	291	282
	TOTAL (A)		96,202	5,181	2,881	98,502	42,494	3,802	487	44,195	54,307	53,708
	(B) Intangible Assets											
11	Intangible Assets under Development Computer Software			855	-	855	-	-	-	-	855	-
	TOTAL (B)		-	855	-	855	-	-	-	-	855	-
	GRAND TOTAL (A+B)		96,202	6,036	2,881	99,357	42,494	3,802	487	44,195	55,162	53,708
	Previous year figures		96,058	4,453	4,309	96,202	40,369	5,335	3,210	42,494	53,708	55,689

7.1 FIXED ASSETS

- a) Fire Extinguisher of Rs.14.80 lakhs which was deleted from the FA Schedule as the WDV became nil in the earlier year, has been reinstated in the books of accounts as the system is physically present.
- b) Vehicle worth Rs.2.6 lakhs was sold in the year 2009-10 but not been deleted from the Fixed Asset Schedule; the same has been duly rectified in the Fixed Asset Schedule in the current financial year 2011-12.
- c) Depreciation on Nil Value Assets to the tune of Rs.16.15 lacs wrongly charged in the FY 2010-11, has now been rectified and booked under Prior Period Income.

NOTE : 8 Deffered Tax Assets (Net)

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
	A-Deferred Tax Assets:		
	Provision for Leave Salary	4,185	4,221
	Provision for Doubtful Debts	1,474	2,244
	Provision For Project Expenses	9,478	7,257
	Provision for LTC	14	1
	Sub-Total (A)	15,151	13,723
	B-Deferred Tax Liabilities:		
	Depreciation	6,697	6,224
	Sub-Total (B)	6,697	6,224
	Deffered Tax Assets (Net)	8,454	7,499

NOTE : 9 Long Term Loans and Advances

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
I)	Capital Assets		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	471	471
	c) Doubtful	3,066	3,066
	Less : Provision for doubtful Advances	(3,066)	(3,066)
II)	Security Deposit		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	13,562	1,312
	c) Doubtful		
III)	Loans & Advances to related parties		
IV)	Other Loans & Advances		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :		
	(i) Loan to Employee	1,992	1,444
	(ii) Advance to Supplier and others	4,215	5,557
	c) Doubtful		
	Less : Provision for doubtful Advances		
	Total	20,240	8,784

- 9.1 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 expenses.

NOTE :10 Inventories**(Rs. in Thousand)**

Sr. No	Particulars	2011-12	2010-11
1.	Raw Material		
2.	Work-in-Progress	10,709	20,361
3.	Finished Goods		
4.	Stock-in-Trade		
5.	Stores & Spares		
6.	Loose Tools		
7.	Other (Specify the nature)		
8.	Goods-in-transit		
9.	Total	10,709	20,361

NOTE : 11 Trade Receivables**(Rs. in Thousand)**

Sr. No	Particulars	2011-12	2010-11
1.	Current Receivable less than Six Month		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	45,941	6,581
	c) Doubtful		
2.	Current Receivable Other		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	30,587	89,953
	c) Doubtful	1,477	3,688
	Less: Provision for doubtful debts	(1,477)	(3,688)
	Total	76,528	96,534

- 11.1 EdCIL has Provisioning Policy for Bad & Doubtful Debts, duly adopted by the Board in its 127th meeting dated 5th December 2011, which stipulate for provisioning of Trade Receivables greater than 5 years. As against Trade Receivables greater than 5 years of Rs. 103.03 lacs as on 31.03.2012, provision has been made to the extent of Rs. 12.97 lacs only. In respect of balance Trade Receivables greater than 5 years, the cases are being followed rigorously with the concerned clients. Accordingly the management has not provided for the balance Receivables greater than 5 years debts.

NOTE : 12 Cash & Cash Equivalent**(Rs. in Thousand)**

Sr. No	Particulars	2011-12	2010-11
1.	Cash-in-Hand		
	Cash Balance	352	270
	Petty Cash Balance		
	Sub Total (A)	352	270
2.	Balance with Scheduled Banks		
	In Current Accounts	42,625	53,109
	IN EEFC Account	2,366	883
	In Fixed Deposits (Free)	290,737	298,277
	In Fixed Deposits (Lien against Bank Guarantee)	1,784	642
	Balance with Non-Scheduled Banks (In Current Accounts)		
	Midland Bank, London (U.K) *	9	9
	Interest accrued but not due on Fixed Deposits	10,947	9,577
	Sub Total (B)	348,468	362,497
3	Cheques on Hand (C)	131	-
	Total [A + B + C]	348,951	362,767

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

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

Sr. No	Particulars	2011-12	2010-11
1.	Loans & Advances from related parties		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :		
	c) Doubtful		
	Less : Provision for Doubtful Advances		
2.	Others		
	TDS Recoverable	91,701	75,933
	Advance Income Tax	67,862	56,008
	Advance FBT	4,452	4,452
	Advance to Supplier and others	67,355	31,359
	Loan to Employee (Secured)	363	363
	Mobilization & Other Advances	323	1,354
	Prepaid Insurance	1104	-
	Total	233,160	169,469

EARNING PER SHARE

Particulars	2011-12	2010-11
Net Profit after Tax (Rs. in thousand)	24489	24,914
Weighted average no. of Equity Shares	150	150
Nominal Value of Equity Share	100	100
Basic & Diluted Earning per Share (Rs.)	163	166

NOTE NO. 14 INCOME FROM PROJECTS

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Income from Technical Assistance		
(i)	Educational Aids	0	1,361
(ii)	Income from NI	1212	9,858
(iii)	Income from NLMA	40842	25,263
(iv)	Income From TEQIP	35294	34,884
(v)	Income from SSA Project	174840	133,932
(vi)	Income from GHP	1154	471
(vii)	Income from MDM	26806	13,436
(viii)	Income from RMSA	28048	15,179
(ix)	Income from Monitoring Instt.	25552	27,079
(x)	Income from NMEICT	16425	15,952
(xi)	Other Projects (Admin & TA Projects)	64079	52,257
2	Income from Institutional Development	37509	13,893
3	Income from Human Resource Development		
(i)	Income from Placement	316214	214,123
(ii)	Income from Secondment	10770	6,655
(iii)	Income from Testing Activities	86132	107,915
	TOTAL	864877	672258

- 14.1** EdCIL had entered into an agreement with UGC on 08.05.2003 for construction of office complex for UGC at JNU, Campus. EdCIL had raised invoices to UGC for the completed stages for an amount of Rs. 583 lacs. However UGC rescinded the agreement on account of which EDCIL has raised claim with UGC for consequential expenditure of Rs. 89.34 Lacs.

As against the total claim of Rs. 672.34 lacs on UGC, the company by adopting a conservative approach, has booked Income of Rs. 161.84 lacs only, for F.Y 2011-12, towards 30% stage accepted by UGC vide letter dated 08.11.2011. The balance Income booking for the remaining invoices already raised by EdCIL would be considered for booking on receipt of confirmation from UGC.

- 14.2** Loss of Rs.6.69 lacs on account of Educational Consultants India Limited EPF TRUST, for the accounting year ending 31st March 2011 is being recouped out of profits of PF Trust for the FY.2011-12.

- 14.3** Company has executed 15 No. of Projects relating to Deployment of Personnel in the rolls of EdCIL on behalf of various clients such as AICTE, MHRD, JNNURM, MHUPA etc.. These activities were undertaken on the presumption that they were covered under sub clause 14 of clause No. III A of Memorandum and Articles of Association- **“to assist in recruitment / secondment of experts, teaching faculty and technical manpower on behalf of agencies both at home and abroad including international agencies”**.

CAG Auditors during the Three Phase Audit observed that amendment to MOA is required for execution of Contracts for deployment of Personnel in the rolls of EdCIL on behalf of clients and Labour License from Ministry is required. The Board of Directors had recommended in their 126th meeting held on 29.08.2011 that special resolution be passed for the same. However during the 30th AGM held on 28.09.2011, the Shareholders advised to get Legal Opinion on the status and responsibility of Principal Employer and resubmit the proposal for Shareholders Approval. The Company has since obtained necessary license from Ministry of Labour and also the approval of the Shareholders in the Extra Ordinary General Meeting held on 23.07.2012.

NOTE No.15 Other Income

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Interest from Bank Deposits	27,780	22,229
2	Exchange Variation Gain / (Loss)	678	(28)
3	Other Income	3,420	2,340
4	Provision for Doubtful debts written Back	2,877	359
5	Profit on Sale of Fixed Asset	57	-
	Total	34,812	24,900

NOTE No.16 Project Expenses

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Expenditure on Technical Assistance		
(i)	Educational Aids	-	75
(ii)	Exp on NI	8,426	7,909
(iii)	Exp on NLMA	35,349	21,780
(iv)	Exp.on TEQIP	30,433	30,074
(v)	Exp.on GHP	998	406
(vi)	Exp. on SSA	150,814	117,014
(vii)	Exp on MDM	23,138	11,594
(viii)	EXP. On RMSA	24,276	13,096
(ix)	Exp.on Monitoring Instt.	24,335	25,789
(x)	Exp on NMEICT	15,642	15,151
(xi)	Other Projects (Admin & TA Projects)	45,610	30,495
2	Expenditure on Institutional Development	21,606	12,540
3	Expenditure on Human Resource Development		
(i)	Placement	304,916	204,157
(ii)	Secondment	7,824	4,725
(iii)	Testing Activities	43,646	56,724
	Total	737,013	551,529

EXPENDITURE IN FOREIGN CURRENCY

(Closing Conversion rates considered)

Particulars	2011-12 (Rs.)	2010-11 (Rs.)
Expenditure on Placement activity	8847356	---
Other includes travel expenses, miscellaneous expenses, DA paid in Indian Currency	5482584	35696
TA (Foreign)	2033659	431579
Total	16363599	467275

INCOME IN FOREIGN CURRENCY

(Closing Conversion rates considered)

Particulars	2011-12 (Rs.)	2010-11 (Rs.)
From Placement Projects	29241158	12146516
From Secondment Projects	1623832	2080106
From Technical Assistance Projects	3150491	9236714
Total	34015481	23463336

NOTE No.17 Change in Inventories

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Opening Work in Progress	20,361	21,578
2	Closing Work in Progress	10,709	20,361
	Decrease /Increase	9,652	1,217

- 17.1 In pursuance to the Supreme Court Judgment dated 08.05.2009, directing MHRD, University Grants Commission (UGC) and all educational regulatory Authorities to take measures for curbing ragging, UGC conveyed in principal approval to EdCIL for development and launching of a Portal for Anti Ragging Helpline. UGC made a provisional payment of Rs. 1.65 crores for invoices raised till March-10 and Rs. 97.49 lacs, inclusive of service charges of 12%, is standing under Sundry Debtors towards amount unrealized from UGC as on 31.03.2011.

Further expense of Rs. 81.86 lacs has been incurred during F.Y 2011-12 towards operation of Anti Ragging Helpline and the same has been accounted as WIP, in view of non confirmation of UGC regarding reimbursement of expenses with 12% service charges.

Both the amounts of Rs. 97.50 lacs and Rs. 81.86 lacs are subject to acceptance and final settlement by UGC

NOTE No.18 Employment Benefit Expenses

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Salaries and Allowances	61,969	58,220
2	Honorarium	60	73
3	Rent of Officers' Accommodation	896	878
4	(Net of Rent Recovery)		
5	Provident Fund	5,452	5,511
6	Gratuity	4,130	4,699
7	Group Insurance	121	84
8	Leave Salary	4,228	4,470
9	Productivity Linked Incentives (PRP)	1,209	1,156
10	Medical Expenses	3,927	5,046
11	Welfare Expenses	1,497	1,985
12	Leave Travel Concession	122	54
13	Seminar & Training	394	716
14	Interest Subsidy on Housing Loan	2	2
15	Overtime Allowance	1,059	909
16	Tuition Fee	899	1,057
17	Merit Scholarship	58	64
	Total	86,023	84,924

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**Mrs. Anju Banerjee****Chairperson & Managing Director**

- a) Remuneration paid to CMD (Financial year 2011-12): Rs. 2561242/-

Present Chairperson & Managing Director
(Previous year Rs.2882911)

- b) Rent paid to Relative of CMD (FY 2011-12):- Rs.622340

(Previous Year-Rs.604142).

- 18.2** Salary to the tune of Rs.71.04 lacs has been charged to various projects executed during the year 2011-12 (Previous Year Rs 3652720/-)

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)

A	Change in Present Value of Obligation	Gratuity (Funded)	
		31.03.12	31.03.11
i	Present value of obligation as at the beginning of the period	218.36	185.04
ii	Interest Cost	17.47	14.80
iii	Past Service Cost	-	-
iv	Current Service Cost	13.21	11.32
v	Curtailement/ Settlement Cost	-	-
vi	Benefits Paid	0.19	(9.43)
vii	Actuarial (gain)/ loss on obligation (Balancing figure)	28.98	16.62
viii	Present value of obligation as at the end of the period	277.83	218.35
B Changes in fair value of plan assets			
i	Fair Value of plan assets as at the beginning of the period	202.71	121.79
ii	Expected return on plan assets	22.65	15.78
iii	Contributions	45.90	74.57
iv	Benefits paid	0.19	(9.43)
v	Actuarial (gain)/ loss on obligation	-	-
vi	Fair Value of plan assets as at the end of the period	271.08	202.71
C The amounts to be recognized in the balance sheet			
i	Present value of obligation as at the end of the period	277.83	218.35
ii	Fair Value of plan assets as at the end of the period	271.08	202.71
iii	Difference	6.75	(15.65)
iv	Net Assets /(liability) recognized in Balance Sheet	6.75	15.65
D Expenses recognized in the statement of profit and loss			
i	Current Service Cost	13.21	11.32
ii	Past Service Cost	-	-
iii	Interest Cost	17.47	14.80
iv	Expected return on plan assets	(22.65)	(15.78)
v	Curtailement/ Settlement Cost	-	-
vi	Net Actuarial(gain) /loss recognized in Period	28.98	16.62
vii	Expenses recognized in the statement of profit and loss	37.01	26.96

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

Particulars	Gratuity (Funded)	
	2011-12	2010-11
Discount Rate	8%	8%
Expected rate of return on plan assets		
Salary escalation rate	6%	5%

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.25,61,242/- (previous year 28,82,911/-) incurred during the financial year 2010-11 on Chairperson & Managing Director as per details below :

Particulars	Amount (Rs.)	Amount (Rs.)
	2011-12	2010-11
Salary & Allowances	1340893	1192913
PF Contribution	160909	143149
Medical, Leased Accommodation, LTC, & Other Perquisites	1059440	1546849
Total	2561242	2882911

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 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. 88904/- (Previous Year Rs.86306/-) has been recovered towards House Rent Recovery during the financial year 2011-12.
4. The Company has provided furnished accommodation to Chairperson & Managing Director. An amount of Rs.22,223/- ,(Previous Year 21,577/-),(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.929615/- incurred on inland and foreign travel of the Chairman and Managing Director (Previous Year Rs. 202037/-)

6.. Payments made to Auditors:

Sr. No	Particulars	2011-12	2010-11
a)	As Auditor		
	• For Statutory Audit	1,23,596/-	110300/-
	• For Tax Audit	61,798/-	55150/-
b)	As Advisor and in any other capacity:		
	• For Certification [Included in project expenditure]	1,36,237/-	101000/-
	• Out of Pocket Exp.	23,600/-	14889/-
	Total	3,45,531/-	2,81,339/-

NOTE NO.19 Depreciation & Amortised Cost

(Rs. in Thousand)

Sr. No	Particulars	2011-12	2010-11
1	Depreciation	3,802	5,335
2	Preliminary Expenses W/O		
	Total	3,802	5,335

NOTE NO:20 Other Expenses

(Rs. in Thousand)

Particulars	2011-12	2010-11
Recruitment Expenses	84	270
Postage, Telephone & Telex	1,548	1,566
Travelling & Conveyance	3,235	2,110
Electricity & Water Charges	1,743	1,719
Generator Set Exp.	1,118	971
Bad Debts	2,549	1
Provision for Bad Debts	665	-
Car Running & Maintenance (Net of Recovery)	348	340
Printing & Stationery	3,327	1,808
Account Outsource Expences	-	364
PF Outsource Expences	213	120
Loss on EPF Trust	-	949
Interest on Service Tax & Service Tax	-	1,252
Penalty on Service Tax	-	225
Office Equipment	2,270	938
Premises	3,238	1,381
Food & Braverage to Client	-	90
Advertisement & Publicity	535	1,693

Particulars	2011-12	2010-11
Legal & Professional Charges	667	1,226
Auditors' Remuneration *		
Statutory Audit Fee	209	165
Out-of Pocket Exp.	-	15
Bank Charges	16	13
Internal audit Fees	62	90
Miscellaneous Expenses	39	75
Membership and Subscription	128	204
Board Meetings Expenses	135	337
Insurance	413	272
Books & Periodicals	36	32
Consultancy fee	1,478	846
Ground Rent	450	450
Tender Fee	-	19
Business Promotion Expenses	279	695
Loss on sale of Fixed Assests	651	919
Total	25,436	21,155

NOTE NO.21 Prior Period Income (Net)**(Rs. in Thousand)**

Sr. No	Particulars	2011-12	2010-11
1	Prior Period Income		
	Income from Project	687	5,622
	Income Admin & Other exp.		45
	Income from Acc. Dep-Office Mach. & Equip.	1,615	-
2	Prior Period Expenditure		
	Expenses on Admin & Other exp.	968	64
	Expenses on Project	167	81
	Prior Period Income/Loss(net)	1,167	5,522

PRIMARY BUSINESS SEGMENT**(Rs. in Thousand)**

	2011-12	2010-11
Segment Revenue		
(I) Technical Assistance	414,254.00	329,672.00
(II) Institutional Development	37,509.00	13,893.00
(III) Human Resource Development	413,116.00	328,693.00
Total:	864,879.00	672,258.00
Segment Result		
(I) Technical Assistance	63,254.00	49,912.00
(II) Institutional Development	9,438.00	1,198.00
(III) Human Resource Development	45,520.00	68,404.00
Total:	118,212.00	119,513.00
Other Income	37,113.00	24,900.00
	155,325.00	144,413.00
Less: Unallocated Expenses		
Depreciation	3,802.00	5,335.00
Other, Extraordinary & Prior Period Items	112,591.00	100,558.00
Net Profit before Tax	38,932.00	38,519.00
Income tax including Deferred Tax	14,219.00	136.00
Net Profit after Tax	24,713.00	38,383.00
Segment Assets:		
Technical Assistance	130,691.00	85,825.00
Institutional Development	5,093.00	11,853.00
Human Resource Development	35,511.00	53,429.00
Total Segment Assets:	171,295.00	151,107.00
Segment Liabilities:		
Technical Assistance	161,606.00	143,419.00
Institutional Development	88,190.00	97,769.00
Human Resource Development	100,710.00	103,542.00
Total Segment Liabilities:	350,506.00	344,730.00
OTHER INFORMATION		
Fixed Assets(Net)*	55,162.00	53,698.00
Current Assets, Loans & advances	698,043.00	665,414.00
Current Liabilities	544,471.00	516,672.00
Capital Employed*	208,734.00	202,440.00

	2011-12	2010-11
Segment Assets excludes:		
Fixed Assets	55,162.00	53,698.00
Cash & Bank Balances	348,951.00	362,768.00
Advances Recoverable	4,397.00	6,336.00
TDS Recoverable	91,700.00	75,933.00
Vehicle Loan & Computer Loan	-	-
Advance Income Tax	67,862.00	56,008.00
Advance FBT	4,452.00	4,452.00
Deferred Tax Asset	8,454.00	7,498.00
Security Deposit	933.00	1,312.00
Total	581,911.00	568,005.00
Segment Liabilities excludes:		
Share Capital	15,000.00	15,000.00
Reserves & Surplus	191,565.00	185,264.00
Staff Welfare Fund	1,941.00	1,704.00
CSR Fund	228.00	475.00
Sundry Creditors	4,452.00	7,572.00
Other Liabilities	24,310.00	29,129.00
Security Deposit From Suppliers	9,856.00	1,572.00
Provisions	155,348.00	133,629.00
Total	402,700.00	374,345.00

SECONDARY GEOGRAPHICAL SEGMENT

Domestic Segment:Relating to domestic business

Overseas Segment:Relating to export business

(Rs. in Thousand)

Particulars	2011-12	2010-11
Segment Revenue		
Domestic	533,804.00	447,665.80
Overseas	331,075.00	224,592.22
Total	864,879.00	672,258.02
Segment Results Profit/Loss(-)		
Domestic	103,503.00	102,403.28
Overseas	14,709.00	17,110.00
Total	118,212.00	119,513.28
Segment Assets		
Domestic	148,615.00	139,989.00
Overseas	22,680.00	11,118.00
Total	171,295.00	151,107.00
Segment Liabilities		
Domestic	282,514.00	335,709.22
Overseas	67,992.00	9,020.65
Total	350,506.00	344,729.87
Segment Assets excludes:		
Fixed Assets	55,162.00	53,697.90
Cash & Bank Balances	348,951.00	362,767.90
Advances Recoverable	4,397.00	6,336.06
TDS Recoverable	91,700.00	75,933.14
Vehicle Loan & Computer Loan	-	-
Advance Income Tax	67,862.00	56,007.71
Advance FBT	4,452.00	4,451.89
Security Deposit	933.00	1,312.46
Deferred Tax Asset	8,454.00	7,497.91
Total	581,911.00	568,004.95
Segment Liabilities excludes:		
Share Capital	15,000.00	15,000.40
Reserves & Surplus	191,565.00	185,263.97
Staff Welfare Fund	1,941.00	1,703.92
CSR Fund	228.00	475.16
Sundry Creditors	4,452.00	7,571.86
Other Liabilities	24,310.00	29,129.00
Security Deposit From Suppliers	9,856.00	1,571.91
Provisions	155,348.00	133,628.67
Total	402,700.00	374,344.90

G.R. Garg & Co.
Chartered Accountants



777, MRM Chambers, D.B. Gupta Road
Karol Bagh, New Delhi - 110005
+9111 23512307, 23617942

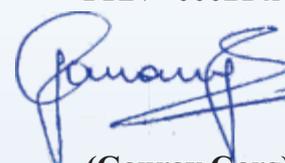
AUDITORS REPORT TO THE MEMBERS OF EdCIL INDIA LIMITED

01. We have audited the attached Balance Sheet of M/s EdCIL INDIA LIMITED as at 31st March, 2012 and the related Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express as opinion on these financial statements based on our audit.
02. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides reasonable basis for our opinion.
03. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters; specified in paragraphs 4 and 5 of the said Order.
04. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from examination of those books.
 - c. The Balance Sheet and Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the financial statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act.
05. 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.

06. In our Opinion and to best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 subject to our comments in paragraph 7 ; 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 31st March, 2012.
 - (b) In the case of Profit & Loss Account, of the profit for the year ended on that date.
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
07. (a) Non confirmation of balances of trade receivables, trade payables, loans & advances, bank balances with Midland Bank, London and ICICI Bank, Bangaluru (refer to note 12.1 of notes to accounts). The financial impact of this non-compliance, if any, could not be determined.
- (b) 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.
 - (c) Trade Receivables includes ₹103.03 lakhs which are unsecured, unconfirmed and outstanding for a period of more than five years. The company has created a provision of ₹12.96 lakhs only against such outstanding (refer to note 11.1 of notes to accounts). In our opinion, the recovery of dues is doubtful and entire amount must be provided for. To the extent of shortfall of provisioning of ₹88.11 lakhs, the profits and trade receivables have been overstated.
 - (d) Loans & Advances includes ₹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 against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of ₹67.12 lakhs, the profit and loans and advances have been overstated.
 - (e) Trade Receivables and work-in-progress includes amounts of ₹97.50 lakhs and ₹81.86 lakhs respectively on account of amount recoverable from University Grants Commission (UGC) for Anti-ragging Helpline project executed by EdCIL India Ltd. There is no formal agreement entered with UGC for the same and the amounts stated above are subject to acceptance and final settlement by UGC (refer to note 17.1 of notes to accounts). The overall impact on the profit, if any, for the year is unascertainable.

- (f) No valuation from a certified Actuary was obtained to ascertain the value of employee benefits relating to Leave Encashment and Gratuity in violation of provisions of AS-15 issued by ICAI (refer to note 18.3 of notes to accounts and point no. 8 of significant accounting policies). The financial impact of this non-compliance could not be determined.
- (g) Income from Institutional development includes amount of ₹161.84 lakhs booked on rescission of Project Management Consultancy project for construction of UGC headquarters. This amount is subject to acceptance and final settlement by University Grants Commission (refer Note 14.1 of notes to accounts). The overall financial impact on the profit for the year, if any, is unascertainable.
08. Attention is further invited to (without making it a subject matter of qualification) income booked under the head Income from Technical Assistance which includes amount of ₹420.87 lakhs booked on execution of contracts relating to deployment of manpower which is ultra-vires the objects of the company (Memorandum of Association) (refer note 14.3 of notes to accounts).

**FOR G. R. GARG & CO.
CHARTERED ACCOUNTANTS
FRN - 000214N**



**(Gaurav Garg)
Partner
M.No. 097327**

**Place: New Delhi
Dated: August 24, 2012**

G.R. Garg & Co.
Chartered Accountants



777, MRM Chambers, D.B. Gupta Road
Karol Bagh, New Delhi - 110005
+9111 23512307, 23617942

ANNEXURE

EDCIL INDIA LIMITED

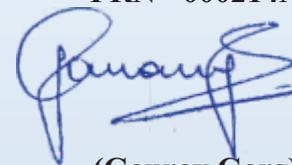
Referred to in the paragraph 3 of our report of even date.

- 1) (a) The company is not maintaining proper records for fixed assets as prescribed.
(b) All the assets have been recently physically verified by the management after the year end. This physical verification has been 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 fully reconciled / necessary rectification entries have not been passed 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. According to information supplied and documentation verified by us, no technical evaluation of contractors was carried out by the Company to ascertain capability of contractors to execute the work. Further, both the contractors are not registered with VAT authorities or Service tax department, thereby highlighting lapses in internal control on award of contract (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.
- (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, service tax, custom duty, excise duty and other material statutory dues applicable to it.
- Attention is invited to note no. 14.2 of notes to accounts for non-absorption/ non-provision of loss of Provident Fund trust for Financial Year 2010-11 to the tune of ₹ 6.69 lakhs.
- (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 31st March, 2012 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 & CO.
CHARTERED ACCOUNTANTS
FRN - 000214N



(Gaurav Garg)
M.No. 097327

Place: New Delhi
Dated: August 24, 2012

**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 31ST MARCH 2012**

The preparation of financial statements of **EdCIL (INDIA) LIMITED** for the year ended 31st March 2012, in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is/are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards 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 **24.08.2012**.

I, on the 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 31st March 2012. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 619 (4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

Profit and Loss Account

Revenue from operations ₹ 8648.77 lakh (Note No.14)

Project expenditure ₹ 7370.13 lakh (Note No. 16)

As per Accounting Standard 9, in case of service contracts, *inter-alia*, the revenue is measured by the charges made to customers or clients for services rendered to them as part of the ordinary activities of the enterprise. EdCIL executed 61 projects as service provider for /on behalf of the clients for which it accounted the project expenditure as own expenditure, and the expenditure plus service charges as own revenue in violation of the Accounting Standard 9. In all these cases EdCIL charged the service tax on the service charges as per the service contract. The incorrect accounting resulted in overstatement of above revenue from operations and project expenditure by ₹ 68 crore each as detailed below.

1. Income from Technical Assistance

EdCIL rendered technical assistance and/or provided logistic support in 17 Government of India sponsored projects wherein it was entitled to service charges, ranging from 4 per cent to 16 per cent of

the project expenditure. EdCIL, however, accounted the entire project expenditure of client (other than entitled service charges) as own expenditure and revenue. This resulted in overstatement of 'revenue from operations' and 'project expenditure' by ₹ 33.52 crore each during the year.

2. Income from Human Resource Development (HRD)

(i) Income from Placement

EdCIL entered into 35 service agreements with the Ministry of External Affairs and foreign missions (clients) for selection of foreign students and their placement in various institutions in India for studies. The expenditure on tuition fee, hostel etc., was payable by the client to the educational institutions through EdCIL. For these services EdCIL was entitled to a fixed fee per student as service charges. Since, EdCIL was only a channelizing agency for making payments to the educational institutions, accounting of all the above payments of client (other than entitled service charges) as own expenditure and revenue was in violation of Accounting Standard 9. This resulted in overstatement of 'revenue from operations' and 'project expenditure' by ₹ 30.16 crore each during the year.

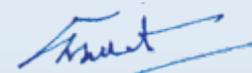
(ii) Income from Secondment

EdCIL entered into two service agreements with Government/Embassy of foreign countries (client) for secondment of professionals to the foreign countries for their educational programmes for which EdCIL was entitled to service charges ranging from 5 per cent to 20 per cent of the specified expenses of the client. EdCIL accounted the entire expenditure of client (other than entitled service charges) as own expenditure and revenue in violation of Accounting Standard 9. This resulted in overstatement of 'revenue from operations' and 'project expenditure' by ₹ 0.88 crore each during the year.

3. Income from Institutional Development

EdCIL entered into seven agreements with various clients (Government institutions/agencies) for executing the developmental projects as project management consultant. It was entitled to specific percentage of project expenditure as consultancy fee ranging from 3.90 per cent to 10 per cent. EdCIL, however, accounted the entire project expenditure of client (other than entitled service charges) as own expenditure and revenue. This resulted in overstatement of 'revenue from operations' and 'project expenditure' by ₹ 3.44 crore each during the year.

In view of above, Accounting Policy No.2 also needs to be revisited so that the same is in line with the nature of ordinary activities of EdCIL and the relevant Accounting Standards.



(John K. Sellete)

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

Reply to the Audit Report of the Comptroller and Auditor General of India on the Accounts of EdCIL (India) Limited for the year ended 31st March, 2012.

Comments	Reply
<p>The preparation of financial statements of EdCIL (INDIA) LIMITED for the year ended 31 March 2012, in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor/auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is/are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards 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 24.08.2012.</p> <p>I, on the 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 31st March 2012. 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.</p> <p>Based on my supplementary audit, I would like to highlight the following significant matters under section 619 (4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.</p> <p>Revenue from operations ₹8648.77 lakh. (Note No.14)</p> <p>Project expenditure ₹ 7370.13 lakh (Note No. 16)</p>	

As per Accounting Standard 9, in case of service contracts, inter-alia, the revenue is measured by the charges made to customers or clients for services rendered to them as part of the ordinary activities of the enterprise. EdCIL executed 61 projects as service provider for / on behalf of the clients for which it accounted the project expenditure as own expenditure, and the expenditure plus service charges as own revenue in violation of the Accounting Standard 9. In all these cases EdCIL charged the service tax on the service charges as per the service contract. The incorrect accounting resulted in overstatement of above revenue from operations and project expenditure by Rs. 68 crores each as detailed below.

Income from Technical Assistance

EdCIL rendered technical assistance and/or provided logistic support in 17 Government of India sponsored projects wherein it was entitled to service charges, ranging from 4 per cent to 16 per cent of the project expenditure. EdCIL, however, accounted the entire project expenditure of client (other than entitled service charges) as own expenditure and revenue. This resulted in overstatement of 'revenue from operations' and 'project expenditure by Rs. 33.52 crores each during the year.

Income from Human Resource Development (HRD)

(i) Income from Placement

EdCIL entered into 35 service agreements with the Ministry of External Affairs and foreign missions (clients) for selection of foreign students and their placement in various institutions in India for studies. The expenditure on tuition fee, hostel etc., was payable by the client to the educational institutions through EdCIL. For these services EdCIL was

The Company was incorporated in the year 1981 and right from the inception of the Company, the same Accounting Policies are being consistently followed. Management has been preparing and compiling the accounts as per generally accepted accounting practices in India, Accounting Standards as applicable to the Company and provisions of the Companies Act, 1956.

As far as the provisions of Accounting Standard 9 is concerned, the para 4 of the Accounting Standard provides "Revenue is the gross inflow of cash, receivables or other consideration arising in the course of ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends. The revenue is measured by the charges made to customer or client for goods supplied and services rendered to them & by the charges and rewards arising from the use of resources by them. Further, Accounting Standard 9 provides that **in an agency relationship only, the revenue is the amount of commission and not the gross inflow of cash, receivables or other consideration.**

During F.Y 2011-12, the Company has executed various contracts with the clients of the company in the capacity of a principal and not as an agent. Further, where an agency is created, as in the case of Procurement Projects, the Company is booking only the service charges amount as its Income, though there has been no turnover booking under this segment of Procurement Projects for the FY 2011-12.

Hence the contention of Audit for recognizing only Service Charges as revenue is not tenable.

As a matter of fact, every year Company's Accounts are audited & supplementary audit is being u/s.619 (4) of the Companies Act carried out by the Comptroller & Auditor General of India. This is for the first time that Comptroller & Auditor General of India has taken this view on Revenue recognition. Even in the year 2001-02, when the statutory auditor

entitled to a fixed fee per student as service charges. Since, EdCIL was only a channelizing agency for making payment to the educational institutions, accounting of all the above payments of client (other than the entitled service charges) as own expenditure and revenue was in violation of Accounting Standard 9. This resulted in overstatement of 'revenue from operations' and 'project expenditure' by Rs. 30.16 crore each during the year.

(ii) Income from Secondment

EdCIL entered into two service agreements with Government/Embassy of foreign countries (client) for secondment of professionals to the foreign countries for their education programmes for which EdCIL was entitled to service charges ranging from 5 per cent to 20 percent of the specified expenses of the client. EdCIL accounted the entire expenditure of client (other than entitled service charges) as own expenditure and revenue in violation of Accounting Standard 9. This resulted in overstatement of revenue from operations and project expenditure by Rs. 0.88 crore each during the year.

Income from Institutional Development

EdCIL entered into seven agreements with various clients (Government institutions/agencies for executing the developmental projects as project management consultant. It was entitled specific percentage of project expenditure as consultancy fee ranging from 3.90 per cent to 10 per cent. EdCIL however, accounted the entire project expenditure of client (other than entitled service charges) as own expenditure and revenue. This resulted in overstatement of 'revenue from operations' and 'project expenditure' by Rs. 3.44 crore. each during the year.

In view of the above , Accounting Policy No.2 also needs to be revised so that the same is in the line with the nature of ordinary activities of EdCIL and the relevant Accounting Standards.

of the company had taken this view, it was negated by the Comptroller Auditors General of India.

Further in the year 2011, issue of Revenue recognition of this Company had been under consideration of the Institute of Chartered Accountants of India, New Delhi in the matter of complaint no. PR103/11-DD/97/2011 against the Company's previous Statutory Auditor. But after detailed deliberations, the Institute of Chartered Accountants of India, New Delhi has also endorsed the view taken by our previous Statutory Auditor and the Company on Revenue recognition.

The Company has already assured CAG that the methodology regarding charging and remittance of Service Tax shall be got examined by the Company from a Service Tax Consultant for expert opinion and future incorporation.

Therefore, Management is of the opinion that Accounting Policies framed way back in 1981 are based on prudence and are being followed consistently and meticulously by the Company and have stood the Test of Time without having any problem with The Comptroller & Auditor General of India for a period of more than three decades. Further management's considered view is that Accounts can not be maintained on the basis of provisions of Tax Legislations; accounts are to be maintained in accordance with generally accepted accounting practices, accounting standards and provisions of the Companies Act.

EdCIL (India) Limited



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(A Government of India Enterprise)

ISO 9001:2008 & 14001:2004 Certified Company

EdCIL House 18 -A, Sectore- 16-A, Noida- 201 301 [INDIA]

Phone : 0091- 120-2515281(D) : 2512001 - 006 (General)

- Fax : 0091- 120- 2515485 (D); 2515372 (General), E-mail : placement@edcil.co.in
- Web : www.edcil.co.in, www.educationindia4u.nic.in