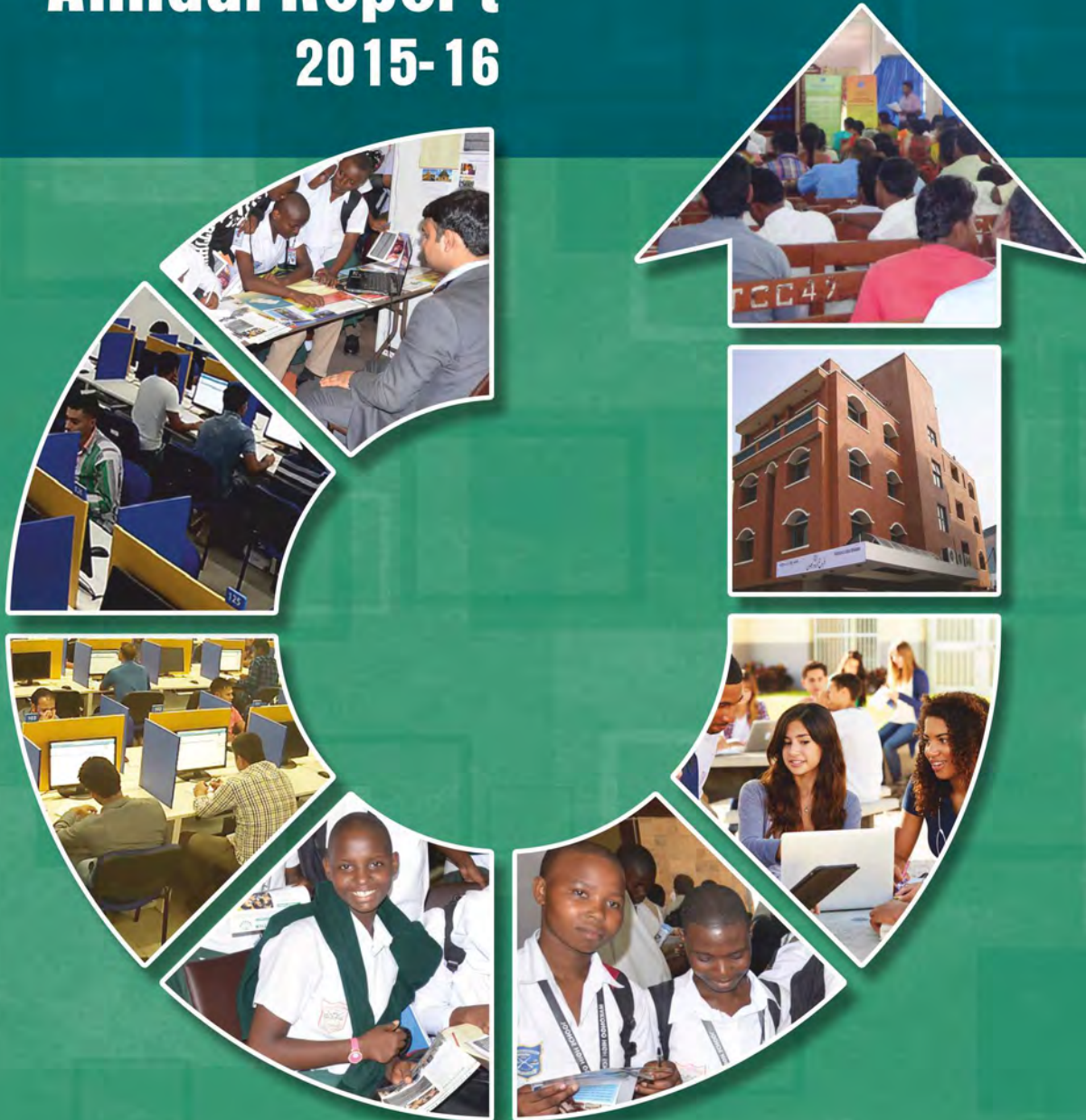




Annual Report 2015-16



EdCIL (India) Limited

(A Mini Ratna CPSE under Government of India)

ISO 9001:2008 & 14001:2004 Certified Company



EdCIL (India) Limited, a CPSE under Government of India, paid its highest ever dividend of ₹10 crore (30 per cent of PAT) for the year 2015-16.

The dividend cheque was presented to the Hon'ble Minister of Human Resource Development, Shri Prakash Javadekar, by the Chairman and Managing Director (EdCIL), Shri Diptiman Das, in the presence of Shri KK Sharma, OSD, and Shri R Subrahmanyam, AS (TE), along with EdCIL team consisting of Shri Ratnesh Kumar, CGM (HR&S), Shri Sandeep Goel, CGM (Finance) and Shri PK Shishodia, CGM (EIS & EPS). -

EdCIL offers project Management and consultancy solutions across education verticals covering ICT/IT solutions, Online Testing and Assessment Services, Consultancy and Advisory Services, Infrastructure, PMC, procurement and Overseas Education services.

The company has during FY 16 more than doubled its turnover to ₹175 crores, and is poised for better growth and scalability. The PAT and Dividend have been highest ever registered qualifying the company to be categorized "Excellent" and a category 1 Mini Ratna company as per DPE guidelines.

Annual Report 2015-2016



EdCIL (India) Limited

(A Mini Ratna CPSE under Government of India)

EdCIL House, 18-A, Sector-16A, Noida-201 301 (INDIA)

URL : <http://www.edcilindia.co.in> EPABX : 0091-120-2512001-06 • Fax : 0091-120-2515372

E-mail : edcilsupport@edcil.co.in Exclusive website for student placement : www.educationindia4u.nic.in

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CHAIRMAN'S SPEECH



Dear Valued Shareholders of EdCIL,

Ladies and Gentlemen

On behalf of EdCIL India Limited and its Board of Directors, I extend a warm welcome to each one of you at the 35th Annual General Meeting of the Company. I thank you all for sparing your valuable time to be present here and support us at this important meeting.

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

Global Economy

The global economy grew by a modest 3.3 per cent in 2015 and then is projected to strengthen to 3.8 per cent in 2016. Growth in emerging market and developing economies is projected to increase from a low 4 per cent in 2015 to 4.3 and 4.7 per cent in 2016 and 2017 respectively. In these emerging market economies, the continued growth slowdown reflected several factors including lower commodity prices, tighter external financial coordinations and re-balancing in china etc.

Indian Economy

Against the above backdrop, the Indian Economy exhibited strong growth and was an exception to the performance of the emerging economies group. In 2015-16, Indian economy grew by 7.9 per cent, which was fastest in five years. The year also saw the return of macro-economic stability, with inflation, trade deficit, current account deficit and subsidy bill going down. We also witnessed ushering in of major reforms and laying down of the roadmap for other major reforms.

Education Sector in India:

In the Union Budget for FY 2015-16, the Finance Minister set aside an outlay of ₹69,075 crore. While overall allocation on education was marginally reduced, the planned higher education budget was increased by 22%.

The emphasis on imparting training and skill development activities will continue during the year. The New Education Policy (NEP) lays down several thrust areas thus opening up opportunities for the Company

to service the market. In view of the funding in skill development and other areas being made, several new projects are being undertaken by State, Central Govts. & Educational Institutions.

Operational Performance of EdCIL

The Company continued its profitability record during 2015-16. For the Financial Year 2015-16, your Company has achieved an operating turnover of ₹170 crores as compared to ₹74 crores during the previous year. The turnover of the company reflects the growth of 122.62% which is comparable with consulting industry average growth rates. The company posted pre-tax profit of ₹46.98 crores as against ₹7.09 crores during the previous year. The profit of the Company reflects the growth of 561.69%.

Dividend

In compliance with the guidelines of Ministry of Finance, your Company has recommended annual dividend of 30% of PAT, rounded off, which amounts to ₹10 crores. The all time high dividend proposed is more than 30% of Gol's equity and also more than the dividend of ₹2 crores each paid by the Company during the last four years. This is the twenty ninth consecutive year, the Company has declared the Dividend. Upon payment of this year's Dividend the accumulated pay out towards Dividend to Ministry of Human Resource Development, Government of India, would be ₹30.35 crores. as against paid-up capital of ₹2 crores.

The Road Ahead

As the only Public Sector Undertaking under the aegis of the Ministry of Human Resource Department (MHRD), EdCIL has decided to focus heavily on Education infrastructure ICT, consulting, online recruitment and overseas student/faculty engagements including marketing Indian education products overseas. In pursuit of an aggressive growth strategy, I am confident that your Corporation will surpass the expectations of all stakeholders both in terms of Turnover as well as Profit.

The Company would like to focus on augmenting of Education infrastructure in the Country. Accordingly in addition to the Detailed Project Reports (DPRs) being

prepared for leading institutions like new IIMs, IITs NITs, ISERs etc., the Company would like to take up Project Management Consultancies (PMCs) for leading educational institutions.

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

Based on significant strategic initiatives and process re-engineering now made, the Company shall focus on growing the business significantly across all service verticals present. In growing online recruitment services aggressive marketing initiative will be launched to increase the business from PSUs and State Governments. The Company is in the process of rapidly growing the nascent market of the "Online" recruitment tests which would replace the older technology of "Offline" tests.

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

Corporate Social Responsibility

In F.Y 2015-16, Support Procurement of study material for Kalinga Institute for Social Science for School students (Class-I to V) and Support for distribution of Artificial Limbs / Aids to handicapped people of Jind (Haryana) were undertaken. The Company was successfully able to spend ₹26.42 lakhs against CSR Budget of ₹19.54 lakhs.

Corporate Governance

For EdCIL, Corporate Governance is a priority area as it adds value to customers and stakeholders, and presents opportunities for the Corporation to manage its investment and reduce its reputational risks. Your Corporation has a well-defined policy framework in place to ensure effective implementation of good corporate governance practices, which in turn ensures transparency. "A Report on Corporate Governance" and "Management Discussion and Analysis Report", forms the part of the Annual Report for the year ended 31st March, 2016.

Human Resources

The sanctioned strength of regular employees of the Company was 139 and the operating strength of the Company as on 31st March 2016 was 79. This included 35 reserved category employees under the categories of Schedule Caste-23, Schedule Tribe-01 and OBC-12.

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

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

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

Acknowledgements

The Board of Directors would like to express its sincere appreciation of the dedicated efforts made and valuable services rendered by the members of the EdCIL team in contributing to the Corporation's achievements during the year 2015-16. On behalf of the Board of Directors and on my own behalf, I extend sincere thanks for the valuable guidance, support and cooperation extended to the company by the Ministry of HRD, Ministry of External Affairs, Indian Missions Abroad and other stakeholders. I also express my sincere thanks to the Directors on the Board for their continuing suggestions and valuable contribution in the working of the Company.

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

I now move the Annual Accounts for adoption.

For and on Behalf of the Board

Diptiman Das

Chairman and Managing Director

Place: New Delhi

Date: 28.09.2016

EdCIL (INDIA) LIMITED

Formerly known as Educational Consultants India Ltd.

Financial Result for Last 10 Years

(₹ in lakhs Except for no. of employees & earning per share)

Description	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Paid-up-Capital	125.00	125.00	150.00	150.00	150.00	150.00	200.00	200.00	200.00	200.00
Reserve & Surplus	1,280.15	1,432.20	1,570.82	1,793.03	1,852.70	1,935.11	2,164.09	2,776.61	2,991.31	4,867.68
Capital Employed	1,386.41	1,555.97	1,659.05	1,913.18	1,949.52	2,000.57	2,273.97	2,863.04	2,959.80	6,098.08
Net Worth	1,417.45	1,571.84	1,731.36	1,957.59	2,024.50	2,085.11	2,364.09	2,976.61	3,191.31	5,067.68
Fixed Assets (Net Block)	554.04	555.30	559.19	556.89	537.08	543.07	529.11	532.06	481.82	463.19
Turnover										
a) Domestic Business	2,254.33	2,579.38	3,450.34	3,907.53	4,476.66	5,338.04	5,840.88	6,845.76	7,165.98	16,827.11
b) Overseas Business	1,047.14	1,530.56	1,932.54	2,638.32	2,245.92	3,310.75	2,440.06	253.99	247.65	201.06
Total	3,301.47	4,109.94	5,382.88	6,545.85	6,722.58	8,648.79	6,084.94	7,099.75	7,413.63	17,028.17
Misc. Income	314.60	352.57	491.05	343.03	245.41	348.12	364.35	490.71	404.48	527.80
Total Income	3,616.07	4,462.51	5,873.93	6,888.88	6,967.99	8,996.89	6,449.29	7,590.46	7,818.11	17,555.97
Gross Profit	485.66	446.98	538.33	705.22	438.54	427.32	856.71	1,444.53	746.02	4,733.46
Depreciation	28.75	26.45	29.03	32.35	53.35	38.02	41.08	39.08	36.21	34.96
Net Profit before Tax	456.91	420.53	509.30	672.87	385.19	389.30	815.63	1,405.45	709.82	4,698.50
Net Profit after Tax	279.45	270.40	315.96	401.72	249.13	244.89	525.83	873.08	508.11	3,096.63
Dividend paid	100.00	100.00	127.50	150.00	150.00	150.00	200.00	200.00	200.00	1,000.00
% of Net profit after Tax to Income	8.46	6.58	5.87	6.14	3.71	2.72	8.15	11.50	6.50	17.64
Number of employees	84	84	82	81	85	81	78	81	79	79
Earning per employee	5.78	5.32	7.91	8.70	5.16	5.27	10.98	17.83	9.44	59.5
Total Value of Business generated	2,444.00	12,777.00	12,342.00	9,525.00	7,847.90	17,147.00	15,155.00	13,500.00	15,521.00	19,100.00
Earning per share (₹)	224.00	180.00	211.00	268.00	166.00	163.00	263.00	437.00	254.00	1,549.00
Gross Profit Ratio (%)	14.71	10.88	10.00	10.77	6.52	4.94	14.08	20.35	10.06	27.80
Net Profit Ratio (Before Tax)	13.84	10.23	9.46	10.28	5.73	4.32	12.65	18.52	9.08	26.76
Net Profit Ratio (After Tax)	8.45	6.57	5.87	6.14	3.71	2.72	8.15	11.50	6.50	17.64
Net Sales to Capital Employed	2.38	2.64	3.24	3.42	3.45	4.32	2.68	2.48	2.50	2.79
Net Worth/per Rupee of Paid up Capital	11.34	12.57	11.54	13.05	13.50	13.90	11.82	14.88	15.96	25.34

CORPORATE INFORMATION

Chairman & Managing Director

Shri. Diptiman Das

Directors

Smt. Malathi Narayanan, Gol Nominee
Smt. Nutan Kapoor Mahawar, MEA, Gol Nominee
Smt. Lata Vaidyanathan, Independent Director
Prof. Anil K. Gupta, Independent Director

Company Secretary

Ms. P. Jayanthi

Statutory Auditors

M/s Shiv & Associates, Chartered Accountants

Bankers

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

Registered Office

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

Corporate Office

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



EdCIL INTRODUCTION

EdCIL:- a CPSE under the administrative control of MHRD that offers Project Management and Consultancy services in the entire education and Human Resource Development value chain.

Since 1981, EdCIL has been designing comprehensive and ready-to-use solutions for educational institutions, PSUs and Autonomous bodies including IITs, IIMs, Kendriya Vidyalaya and Navaodaya Vidyalaya to help them overcome their social, economic and cultural challenges. You too can take your organization to the next level by signing up with us now.

EdCIL can design customized and implementable solutions for you across a wide range of services such as:

- **Online Testing and Assessment Services:** This service focuses on organizing online examinations for recruitment of staff in various PSUs as well as teachers and principals in school and higher educational institutions. It is the biggest vertical of EdCIL which has received an overwhelming market response with clients which include Central and State Govts, large PSU's and autonomous bodies. EdCIL conducted online tests for 1.5 million candidates during F/Y 2015-16.
- **Advisory Services:** EdCIL helps conceptualize your institution's vision, mission, objectives and identify key issues e.g the feasibility of digitization and in addition provide services in areas like developing detailed project reports, designing governance philosophy, training design, impact assessment, organisation restructuring and design of new education schemes.
- **Educational Infrastructure Services:** Providing end to end PMC (Project Management Consultancy) services to clients looking to develop school and higher education infrastructure.
- **Educational Procurement Services:** Manage the procurement cycle end to end involving

procurement of educational aids such as furniture, hi-tech lab equipment, audio-visual aids, books and school kits.

- **Digital Education Systems:** Provide project management services for ERP System implementation, smart classrooms, wifi enabling of campuses and digitization of libraries and university records.
- **Overseas Education Services:** Get international students to be placed in your institution or temporarily transfer your faculty and experts to institutions in Asia and Africa.
- **Technical Support Group:** EdCIL's logistical support group specialising in operational support to MHRD in implementing several Mega Pan-India projects e.g SSA (Sarva Shiksha Abhiyan), RUSA (Rashtriya Uchhatar Shiksha Abhiyan) etc.

The Company more than doubled its turnover to ₹175 crores during FY 15-16. The company has been rated by DPE to "excellent" as per the performance in FY16.

EdCIL's performance in the last few years speaks volumes about its ability to deliver on its promises. The Department of Public Enterprises in India rated EdCIL's performance as "Excellent" four times in the last decade.

EdCIL was also awarded the "Prime Minister's Award of Excellence" in 1999. The Government of India has classified EdCIL as a "Mini Ratna Organization", certifying its profitability and stability. The company owing to higher profitability has now become eligible to qualify to be a Mini Ratna (Category-I) CPSE.

- The only CPSE education consultancy organization in India providing an entire spectrum of education and human resource development services on turnkey basis.
- Categorized as Mini Ratna Organization.
- Conducted online recruitment tests for 1.5 million candidates in FY 15-16.

- Nodal Agency of Government of India for Promotion of Indian education abroad.
- Undertakes professional procurement services for educational sector covering IT product Labs and equipments etc.
- Over two decades of experience in conceptualization/setting up of premier educational

institutions including IITs, IIM, IISER, NISER etc. It provides both turnkey and PMC solution to build civil infrastructure.

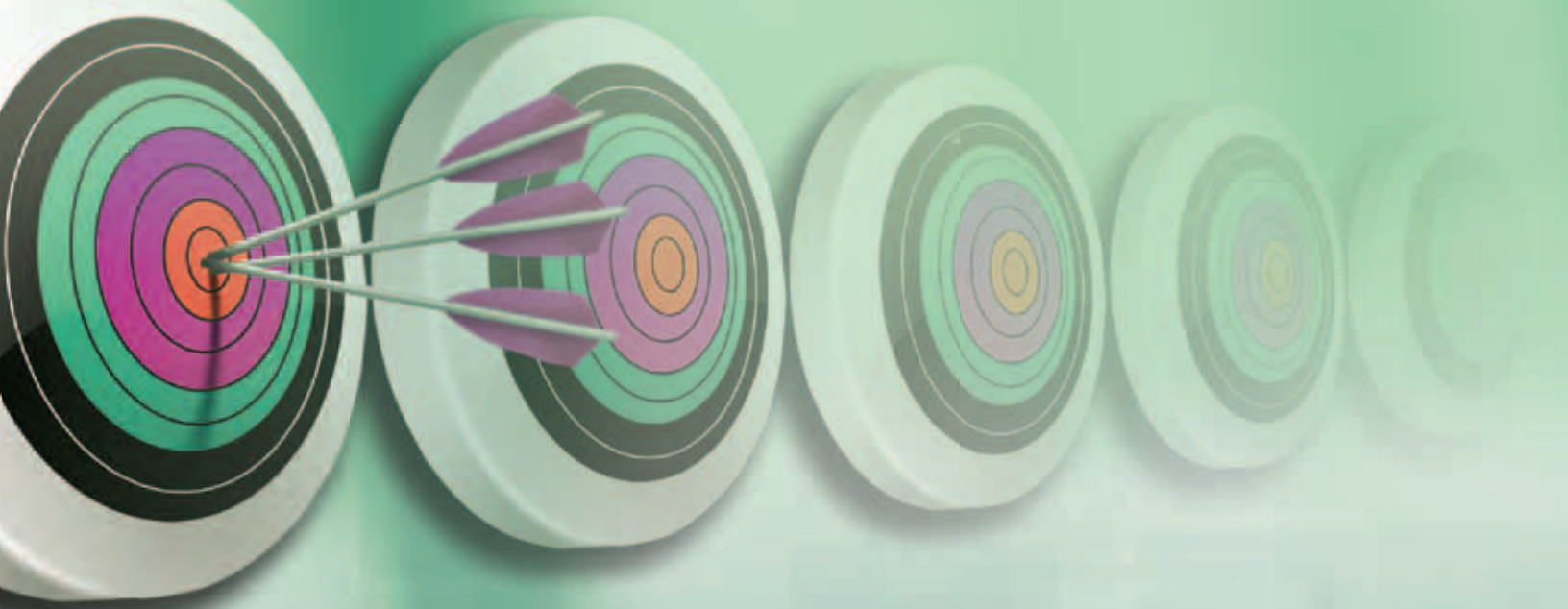
- Has a robust vertical for DPR preparation and Advisory services for education sector.





VISION

"To be a highly respected consultancy and project management organization that provides expertise, services and innovative solutions to drive impact in the education and HR space".



MISSION

"To drive disruptive improvements in education and HR outcomes through innovative, technology-led offerings, with highest efficiency and ethical standard to domestics and global clients, and to be the preferred education sector employer"

SERVICE VERTICALS

EdCIL undertakes end-to-end Project Management and Consultancy Services in all spectrums of education and human resource areas both within domestic and overseas sector.

The verticals have leveraged expertise gained over three decades, strong alliances and commitment of dedicated teams to ensure a strong national and global presence for the Company. These have strengthened our core competency in all areas of Education and human resource development. EdCIL presently has strong verticals in the following areas:

i) Online Testing & Assessment Services (OTAS)

Based on two decades of expertise in handling offline recruitment tests, the company switched over to offering online recruitment solutions to bring in higher transparency and efficiency.

This is the biggest vertical of EdCIL which has received overwhelming market response. The clients include Central and State Govts, large PSUs and Autonomous bodies etc. The vertical organizes online recruitment tests across multiple segments of employees covering varied sectors of the economy.

Being a PSU targeted towards meeting educational needs, the company focuses on organizing online examinations for recruitment of teachers & principals as a specialized service. During FY 2016, the company conducted online testing for 1.5 million candidates leading to revenue of ₹102 crore.

ii) Educational Infrastructure Services (EIS)

Following key services are provided by the vertical covering Educational infrastructure management (turnkey execution and project management consultancy) services

- Concept Design
- Detailed Drawings
- Detailed Project estimate with Bill of Material
- Construction Schedule /Procurement Plan
- RFP documents
- RFP Process Management
- Project construction monitoring

- Incident monitoring
- Modifications in schedule
- Quality Assurance and Control
- Billing and Payments
- Getting Completion / Occupancy Certificates from Statutory Authorities
- Final Project Completion Report with Expense Analysis

iii) Educational Procurement Services (EPS)

Leveraging three decades of experience in domestic and overseas sector, following key services are provided by the vertical as part of the Procurement Services focusing on maximizing TCO in educational and human resource development space:

- Educational Product research
- Vendor empanelment
- Demand Aggregation
- Development of Sourcing Strategy
- E-Tendering
- Bid Analysis
- Finalization of contract
- Order Placement
- Monitoring receipt of shipment including Quality check at client site
- Vendor payment management
- Monitoring AMC/Warranty
- Monitoring client feedback.

iv) Digital Education Systems (DES)

The Company strongly believes that digitization will be a game changer in addressing of quality, quantity and governance needs in both school and Higher education. The Company accordingly focuses on all emerging areas of IT/ICT applications in the sector.

Following key services are provided by vertical as part of the Digital Education System

- Wi-Fi and Network Solutions
- ERP implementation

- Digitization of Records
- E-content preparation
- Virtual Classrooms
- Smart Campuses
- Online Admission System
- Computer labs

v) Advisory Services (AS)

Following key services are offered by the Advisory vertical in the Education (School Chains and Higher education) and HR advisory space:

- Preparation of Detailed Project Reports (DPRs) (Greenfield and Brown field)
- Organization Restructuring (sectoral/institutional)
- Improving Operational Efficiency
- Digitization Planning
- Training Designing
- Impact Assessment (ICT/other schemes)
- Designing of new education schemes
- Education content Design

vi) Overseas Education Services (OES)

Based on strong MEA/MHRD endorsement with in India, client confidence and alliances gained globally over three decades, the vertical executes sponsored and aggregated inbound overseas student admissions and

faculty hiring and also effectively meets the individual needs of inbound students wanting to study in India.

The vertical focuses on high potential target markets covering mostly SAARC, Middle East and African nations.

The following services are specifically offered:

- Placement of Overseas Students in select Indian Institutes (sponsored schemes as well as SFS segments)
- Placement of Indian faculty in overseas institutes
- Student/faculty exchanges
- All other Project management and consulting services extended in domestic sector

vii) Technical Support Group (TSG)

This is EdCIL's project management and logistical support vertical (also known as Technical Support Group –TSG) to extend operational support to MHRD in implementing several Mega Pan-India projects. The services include:

- Logistical support to various large MHRD schemes (e.g. SSA, MDM, RUSA and RMSA)
- Outsourcing of consultants etc.
- Event management support
- Procurement services
- Transportation support

FOREIGN ALLIANCES AND EVENTS



Shri Indraman Chhetri (centre), Commissioner, Royal Civil Service Commission (Bhutan), Shri R Ravi Kumar, Professor (IIM Bengaluru) and Ms Nita Ghai, First Secretary, Indian Embassy (Bhutan) during the opening ceremony of the Education Fair in Bhutan



Ms Fenny Mwakisha, Director, Minister of Higher Education (Kenya), Ms Suchitra Durai, High Commissioner of India (Kenya) and Shri Diptiman Das, CMD (EdCIL) during the Education Fair in Kenya



Shri Vinay Kumar, Deputy Chief of Mission, addressing the gathering during the opening ceremony of the Study in India initiative in Kathmandu, Nepal, in May 2016



Shri R Ravi Kumar, Professor (IIM Bengaluru), addressing the gathering during inauguration of the EdCIL program in Colombo, Sri Lanka, in October 2016

Pravasi Bharatiya Divas (PBD)



Shri Diptiman Das, CMD (EdCIL India Limited) in a discussion with Mr. P Kamalanathan, Deputy Minister of Education, Government of Malaysia during the 14th Pravasi Bharatiya Divas in Bengaluru

THE YEAR GONE BY:...



Hindi Pakhwada celebration held on 29th September 2015

Hindi Pakhwada

EdCIL (A Govt. of India Mini Ratna CPSE) celebrated Hindi Pakhwada from 14th to 29th September 2015. The closing ceremony was held on 29th September 2015 with Shri Ashok Pavadia, Additional Secretary (Inter State Council), Ministry of Home Affairs as Chief Guest and Shri Diptiman Das, CMD, EdCIL jointly lighting the lamp. All Senior Executives and employees attended the function. Prizes were given away to the winners for several competitions covering Rajbhasha Drafting, Essay, Speech, Poem Recitation and quiz.



Vigilance Awareness Week closing function held on 30th October 2015

Vigilance Awareness week

EdCIL (India) Limited (A Govt. of India Mini Ratna CPSE) celebrated Vigilance Awareness Week 2015 from 26th to 30th October 2015. The closing ceremony was held on 30th October 2015 with Dr. Sukhbir Singh Sandhu, Jt. Secretary & CVO, MHRD, Govt. of India as Chief Guest and Shri Kuldhara Saikia, ADG, Assam Police as Guest of Honour in the presence of Shri Diptiman Das, CMD, EdCIL.

All Senior Executives and employees of EdCIL (India) Limited attended the function alongwith Student invitees from Sharda University, Greater Noida. Prizes were given away to the winners for several competitions held during the week. The first EdCIL's Vigilance Bulletin was also released during the function.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Business and Social Vision of the Organization:

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



Book distribution function at KISS held on 13th April, 2016



MoU signed with KISS on 13th April, 2016

CSR Activities for the year 2015-16

EdCIL sponsored a project of supply of text books worth over ₹4.5 lakhs to around 9,000 tribal students from class I to class V of Kalinga Institute of Social Science (KISS), **Bhubaneswar, Odisha** under CSR initiative. The books were purchased from Govt. of Odisha.



CSR function held to distribute medical aid and appliances to the disabled on 12th April, 2016

EdCIL distributed Medical Aids and Appliances like wheelchairs, tricycle, hearing aid, crutches, walking sticks etc. worth ₹21.58 lakhs to 271 beneficiaries at **Jind, Haryana** under CSR Program of EdCIL through ALIMCO, a Govt. of India Enterprise. The distribution of Aid and Appliances to the beneficiaries was jointly made by Sh. Ramesh Kaushik, MP Sonipat & Sh. Diptiman Das, CMD EdCIL along with local legislatures, several district Red Cross and EdCIL Official.



Tricycles ready for distribution on 12th April, 2016



Handing over ceremony of tricycles held on 12th April, 2016

NOTICE

Notice is hereby given that the 35th Annual General Meeting (AGM) of the members of Company will be held on as per the schedule given below:

Day & Date	Wednesday, the 28 th September 2016
Time	1730 Hrs
Venue	Office of Secretary, Higher Education, Ministry of Human Resources Development, Shastri Bhavan, New Delhi.

To transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and Statement of Profit & Loss Account of the Company for the year ended on that date together with the Reports of Statutory Auditors and the Board of Directors thereon and the comments of the Comptroller and Auditor General of India thereon.
2. To declare Dividend

By order of the Board
For EdCIL (India) Limited

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

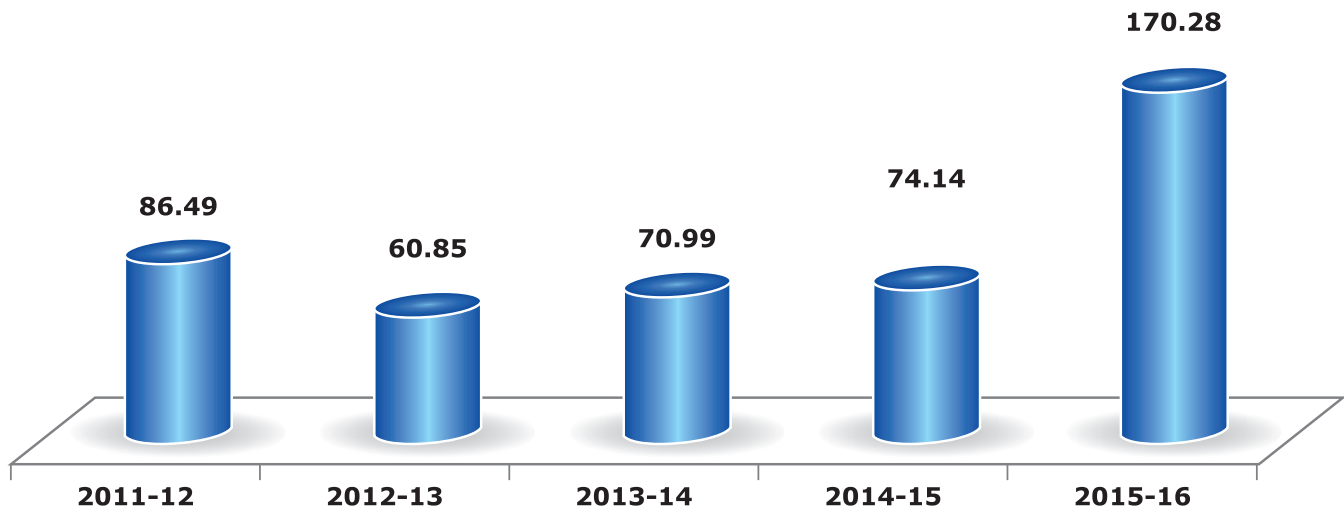
Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote at the meeting instead of him and the Proxy need not be a member of the Company. The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. All documents regarding the matter of Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9 A.M. to 6 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
3. According to Secretarial Standard 1.2.4, Route Map for venue of Annual General Meeting is also annexed.

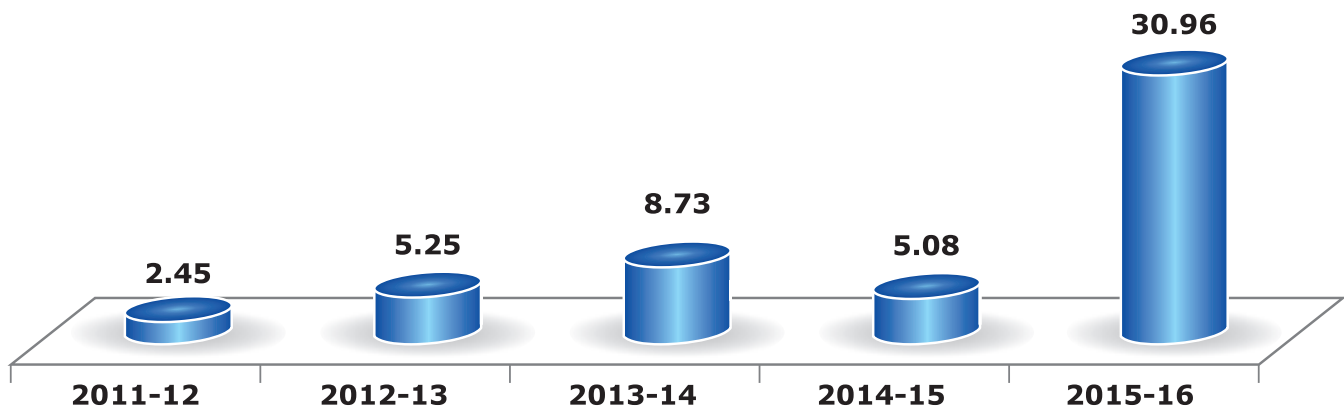
To:

1. All the shareholders of the Company
2. Statutory Auditor of the Company
3. All Directors of Company

TURNOVER OVER LAST 5 YEARS



PROFIT AFTER TAX FOR LAST 5 YEARS



DIRECTORS' REPORT

TO OUR SHAREHOLDERS...

On behalf of the Board of Directors of your Company, we have the pleasure in presenting this 35th Annual Report and Audited Statement of Accounts for the financial year ended 31st March 2016, 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:

[₹ in lakhs, except EPS]

Particulars	2015-16	2014-15
Turnover	17,028.17	7,413.62
Other Income	527.80	472.15
Expenditure	12,822.51	7,139.76
Gross Margin	4,733.46	746.01
Depreciation	34.96	36.20
Profit before Tax	4,698.50	709.81
Tax Provision including deferred taxation and Fringe Benefit Tax	1,601.87	201.70
Net Profit after Tax	3,096.63	508.11
Appropriations		
Proposed Dividend including tax	1203.58	240.71
Transfer to Staff-welfare Fund	30.97	5.08
Transfer to CSR/R&D/SD Fund	-	17.40
Transfer to General Reserve	309.66	50.81
Adjustment for Depreciation in compliance of Companies Act 2013	-	30.48
Transfer to Balance Sheet (Profit & Loss Balance)	1552.43	163.63
EPS (Rs.)	1549.00	254.00

DIVIDEND

In compliance with the guidelines of Ministry of Finance, the Board recommends dividend of 30% of PAT which when rounded off amounts to ₹10 crores. This dividend of ₹10 crores is payable for the year 2015-16, subject to approval of Share Holders at the Annual General Meeting. The distribution tax payable on the Dividend would be ₹2.04 crores. The total outgo on account of Dividend and Distribution Tax would be ₹12.04 crores.

The all time high dividend is many times more than 30% of Gol's equity and also more than five times the dividend of ₹2 crores each paid by the Company during the last four years. This is the Twenty-Eighth consecutive year in which the Company has declared Dividend. After payment of this Dividend, the accumulated pay out towards Dividend to Ministry of Human Resource Development, Government of India, would be ₹30.35 crores.

A LOOK BACK AT 2015-16

The year F.Y 2015-16 would be remembered as an unprecedented "take off" year, wherein, the Company broke the more than a decade turnover stagnation and plateau in growth and catapulted by more than doubling the revenue and also crossing the PBT threshold of ₹30 crores to qualify as Miniratna Category-I Company.

In the year 2015-16, the company achieved net profit before tax of ₹46.98 crores with turnover of ₹170.28 crores. Last year the company posted net profit before tax of ₹7.10 crores with turnover of ₹74.13 crores.

The Company has scaled new heights in 2015-16 with a record Total Income of ₹175.56 crores and Net Profit Before Tax profits of ₹46.98 crores with a growth of 122.62% in total income and 561.69% in Net Profit before Tax over 2014-15. Last year the Company posted Net Profit Before Tax of ₹7.10 crores with total income of ₹78.86 crores. The commendable jump in revenue in F.Y 2015-16 which could be one of the highest, registered by any CPSE during this year, was due to strategic shifts to offer of online examination services and other new initiatives which yielded good results.

One of the biggest and critical product provided by the Company has been recruitment services solutions which was upgraded to Online Solution in 2015-16. The country has an overwhelming demand for this product to introduce efficiency and higher transparency into the recruitment examination space. The services include selection of personnel by conduct of online screening test at major and remote locations across the country spanning 100 cities. The sectors covered range from Aviation, Railway, Education, Financial Services and Power Utilities. The critical services which is now offered on a online platform is provided with higher security protection involving content protection, bio-metric identification check, deployment of CC TV and encrypting and decrypting of questions etc.

A professional Business Development team has also been created to market EdCIL services aggressively and explore cross selling opportunities. EdCIL has also developed transparent market driven, efficient processes and systems to streamline its current business verticals. ERP implementation by a big-4 Consulting Company is under implementation. A medium Term Strategy document is also been prepared with the help of one of the top ten Strategy Consulting Firms of the world. The Company has increased its focus on ICT Education including networking of institutions, virtual classrooms, Digitization, Smart Classrooms, open learning etc. and taking up more turnkey projects in educational infrastructure space. The Company has entered into strategic alliance with some of the key players to drive growth in this segment.

Strengthening of existing systems and practising process orientation techniques continued to be focus areas during 2015-16 to enhance quality and timeliness of service delivery. The Company attaches highest importance for on capacity building of the employees by providing professional training. Company has taken initiative to in deployment of ICT and Automation in its operations along with ERP implementation.

Promotion of Indian Education overseas continued to remain one of the key focus areas for the Company. To enhance the market share of overseas students studying in India, a generic campaign called "Study in India" was launched targeting 20 countries where road shows and exhibitions would be conducted in participation with 15 to 20 select Educational Institutions. This new initiative has also received very impressive response from Indian institutions as well as the target market. During the year 2015-16, EdCIL participated along with its partner institutions in 3 Educational Fairs and road shows and select counselling sessions. The road shows cum counselling sessions were conducted in 3 target countries abroad viz. Afghanistan, Kenya and Tanzania.

The total number of projects executed in all the operational areas of the company (Advisory, Consulting, Infrastructure, Placement & Secondment, Online Recruitment Services and IT/ICT) stood at 136 for the year. A list of Projects completed and ongoing is provided at Annexure I to this report.

The company has been certified for ISO 9001-2008, 14001:2004. Re-certification audit for the ISO Certification was successfully completed during May 2015.

EdCIL IN 2016-17

Based on significant strategic initiatives and process re-engineering now made, the Company shall focus on growing the business significantly across all service verticals present. In growing online recruitment services aggressive marketing initiative will be launched to increase the business from PSUs and State Governments. The Company is in the process of rapidly growing the nascent market of the "Online" recruitment tests which would replace the older technology of "Offline" tests.

The consulting and advisory practices of the Company are being strengthened to enhance the market share of DPR preparation and other educational consulting assignments. The market share of education infra business in terms of execution and PMC of turnkey projects is targeted to be grown rapidly. The Company is further augmenting the team of Civil engineering Professionals and Software capabilities to meet this challenge.

For servicing overseas education segment, the existing "Study in India" campaign is planned and increased emphasis will be laid on development of a portal to engage with overseas students and introduce an Online Test to enhance the quality of inward students.

The Company has plans to scale up several initiatives on providing quality skill training in partnership with Skill Training Institutes through process standardization.

Efforts would also be made to increase the corporate visibility as well as enhance the Brand Image of the Company in Public Domain and also revamp the EdCIL website. The Company shall continue to pursue the strategy of hiring of quality personnel from campuses and GATE qualified sources.

CAPITAL STRUCTURE

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

At the year end, the cash and bank balances including fixed deposits of the Company stood at ₹123.29 crores as compared to last year 2014-15 figures of ₹66.59 crores the expenditure on acquisition of capital assets during the year was ₹16.31 lakhs.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) and Sustainability Development Committee and statutory disclosures with respect to the Committee and an Annual Report on CSR Activities forms part of this Report as **Annexure 'VII'**. In view of the impressive growth in turnover and profits, the Company reiterates its commitment to effectively spend the stipulated funds to maximize the outcome.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the Annual Accounts for the year ended 31.03.2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Human Resource Development

The Company recognizes the highest critical contribution of human resources in a project management and consulting organisation of its nature. To enhance the quality of personnel, the end – end HR practices are being revisited with significant campus hiring from high quality institutions being done in the areas of Business Management and Finance. Similarly for the first time the Company has started recruiting “Management Trainees” in the technology areas of IT/ICT and Civil engineering. The selection was made from GATE qualified personnel. Training focus of both the areas of induction and mid career growth has been enhanced. A training calendar is being implemented duly exposing the employees to some of the finest training institutions of the country. An Employees Satisfaction Survey has been conducted.

Based on employees feedback several HR Motivation and Team Building interventions have been implemented including holding of “Family Day”, celebrations of employees birthdays, recognizing employee of the month, introduction of Metro Shuttle etc. Career progression would receive attention to enhance retention.

Specialized trainings were arranged in the areas of Institutional Marketing (B2B), Project Management, B2B Marketing, E-Governance, Vigilance, Tendering & Procurement, Financial Management, Ethics and Values, etc. Altogether 13 programs were arranged covering 364 man-days. CMD EdCIL, personally made presentations to all the employees and held “Town Halls” to engage the employees on the strategies adopted and receive their feedback. During the year there has been no man hour loss and all-through healthy industrial relations maintained.

The sanctioned strength of the Company stood at 139 and the operating strength of the Company as on 31st March 2016 was 79, including 35 reserved category employees under the categories of Schedule Caste-22, Schedule Tribe- 01 and OBC-12.

Particulars of Employees Under Section 217(2A) of the Companies Act.

The particulars of employees as required under Section 217(2A) of the Companies Act read with the particulars of Employees Rules, 1975 are **NIL**.

Extract of Annual Return (Form No. MGT - 9) is placed at **Annexure-VI**

AUDITORS

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor General of India (C&AG) under the provisions of the Companies Act, 2013. M/s. Shiv & Associates, Chartered Accountants were appointed Statutory Auditors of the Company for the financial year 2015-16 by C&AG.

The comments of the Statutory Auditors on the Accounts of the Company for the Financial Year 2015-16 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”**.

VIGILANCE DEPARTMENT

The Company reiterates its commitments to work towards being recognized as a highly ethical and transparent entity. To meet this, regular vigilance activities including preventive vigilance were carried out with emphasis on systems

improvement. Periodic and surprise check were conducted at intervals and observations were communicated to the concerned departments for compliance. Systems improvements and compliances were reinforced aiming to achieve higher productivity with highest transparency. New employees were given induction training on various procedures including vigilance awareness. Vigilance Awareness week was organized in the Corporation during 26/10/2015 to 30/10/2015 as per CVC guidelines. Various activities were organized during the vigilance awareness week in order to spread the theme of the year "Preventive Vigilance – As a tool to Good Governance" among the employees. EdCIL released its first time Vigilance Bulletin during the vigilance awareness week. Details regarding Vigilance Administration in EdCIL were placed on the website of the Corporation with a facility to link with CVC website for up to date information about CVC circulars / instructions. Facility for lodging vigilance complaints on the website of the Corporation has been provided. Details of Tenders floated are being posted on the website of the Corporation and also on the Central Public Portal of Government of India. Sensitive posts were identified and job rotation initiated for job enrichment and preventive vigilance. As the Corporation is practicing ISO 9001-2008, Vigilance Department was brought under ISO procedures during the recertification audit in the month of May 2015.

The following processes / systems improvements were undertaken to enhance transparency in decision making:

- a. Online payments systems to vendors, agencies and service providers has been introduced and implemented (NEFT/RTGS).
- b. **Online Examination for Recruitment Services-** The first online examination was rolled out on 26th December 2015.
- c. In order to streamline the process, prior financial vetting / concurrence is being obtained at every stage of the business process.
- d. The financial and administrative powers has been delegated at the respective levels by introducing the SOPGEN - Schedule of Powers for General Matters for transparency and accountability.
- e. A consultancy tender for introducing BPR has already been accepted by the company with roll out planned to begin from January 2016 itself.

ACKNOWLEDGEMENTS

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

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

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

For and on behalf of the Board of Directors

(Diptiman Das)

Chairman & Managing Director

Dated: 19.07.2016

Place: New Delhi

MEDIUM TERM STRATEGY OF EdCIL FOR THE PERIOD 2016-17 TO 2021-22

GROWTH STRATEGY AND REVENUES

The mid-term strategy for EdCIL has been defined principally around growth based on the EdCIL's current strengths, market assessment and requirements, and the competitive landscape. This strategy will lay the path for EdCIL 2.0, an organization of high repute with 10X revenues, and robust capabilities, delivering significant impact in the India's education landscape.

EdCIL 2.0 Vision

"To be a highly respected consultancy and project management organization that provides expertise, services and innovative solutions to drive impact in the education and HR space"

EdCIL 2.0 Mission

"To drive disruptive improvements in education and HR outcomes through innovative, technology-led offerings, with highest efficiency and ethical standards to domestic and global clients, and to be the preferred education sector employer"

The strategy for EdCIL 2.0 is to be an INR 1,500-2,000 crores company with 8 business verticals across 3 key pillars

- **Pillar 1: Central government businesses – The focus of this pillar will be to significantly increase quality and build niche capabilities to help Govt. of India**
 1. **Technical Support Group (TSG):** Provide logistics and human resources support to national schemes of MHRD. Currently, EdCIL is the TSG for 12 national schemes such as Mid-Day Meal (MDM) and Sarva Shiksha Abhiyaan (SSA).
 2. **Advisory:** Offer consulting services to MHRD, State Governments, multi-laterals and education institutes.
 3. **Overseas education services:** Provide placements of international students in India, facilitate secondment of Indian teachers abroad and organize education fairs for Indian institutes abroad. The potential "Study in India" program will also be part of this vertical.
- **Pillar 2: Businesses for scale – The focus of this pillar will be to aggressively drive BD and build delivery capability**
 4. **Online Testing and assessment:** Offer online testing for entrance examinations, learning assessment implementation and online recruitment of personnel for top public sector units, autonomous bodies and government departments.
 5. **Digital education systems:** Provide technology-based solutions and services for educational institutes. The key offerings will include ERP implementation, Wi-Fi network solutions, and digitization of records.
 6. **Education infrastructure management:** Deliver turnkey project management consulting for new schools and colleges in India and overseas.
 7. **Education procurement:** Provide end-to-end procurement for specific components such as furniture, lab equipment for schools and colleges.

- **Pillar 3: Innovative products for future growth - Disrupt education space through technology**
 - 8. **Innovation vertical:** Incubate ideas that will have disruptive impact in the education sector over 4-5 years. Over time, some of these ideas are likely to become a significant business vertical for EdCIL. The top ideas identified for incubation include:
 - IT-based headmaster, teacher training
 - Personalized learning
 - Virtual classrooms
 - Scheduling products
 - Pre-school accreditation
 - **Enablers:** The 3 pillars of strategy are supported by a set of common enablers that are critical for the success of the growth strategy. These include :
 - Capabilities on Business development, recruitment, QA/QC, knowledge management, continuous process improvements, and leadership development
 - Restructured organization with deep in-house capabilities
 - Robust partnerships and alliances
 - Active MHRD sponsorship

The overall aspiration is to build an INR 1,500 – 2,000 crores revenues by FY 22, with a diversified portfolio of businesses (e.g., online testing and recruitment at 35%, education infrastructure management at 30%) and a wider portfolio of clients (e.g., States to contribute 32%, PSU around 27%). This does not include potential revenues from the innovation vertical.

ANNEXURE-I

INTERNATIONAL

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

PLACEMENT PROJECTS:- (On –Going)

1. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2011-12 Batch (03 Students)**.
2. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2012-13 Batch (21 Students)**.
3. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2013-14 Batch (310 Students)**.
4. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2014-15 Regular Batch (253 Students)**.
5. **Afghanistan** / Afghan Ministry of Higher Education, Kabul, Afghanistan / Placement of Afghan students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2015-16 Regular Batch (437 Students)**.
6. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2013-14 (32 Students)**.
7. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2014-15 (32 Students)**.
8. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2015-16 (38 Students)**.
9. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2013-14 (19 Students)**.
10. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2014-15 (29 Students)**.
11. **Self Financing Students** / Various Countries / Self Finance Students / Placement of Self Finance Students in EdCIL associated institutions in Under Graduate Programmes including the Hotel Management and Agricultural programmes / **2015-16 (21 Students)**.

PLACEMENT PROJECTS:- (Completed)

12. **Bhutan** / Royal Civil Service Commission, Royal Government of Bhutan, Thimphu, Bhutan and Ministry of Education, Royal Government of Bhutan, Thimphu, Bhutan / Placement of Bhutanese students in EdCIL associated institutions in Under Graduate, Post Graduate and Doctoral Programmes / **2012-13 (16 Students)**.

SECONDMENT PROJECTS:- (On-Going)

13. **Tanzania** /University of Dodoma, Tanzania / Recruitment of Academic Staff for the University of Dodoma, Tanzania / **2014-15**.

RECRUITMENT SERVICES DIVISION: (Completed)

14. **Nepal – Embassy of India, Nepal** - Compex Nepal **2015-16** - Conduct of entrance examination for selection of **Nepalese Students** for admissions in Indian Universities for BE, B.sc, (nursing) B.pharma, BVSC, (Dairy Technology) etc. for the **Academic Year 2015-16**.

NATIONAL

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

A. INSTITUTIONAL DEVELOPMENT:- (On-Going)

15. **New Delhi** : Repair & Renovation of Civil & Electrical Works for Copyright Office & Copyright Board (CRO & CRB) New Delhi – **Project Nearing Completion - 2014-2015**.
16. **Uttar Pradesh**: Construction of Multipurpose Hall at KHS, Agra **2014-2015**.

INSTITUTIONAL DEVELOPMENT:- (Completed)

17. **Chhattisgarh**: International Institute of Information Technology (IIIT), Raipur, Chattisgarh (Design & Detailed Engineering Consultancy Services) – **2014-2015 (Financial Closure is under progress)**.
18. **Maharashtra**: Establishment of Sholapur Power Training Institute, Sholapur (Design & Detailed Engineering Consultancy Services) – **2013-2014 (Financial Closure is under progress)**.

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

19. **Madhya Pradesh**: Supply & Installation of Furniture & other related items at ABV-Indian Institute of Information Technology and Management, Gwalior - **2014-2015**.
20. **New Delhi** Supply & Installation of Furniture Items at Copy Right Board & Copy Right Office, New Delhi **2014-2015**.
21. **New Delhi** Supply, Installation & Commissioning of Digital Communication System and Networking at Copy Right Board & Copy Right Office, New Delhi **2014-2015**.
22. **New Delhi** Procurement of Desktop Computers, MS Office, Operating Systems and Misc. Office Items for National Implementation Unit (NPIU) through PMSS **2014-2015**.
23. **Uttar Pradesh** : Supply and Installation of Furniture Items at Kendriya Hindi Sansthan (KHS), Agra **2014-2015**.

C. RECRUITMENT SERVICES DIVISION:- (Completed)

24. **Daman & Diu - UT of Education, UT Administration-** Conduct of Computer based test (CBT)/Online exam for the post of Grade-I – Assistant, **2015**.
25. **Punjab** - Punjab State Power Corporation Limited - Conduct of Computer based test (CBT)/Online exam for various posts, **2015**.
26. **New Delhi** - Airports Authority of India - Conduct of written examination for Recruitment to the post of Junior Executive (ATC & Elect) April, **2015**.

27. **New Delhi** - Airports Authority of India - Preparation of database of GATE 2014-15 qualified Engineers and submission of merit list for recruitment to the post of Junior Executives (Electronics), **2015**.
28. **New Delhi** - Airports Authority of India - Conduct of Computer based test (CBT)/Online exam for the Post of Junior Executive (ATC), December, **2015**.
29. **New Delhi** - Airports Authority of India - Re-conduct and Conduct of Online Examination for various posts (28 Disciplines – 06 DCS/DGM, 14 Manager, 08 Junior Executive), January, **2015-16**.
30. **New Delhi** - Airports Authority of India - Conduct of Computer based test (CBT)/Online exam for departmental candidates for the post of Junior Executive (Electronics), January, **2015-16**.
31. **New Delhi** - Central Railside Warehouse Company Limited - Conduct of written examination for the post of Executives and interviews for the post of DGM's, **2015-16**.
32. **New Delhi** - Central Passport Organization, Ministry Of External Affair - Conduct of written examination for the post of Assistant under Limited Departmental Competitive Examination, **2015**.
33. **New Delhi** - Bharat Sanchar Nigam Limited (BSNL) - Interviews for the post of Dy. General Manager (Telecom Operations / Telecom Finance), **2015**.
34. **New Delhi** - Employee State Insurance Corporation (ESIC) - Development of Software for Interview for the post of Specialist Grade-II, **2016**.
35. **New Delhi** - Employee State Insurance Corporation (ESIC) – Designing & Development of Software for receipt of Online applications for the post of Teaching Faculty, **2016**.
36. **New Delhi** - Central Public Works Department (CPWD) - Conduct of Computer based test (CBT) / Online exam - Limited Department Competitive Examination for promotion of Junior Engineers (Electrical) to the Assistant Engineers Grade (Electrical), **2016**.
37. **New Delhi** - Employee State Insurance Corporation (ESIC) - Conduct of Computer based test (CBT) / Online exam - Limited Departmental Competitive Exam for the post of UDC, Steno, PA etc., **2016**.
38. **New Delhi** - Employees' State Insurance Corporation (ESIC) - Conduct of computer based test for recruitment to the post of Insurance Medical Officer (IMO), **2016**.
39. **New Delhi** - Employees' State Insurance Corporation (ESIC) - Conduct of computer based test for recruitment to the post of JE (Civil) and JE (Elect), **2016**.
40. **New Delhi** - Employees' State Insurance Corporation (ESIC) - Recruitment to the posts of Stenographer, Upper Division Clerk and Multi Tasking Staff (MTS).
41. **New Delhi** - Employees' State Insurance Corporation (ESIC) - Recruitment of Nursing & Paramedic staff for various posts, **2016**.
42. **Odisha** - Odisha Adarsh Vidhalaya Sangathan (OAVS) - Recruitment of Principals, Teachers & Non-Teaching Staff.

D. PLACEMENT PROJECT:- (On-Going)

43. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture Programmes for **2012-2013 Batch (12 Students)**.
44. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture Programmes for **2012-2013 Batch (1 Students)**.
45. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in BAMS Programme for **2012-2013 Batch (01 Students)**.
46. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2012-2013 Batch (17 Students)**.

47. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2013-2014 Batch (20 Students)**.
48. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in PhD. Programme for **2013-2014 Batch (04 Students)**.
49. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in BAMS / MD Programme for **2013-2014 Batch (01 Student)**.
50. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture, Dairy Technology and Veterinary Programmes for **2013-2014 Batch (17 Students)**.
51. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in MBA/MCA/ MA Programme for **2013-2014 Batch (01 Students)**.
52. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2013-2014 Batch (128 Students)**.
53. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in BBA/BBM/B. Com. Programme for **2014-2015 Batch (45 Students)**.
54. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Pharmacy Programme for **2014-2015 Batch (09 Students)**.
55. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in PhD. Programme for **2014-2015 Batch (03 Students)**.
56. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B.Sc. (Nursing) Programme for **2014-2015 Batch (11 Students)**.
57. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture, Dairy Technology and Veterinary Programmes for **2014-2015 Batch (17 Students)**.
58. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in MBA/MCA/ MA Programme for **2014-2015 Batch (56 Students)**.
59. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in M.Tech. Programme for **2014-2015 Batch (17 Students)**.
60. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2014-2015 Batch (128 Students)**.
61. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture and Dairy Technology Programme for **2015-2016 Batch (14 Students)**.
62. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in MBA/MCA/ MsC/MA Programme for **2015-2016 Batch (55 Students)**.
63. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in M.Tech Programme for **2015-2016 Batch (26 Students)**.
64. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B.Tech Programme for **2015-2016 Batch (129 Students)**.
65. **New Delhi** / Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2011-2012 Batch (05 Students)**.
66. **New Delhi** / Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2012-2013 Batch (94 Students)**.

67. **New Delhi** / Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2013-2014 Batch (88 Students)**.
68. **New Delhi** / Ministry of Overseas Indian Affairs, Government of India / Placement of Students and Disbursement of Scholarship to selected Students for various Under Graduate Programmes under SPDC for **2014-2015 Batch (96 Students)**.

PLACEMENT PROJECT:- (Completed)

69. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in Agriculture and Veterinary Programmes for **2011-2012 Batch (01 Students)**.
70. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in B. Tech. Programme for **2012-2013 Batch (117 Students)**.
71. **New Delhi** / Ministry of External Affairs, Government of India / Placement of Nepalese Students in BBA/BBM/B. Com. Programme for **2013-2014 Batch (46 Students)**.

E. PROJECT OF I3 DIVISION (TRAINING RELATED)-(On-Going)

72. **ASSAM/NSKFDC** - Conduct of Training in BPO in Assam & Tripura for 480 women candidates– **2014-15**.
73. **BIHAR/NSCFDC** - Conduct of Training programme in IT related short-term courses in 7 states of Assam, Bihar, J&K, Manipur, Sikkim, Tripura & Uttarakhand for 940 candidates - **2014-15**.
74. **BIHAR/NSKFDC** - Capacity Building Training in Bihar for 60 candidates - **2013-14**.
75. **BIHAR/NSKFDC** - Capacity Building Training in Bihar for 291 candidates - **2013-14**.
76. **BIHAR/NSKFDC** - Capacity Building Training in Bihar for 709 candidates -**2013-14**.
77. **CHATTISGARH/NSKFDC** - Short-term IT related Training Programme in Chattisgarh & Bihar for 500 candidates - **2015-16**.
78. **WEST BENGAL**/West Bengal Minority Dev. Fin. Corpn. (WBMDFC)/ Capacity Building Training Programme for minority community in West Bengal (Phase-I) for 360 candidates - **2013-14**.
79. **WEST BENGAL/WBMDFC**/ Capacity Building Training Programme for minority community in West Bengal (Phase-II) for 550 candidates - **2014-15**.
80. **WEST BENGAL/Aliah University**/ Short-term Skill Development Training in West Bengal Phase-V (MSDP-III) for 1440 candidates - **2015-16**.

PROJECT OF I³ DIVISION (TRAINING RELATED)-(Completed)

81. **MAHARASHTRA**/Khadi Village & Industries Commission (KVIC)/ - Basic Computer Training for 38 candidates - **2013-14**.
82. **SIKKIM/NSCFDC**/ Skill Development Training in Computer Hardware Maintenance & Office Automation in Sikkim to 100 candidates – **2013-14**.
83. **TRIPURA/NSCFDC**/ Skill Development Training in Office Automation & Internet in Tripura to 150 candidates – **2013-14**.
84. **TRIPURA/GOVT. OF TRIPURA**/ Training under Border Area Development Programme (BADP) of Govt. of Tripura in Office Automation & Industrial Security Guards for 167 candidates – **2014-15**.
85. **TRIPURA/NSKFDC**/ Training of IT related short-term courses in various locations of Tripura for 1000 candidates – **2013-14**.
86. **UTTAR PRADESH/NMDFC**/EDP & Vocational Training Programme in Lucknow & Hardoi (U.P.) for 60 Trainees – **2013-14**.

87. **WEST BENGAL/WBSCSTDFC/** Training in Desk Top Publishing & Diploma in Computer Hardware & Networking for 500 candidates – **2014-15.**
88. **WEST BENGAL/Aliah University/** Training in various districts of West Bengal in short-term IT related courses under Phase-II project for 2500 candidates – **2014-15.**
89. **WEST BENGAL/Aliah University/** Training in various districts of West Bengal in short-term IT related courses under Phase-III project for 2010 candidates – **2014-15.**
90. **WEST BENGAL/Aliah University/** Training in various districts of West Bengal in short-term IT related courses under Phase-IV project for 1890 candidates – **2014-15.**

(ICT Projects)- (Completed)

91. **Assam:** Computerization of Assam Engineering College with Implementation of ERP Technology using SAP Software-**2013-14.**
92. **Maharashtra:** Class- M Project, Nagpur, for Govt. of Maharashtra-**2014-15.**
93. **Kerala:** Conversion of Text Books into Talking Books for special students – for state Resources Centre, Kerala-**2014-15.**
94. **Maharashtra:** Class- M Project, Mumbai, for Govt. of Maharashtra-**2013-14.**

F. TECHNICAL ASSISTANCE:-(On-Going)

95. **Delhi,** Delhi Institute of Tourism & Travel Management, Feasibility cum DPR for conversion of Indian Institute of Tourism & Travel Management
96. **Delhi,** Ministry of Human Resource Development, Preparation of Detailed Project Reports for Seven New Institutes in Andhra Pradesh.
97. **Delhi,** Ministry of Human Resource Development, Preparation of Revised DPR of IIIT-DM, Jabalpur and Kanchipuram
98. **Delhi,** Ministry of Defence, Preparation of DPR of Indian National Defence University,
99. **Delhi,** Central Board of Secondary Education, Conducting Study on Comprehensive & Continuous Evaluation Scheme (CCE) for CBSE
100. **Himachal Pradesh,** SJVN, DPR for Setting Up Engineering College in Himachal Pradesh (SIET)
101. **Odisha,** Mahanadi Coal Fields Ltd. (MCL), Preparation of DPR for Establishment of MINREM; (ii) Training Need analysis & Designing of Learning Modules for MINREM; (iii) Study and Preparation of BSR and SRS reports for ERP Platform and Providing Consultancy Services for Selection of Implementation Agencies for ERP & Establishing Virtual (e-learning) Centres of MINREM, Odisha.
102. **Punjab,** Punjab Technical University, Jalandhar, Preparation of DFR & DPR for Inder Kumar Gujral, Punjab Technical University (IKGPTU)
103. **Tamil Nadu,** Madurai, Department of Pharmaceuticals, Ministry of Chemical & Fertilizer, Govt. of India, Detailed Project Report for Setting up a National Institute of Pharmaceutical Education and Research (NIPER)

TECHNICAL ASSISTANCE:-(Completed)

104. **Delhi,** Ministry of Railways, Government of India, Preparation of DPR for National Railway University,
105. **Delhi,** Ministry of Human Resource Development, Government of India - Preparation of DPR for 8 new IITs (Bhubaneswar, Gandhinagar, Hyderabad, Indore, Jodhpur, Mandi, Patna, Ropar).
106. **Delhi,** Standing Conference of Public Enterprises (SCOPE), Preparation of a Pre-Feasibility Report for Establishment of an Indian Academy of Public Sector.

107. **Delhi**, Ministry of Human Resource Development, Government of India, Development and Up-gradation of Website Contents of Ministry of Human Resource Development
108. **Delhi**, Indian Tourism Development Corporation, Preparation of Detailed Project Report for Establishment of Tourism University, ITDC.
109. **West Bengal**, Kolkata, Damodar Valley Corporation, Evaluation Study of the Existing DVC Schools and Preparation of Future Road Map
110. **West Bengal**, Gorakhaland Territorial Administration, Darjeeling - Preparation of DPR for Establishment of a Central University, Darjeeling.

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

111. **New Delhi**: Department of Higher Education, MHRD-Providing Manpower services (Data Entry Operator & Peon) on contractual basis – **2010-11. (151 No.s)**
112. **New Delhi**: National Scholarship Division, MHRD -Providing Manpower services (Data Entry Operator) on contractual basis – **2011-12. (05 No.s)**
113. **New Delhi**: All India Council for Technical Education- Providing Manpower services (Helper, Safai Karamchari, Receptionist, Electrician, Help Desk Executive & Peon etc.) on contractual basis – **2010-11. (109 No.s)**
114. **New Delhi**: Department of Justice- Access to Justice- Providing Manpower services (Project Manager, Project Officer, Monitoring & Evaluation Officer, Contract Specialist etc.) on contractual basis- **2012-13. (07 No.s)**
115. **New Delhi**: Department of Justice- National Mission- Providing Manpower services (Legal Officer, Statistical Assistant, Executive Assistant, Office Assistant etc.) on contractual basis- **2011-12. (07 No.s)**
116. **New Delhi**: Ministry of Urban Development- Providing Manpower services (Data Entry Operator & Consultants) on contractual basis- **2011-12. (10 No.s)**
117. **New Delhi**: BP & Copyright, MHRD - Providing Manpower services (Professionals and Non professionals) on contractual basis- **2013-14. (27 No.s)**
118. **New Delhi**: National Institute of Immunology, MHRD-Providing Manpower services (Data Entry Operator & Peon) on contractual basis – **2014-15. (3 No.s)**
119. **New Delhi**: National Commission for Minority Educational Institutions, MHRD-Providing Manpower services (Data Entry Operator & Peon) on contractual basis – **2014-15. (07 No.s)**
120. **New Delhi**: Land And Development Office, MoUD-Providing Manpower services (Professionals) on contractual basis – **2015-16. (10 No.s)**
121. **New Delhi**: Policy Division, MHRD-Providing Manpower services (Professionals and Non professionals) on contractual basis – **2015-16. (02 No.s)**
122. **Ministry of Human Resource Development**. Government of India. Providing of Logistic Support for Sarva Shiksha Abhiyan (SSA) Project. **2015-16.**
123. **Ministry of Human Resource Development**. Government of India. Department of Elementary Education & Literacy. Providing of Logistic Support for Mid Day Meal (MDM) Project-**2015-16.**
124. **Ministry of Human Resource Development**. Government of India. Providing of Logistic Support for Release of Funds to Monitoring Institutes for Sarva Shiksha Abhiyan (SSA-MI) Project. -**2015-16.**
125. **Ministry of Human Resource Development**. Government of India. Providing of Logistic Support for the National Project implementation Unit (NPIU), Technical Educational – III. -**2015-16.**
126. **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). -**2015-16.**

127. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for National Mission on Education through Information and Communication Technology (NMEICT). -**2015-16.**
128. **Ministry of Human Resource Development.** Government of India. Providing of Logistic Support for Girls Hostel Project (GHP). -**2015-16.**
129. **Ministry of Human Resource Development.** Government of India. Providing Logistic Support for Rastriya Madhyamic Shiksha Abhiyan (RMSA) Project -**2015-16.**
130. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under National Literacy Mission Authority (NLMA) for Shaakshar Bharat Scheme. -**2015-16.**
131. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Teachers Education Project (TE). -**2015-16.**
132. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Mahila Samakhya Project -**2015-16.**
133. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under SPQEM Project. -**2015-16.**
134. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Higher Education Statistics and Public Information System (HESPIs) Project. -**2015-16.**
135. **Ministry of Human Resource Development.** Government of India. Providing Technical Assistance and Consultancy Services under Pandit Madan Mohan Malviya National Mission for Teacher's Training (PMMMNMTT) Project. -**2015-16.**

H. TECHNICAL ASSISTANCE (PRU And TSGs):- (Completed)

136. **New Delhi:** Dedicated Freight Corridor Corporation- Providing Manpower services (Stenographer, Office Assistant, PR Executive, Telecom Assistant etc.) on contractual basis- **2012-13. (50 No.s)**

ANNEXURE-II

ADDENDUM TO THE DIRECTORS' REPORT

Management's Replies to the Comments contained in the Statutory Auditor's Report to the Shareholders on the Accounts of EdCIL (India) Limited for the year ended 31st March, 2016

S. No.	Comments of Statutory Auditors	Management Replies
1.	Balance of trade receivables, trade payables and advances have not been got confirmed from counter parties. The financial impact of this noncompliance, if any, could not be determined.	As per SA 505 dealing with auditor's use of external confirmation procedure, the company had dispatched the letters for confirmation of balances by speed post to all vendors in the month of May 2016 stating clearly that balance confirmation may be sent to Statutory Auditors within 7 days. All the debtors are Govt. Clients. Out of the Creditors amount of ₹6,210.34 lakhs, creditors of ₹5,318.24 lakhs have been confirmed. Copies of confirmation received were shown to Statutory Auditor. Since the proof of delivery of letters is received and no non-acceptance reply has been received from any of the parties, the same can only be treated as confirmation.
2.	The Company has not provided liability for gratuity of contractual employees engaged in various PRU and TSG (Refer to Note No.28 Sub note VIII to financial statements). The financial impact of this non-compliance cannot be quantified as the company has not got the actuarial valuation done for the same.	It is clarified that provision of liability for gratuity for all contractual employees engaged in PRU have been made. However in case of TSG employees, the formal approval of MHRD was awaited. Since it is a statutory requirement, the necessary provision would be made next year.
3.	The company has not provided for liability towards post-retirement medical cost benefits payable to employees which is in violation of "Accounting Standard 15" related to "Accounting for Employee Benefits". The financial impact of the same cannot be ascertained.	As committed during the previous year, the company had constituted a committee to formulate the "EdCIL Post Retirement Medical Benefit Trust". Accordingly, "EdCIL Employees Post Retirement Medical Scheme" has been prepared and is to be placed before the BOD in the forthcoming meeting for approval.
4.	Loans & Advances includes ₹70.95 lakhs (previous year ₹71.07 lakhs) which are unsecured and outstanding for a period of more than three years and subject to confirmation. The company has created provision of ₹49.47 lakhs (previous year ₹49.47 lakhs) against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of ₹21.48 lakhs (previous year ₹21.60 lakhs), profit of the company and loans and advances are overstated by the amount of short provision.	The balances under Loans & Advances include TDS Recoverable for the previous financial years, one NIFT case which is under litigation, One NCERT case from where Utilization Certificate is awaited etc. Efforts are being made to discuss the issues with relevant authorities' viz. IT Department, and NCERT and to settle the balances. If company is not able to settle the issues, the same shall be proposed for bad debts in the current financial year.
5.	Trade Receivables include ₹95.62 lakhs (previous year ₹104.09 lakhs) which are unsecured and outstanding for more than five years and subject to confirmation. According to the company policy (Refer Note 2.11 of Significant Accounting Policies) trade receivables which are outstanding for more than six years are required to be written off. However the company has not write-off such trade receivable which amount to ₹78.22 lakhs. The company has overstating the profit.(Previous year ₹78.22 lakhs)	So far as confirmations of trade receivables are concerned, the remarks at 1 above maybe considered. Out of ₹78.22 lakhs as pointed out in the opinion, the amount of ₹73.79 lakhs is recoverable from Kendriya Vidyalaya Sangathan, under MHRD. The dialogue with authorities of KVS is under process and they have issued a sanction order of ₹15 lakhs, which is being chased. For the balance amount, the related documents are being sent to the Department for settling the claims. Therefore, the amount of debtors to the extent cannot presently be written off.

S. No.	Comments of Statutory Auditors	Management Replies
6.	Reference may be made to para 3 of Note No. 19 to financial statements regarding execution of ERP implementation project for Assam Engineering College. The Company so far had recognized Project expenses and its corresponding income to the tune of ₹240.84 lakhs and ₹247.28 lakhs respectively. However, invoices raised by the vendors/service providers against the goods supplied and work accomplished as per milestones subscribed in proposal accepted by client to ₹213.11 lakhs (inclusive of taxes) only in 2013-14, against which a work-in-progress of ₹67.10 lakhs was booked during 2013-14. The company has not been able to provide satisfactory reply for not recognizing proportionate expenses and income to the extent of project executed till date.	The updated position of the case has not been reflected. A satisfactory work completion certificate regarding execution of ERP implementation project for Assam Engineering College has been issued by Director/AEC vide their letter No.TE(P) Scheme-5/09/pt/2658 dated 19 th May, 2016. Since the confirmation was received after FY 2015-16, the relevant booking would be made during FY 2016-17 based on EdCIL's accounting policy 28. Since, this is a stage completion work, as per Accounting Policy No 28, in respect of the work where no stage has been achieved are kept under "Works in progress". In the current financial year 2016-17, expenditure shall be booked to final head of account as all stages have been completed.
7.	Reference may be made to Sub note II of Note 28 to Financial statements wherein company has shown work-in-progress of ₹56.97 lakhs against training projects which have been completed in all respects in the year under audit. The non-booking of income and its corresponding expenditure has resulted in understatement of income by ₹131.05 lakhs (net of service tax) and expenditure by ₹122.66 lakhs. Further, this has resulted in overstatement of Work-in-Progress and advances from client by ₹56.97 lakhs and ₹77.79 lakhs respectively; and understatement of Trade receivables and Trade payables by ₹53.25 lakhs and ₹65.69 lakhs respectively.	The relevant Work completion certificates for all the relevant four training works executed were not received till the year 2015-16. Thus, the amount of WIP could not be booked to final head of accounts based on company's accounting policy . It is further informed that out of the above completion certificates for two projects have since been received in during FY 2016-17 and their booking to final head would be suitably made during the relevant year .
8.	Other current liabilities shown in Note No. 8 to Financial Statements include Advance received against project of ₹59.98 lakhs (net off service tax of ₹9.66 lakhs) received on account of Trading project against which work of ₹73.95 lakhs has been accomplished by the service provider as per the milestones stated in work order issued by company to the service provider. The company has not provided satisfactory reply for not recording the liability of the vendor as per the milestones achieved. To the extent of ₹73.95 lakhs, the work-in-progress, Trade payables and its corresponding income are understated.	This relates to the work executed which is linked to stage completion. As per agreement with client there were four stages of payments and with service provider there were two stages for payment. Here an Advance payment (50% as per stage) was made. No payment was made during the related year 2015-16. The relevant completion certificate has since been received in July 2016, accordingly the income and expenditure shall be charged to work during the current financial year
9.	Advances received against projects include ₹410.20 lakhs (Previous Year ₹405.78) outstanding for a period of more than five years, have not been confirmed. In our opinion, liability towards this amount has ceased as the projects have already been completed. This has resulted in overstatement of liabilities to the extent of ₹410.20 lakhs and understatement of income.	The amount of advances relating to more than 5 years old are either against the projects under execution or under final settlement. Each case is being monitored by the concerned department. It is expected that the position will improve in the FY 2016-17 .
10.	Provisions include ₹300.79 lakhs (Previous Year ₹141.93 lakhs) payable for a period of more than 3 years. The management has not been able to provide a satisfactory reply, it is opined that liabilities are overstated by ₹300.79 lakhs and profit of the company is overstated.	Provision has been made for some disputed cases relating to various projects of Testing, Technical Assistance etc. departments, which are under process. Final booking shall be made on outcome of the cases with clients. Efforts are being made to clear the cases as soon as possible

ANNEXURE-III

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 The Approved Composition of the Board of Directors of EdCIL is as follows:

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

2.2 Strength of the Board

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

2.3 Attendance of Directors at the Board Meetings

During the financial year 2015-16, 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, Leave of Absence was granted under clause (g) of sub section (1) of section 283 of the Companies Act, 1956. The meetings of the Board of Directors of EdCIL were held on following dates as mentioned below:

S.No.	Meeting No.	Dates
1	144 th Meeting	17 th June 2015
2.	145 th Meeting	17 th August 2015
3.	146 th Meeting	16 th September 2015
4.	147 th Meeting	18 th November 2015
5	148 th Meeting	15 th January 2016

Name of Director	144 th	145 th	146 th	147 th	148 th
Sh. Rakesh Ranjan, CMD	Yes	Yes	Relieved from the Board of EdCIL on 24.07.2015		
Sh. Diptiman Das	Joined on 24 th July 2015		Yes	Yes	Yes
Smt. Tripti Gurha, MHRD Nominee	Yes	Yes	Yes	Yes	Yes
Mrs. Nutun Kapoor Mahawar	No	No	No	No	No
Mrs. Lata Vaidyanathan	No	Yes	Yes	Yes	No
Prof. Anil Kumar Gupta	Yes	Yes	Yes	Yes	Yes

2.4 Statement of sitting fees paid to independent Directors for Board Meetings during F. Y. 2015-16.

Name of Director	144 th	145 th	146 th	147 th	148 th	Total
Mrs. Lata Vaidyanathan	-	10,000	10,000	10,000	-	30,000
Prof. Anil Kumar Gupta	10,000	10,000	10,000	10,000	10,000	50,000

3. Audit Committee / Remuneration Committee
3.1 Composition and Strength of Audit/ Remuneration Committee

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

3.2 Attendance of Members at Audit / Remuneration Committee Meetings:

S. No.	Date	Members Present /Absent		
		Mrs. Lata Vaidyanathan (Chairman)	Mrs. Tripti Gurha (Member)	Prof. Anil Kr. Gupta (Member)
1	09.06.2015	Present	Present	Absent
2	16.09.2015	Present	Present	Present
3	19.10.2015	Present	Present	Absent
4	16.01.2016	Present	Present	Present

3.3 Statement of sitting fees paid to independent Directors Members of Audit/Remuneration Committee paid during F. Y. 2015-16

Name of Director	1 st Meeting	2 nd Meeting	3 rd Meeting	4 th Meeting	Total
Mrs. Lata Vaidyanathan	5,000	5000	5,000	5,000	20,000
Prof. Anil Kr. Gupta	Absent	5,000	Absent	5,000	10,000

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

S. No.	Name of the Directors	Salary & Allowances	Other Benefits & Perks	Performance Related Pay**	Retirement Benefits	Bonus/ Commission /Ex-gratia	*Total
1.	Sh. Diptiman Das	15.26	7.29	-	-	-	22.55

*Period from 24.07.2015 to 31.03.2016.

**To be finalized subsequently after receipt of MoU rating from DPE

5. GENERAL MEETINGS
5.1 Annual General Meetings (AGM)

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

Particulars	Venue	Date	Time
32 nd AGM for F.Y. 2012-13	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi.	30.09.2013	1500 Hrs
33 rd AGM for F.Y. 2013-14	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi.	29.12.2014	1000 Hrs
34 th AGM for F.Y. 2014-15	Office of Secretary (Higher Education), MHRD, Shastri Bhavan, New Delhi.	27.11.2015	1600 Hrs

Detail of special resolutions passed in the previous three AGMs.

AGM	Year	Subject Matter of the Special Resolution	Date
32 nd	2012-13	No Special Resolution Passed	30.09.2013
33 rd	2013-14	No Special Resolution Passed	29.12.2014
34 th	2014-15	No Special Resolution Passed	27.11.2015

6. Code of Business Conduct and Ethics

The Company has in place a Code of Conduct for Board Members and Senior Level Management duly approved by the Board of Directors. The Board approved Code of Business Conduct and Ethics for Board members and Senior Management during 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.

8. Orientation/ Exposure to Board Members

In order to acquaint the Board Members with best practices in Corporate Governance, presently the Corporation has adopted the process of furnishing a set of documents/ booklets to a Director on his/ her joining the Board. The set of documents provided includes Annual Reports for the last financial years, Memorandum and Articles of Association, a copy of the Memorandum of Understanding and MOU targets and achievements. This provides the basic information about the Company to the incumbent.

9. Whistle Blower Policy

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

10. Compliance Certificate

The Certificate from a practicing Company Secretary regarding Compliance of the conditions of Corporate Governance in accordance with the guidelines issued by the Department of Public Enterprises forms the part of the Annual Report.

ANNEXURE-IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The \$ 130Bn+ Indian Education Sector presents a long term growth opportunity driven by favorable demographics, sustained GDP growth, Liberalisation, Services Sector Growth increasing GER and increasing spend on Education. Large growing population base (300mn+learners) and push to increase GERs (expected to increase to 40% in 2025 in HE from 17.9% in 2012) creating need for additional capacity. Broadening of the economic activity has created need for new age education and massive skill training opportunity (11-12 mn jobs p.a). Further Government investments and CSR spends (\$3bn p.a.) has further catalyzed the sector growth. The indicative 12th Five year plan gross budgetary support of MHRD is ₹4,53,728 crores. Out of that ₹3,43,028 crores for Department of Schools and Secondary Education and ₹1,10,700 crores is for Department of Higher Education.

The education sector in India is also seen to be evolving, led by the emergence of new niche sectors like vocational training, finishing schools, child-skill enhancement and e-learning, among others. Private sector will emerge to be a major player. There are immense opportunities for PPP run institutions and process to enhance both quantity and quality of service delivery.

India's aspirations to establish a knowledge led economy in the context of increasing globalization, is based on the assumption that higher and technical education essentially empowers people with the requisite competitive skills and knowledge with a direct linkage to growth of GDP.

The education sector in India is also tipped to be one of the major areas for investments as the entire education system is going through a process of overhaul, according to a report 'Emerging Opportunities for Private and Foreign Participants in Higher Education' by PRICE WATER HOUSE COOPERS (PWC).

India needs 1.2 million more teachers under the Right to Education Campaign, according to the Ministry of Human Resource and Development. With 546 million people under 25 years of age, there is huge potential in India in the education sector that needs to be tapped. By 2020, to increase the percentage of students going for higher education from the present 12.4 per cent to 30 per cent in the country, India will need 800 more universities and another 35,000 colleges.

Strengths

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

Weaknesses

- Operates as an extended arm of the Ministry & not as a strategic business unit.
- Large in-house Competence gap.
- Absence of large corporate/ institutional / consulting alliances.
- Self limiting strategy leading to not thinking big and undertaking larger projects.
- Inabilities to benchmark, diversify, innovate and compete.
- Lack of focus on Human Resource as a critical input to a consulting company.
- Absence of evolved business development vertical to tap business aggressively.
- Diversified overseas opportunities not tapped including to finalize larger MEA funded projects of Overseas for institution building.
- Absence of systems driven internal processes & controls.
- PSU process challenges in business acquisition & delivery.
- Inability to bag any consultancy/project execution assignment under any of the ongoing projects (NMEICT, SSA, TEQUIP and MDM etc. of MHRD)
- Inability to TAP MHRD's Online Recruitment and Academic Examination vertical.
- Inability to convert DPR opportunities of MHRD into PMC /Turnkey execution for Edu-infra projects.

Opportunities

- HRD spend of ₹3 lakhs crores by Union & States.
- Similar spend by Pvt. Sectors.
- 1.25 bn Demographic dividend (to reach 40% GER in 20,25, 800 new Universities required).
- Services sector growing to 60% of GDP needing industry ready skilled employees.
- Absence of many large Indian corporate players in education space.
- Un-serviced Government market (Project, O&M, strategy, aggregation).
- Government sectors' increasing need for an arm / specialized entity to assist in IT /ICT/Infra project execution / procurement.
- Skill Development Training market estimated at ₹10K crores (Renewed Make in India and Skill development focus).
- Teacher's Training Market similarly estimated to be sizeable.
- Growing ICT & e-learning market (primary education/open universities).
- Increased spend on "Skill India", "Digital India" and "Smart City" initiatives.
- Development of Services by multiple startups requiring collaboration.
- Growing PPP opportunities (outsourcing/aggregation/infra).
- Growing SAARC and African market (Global Trade in Higher Education \$30 bn).

Threats

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

Strategies

- Formulate a 5 to 10 year business plan through high-end professional strategic consultants.
- Quickly Overcome competence gap through external hiring from campuses / open market and lateral sources of PSUs/Government.
- Develop scalable, technology driven and ethical business processes and systems.
- Develop professional Business Development (BD) team to systematically map and follow business leads/prospects.
- Seek strong support & guidance of Board of Directors on HR intervention and process & systems improvement.
- Company to focus on core business and target only scalable business (existing potential of say > ₹5 crores).
- Cross selling & market diversification (especially State Govt./Overseas to be mapped & explored) .
- Highest level of customer retention to be focused and repeat business explored.
- To focus on large value education, ICT and infra projects to build an order book and pipeline of business.

Enterprise Risk Management (ERM)

EdCIL being a consulting organization has several risks that are to be addressed in conducting its business operations. The Risk Management Policy of the Company provides for identification of risk areas and Risk Management & Mitigation Plan.

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

Internal Control Systems

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

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

Human Resource Development and Industrial Relations.

Human Resource Development of EdCIL is one of the key strategies for growth of the Corporation. Manpower is by far the greatest asset of any Project Management and Consultancy organisation and helps in achieving organizational goals and objectives in line with the Corporations Vision and Mission. The HR Department aims to serve the corporation through alignment of HR policies with the organizational goals. The Goal is clearly high growth rate through higher motivation, creativity and innovation.

a) Human Resource Development Plan

EdCIL has revamped its plan to acquire quality and motivated manpower and retained them in the long run. The end –end HR process of training, team building, motivational intervention, performance related pay, performance assessment and career growth are being modified to focus on growth through higher motivation.

b) HR Policies

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

c) Training Need Analysis

EdCIL is actively involved in capacity building, providing necessary training and conducting development programmes for in-house requirement to impart the necessary skills required to raise its human resource quality. These professional training modules plans are mainly designed in the area of management soft skills and domain knowledge development. Some of the key areas focused for training of employees are:-

- (i) Project Management
- (ii) Project Risk Management
- (iii) Contract Management
- (iv) Motivation, Team Building and leadership
- (v) B2B and government Marketing and Market Analysis
- (vi) Finance for non finance Managers
- (vii) Financial risk management
- (viii) Corporate Governance
- (ix) Creativity , Innovation and Strategy thinking



A view of a 'family day out' event conducted as a HR promotion activity

ANNEXURE-V**Divya Gupta & Associates**
Company Secretaries

RP-6, Maurya Enclave, Pitampura, Delhi-110088
E-mail : csdivyagupta@gmail.com | M. : 9811920912

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
The EDCIL (India) Limited

We have examined the compliance of the conditions of Corporate Governance by The EDCIL (India) Limited for the year ended 31st March, 2016 as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedure and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above Guidelines on Corporate Governance for Central Public Sector Enterprises issued by DPE except the following:

1. The CSR Committee is required to be re-constituted as per the provisions of Section 135 of the Companies Act, 2013 and related rules thereon.

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

Date: 13.07.2016
Place: New Delhi

For Divya Gupta & Associates
Practicing Company Secretary



(Divya Gupta)
Proprietor
Membership No.7792
COP No. 8530

ANNEXURE-VI

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74899DL1981GOI011882
ii.	Registration Date	17/06/1981
iii.	Name of the Company	EdCIL (INDIA) LIMITED
iv.	Category/Sub-Category of the Company	Company limited by Shares
v.	Address of the Registered office and contact details	Govt. Company
vi.	Whether listed company	5 th Floor, Vijaya Building, Barakhamba Road, New Delhi-110001
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	No
		NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Education Service	9,992	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	2,00,000	2,00,000	100	-	2,00,000	2,00,000	100	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other									
Sub-total(A)(1):-		2,00,000	2,00,000	100	-	2,00,000	2,00,000	100	-
2) Foreign	-	-	-	-	-	-	-	-	-
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-		2,00,000	2,00,000	100		2,00,000	2,00,000	100	
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	2,00,000	2,00,000	100	-	2,00,000	2,00,000	100	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp. (i) Indian (ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals (i) Individual shareholders holding nominal share capital upto ₹1 lakh (ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,00,000	2,00,000	100		2,00,000	2,00,000	100	-

ii. Share holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	President of India	2,00,000	100	2,00,000	2,00,000	100	100	-
	Total	2,00,000	100	2,00,000	2,00,000	100	100	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Shares Pledged / encumbered to total shares
	At the beginning of the year	2,00,000	100	2,00,000	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.):	-	-	-	-
	At the End of the year	2,00,000	100	2,00,000	100

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	0	0	0	0
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change	0	0		0
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and /or Manager

Sl. No.	Particulars of Remuneration	CMD Sh. DIPTIMAN DAS	Key managerial Personnel	Total Amount
1.	Gross salary	15,26,000	0	15,26,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0

Sl. No.	Particulars of Remuneration	CMD Sh. DIPTIMAN DAS	Key managerial Personnel	Total Amount
4.	Commission • as % of profit • others, specify...	0	0	0
5.	Others, please specify	7,29,000	0	7,29,000
6.	Total(A)	22,55,000	0	22,55,000
	Ceiling as per the Act (see note below)			

B. Remuneration to the Other directors:

Sr. No.	Particulars of Remuneration	Name of Independent Director		Total Amount (Amount in ₹)
		Mrs. Lata Vaidyanathan	Prof. Anil Kumar Gupta	
1	Independent Directors			
A	Fee for attending board / Committee meetings • Board Meetings • Committee Meetings	30,000 20,000	50,000 10,000	80,000 30,000
B	Commission	-	-	-
C	Others (Please Specify)	-	-	-
	Total(1)	50,000	60,000	1,10,000
	Other Non-Executive Directors	0	0	0
	• Fee for attending board committee meetings • Commission • Others, please specify	0	0	0
	Total(2)	0	0	0
	Total(B)=(1+2)	0	0	30,000
	Total Managerial Remuneration	0	0	30,000
	Overall Ceiling as per the Act	Not Applicable		

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission • as % of profit • others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
6.	Total	0	0	0	0
7.	Ceiling as per Act (see note below)				

CMD, EdCIL, is deemed to be CEO of the Company and remuneration are mentioned in Sl. No. VI (A) above.

Note

Section 197 of the Companies Act, 2013, is exempt for government companies in terms of the Ministry of Corporate Affairs notification dated 5th June 2015.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

ANNEXURE-VII

THE ANNUAL REPORT ON CSR ACTIVITIES AS PER SECTION 135 OF COMPANIES ACT, 2013 AND RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. A brief outline of the company's CSR policy including overview of projects or programs proposed to be undertaken.

1. CONCEPT:

1.1. SHORT TITLE & APPLICABILITY:

- 1.1.1 This policy, which encompasses the company's philosophy for delineating its responsibility as a *corporate citizen* and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the '**EdCIL CSR Policy**'.
- 1.1.2 This policy shall apply to all CSR initiatives and activities taken up at the various projects and locations of EdCIL, for the benefit of different segments of the society, specifically the deprived, underprivileged and differently-abled persons.

2. CSR VISION STATEMENT & OBJECTIVE:

- 2.1. In alignment with *vision* of the company, EdCIL, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a *Socially Responsible Corporate*, with environmental concern.
- 2.2. The objective of the *EdCIL CSR Policy* is to:
 - Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
 - To directly or indirectly take up programmes that benefit the communities in & around its work-centres and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
 - To generate, through its CSR initiatives, a community goodwill for EdCIL and help reinforce a positive & socially responsible image of EdCIL as a corporate entity.

3. IMPLEMENTATION

- 3.1. CSR programmes will be undertaken by various departments of EdCIL to the best possible extent within the defined ambit of the identified '*Thrust Areas*'.
- 3.2. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.
- 3.3. Programmes which involve considerable financial commitment and are undertaken on a time frame of 2-5 years, will be considered as '*flagship programmes*' and accorded enhanced significance.
- 3.4. By and large, it may be ensured that at least 60% of the CSR programmes are executed in slums & backward areas.
- 3.5. Initiatives of State Governments, District Administration, Local Administration as well as Central Government Departments! Agencies, Self-Help Groups, etc., would be dovetailed and synergized with the initiatives taken by EdCIL.

- 3.6. Project activities identified under CSR are to be implemented by specialized agencies, which could include – Voluntary Organizations (VO's) formal or informal Elected local bodies such as Panchayats, Institutes/Academic Institutions, Trusts, Self Help Groups, Govt./Semi Govt./ Autonomous organizations, Mahila Mandals, Professional Consultancy organization etc.

4. EXECUTING AGENCY/PARTNERS:

- 4.1. EdCIL will seek to identify suitable programmes for implementation in line with the CSR objectives of the Company and also benefit the stakeholders and the community for which those programmes are intended. These works would be done through:
- Community based organizations whether formal or informal;
 - Elected local bodies such as Panchayats;
 - Voluntary Agencies (NGOs);
 - Institutes/ Academic Organizations;
 - Trusts, Missions;
 - Self-help Groups;
 - Government, Semi–Government and autonomous organizations;
 - Standing Conference of Public Enterprises (SCOPE);
 - Mahila Mandals/ Samitis;
 - Contracted agencies for civil works;
 - Professional Consultancy Organizations.

5. MONITORING AND FEEDBACK

- 5.1. To ensure effective implementation of the CSR programmes undertaken at each project, a monitoring mechanism will be put in place by the project head. The progress of CSR programmes under implementation at project will be reported to Executive Director on a quarterly basis.
- 5.2. The CSR coordinator at the corporate office will conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programmes.
- 5.3. Projects and other offices will also try to obtain feedback from beneficiaries about the programmes.
- 5.4. Appropriate documentation of the EdCIL CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.
- 5.5. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

6. THE COMPOSITION OF THE CSR COMMITTEE

The members of the CSR Committee are as follows:

- i. Mrs. Lata Vaidyanathan, Independent Director, EdCIL – Chairperson
- ii. Mr. I S Sidhu, Chief General Manager (Civil & Proc.), EdCIL – Member
- iii. Mr. V V Murari, Chief General Manager (Projects), EdCIL– Member
- iv. Mr. KVL Narsimham, Executive Director (Technical), EdCIL– Member

7. Average net profit of the company for last three financial years

Net Profit before tax

Particulars	In ₹ lakhs
2012-13	815.63
2013-14	1,405.45
2014-15	709.81

Particulars	In ₹ lakhs
Total NPBT	2,930.89
Average NPBT	976.96
2% of Average NPBT of previous 3 years	19.54

Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

A total of ₹19.54 lakhs (2% of Average Net Profit) is prescribed CSR-SD expenditure.

8. Details of CSR spent during the financial year.

a) Total amount to be spent:	19,54,000
b) Amount unspent:	Nil

C) Manner in which amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local areas or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – Heads: (1) Direct expenditure on projects or programs, (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agencies
1.	Support procurement of study materials for Kalinga Institute for Social Sciences for School Students (Class I to V)	Education Sector	Kalinga Institute for Social Sciences Bhubaneswar, Odisha, India	₹4,44,000	₹4,43,915	₹443,915	Direct

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local areas or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – Heads: (1) Direct expenditure on projects or programs, (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agencies
2.	Support for distribution of artificial limbs / aids to handicapped people of Jind	Promoting Health care including preventive health care.	ALIMCO C/o Social Justice Centre, Mahila Imdad Committee, Paharganj, Opposite New Delhi Rly Reservation Office, Delhi - 110055	₹21-22 lakhs	₹21,97,690	₹21,97,690	Direct

The Company was successfully able to spend ₹26,41,605/- against CSR-Budget of ₹19,54,000/-.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of the CSR-SD policy, is in compliance with the CSR-SD objectives and policy of the Company:

It is hereby confirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

EdCIL (India) Limited
Balance Sheet as at 31st March, 2016

(₹ in lakhs)

Particulars	Note	As at 31.03.2016 Amount (in ₹)	As at 31.03.2015 Amount (in ₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	200.00	200.00
(b) Reserves and Surplus	4	4,867.68	2,991.30
(2) Non-Current Liabilities			
(a) Other Long term liabilities	5	1,181.99	673.63
(b) Long term provisions	6	304.12	254.77
(3) Current Liabilities			
(a) Trade payables	7	6,143.21	692.88
(b) Other current liabilities	8	6,607.36	6,315.51
(c) Short-term provisions	9	3,534.18	1,263.37
Total		22,838.54	12,391.49
II.Assets			
(1) Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		448.13	464.00
(ii) Intangible assets		13.66	16.41
(iii) Capital work-in-progress		1.40	1.40
(b) Deferred tax assets (net)	11	455.71	231.51
(c) Long term loans and advances	12	129.30	118.98
(d) Other non-current assets	13	25.22	37.98
(2) Current assets			
(a) Inventories	14	233.80	308.43
(b) Trade receivables	15	6988.96	683.58
(c) Cash and cash equivalents	16	12,329.95	6,659.15
(d) Short-term loans and advances	17	2,032.63	3,740.28
(e) Other current assets	18	179.77	129.75
Total		22,838.54	12,391.49

Significant Accounting Policies 2

The accompanying Notes on Financial Statements from S.No. 1 to 30 are integral part of Financial Statements.

As per our report of even date
For **Shiv & Associates**
Chartered Accountants
FRN:009989N
(CA. Shiv Prakash Chaturvedi)
Partner
Membership No.: 085084
Place: New Delhi
Date: 19.07.16

Sd/-
(Diptiman Das)
Chairman & Managing Director
DIN: 07255933

Sd/-
(P Jayanthi)
GM (Finance & CS)

For and on behalf of Board of Directors

Sd/-
(Malathi Narayanan)
Director
DIN: 07505624

EdCIL (India) Limited
Statement of Profit and Loss for the year ended 31st March, 2016

(₹ in lakhs)

Particulars	Note	2015-16 Amount (in ₹)	2014-15 Amount (in ₹)
REVENUE			
Revenue from operations	19	17,028.17	7,413.62
Other Income	20	527.80	472.15
Total Revenue (A)		17,555.97	7,885.78
EXPENDITURE			
Project Expenditure	21	10,994.82	5,713.46
Purchase of Stock-in-Trade (Software/Hardware)		50.47	118.12
Changes in inventories work-in-progress	22	74.64	-148.65
Employee benefit expense	23	1,383.73	1,163.93
Depreciation and amortization expense	10	34.96	36.21
Other expenses	24	279.64	222.87
Allowance For Doubtful Receivable & Advances		16.44	2.49
Corporate Social Responsibility Expenditure		20.52	-
Total Expenditure (B)		12,855.22	7,108.41
Profit before exceptional, Prior Period and extraordinary items and tax (A-B)		4,700.76	777.36
Exceptional Items	25	0.02	0.13
Prior Period Items (Net)	26	(2.28)	(68)
Profit before tax		4,698.50	709.82
Tax expense:			
(1) Current tax		1820.24	277.054
(2) Deferred tax		(224.21)	(103.30)
(3) Short/(Excess) provision for tax relating to prior years		5.83	27.956
Profit for the period		3,096.63	508.11
Earning per equity share- Basic & Diluted (in ₹)		1,549	254

Significant Accounting Policies 2

The accompanying notes from 1 to 30 are integral part of the financial statements.

As per our report of even date
For **Shiv & Associates**
Chartered Accountants
FRN:009989N
(CA. Shiv Prakash Chaturvedi)
Partner
Membership No.: 085084
Place: New Delhi
Date: 19.07.16

Sd/-
(Diptiman Das)
Chairman & Managing Director
DIN: 07255933

Sd/-
(P Jayanthi)
GM (Finance & CS)

For and on behalf of Board of Directors

Sd/-
(Malathi Narayanan)
Director
DIN: 07505624

EdCIL (India) Limited

Cash Flow Statement for the year ended 31st March , 2016

(₹ in lakhs)

Particulars	2015-16	2014-15
Net Profit before Tax and Extra Ordinary Items	4,698.50	709.82
Add:- Adjustment for :-		
Depreciation	34.96	36.21
Bad Debts and Provision for Doubtful Debts	16.44	1.99
Provision for Doubtful Debts Written Back	-	(0.12)
Provision for Gratuity	35.52	61.89
Provision for PRP	210.28	8.69
Provision for Leave Salary	72.10	160.53
Advances Written Off	-	0.50
Foreign Exchange Variation Gain/Loss	(6.68)	(8.63)
Interest Income	(492.93)	(420.08)
CSR Utilised	(5.95)	(11.456)
Staff Welfare Fund Utilised	(10.74)	(10.61)
R & D Fund Utilised	-	(0.14)
Deffered tax on Depreciation charged with Retained Earning		14.64
Depreciation Written Back	-	(0.58)
Excess Provision for Depreciation written back	-	0.46
Excess Provision for PRP Adj. with Prior Period Income	-	(18.34)
Less:- Paid during the Year :-		
Leave Encashment	(26.96)	(62.91)
Gratuity	(45.45)	(49.46)
PRP	(43.33)	-
Profit on sale of Assets (Net)	(0.02)	(0.01)
Operating Profit before working capital changes (i)	4435.74	412.39
Increase/Decrease in Current Assets	(4,659.04)	(690.11)
Increase/Decrease in Liabilities	6,253.91	1,202.48
Cash generated from Operations (ii)	6030.61	924.76
Income Tax Paid	(602.56)	(550.99)
Dividend Tax Paid	(40.72)	(33.99)
NET CASH FROM OPERATING ACTIVITIES (A)	5387.34	339.78
Cash flow from investing activities		
Purchase of Fixed Assets	(16.31)	(31.04)
Sale of Fixed Assets	0.16	0.07
Interest received	492.93	420.08
(Investment)/Maturity of Bank Deposits (having maturity of more than 3 months)	753.05	(461.05)
NET CASH FROM INVESTING ACTIVITIES (B)	1,229.82	(71.93)
Cash flow from financing activities		
Dividend Paid	(200.00)	(200.00)
NET CASH USED IN FINANCING ACTIVITIES (C)	(200.00)	(200.00)
Foreign Exchange Variation Gain/Loss	6.68	8.64
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	6423.84	76.46
CASH AND CASH EQUIVALENT (OPENING)	2,339.30	2,263
CASH AND CASH EQUIVALENT (CLOSING)	8763.14	2,339.30

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

As per our report of even date
For **Shiv & Associates**
Chartered Accountants
FRN:009989N
(CA. Shiv Prakash Chaturvedi)
Partner
Membership No.: 085084
Place: New Delhi
Date: 19.07.16

Sd/-
(Diptiman Das)
Chairman & Managing Director
DIN: 07255933

Sd/-
(P Jayanthi)
GM (Finance & CS)

For and on behalf of Board of Directors

Sd/-
(Malathi Narayanan)
Director
DIN: 07505624

NOTES ON FINANCIAL STATEMENTS

1. General Information

EdCIL (India) Limited, formerly known as Educational Consultants India Limited, was established in the year 1981. EdCIL is a Government of India "Mini Ratna" enterprise offering project and consultancy services in all area of education and human resource development in India and overseas for more than three decades. EdCIL provide, comprehensive solutions through its varied verticals of services.

2. Significant Accounting Policies

2.1 Basis for preparation of Financial Statements

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

2.2 Revenue Recognition

A. Technical Assistance & other Projects including Technical Support Group except Institutional Development , Procurement and Placement Projects

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

B Institutional Development projects

(i) Institutional Development Projects awarded on Cost plus basis AS per AS-7 with the follows:

- 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 up to the close of financial year.
- 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.
- 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 AS per AS-7 with the follows:

- The income is booked based on "Percentage 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). Where loss is anticipated provision for entire loss is made.
- c) 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 recognized on the basis of bills raised/due to be raised in respect of the different stages of work completed as per agreement with the client.
- 2) Where a fixed percentage of the cost of equipment to be supplied/installed has been agreed as service charges, income is recognized on the basis of service charges due as per different stages of delivery/ installation etc. agreed with the client. Where no such stages are defined in the agreement with client income is recognized on the basis of service charges due on the amount paid/due for payment to supplier as per the different stages of delivery/installation etc.
- 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.

D. Placement Projects:

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

E. Sales:

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

2.3. FIXED ASSETS

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

2.4. DEPRECIATION

- (I) Depreciation on Fixed Assets is charged on Straight Line Method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by Technical Expert in the Company or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act 2013.
- (II) The cost of capitalized software is amortised over a period of five years from the date of acquisition.
- (III) Assets costing less than ₹5,000/- are fully depreciated in the year of acquisition.

2.5. INVESTMENT

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

2.6. 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.

2.7 EMPLOYEE BENEFITS

(A) Leave Salary

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

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

(B) Gratuity

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

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

2.8 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.

2.9 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 be materialized into liabilities after the year end till the finalization of accounts and have material effect on the position stated in the Balance Sheet.

2.10. CASH AND CASH EQUIVALENT

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

2.11 PROVISIONING FOR BAD & DOUBTFUL DEBTS

EdCIL has Provisioning Policy for Bad & Doubtful Debts, which stipulates 100% provisioning of Trade Receivables greater than 5 years and if the dues still remain unsettled during sixth year, they will be written off as Bad Debts in the Subsequent year.

EdCIL (India) Limited
Notes Forming Part of the Balance Sheet

Note : 3 Share Capital

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
3.1	AUTHORIZED CAPITAL		
	2,00,000 Equity Shares of ₹100/- each.	200	200
		200	200
	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	2,00,000 Equity Shares of ₹100/- each, Fully paid up.	200	200
	Out of the Paid up Capital, 49,996 Equity Shares & 25,004 Equity Shares of ₹100/-each have been issued as Bonus Shares in the F.Y. 2012-13 and 2008-09 respectively.		
	Total	200	200
3.2	Reconciliation of the number of shares		
	Particulars		
	Equity Shares at the beginning of the year	200	200
	Add : Shares issued during the year	-	-
	Equity Shares at the end of the year	200	200

3.3. Details of Shareholder holding more than 5% share

S.No.	Name of Shareholder	As at 31.03.2016	As at 31.03.2015
		No. of Shares held	No. of Shares held
	President of India	2,00,000	2,00,000
	The Entire Share Capital of the Company is held by Government of India.		

3.4. Details of share allotted otherwise than in Cash (Last 5 year)

S.No.	Particulars	Year (Aggregate No. of Shares)					
		Total	2015-16	2014-15	2013-14	2012-13	2011-12
	Equity Shares :						
	Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-	-
	Fully paid up by way of bonus shares	49,996	-	-	-	49,996	-
	Shares bought back	-	-	-	-	-	-
		49,996	-	-	-	49,996	-

Note : 4 Reserve & Surplus

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
4.1	General Reserve		
	Opening Balance	1,410.95	1,360.14
	Addition During the Year	309.66	50.81
	Closing Balance	1,720.61	1,410.95
4.2	Surplus (Profit & Loss Account)		
	Opening Balance	1,557.11	1,393.49
	Addition During the Year	3,096.63	508.11
	Less : Utilize during the Year		
	Transfer to General Reserve	(309.66)	(51.00)
	Transfer to Staff welfare fund	(30.97)	(5.00)
	Proposed Dividend	(1,000.00)	(200.00)
	Dividend Distribution Tax	(203.58)	(40.72)
	Transfer to CSR Fund	-	(17.40)
	Depreciation adjustment on transition to Schedule II of the Companies Act, 2013	-	(30.48)
	Closing Balance	3,109.54	1,557.01
4.3	Staff welfare Fund		
	Opening Balance	17.30	22.83
	Addition During the Year	30.97	5.00
	Less: Utilize During the Year	(10.74)	(10.61)
	Closing Balance	37.52	17.22
4.4	CSR Fund		
	Opening Balance	5.95	-
	Addition During the Year	-	17.40
	Less: Utilize During the Year	(5.95)	(11.46)
	Closing Balance	-	5.95
4.5	R & D Fund		
	Opening Balance	-	0.14
	Less: Utilize During the Year	-	(0.14)
	Total	4,867.68	2,991.30

Note: 5 Other Long Term Liabilities

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Security Deposit From Suppliers	389.14	98.72
II)	Advance Against Projects	792.85	574.91
	Total	1,181.99	673.63

Note: 6 Long Term Provisions

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
	Provision for Employee Benefits		
	Gratuity	12.78	18.13
	Earned/Sick Leave Liability	291.34	236.64
	Total	304.12	254.77

Note : 7 Trade Payables

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
	Trade Payable	6,143.21	692.88
	Total	6,143.21	692.88

Note : 8 Other Current Liabilities

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Advance Against Projects	4,690.12	4,939.96
II)	Security Deposited From Suppliers	324.49	389.80
III)	Duties & Taxes	199.92	82.69
IV)	Other Liabilities	1,325.70	875.58
V)	Expenses Payable	67.13	27.48
	Total	6,607.36	6,315.51

Note : 9 Short Term Provisions

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Income Tax	2,097.29	934.27
II)	Fringe Benefit Tax	-	11.44
III)	Proposed dividend	1,000.00	200.00
IV)	Tax on Proposed Dividend	203.58	40.72
V)	Provision for Employee Benefits		
	(i) Earned Leave	-	9.40
	(ii) Gratuity	-	4.58
	(iii) Performance related Pay (PRP)	228.69	61.74
	(iv) Leave Travel Concession	4.62	1.23
	Total	3,534.18	1,263.37

**Note No. 10 SCHEDULE OF FIXED ASSETS AS AT 31st MARCH, 2016
AS PER COMPANIES ACT, 2013**

(Amount in ₹)

S. No.	Item of Assets	Useful Life	1	2	3	4	5	6	7	8	9	10	11	
			GROSS BLOCK			ACCUMULATED DEPRECIATION							NET BLOCK	
			As on 01.04.2015	Additions during the year	Deletions during the year	Total as on 31.03.2016	Upto 01.04.2015	Depreciation Written Back	Depreciation Charged for the year	On Sale/adj. during the Year	Total as on 31.03.2016	As on 31.03.2016	As on 31.3.2015	
(A) TANGIBLE ASSETS														
1	Leasehold Land	90 yrs	2,12,62,570	-	-	2,12,62,570	45,47,833		2,36,251		47,84,084	1,64,78,486	1,67,14,737	
2	Building	60 yrs	2,26,55,583	-	-	2,26,55,583	63,04,011		3,55,551		66,59,562	1,59,96,021	1,63,51,572	
3	Electrical Equip. & A. C.	10 yrs	1,70,73,919	5,08,629	-	1,75,82,548	83,40,501		12,00,422		95,40,923	80,41,625	87,33,418	
4	Office Machinery & Equipmt.	5 yrs	67,85,110	72,294	16,076	68,41,328	55,59,924		3,50,711	15,272	58,95,363	9,45,965	12,25,186	
5	Furniture & Fixtures	10 yrs	1,19,34,134	1,22,707	-	1,20,56,841	1,06,24,253		2,90,345		1,09,14,598	11,42,243	13,09,881	
6	Vehicles	8 yrs	15,76,059	-	-	15,76,059	9,45,699		2,40,905		11,86,604	3,89,455	6,30,360	
7	Computer System-Hardware	3 yrs	1,58,35,900	3,29,064	-	1,61,64,964	1,54,14,725		1,32,557		1,55,47,282	6,17,682	4,21,175	
8	Computer Server & Networks	6 yrs	32,62,920	5,08,827	-	37,71,747	26,36,422		3,19,668		29,56,090	8,15,657	6,26,498	
9	Fire Extinguisher	10 yrs	17,83,493	89,888	-	18,73,381	15,82,282	3,343	30,885		16,09,824	2,63,557	2,01,211	
10	Carpet & Venetian Blinds	5 yrs	13,91,508	-	-	13,91,508	12,05,346		63,970		12,69,316	1,22,192	1,86,162	
	TOTAL (A)		10,35,61,196	16,31,409	16,076	10,51,76,529	5,71,60,996	3,343	32,21,265	15,272	6,03,63,646	4,48,12,882	4,64,00,200	
	(B) INTANGIBLE ASSETS										-			
11	Computer Software(ERP)	10 yrs	14,25,000	-	-	14,25,000	3,80,000		1,42,851		5,22,851	9,02,149	10,45,000	
12	Computer Software	5 yrs	6,59,440	-	-	6,59,440	63,111		1,32,249		1,95,360	4,64,080	5,96,329	
	TOTAL (B)		20,84,440	-	-	20,84,440	4,43,111	-	2,75,100	-	7,18,211	13,66,229	16,41,329	
	(C) CAPITAL WIP										-			
13	Extension Of Building		1,40,450	-	-	1,40,450	-				-	1,40,450	1,40,450	
	TOTAL (C)		1,40,450	-	-	1,40,450	-	-	-	-	-	1,40,450	1,40,450	
	Grand Total (A+B+C)		10,57,86,086	16,31,409	16,076	10,74,01,419	5,76,04,107	3,343	34,96,365	15,272	6,10,81,857	4,63,19,561	4,81,81,979	
	Previous year figures		10,26,94,120	31,03,550	11,590	10,57,86,080	4,94,88,330	57,850	36,20,510	45,53,120	5,76,04,110	4,81,81,970	5,32,05,790	

NOTE : 11 Defferred Tax Assets (Net)

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
	A. Defferred Tax Assets:		
	Provision for Leave Salary	100.83	79.83
	Provision for Doubtful Debts	50.21	41.74
	Provision for Project Expenses	262.44	123.70
	Provision for LTC	1.60	0.40
	Provision for Gratuity	4.42	7.37
	Provision for ESI	7.20	7.42
	Provision for PRP	79.14	20.03
	Sub-Total (A)	505.85	280.48
	B. Defferred Tax Liabilities:		
	Depreciation	50.14	48.98
	Sub-Total (B)	50.14	48.98
	Defferred Tax Assets (Net) (A-B)	455.71	231.51

NOTE : 12 Long Term Loans and Advances

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Capital Assets		
	Doubtful	35.37	35.37
	Less : Allowance for doubtful Advances	(35.37)	(35.37)
II)	Security Deposit		
	Unsecured, Considered Good	121.31	117.78
III)	Other Loans & Advances		
	Secured, Considered Good		
	• Loan to Employee	7.99	1.21
	Total	129.30	118.98

NOTE : 13 Other Non Current Assets

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
	a) Unsecured, Considered Good :		
	(i) Advance to Supplier and others	25.22	37.98
	b) Doubtful	14.09	14.09
	Less : Allowance for doubtful Advances	(14.09)	(14.09)
	Total	25.22	37.98

NOTE : 14 Inventories

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
	Work-in-Progress		
	a) Services	199.01	282.66
	b) Civil	34.78	25.77
	Total	233.80	308.43

NOTE : 15 Trade Receivables

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Current Receivable less than Six Month		
	a) Unsecured, Considered Good	6,947.54	623.15
II)	Other Current Receivable		
	a) Unsecured, Considered Good	41.42	60.44
	b) Doubtful	95.62	79.18
	Less: Allowance for doubtful debts	(95.62)	(79.18)
	Total	6,988.96	683.58

NOTE : 16 Cash & Cash Equivalent

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Cash and Cash equivalents (as per AS 3 Cash Flow Statement)		
i)	Cash Balance	3.04	4.49
ii)	Balance with Scheduled Banks		
	In Current Accounts	5,290.03	2,315.23
	IN EEFC Account	0.07	19.48
iii)	Balance with Non-Scheduled Banks (In Current Accounts)		
	Midland Bank, London (U.K) *	-	0.09
iv)	Fixed Deposits maturing in 3 months	3,470.00	-
	Cash and Cash equivalents (as per AS 3 Cash Flow Statement) Sub Total (A)	8,763.14	2,339.30
II)	Other Bank Balances		
	In Fixed Deposits (Free)	3,564.44	4,315.14
	In Fixed Deposits (Lien against Bank Guarantee)	2.37	4.72
	Sub Total (B)	3,566.81	4,319.86
	Total [A + B]	12,329.95	6,659.15

NOTE : 17 Short Terms Loans and Advances

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
I)	Secured Considered Good		
	a) Loan to Employee	2.21	9.63
	b) Tour Advance to Staff	44.13	12.46
II)	Unsecured, Considered Good		
	(i) Tax Deducted at source	863.60	781.36
	(ii) Advance/Self Assessment Income Tax	331.33	390.22
	(iii) Advance FBT	-	11.49
	(iv) Income Tax Refund Receivable	386.23	245.82
	(v) Service Tax	100.83	178.09
	(vi) Advance to Supplier and others	292.10	2,096.82
	(vii) Mobilization & Other Advances	-	0.71
	(viii) Prepaid Expenses	12.19	13.68
	Total	2,032.63	3,740.28

NOTE : 18 Other Current Assets

(₹ in lakhs)

S.No.	Particulars	As at 31.03.2016	As at 31.03.2015
	Interest accrued but not due on fixed deposits	179.77	129.75
	Total	179.77	129.75

EdCIL (India) Limited
Notes Forming Part of the Profit & Loss Accounts

NOTE : 19 Revenue from Operation

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
I)	INCOME FROM PROJECTS		
(A)	Income from Technical Assistance		
(i)	Educational Aids	-	11.69
(ii)	Income from Initiative, Innovation and Institutionalisation	824.17	852.50
(iii)	Income from NLMA	343.93	351.09
(iv)	Income From TEQIP	1,357.81	677.99
(v)	Income from SSA Project	963.13	1,071.45
(vi)	Income from GHP/NSIGSE	35.21	26.43
(vii)	Income from MDM	281.05	319.33
(viii)	Income from RMSA	461.58	440.26
(ix)	Income from Monitoring Instt.(SSA)	288.49	382.31
(x)	Income from NMEICT	216.34	222.33
(xi)	Other Projects (Admin & TA Projects)	1,279.51	1,249.76
(xii)	Income from Teachers Education Project	111.58	110.78
(xiii)	Income from Monitoring Instt. (RMSA)	169.89	156.38
(B)	Income from Institutional Development	203.35	223.23
(C)	Income from Human Resource Development		
(i)	Income from Placement	197.96	240.92
(ii)	Income from Secondment	3.10	6.72
(iii)	Income from RSD Activities	10,235.12	949.02
II)	SALE OF PRODUCTS		
(i)	Sale of Software/Hardware	55.94	121.41
	TOTAL	17,028.17	7,413.62

- 19.1 Income indicated in S.No. 1(C) (i), (ii), (iii) Income from placement projects consists primarily of fees accrued at the time of admission of foreign students and annual fee accrued in the beginning of every academic year during the period of the course.
- 19.2 Income indicated in S.No. 1(A) (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi){In case of Admin Project Only}, (xii), (xiii) & 1(B) in the above table are recognised at gross value following cost plus method in accordance with accounting policy to Technical assistance, as the role played by company is of a principal to principal basis.
- 19.3 Income indicated in S.No. 1(A) (ii) The Initiative, Innovation and Institutionalisation Project relating to supply of SAP License etc. to Assam Engineering College awarded by Directorate of Technical Education, Assam completed and the project closure report has been received from the Client vide letter no. TE(P) Scheme-5/09/pt/2658 dt. 19.05.2016.

NOTE : 20 Other Income

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
I)	Interest from Bank Deposits	492.93	420.08
II)	Exchange Variation Gain / (Loss)	6.68	8.64
III)	Other Income	4.04	18.99
IV)	Rent Office	24.15	24.44
	Total	527.80	472.15

20.1 Income indicated at Notes 16 (4) rent agreement with National Project Implementation Unit, C/O Ministry of Human Resource Development in respect of NPIU Project has expired on 30th June 2015 and is under process for renewal. Meanwhile Rent is being accounted as per old terms and conditions.

NOTE : 21 Project Expenses

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
I)	Expenditure on Technical Assistance		
(i)	Educational Aids	-	0.15
(ii)	Expenditure on Initiative, Innovation and Institutionalisation	743.93	867.45
	a) Training Exp.	736.76	675.78
	b) Others Exp.	7.17	191.67
(iii)	Expenditure on NLMA	301.96	308.08
	a) Consultancy Fees	32.12	71.41
	b) Salary & Allowance	73.29	80.41
	c) ILD Workshop	140.74	30.79
	d) Meeting Exp.	9.25	0.00
	e) Research Studies	25.56	63.34
	f) Travelling & Conveyance Exp.	20.91	24.49
	g) Rent	0.00	37.64
	h) Others Exp.	0.09	0.00
(iv)	Expenditure on TEQIP	1,246.52	584.78
	a) Consultancy Fees	133.90	131.74
	b) Revolving Fund	19.76	12.67
	c) Salaries	135.38	163.20
	d) Repair & Maintenance Exp.	0.00	554.16
	e) Software Development Exp.	6.54	52.53
	f) Non Recurring Exp.	927.10	0.00
	f) Others Exp.	23.85	169.23
(v)	Expenditure on GHP/NSIGSE	30.95	23.30
(vi)	Expenditure on SSA	851.38	945.85
	a) Salary & Allowance	261.58	236.39
	b) Consultancy Fees	180.72	179.60
	c) Travelling & Conveyance Exp.	29.79	29.65
	d) Workshop, Seminar & Meeting	222.95	151.38

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
	e) Research & Studies	47.75	185.44
	f) Repair & Renovation Exp.	11.31	74.91
	g) Security Exp.	16.94	19.42
	h) Printing, Stationery & Photostate Exp.	17.12	16.71
	i) Others Exp.	63.23	52.34
(vii)	Expenditure on MDM	246.78	280.23
	a) Salary & Allowance	78.45	81.35
	b) Travelling & Conveyance Exp.	8.25	7.51
	c) Consultancy Fees	63.91	68.48
	d) Joint Review Mission	8.13	18.24
	e) Workshop, Seminar & Meeting	71.49	54.74
	f) Other Exp.	16.55	49.89
(viii)	Expenditure on RMSA	340.06	386.85
	a) Consultancy Fees	158.61	152.89
	b) Salary & Allowance	119.07	112.63
	c) Repair & Maintenance Exp.	7.43	99.70
	d) Travelling & Conveyance Exp.	18.34	0.00
	e) Workshop, Seminar & Meeting	36.60	21.63
	f) Other Exp.	0.00	0.00
(ix)	Expenditure on Monitoring Instt. (SSA)	274.75	364.11
	a) Fee to Monitoring Institutes	263.31	335.66
	b) Travelling & Conveyance Exp.	11.44	28.45
(x)	Expenditure on NMEICT	206.15	211.74
	a) Consultancy Fees	90.85	154.23
	b) Salary & Allowance	81.26	0.00
	c) Travelling & Conveyance Exp.	29.15	26.26
	d) Workshop, Seminar & Meeting	3.83	10.29
	e) Other Exp.	1.05	20.95
(xi)	Expenditure on Admin & TA Projects	909.89	998.91
	a) Salary & Allowance	769.90	948.35
	b) Project Recruitment Unit Exp	26.20	0.00
	c) Travelling & Conveyance Exp.	57.96	19.61
	d) Consultancy Fees	54.96	30.95
	e) Other Exp.	0.86	0.00
(xii)	Expenditure on Mahila Samakhya	-	3.04
(xiii)	Expenditure on Teachers Education Project	97.88	97.18
	a) Joint Review Mission	16.73	14.62
	b) Travelling & Conveyance Exp.	10.64	5.67
	c) Other Exp.	35.82	76.88
(xiv)	Expenditure on MI (RMSA)	161.80	214.27

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
II)	Expenditure on Institutional Development	210.39	189.72
III)	Expenditure on Human Resource Development		
(i)	Placement	8.13	20.46
(ii)	Secondment	0.19	0.62
(iii)	Testing Activities	5,364.06	216.73
	a) Centre Management Exp.	2,813.99	44.69
	b) Mobile Jammer Exp.	42.14	35.08
	c) Printing & Stationery	94.18	65.58
	d) Travelling Exp.	262.03	31.03
	e) Postage Exp.	23.22	6.02
	f) Honorarium Exp.	44.96	14.28
	g) Pre-Examination Activity	2,036.44	0.00
	h) Others Exp.	47.10	20.04
	Total	10,994.82	5,713.46

21.1 EXPENDITURE IN FOREIGN EXCHANGE

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
	Expenditure on Placement activity	-	4.22
	Other includes travel expenses, miscellaneous expenses, DA paid in Indian Currency	-	12.59
	Travelling(Foreign) - Director	2.06	-
	Travelling(Foreign) - Others	9.12	-
	Total	11.18	16.80

21.2 INCOME IN FOREIGN EXCHANGE

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
	From Placement Projects	111.23	123.59
	From Secondment Projects	-	6.79
	Total	111.23	130.38

NOTE : 22 Change in Inventories

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
I)	Opening Work in Progress	308.44	159.79
II)	Closing Work in Progress	233.80	308.44
	Decrease /Increase	74.64	(148.65)

NOTE : 23 Employee Benefit Expenses

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
	Salaries and Allowances	907.29	833.75
	Honorarium	0.88	0.96
	Rent of Officers' Accommodation	7.52	6.91
	Provident Fund	75.89	71.95
	ESIC	0.85	1.08
	Gratuity	27.56	51.17
	Group Insurance	2.64	0.73
	Medical Insurance	-	3.05
	Leave Salary	69.14	73.46
	Productivity Linked Incentives (PRP)	210.28	8.69
	Medical Expenses	51.61	62.43
	Welfare Expenses	15.13	26.36
	Seminar & Training	10.53	17.23
	Interest Subsidy on Housing Loan	-	0.01
	Overtime Allowance	3.85	6.13
	Merit Scholarship	0.54	0.02
	Total	1383.73	1163.93

NOTE : 24 Other Expenses

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
	Recruitment Expenses	5.14	1.09
	Postage, Telephone & Telex	10.41	11.12
	Travelling & Conveyance	22.87	20.24
	Electricity & Water Charges	30.11	28.78
	Generator Set Exp.	7.55	6.38
	Office Insurance	4.56	2.13
	Car Running & Maintenance	3.15	3.71
	Printing & Stationery	19.92	18.61
	Repairs & Maintenance		
	Office Equipment	16.47	23.91
	Premises	53.62	52.25
	Advertisement & Publicity	36.20	14.87
	Legal & Professional Charges	11.90	4.39
	Auditors' Remuneration		
	Statutory Audit Fee	2.50	2.66
	Tax Audit Fee	1.50	1.00
	Bank Charges	0.35	0.15
	Internal audit Fees	0.44	1.94
	Miscellaneous Expenses	5.62	9.72

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
	Membership and Subscription	1.46	1.40
	Board Meetings Expenses	7.46	2.73
	Books & Periodicals	0.67	0.56
	Consultancy fee	23.84	1.97
	Ground Rent	4.50	9.00
	Business Promotion Expenses	5.58	4.24
	Interest on TDS	3.81	0.00
	Total	279.64	222.87

NOTE : 25 Exceptional Items

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
I)	Profit on Sale of Fixed Asset	0.02	0.01
II)	Allowances for Doubtful debts written Back	-	0.12
	Total	0.02	0.13

NOTE : 26 Prior Period Income (Net)

(₹ in lakhs)

S.No.	Particulars	For the year ended on 2016	For the year ended on 2015
I)	Prior Period Income		
	Income From Placement & Secondment Division	-	5.72
	Income from Administration	0.78	2.50
	Reversal of Excess provision of PRP for F.Y. 2013-14	-	18.34
II)	Prior Period Expenditure		
	Expenses on Administration	3.06	9.93
	Interest on Service tax of Earlier Years	-	2.25
	Expenses on Placement	-	0.35
	Provision for Half Pay leave of Earlier Years as per Actuarial Valuation	-	81.66
	Expenses of Institutional Development	-	0.04
	Prior Period Income/Loss(net)	(2.28)	(67.67)

NOTE : 27 SEGMENT REPORTING
PRIMARY BUSINESS SEGMENT

(₹ in lakhs)

S.No.	Particulars	2015-16	2014-15
	Segment Revenue		
	(I) Technical Assistance	6,306	5,872
	(II) Institutional Development	230	223
	(III) Human Resource Development	10,436	1,197
	Sale of Software	56	121
	Total:	17,028	7,414
	Segment Result		
	(I) Technical Assistance	876	714
	(II) Institutional Development	29	54
	(III) Human Resource Development	5,064	959
	Sale/Purchase of Software	5	3
	Total:	5,983	1,731
	Other Income	528	472
	Less: Unallocated Expenses		
	Depreciation	35	36
	Other exp., Extraordinary & Prior Period Items	1,777	1,457
	Net Profit before Tax	4,698	710
	Income tax including Deferred Tax	1,602	202
	Net Profit after Tax	3,097	508
	Segment Assets:		
	Technical Assistance	3,018	3,733
	Institutional Development	58	68
	Human Resource Development	6,249	282
	Total Segment Assets:	9,325	4,083
	Segment Liabilities:		
	Technical Assistance	2,583	4,172
	Institutional Development	323	573
	Human Resource Development	9,598	2,662
	Total Segment Liabilities:	12,505	7,407
	OTHER INFORMATION		
	Fixed Assets(Net)*	463	480
	Current Assets, Loans & advances	22,375	11,678
	Current Liabilities	17,324	9,200
	Capital Employed*	5,515	2,958
	Segment Assets excludes:		
	Fixed Assets	463	480
	Cash & Bank Balances	12,330	6,045
	Advances Recoverable	379	8
	TDS Recoverable	864	781
	Advance Income Tax	331	390
	Prepaid Exp.	12	8

S.No.	Particulars	2015-16	2014-15
	Income Tax Refund	386	246
	Service Tax	101	376
	Advance FBT	0	11
	Deferred Tax Asset	456	114
	Security Deposit	121	10
	Total	15,443	8,469
	Segment Liabilities excludes:		
	Share Capital	200	200
	Reserves & Surplus	5,284	3,350
	Staff Welfare Fund	31	17
	CSR Fund	0	6
	Sundry Creditors	6,143	27
	Other Liabilities	672	1,607
	Security Deposit From Suppliers	324	7
	Provisions	653	970
	Total	13,308	6,185

SECONDARY GEOGRAPHICAL SEGMENT
Domestic Segment: Relating to domestic business
Overseas Segment: Relating to export business

(₹ in lakhs)

S.No.	Particulars	2015-16	2014-15
	Segment Revenue		
	Domestic	16,827	7,166
	Overseas	201	248
	Total	17,028	7,414
	Segment Results Profit/Loss(-)		
	Domestic	5,724	1,710
	Overseas	193	21
	Total	5,917	1,731
	Segment Assets		
	Domestic	9,133	3,938
	Overseas	192	145
	Total	9,325	4,083
	Segment Liabilities		
	Domestic	8,900	5,444
	Overseas	3,605	1,962
	Total	12,505	7,407
	Segment Assets excludes:		
	Fixed Assets	463	480
	Cash & Bank Balances	12,330	6,045
	Advances Recoverable	379	8
	TDS Recoverable	864	781
	Advance Income Tax	331	390
	Prepaid Exp.	12	8
	Income Tax Refund	386	246
	Service Tax	101	376
	Advance FBT	0	11
	Deferred Tax Asset	456	114
	Security Deposit	121	10
	Total	15,443	8,469
	Segment Liabilities excludes:		
	Share Capital	200	200
	Reserves & Surplus	5,284	3,350
	Staff Welfare Fund	31	17
	CSR Fund	0	6
	Sundry Creditors	6,143	27
	Other Liabilities	672	1,607
	Security Deposit From Suppliers	324	7
	Provisions	653	970
	Total	13,308	6,185

NOTE : 28 Additional Notes to Accounts

- I. EdCIL has a policy for providing bad and doubtful debts. A sum of ₹95.62 lakhs has been provided against the Trade receivables of equal amount outstanding for more than five years as at 31.03.2016 in accordance with such policy.
- II. Work in Progress includes an amount of ₹42.25 lakhs against training projects brought forward from FY 2013-14 and ₹14.72 lakhs towards Development Projects pertaining to FY 2014-15. Neither any Income nor expenditure has been booked against these WIP during 2015-16.
- III. Balances in Trade Receivable / Payables, Loans & Advances are subject to confirmation.
- IV. Fixed Deposits with maturity due within a period of three months from 31.03.2016 have been classified under "Cash & Cash Equivalents" whereas having maturity exceeding three months but less than 12 months from 31.03.2016 have been classified under "Other Bank Balances".
- V. Income Tax Refund includes amount receivable from Income Tax Department for Financial Years 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 & 2012-13 for which the company has filed rectification & refund application.
- VI. No classification of outstanding as on 31.03.2016 had been made separately for dues towards entities covered under Micro Small and Medium Enterprises Development Act, 2006 on account of non receipt of information from creditors, against confirmation sent on closing of accounts. In view of this, there are no dues outstanding which may attract the provisions of Section 22 of the Micro Small & Medium Enterprises Development Act, 2006.
- VII. Amount of ₹9.975 crores received from MHRD for capacity building project for NPIU, has been fully disbursed to various IIMs & IITs towards capacity building activities. The same advances have been accounted for during current FY to the extent of ₹9.783 crores on receipt of utilisation certificate from IIMs & IITs concerned.
- VIII. The Company has subscribed to Group Gratuity Cash Accumulation Policy with the Life Insurance Corporation of India (LIC). The Premium for gratuity is paid on the basis of actuarial valuation done by LIC. Accordingly, the premium charged by the LIC during the year is considered as "Company's Contribution to Gratuity", except for contractual employees who are employed in TSG projects of EdCIL for which valuation for Gratuity from an Actuary and correspondingly provision for gratuity of the said contractual employees has not been made.
- IX. Deduction of Tax at Source has been made for the bills of the expenses accounted upto 31.03.2016 and received upto 30th April 2016.
- X. The company has adopted policy in FY 2014-15 on "Post Retirement Mediciclaim Facility" for extending medical facilities to Retired / Deceased Employees after 1.1.2007, with the approval of MHRD dated 26.05.2014. Since, no corpus has been created during FY 2015-16, no Liability/ Asset has been accounted for in the books.
- XI. Educational Consultants India Limited (EdCIL) Employee Provident Fund Trust was granted relaxation under Para 79 of Employees' Provident Fund Scheme 1952. Accordingly EdCIL was maintaining a Provident Fund Trust titled as 'Educational Consultants India Limited Employee's Provident Fund Trust'. The relaxation has been withdrawn by the Regional Provident Fund Commissioner (RPFC) vide order no. E/DL/9088/Ex-Br/3704/1513 dated 27th December, 2010 with effect from 16th December, 2010. EdCIL had been directed to transfer Provident Fund accumulations in respect of all the Members of the EdCIL E.P.F. Trust to the RPFC Delhi (North). However, EdCIL had submitted the request letter to RPFC for revoke the order. Further, RPFC has again issued the order for withdrawals of relaxation to PF Trust vide order no. E/DL/9088/Ex-Br/456/8234 dated 19th July, 2012. Board of Trustees have pursued the matter with CPFC and have filed a fresh application for Exemption of EPF Trust under section 17(2) of the EPF & MP Act, 1952 on 17-09-2013. Regional Provident Fund Commissioner – I, Delhi (North) has forwarded recommendation to Central Provident Fund Commissioner (Administration) for onward submission of proposal to Ministry of Labour, Govt. of India, for grant of exemption with effect from 01.04.1992. Regional Provident Fund Commissioner (North Delhi) has recommended for grant of exemption u/s 17 (2B) of EPF & MP Act, 1952 to O/o ACC (DL & UK) vide it's letter no. E/DL/9088/DLI/Ex/811 dated 09.07.2015 for extension to 31.01.2018. The matter for grant of exemption to the Trust is under progress and consequently the P. F. Trust accounts are prepared on going concern basis.

- XII. Provision for LTC is based on actuarial valuation made by actuary on the basis of entitlement and charged to P&L Account as expenses.
- XIII. Liability with regard to Gratuity Plan is determined by actuarial valuation using Projected Unit Credit method. The company has subscribed to Group Gratuity Cash Accumulation Policy with LIC of India. The premium is paid on the basis of actuarial valuation done by LIC of India. The Company recognizes the NET obligation of the Gratuity Plan in the Balance Sheet as Asset/Liability respectively in accordance with AS-15-“Employee Benefits”.
- XIV. The management perceives that there has been no indication of impairment to its fixed assets and therefore the process of impairment testing has not been done.

NOTE : 29. Additional Information

I. RELATED PARTY DISCLOSURES:

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

Details of Key Management Personnel of the Company;

Mr. Diptiman Das, (FY 2015-16), Mrs. Anju Banerjee (FY 2014-15) Chairman/ Chairperson & Managing Director.

- (a) Remuneration paid to CMD (FY 2015-16) – ₹22,55,570/- and (FY 2014-15) ₹41,61,536/-

Particulars	2015-16	2014-15
Salary & Allowances	13,62,830	9,19,445
PF Contribution	1,63,540	1,10,333
Medical, Leased Accommodation, LTC, & Other Perquisites	7,29,200	5,29,666
Medical Indoor Treatment of Dependent as per EdCIL Rules	0	12,00,476
Terminal benefits (Earned leave and Gratuity)	0	14,01,616
Total	22,55,570	41,61,536

- (b) The Company has provided an air-conditioned car to the Chairperson & Managing Director for official and private use in terms of Ministry of Finance, Department of Expenditure Circular No. 4(12)/82-BPE(WC) dated 01.04.1987 as amended from time to time. A sum at the rate of ₹2,000/- is being recovered towards the use of car for personal purposes in terms of the above letter.
- (c) The Company has provided leased accommodation. A sum of ₹63,568/- (Previous Year ₹48,344/-) has been recovered towards House Rent Recovery during the financial year 2015-16.
- (d) The Company has provided furnished accommodation. An amount of NIL (Previous Year ₹11,586/-), (2.5% of basic) has been recovered in this financial year towards rent for furniture & fixtures in respect of accommodation provided.
- (e) ₹0.33 lakhs (Previous Year-NIL) as Inland Travel and ₹2.06 lakhs (Previous Year -NIL) as Foreign Travel has been charged to Travelling Expenses.

II. Payments made to Auditors:

Particulars	2015-16	2014-15
As Auditor		
• For Statutory Audit	2,50,000	2,50,000
• For Tax Audit	1,50,000	1,50,000
As Advisor and in any other capacity:		
• For Certification	1,40,000	1,40,000
[Included in project Expenditure]		
PF Trust Audit	25,000	
• Out of Pocket Expenses	0	15,957
Total	5,65,000	5,55,957

NOTE : 30. Contingent Liability

1. In respect of pending court cases by/against ex-employees amount is indeterminable.
2. Bank Performance Guarantee issued by banks on behalf of Company amounting to total of ₹2,37,000/- issued to Indian National Defence University (Last Year ₹4,71,781/-).
3. M/s. Vinyasa Engineers Pvt. Ltd. Bengaluru had filed an arbitration claim against the Company. The Arbitrator passed an award amounting to ₹1.77 crores against the Company during 2008-09. The Company has not accepted this claim and challenged it in the court of Civil Judge, Bengaluru. EdCIL is submitting additional written statement explaining the various events which unfolded before M/s. Vinyasa invoked arbitration and other contract stipulations, which were not observed by the Hon'able Arbitrator at the time of arbitration to the Hon'ble Court. The Company has paid ₹0.48 lakhs towards settlement against R.A. Bill of the Contractor in respect of which provision was already existing in the Books of accounts. However for the balance, the Company has not provided for the liability as management is of the opinion that creation of provision at this stage will be too premature and will be detrimental to the proceedings in Court of Law.
4. M/s. Multiplzone had filed civil suit in the lower court for recovery of ₹13.95 lakhs in respect of supply of software which payment was not processed by EdCIL due late supply of software and consequent non acceptance by client. The case was rejected by the lower court as was time barred. M/s. Multiplzone has moved appeal in High Court, Delhi contesting the judgment of lower court. Corresponding to the claim of M/s. Multiplzone, provision of ₹7.68 lakhs is existing in the books of accounts.
5. Service Tax Department has issued Show-Cause Notice for Irregular availment of Cenvat Credit to the tune of ₹101.32 lakhs for the FYs 2007-08 to 2012-13. The Company has furnished Reply to the Notice and the management does not anticipate any loss/liability on this account.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **EdCIL (INDIA) LIMITED**

Report on Financial Statement

We have audited the accompanying financial statements of **EdCIL (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the period ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified opinion

- 1) Balance of trade receivables, trade payables, and advances have not been got confirmed from counter parties. The financial impact of this noncompliance, if any, could not be determined.

- 2) The company has not provided liability for gratuity of contractual employees engaged in various PRU and TSG projects (Refer to Note No. 28 Sub Note VIII to Financial Statements). The financial impact of this non-compliance cannot be quantified as the company has not got the actuarial valuation done for the same.
- 3) The company has not provided for liability towards post-retirement medical cost benefits payable to employees which is in violation of "Accounting Standard 15" related to "Accounting for Employee Benefits". The financial impact of the same cannot be ascertained.
- 4) Loans & Advances includes ₹70.95 lakhs (previous year ₹71.07 lakhs) which are unsecured, and outstanding for a period of more than three years and subject to confirmation. The company has created provision of ₹49.47 lakhs (previous year ₹49.47 lakhs) against these advances. In our opinion, the recovery of dues is doubtful. To the extent of shortfall of provisioning of ₹21.48 lakhs (previous year ₹21.60 lakhs), profit of the company and loans and advances are overstated by the amount of short provision.
- 5) Trade Receivables include ₹95.62 lakhs (previous year ₹104.09 lakhs) which are unsecured and outstanding for more than five years and subject to confirmation. According to the company policy (Refer Note 2.11 of Significant Accounting Policies) trade receivables which are outstanding for more than six years are required to be written off. However the company has not write off such trade receivable which amount to ₹78.22 lakhs. The company has overstated debtors in the books of accounts to that extent beside overstating the profit.(Previous year ₹78.22 lakhs)
- 6) Reference may be made to Para 3 of Note No. 19 to financial statements regarding execution of ERP implementation project for Assam Engineering College. The company so far had recognized Project expenses and its corresponding income to the tune of ₹240.84 lakhs and ₹247.28 lakhs respectively. However, invoices raised by the vendors/ service providers against the goods supplied and work accomplished as per milestones subscribed in proposal accepted by client to ₹213.11 lakhs (inclusive of taxes) only in 2013-14, against which a work-in-progress of ₹67.10 lakhs was booked during 2013-14. The company has not been able to provide satisfactory reply for not recognising proportionate expenses and income to the extent of project executed till date.

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

- 7) Reference may be made to Sub Note II of Note 28 to Financial Statements wherein company has shown work-in-progress of ₹56.97 lakhs against training projects which have been completed in all respects in the year under audit. The non-booking of income and its corresponding expenditure has resulted in understatement of income by ₹131.05 lakhs (net of service tax) and expenditure by ₹122.66 lakhs. Further, this has resulted in overstatement of Work-in-progress and advances from client by ₹56.97 lakhs and ₹77.79 lakhs respectively; and understatement of Trade receivables and Trade payables by ₹53.25 lakhs and ₹65.69 lakhs respectively.
- 8) Other Current liabilities shown in Note No 8 to Financial Statements include Advance received against project of ₹59.98 lakhs (net off service tax of ₹9.66 lakhs) received on account of Training project against which work of ₹73.95 lakhs has been accomplished by the service provider as per the milestones stated in work order issued by company to the service provider. The company has not provided satisfactory reply for not recording the liability of the vendor as per the milestones achieved. To the extent of ₹73.95 lakhs, the work-in-progress, Trade payables and its corresponding income are understated.
- 9) Advances received against projects includes ₹410.20 lakhs (Pervious Year ₹405.78) outstanding for a period of more than five years, have not been confirmed. In our opinion, liability towards this amount has ceased as the projects have already been completed. This has resulted in overstatement of liabilities to the extent of ₹410.20 lakhs and understatement of income.

- 10) Provisions include ₹300.79 lakhs (Previous Year ₹141.93 lakhs) payable for a period of more than 3 years. The management has not been able to provide a satisfactory reply for non-settlement of the same. In absence of satisfactory reply, it is opined that liabilities are overstated by ₹300.79 lakhs and profit of the company is overstated.

Opinion

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

- In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- In the case of statement of Profit and Loss, of the Profit for the period ended on that date, and;
- In the case of cash flow statement, of the cash flow for the period ended on that date.

Emphasis of matter

- Attention is invited to Sub Note XIV of Note no. 28 to Financial Statements, wherein management has stated that there has been no indication of impairment to fixed assets of the company during the year under audit. We are unable to express any opinion about this perception in the absence of Accounting Policy on Impairment of Assets of Company.
- Attention is drawn to Sub Note I of Note no. 29 to financial statements, wherein company has disclosed details of payments made to Ex-CMD of the company including payment towards Medical treatment of dependent of ₹12 lakhs. Govt. Audit Party of CAG has raised issue of irregular payment to the tune of ₹14.88 lakhs on account of the same vide Half margin dated 19.05.2015. The company is yet to furnish a reply and in absence of same, no comments can be made by us.
- Attention is drawn to Sub Note 5 of Note 30 to the financial statements, wherein the company has shown the contingent liability of Service Tax of ₹101.32 lakhs on the basis of show cause notices issued by the Commissioner of Service Tax for Financial Years 2007-08 to 2012-13.
- Attention is drawn to Sub Note XI of Note 28 to financial statements wherein relaxation has been withdrawn by the Regional Provident Fund Commissioner on 27th December, 2010. EdCIL submitted the request letter to RPFC against such withdrawal of exemption on 19th July, 2012. Trust has filed a fresh application for exemption of EPF Trust under section 17(2) of EPF & MP Act, 1952 on 17.09.2013. Regional Provident Fund Commissioner (North Delhi) has recommended under section 17(2B) of EPF & MP Act, 1952 for the grant of exemption to O/o ACC (DL & UK) vide its letter no. E/DL/9088/DLI/Ex/811 dated on 09.07.2015 for extension till 31.01.2018. The matter for grant for exemption to the Trust is with retrospective effect under progress and books of accounts are prepared on going concern basis by the Provident fund Trust.
- Attention is drawn to the Note No. 14 wherein company has shown work in progress of ₹233.80 lakhs which is subject to certification.
- Attention is drawn towards the matter of TDS/Traces Outstanding liabilities to the tune of ₹222.81 lakhs from 2007-2008 to 2015-2016.
- 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 28 Sub Note VI to Notes to Account). The financial impact of this non-compliance, if any, could not be determined.
- Attention is drawn to the Note No. 4 wherein company has unutilized CSR fund to the tune ₹5.95 lakhs carried forward from Financial Year 2014-2015 which is utilized during the year under audit.

- 9) Loans and Advances includes a sum of ₹35.37 lakhs paid towards development of software outstanding of a period more than six years. As neither the software has been developed nor there is probability of returning the advance, the same has increased Loans and Advance as well as provision as at 31.03.2016 to that extent. Further an amount of ₹14.09 lakhs has been grouped under "Other Non-Current Assets" which is doubtful in nature and 100% provided in books of accounts resulting in enhanced "Other Non-Current Assets" and "provision for doubtful advances" to that extent.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we enclose in the **Annexure A**, a statement on the matters specified in paragraph 3 and 4 of the said Order to the extent applicable, on the basis of such checks of the books and records of the company as We considered appropriate and according to the information and explanation given to us.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The reports on the accounts of the branch offices of the Company, which are required to be audited under Section 143(8) of the Act are audited by us.
 - d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Company (Accounts) Rules, 2014 except in the case of:-
 - (i) Accounting Standard-15 (Employees Benefit) on points covered in Basis of Qualified Opinion at para 2 and 3;
 - (ii) Accounting Standard-5 (Prior-Period Items) on points covered in Basis of Qualified Opinion at para 6;
 - (iii) Accounting Standard-9 (Revenue Recognition) on points covered in Basis of Qualified Opinion at para 7 and 8;
 - f) In compliance to requirements of clause (f) of subsection (3) of section 143 of the Companies Act, 2013, we are of the opinion that observation at para 6 in Basis of Qualification stated above might have adverse effect on financials of the company.
 - g) Being a Government Company, section 164(2) pertaining to disqualification of directors is not applicable to the Company.
 - h) In compliance to requirements of clause (h) of subsection (3) of section 143 of the Companies Act, 2013, we are of the opinion that observations at para 6,7,8,9 and 10 in Basis of Qualification stated above might have adverse effect in relation to maintenance of accounts and other matter connected therewith.
 - i) The adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls has been reported by way of **Annexure -B**
 - j) In our opinion and to the best of our information and according to the explanation given to us, we report as under with respect to others matter to be included in the auditor's report in accordance with Rule 11 of the companies(Audit and Auditors) Rules,2014:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note No. 30 of Financial Statement;

- ii. The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred by the company to the investor Education and Protection Fund.
3. As per Directions issued by CAG of India under section 143(5) of the Companies Act 2013, we report that:
- i. The company has one land on leasehold for 90 years with New Okhla Industrial Development Authority lease title of which is registered in the name of the company.
 - ii. There is no case of waiver / write off / loans / interest etc., hence no reporting is required.
 - iii. The company does not have any inventory during the reporting period lying with third parties. Company has not received any assets as gift/grant(s) from Government or other authorities.

FOR SHIV & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG.NO. 009989N

Sd/-
S.P. CHATURVEDI
(Partner)
Membership no.: 085084

PLACE: NEW DELHI
DATED: 19.07.2016

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report of even date on the accounts of EdCIL (India) Limited for the period ended 31st March 2016, we report that:

The matters contained in paragraph 3 of the Companies (Auditor's Report) Order, 2016, are as follows:

- i) (a) The Company has maintained proper records showing full particulars, including Quantitative details and situation of fixed assets;
- (b) Physical verification at the year ended 31.03.2016 has not been done by the management. Discrepancies observed on the verification made on 31.03.2015 have not been rectified so far.
- (c) Company has taken land on leasehold from the Okhla Industrial Development Authority title of which is in name of the company.
- ii) Physical verification of Inventory at the year ended 31.03.2016 has not been done by the management.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In view of above, sub clause (a), (b) and (c) is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the company has not dealt with any loans, investments, guarantees, and security under section 185 and 186 of the Companies Act, 2013 during the period of audit. Therefore the reporting under the clause is not applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public as per provisions of Section 73 to 76 of Companies Act, 2013 and Company (Acceptance of Deposits) Rules, 2014, therefore the reporting under the clause is not applicable.
- vi) As per the provision of sub section (1) of section 148 of the Companies Act, 2013 maintenance of cost records prescribed by the Central Government is not applicable to the company, therefore the reporting under the clause is not applicable.
- vii) (a) According to the records, the company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales-tax, service tax, Value added Tax and other statutory dues applicable over the company. However duty of Customs, duty of Excise, and Cess are not applicable to the company.

Further there are no arrears of outstanding statutory dues as at the last date of the reporting period concerned for a period of more than six months from the date they became due.
- (b) According to the information and explanations given to us, there are no amounts payable in respect of income tax or sales tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute, therefore reporting of amounts involved and forum where dispute is pending is not applicable.
- viii) The company has no loan or borrowings during the period of audit. Hence the default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders is not applicable; therefore the reporting under the clause is not applicable.
- ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the period of audit; therefore reporting under the clause is not applicable.
- x) As per our information no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the Exemption Notification dated 05th June 2015 issued by Ministry of Corporate Affairs Section 197 of Companies Act, 2013 regarding managerial remuneration is not applicable to the Government Company hence reporting under this clause is not applicable.

- xii) The company is not a Nidhi Company and therefore the reporting clause is not applicable.
- xiii) Yes, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv) No, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period of audit under review and therefore the reporting under the clause is not applicable.
- xv) No, the company has not entered into any non-cash transactions with directors or persons connected with him and therefore the reporting under the clause is not applicable.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore the reporting under the clause is not applicable.

PLACE: NEW DELHI
DATED: 19.07.2016

FOR SHIV & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 009989N

S.P. CHATURVEDI
(Partner)
Membership No. 085084

ANNEXURE 2 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of "EdCIL (INDIA) LIMITED" on the accounts for the year ended 31st March 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of "EdCIL (INDIA) LIMITED" ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

PLACE: NEW DELHI
DATED: 19.07.2016

FOR SHIV & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 009989N

S.P. CHATURVEDI
(Partner)
Membership No. 085084

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF EdCIL (INDIA) LIMITED FOR THE YEAR ENDED 31st MARCH 2016

The preparation of financial statements of **EdCIL (INDIA) Limited** for the year ended 31st March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **19.07. 2016**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of **EdCIL (INDIA) Limited** for the year ended 31st March 2016. This supplementary audit has been carried out independently without access to the papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:-

I. STATEMENT OF PROFIT AND LOSS

Revenue from operations (Note No. 19)- ₹17028.17 lakhs

- (a) The Company recognised 97 *per cent* of the project cost as revenue (₹88.29 crores) from eight projects on completion of second stage i.e., conduct of online examination against its accounting policy which provides for recognition of 80 *per cent* of project cost as revenue being advance received from client on completion of second stage (on the basis of stage completion method within the framework of the agreement with the client). Thus, the revenue recognition was in contravention to its existing policy for revenue recognition as well as Accounting Standard-9. This resulted in overstatement of revenue from operations and profit by ₹15.47 crores.
- (b) The Company accounted for expenditure of ₹53.03 crores i.e., 100 *per cent* of the amount of bill raised by the vendor on completion of online examination but before completion of the merit list in respect of above referred eight projects which was in violation of the matching principle. As per the accounting policy, the Company should have accounted for revenue as well as expenditure upto 80 *per cent* of the project cost. The remaining 20 *per cent* of bill raised by the vendor should have been accounted for under work in progress.
This resulted in overstatement of expenditure, understatement of profit and work in progress each by ₹10.61 crores respectively. Further, this also resulted in overstatement of Trade Creditors by ₹13.26 crores (i.e. 100 *per cent* less 75 *per cent*) and understatement of provision for expenses by ₹2.65 crores (five *per cent* of the amount of bill raised by TCS) due to accounting of the amount of bill in violation of the terms of the contract.
- (c). The Company accounted for ₹0.22 crores (income ₹0.19 crores *plus* service tax ₹0.03 crores) out of advance of ₹0.39 crores received for conducting written test which was subsequently cancelled by the Paradeep Port Trust (PPT). This resulted in overstatement of income from operations by ₹0.19 crores as well as service tax by ₹0.03 crores and understatement of liability for refund of advance to the PPT by ₹0.22 crores.

II. BALANCE SHEET

Trade Receivables (Note-15)

Allowances for doubtful debts/Advances

- (a) Against the trade receivables of ₹1.15 crores (₹0.78 crores for more than six years and ₹0.37 crores for five years to six years) outstanding as on 31st March 2016, the Company made provision of ₹0.96 crores in contravention of its own accounting policy for doubtful debts.

This resulted in understatement of allowances for doubtful debts and overstatement of profit by ₹0.19 crores.

- (b) Loans and advances of ₹0.71 crores were outstanding for a period from five years to twelve years. However, the Company made provision for ₹0.49 crores only. Since remaining amount of ₹0.22 crores was pending for more than five years, provision for the same should have also been made. This resulted in understatement of allowances for doubtful advances and overstatement of Long term loans and advances as well as profit by ₹0.22 crores.

III. Disclosures

- (a) The Company followed new accounting policy on Revenue Recognition which stipulates that 'The income from online testing activities will be booked on the basis of stage completion of dispatch of admit cards (26 *per cent*), conduct of examination (71 *per cent*) and final submission of result (3 *per cent*)'. This policy has a material effect on the revenue recognized during the financial year 2015-16. However, this accounting policy was neither approved by the Board of Directors nor disclosed in the financial statements.
- (b) Para 66 of Accounting Standard - 29 Provisions. Contingent liabilities and Contingent Assets stipulates that "For each class of provision, an enterprise should disclose:
- (i) the carrying amount at the beginning and end of the period;
 - (ii) additional provisions made in the period, including increases to existing provisions;
 - (iii) amounts used (i.e. incurred and charged against the provision) during the period; and
 - (iv) unused amounts reversed during the period."

The above disclosure was not made by the Company.

- (c) As per Accounting Standard - 15 an enterprise should disclose the following information that enables users of financial statements to evaluate the nature of its defined benefit plans and the financial effects of changes in those plans during the period: (a) a reconciliation of the opening and closing balances of the present value of the defined benefit obligation; (b) a reconciliation of the opening and closing balances of the present value of the fair value of plan assets; (c) Expenses recognized in the statement of profit and loss-interest cost and service cost, etc. and (d) Actuarial assumptions and methods.

The Company did not disclose the above information in respect of gratuity, earned leave and sick leave.

Further, the Company had provided the liability towards LTC on actuarial basis {Note no 28(VII)} but had not framed accounting policy for creating LTC liability despite assurance given during the previous year.

- (d) In terms of policy on revenue recognition, the Company has to recognize revenue as per contract with the client, which provides for recognition of 80 per cent of project cost as income from testing on completion of second stage. Due to some technical snag in conducting the exams, the Company had accounted for 60 *per cent* revenue (₹10.09 lakhs in respect of Airport Authority of India) and 70 *per cent* revenue (₹31.43 lakhs in respect of CPWD) against its above stated policy. However, this vital information along with reasons for deviation from accounting policy were not disclosed.

IV. Comments on Auditor's report

Standard on Auditing (SA-505) on External Confirmations deals with the auditor's use of external confirmation procedures to obtain audit evidence in accordance with the requirements of SA 330 and SA 500. SA 501 deals with obtaining sufficient appropriate audit evidence from such inquiries.

The Management/Statutory Auditors had sent letters for balance confirmation to Sundry Debtors/Trade Receivables only for ₹52.76 crores out of ₹70.85 crores as on 31st March 2016. Thus, the Management/Auditors did not confirm the balances with all the parties.

V. Other Comments**Classification****Balance Sheet****(a). Other Long Term Liabilities - ₹1181.99 lakhs****Other Current Liabilities - ₹6607.36 lakhs**

The Company had classified ₹7.92 crores out of total advances of ₹54.83 crores under Other Long term Liabilities. Many of these advances had become due for adjustment or were approved for refund but were continued to be shown under "Other Long Term Liabilities" instead of classifying these under "Other Current Liabilities". In the absence of correct bifurcation, audit was unable to comment on the correctness of classification of liabilities into current and non-current.

(b). Other Non Current Assets (Note 13)**Advance to supplier and others ₹25.22 lakhs**

Advance to suppliers and others amounting to ₹0.25 crores shown under Other Non-Current Assets were in the nature of Loan and Advances, therefore, these should have been shown under Long Term Loans and Advances. This resulted in Overstatement of Other Non-Current Assets and corresponding understatement of Long Term Loan and Advances by ₹0.25 crores.

(c). Short Term Loan and Advances (Note 17)**Income Tax Refund Receivable ₹386.23 lakhs**

The Company depicted Income Tax Refund Receivable of ₹3.86 crores under Short Term Loan and Advances instead of Other Current Assets.

This resulted in overstatement of Short Term Loan and Advances and corresponding understatement of Other Current Assets by ₹3.86 crores.

(d). Other Long term liabilities - ₹1181.99 lakhs**Other Current Liabilities - ₹6607.36 lakhs**

The bifurcation of ₹7.14 crores on account of Security deposits, EMD and retention money into current and noncurrent liabilities was not done on the basis of due dates. In view of this, audit was unable to comment upon the correctness of bifurcation of liabilities into current and non-current.

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

Place: New Delhi

Date: 23.09.2016



(Nandana Munshi)

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

REPLY TO THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Audit Note No.	Particulars	Management Reply												
I.	STATEMENT OF PROFIT AND LOSS Revenue from operations (Note No. 19) ₹17,028.17 lakhs (a) The Company recognised 97 percent of the project cost as revenue (₹88.29 crores) from eight projects on completion of second stage i.e. conduct of online examination against its accounting policy which provides for recognition of 80 per cent of project cost as revenue being advance received from client on completion of second stage (on the basis of stage completion method within the framework of the agreement with the client). Thus, the revenue recognition was in contravention to its existing policy for revenue recognition as well as Accounting Standard-9. This resulted in overstatement of revenue from operations and profit by ₹15.47 crores.	(a) During the financial year 2015-16, the company had entered into a new technology based on-line examination product. The company did not have any experience of on-line examination of its own in past. The nature of expenditure and periodicity of expenses were entirely different in an on-line examination system as compared to off line examination system. The profit margin in both the system is entirely different. Based on the experience gathered during the 2015-16, the effort associated with the on line examination has been worked out on estimated basis and a detailed evaluation had been framed by the Company during the year based on stage completion in accordance with AS-9 as follows: <table border="1"> <thead> <tr> <th>Stage</th><th>Particulars</th><th>%age Revenue to be recognised as per AS-9 read with AS-7</th></tr> </thead> <tbody> <tr> <td>I</td><td>Pre-examination Activity till the despatch of admit card</td><td>26%</td></tr> <tr> <td>II</td><td>Conduct of Examination</td><td>71%</td></tr> <tr> <td>III</td><td>Declaration of Result</td><td>3%</td></tr> </tbody> </table> <p>In the on-line examination process, almost all the services have been provided to the client by use of technology and generation of result is mere formality (click of a button) which is ready automatically by the system immediately on completion of the examination. As substantial part of services is already provided to the client and mere publishing of the result is delayed which is otherwise available for publication, the substantial part of revenue is recognized in the books of accounts. This new income recognition policy was approved by Senior management on 28.3.16 but inadvertently could not be placed before the Board for further approval. The Company has explained to the Audit that the relevant approval would be obtained in due course and hence application of income recognition as per the old policy pertaining to manual system (80%) may not be relevant.</p>	Stage	Particulars	%age Revenue to be recognised as per AS-9 read with AS-7	I	Pre-examination Activity till the despatch of admit card	26%	II	Conduct of Examination	71%	III	Declaration of Result	3%
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	<p>(b) The Company accounted for expenditure of ₹53.03 crores i.e. 100 percent of the amount of bill raised by the vendor on completion of online examination but before completion of the merit list in respect of above referred eight projects which was in violation of the matching principle. As per the accounting policy, the Company should have accounted for revenue as well as expenditure upto 80 per cent of the project cost. The remaining 20 per cent of bill raised by the vendor should have been accounted for under work in progress. This resulted in overstatement of expenditure, understatement of profit and work in progress each by ₹10.61 cores respectively. Further, this also resulted in overstatement of Trade Creditors by ₹13.26 cores (i.e. 100 per cent less 75 per cent) and understatement of provision for expenses by ₹2.65 crores (five per cent of the amount of bill raised by TCS) due to accounting of the amount of bill in violation of the terms of the contract.</p>	<p>(b) As brought out, in the on-line examination process, almost all the services are provided to the client by use of technology and generation of result is a mere formality which is ready automatically by the system immediately on completion of the examination. From the TCS side all activities were completed except declaration of results which was a mere formality. As per matching principle 97% corresponding to our new policy of expenditure is to be booked.. However, as per the Principle of Doctrine of Conservatism, 100% expenditure has been booked on the basis of bills submitted by TCS. The stage of payment for the Service provider has been decided based on commercial consideration as per negotiation held during Service provider selection.</p>
	<p>(c) The Company accounted for ₹0.22 crores (income ₹0.19 crores plus service tax ₹0.03 crores) out of advance of ₹0.39 crores received for conducting written test which was subsequently cancelled by Paradeep Port Trust (PPT). This resulted in overstatement of income from operations by ₹0.19 crores as well as service tax by ₹0.03 crores and understatement of liability for refund of advance to the PPT by ₹0.22 crores.</p>	<p>(c) PPT, a Govt. Entity, had cancelled the examination order after some preliminary expenses were already incurred by the company. Accordingly, the company had a conveyed a decision to recover all the "sunk" costs from the advance received. The matter is under correspondence PPT. The related negotiation with the client is going on. As the company has incurred expenditure up to the stage of pre examination, there was no question of refund of entire amount to the client. Hence, appropriate amount has been recognised as revenue as per the AS-9 issued by ICAI.</p>
II.	<p>Balance Sheet Trade Receivables (Note: 15) Allowances for doubtful debts/Advances a) Against Trade Receivables of ₹1.15 crores (₹0.78 crores for More than 6 years and ₹0.37 crores for five years to six years) outstanding as on 31st March 2016, the Company made provision of ₹0.96 crores in contravention of its own accounting policy for doubtful debts. This has resulted in understatement of allowances for doubtful debts and overstatement of profit by ₹0.19 crores.</p>	<p>a) The amount of Sundry Debtor recoverable to the tune of ₹0.19 crores pertain to 31.3.11 and has just attained 5 years and as such no provision was made in the Financial Year 2015-16 and will be made in the year 2016-17 if the same is not realised.</p>
	<p>b) Loans and Advances of ₹0.71 crores were outstanding for a period from five years to twelve years. However, the Company made provision for ₹0.49 crores only. Since remaining amount of ₹0.22 crores was pending more than five years, provision for the same should have also been made. This resulted in understatement of allowances for doubtful advances and overstatement of Long Term Loans and advances as well as profit by ₹0.22 crores.</p>	<p>b) The balances under Loans & Advances recoverable include TDS refundable for the previous financial years and refunds from NIFT which is under litigation and a case from where Utilization Certificate is awaited from NCERT. Efforts are being made to again take up the issues with relevant authorities. Hence no provision is yet made. The position will be reviewed from time to time.</p>

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III.	Disclosures	
	<p>a) The Company followed new accounting policy on Revenue Recognition which stipulates that 'The income from online testing activities will be booked on the basis of stage completion of dispatch of admit cards (26 per cent), conduct of examination (71 per cent) and final submission of result (3 per cent). This policy has a material effect on the revenue recognized during the financial year 2015-16. However, this accounting policy was neither approved by the Board of Directors nor disclosed in the Financial Statements.</p>	<p>(a) During the FY 2015-16, the company had entered into a new technology based on-line examination product. Based on the experience gathered for the conduct of exams during 2015-16 and the cost associated there with, the stage completion as evaluated by the management has been arrived at as per AS-9. However, as brought out, the matter will be placed before BOD for necessary approval.</p>
	<p>b) Para 66 of Accounting Standard- 29 Provisions, Contingent Liabilities and Contingent Assets stipulates that " For each class of provision, an enterprise should disclose:</p> <p>(i) The carrying amount at the beginning and end of the period;</p> <p>(ii) Additional provisions made in the period, including increase to existing provisions;</p> <p>(iii) Amount used (i.e. incurred and charged against the provision) during the period; and</p> <p>(iv) Unused amounts reversed during the period."</p> <p>The above disclosure was not made by the Company.</p>	<p>(b) The matter is noted for future compliance.</p>
	<p>(c) As per Accounting Standard-15 an enterprise should disclose the following information that enables users of financial statements to evaluate the nature of its defined benefit plans and financial effects of changes in those plans during the period:</p> <p>(a) a reconciliation of the opening and closing balances of the present value of defined benefit obligation;</p> <p>(b) a reconciliation of the opening and closing balances of the present value of the fair value of plan assets;</p> <p>(c) Expenses recognized in the statement of profit and loss- interest cost and service cost etc. and</p> <p>(d) Actuarial assumptions and methods.</p> <p>The Company did not disclose the above information in respect of gratuity, earned leave and sick leave. Further, the Company had provided the liability towards LTC on actuarial basis {Note no. 28 (VII)} but had not framed accounting policy for creating LTC Liability despite assurance given during the previous year.</p>	<p>(c) The matter is noted for future compliance.</p>
	<p>(d) In terms of policy on revenue recognition, the Company has to recognize revenue as per contract with the client, which provides for recognition of 80 per cent of project cost as income from testing on completion of second stage. Due to some technical snag in conducting the exams, the Company has accounted for 60 per cent revenue (₹10.09 lakhs) in respect of Airport Authority of India and 70 percent revenue (₹31.43 lakhs in respect of CPWD) against its above stated policy. However, this vital information along with reasons for deviation from accounting policy were not disclosed.</p>	<p>(d) The on-line examination for Departmental Examination of AAI for the post of Junior Executive (Electronics). Before finalization of annual accounts, there were some snags in the conduct of examination on certain issues. At that point in time, there was no clarity on the further effort that would be required to complete the project. Thus, the revenue was recognised on the basis of corresponding expenditure booked in this regard, which is 60% of the total cost considering the principle of doctrine of conservatism.</p>

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		<p>The on-line examination for Limited Departmental Competitive Examination of CPWD for the post of AE (Civil & Electrical) and JE (Civil & Electrical) were re-conducted on 16th and 17th February, 2016. Before finalization of annual accounts, a communication was received from CPWD wherein it was informed that the matter pertaining to AE (Civil & electrical) had been sub-judice in CAT of Guwahati Bench as there were some technical snag in this project. Keeping in view the employees going to CAT, it was felt that there might be possibilities of extra effort being required in completing the project, pending decision of the bench. Thus, the revenue was conservatively recognised on the basis of advance received till that stage and corresponding expenditure booked in this regard, which is 70% of the total cost.</p> <p>The revenue recognition in respect of these two projects have been made on the basis of stage completion and to the extent of amount received.</p>
IV.	<p>Comments on Auditor's Report Standard on Auditing (SA-505)</p> <p>on External Confirmations deals with auditor's use of external confirmation procedures to obtain audit evidence in accordance with the requirements of SA 330 and SA 500. SA 501 deals with obtaining sufficient appropriate audit evidence from such inquiries. The Management/ Statutory Auditors had sent letters for balance confirmation to Sundry Debtors/ Trade Receivables only for ₹52.76 crores out of ₹70.85 crores as on 31st March 2016. Thus, the Management/ Auditors did not confirm balances with all the parties.</p>	<p>As per the standard practice adopted on most PSUs, the company had sent the confirmation letters to majority of the debtors / creditors via speed post as per Acceptable Auditing Practices. The remaining debtors are mostly for on-going projects under various schemes of MHRD where utilization certificates are being provided on yearly basis. Moreover, all the debtors of the company are of Govt. departments.</p> <p>However, similar confirmation letters would also be issued to even such clients in future.</p>
V.	<p>Other Comments, Classification Balance Sheet</p> <p>(a) Other Long Term Liabilities ₹1181.99 lakhs Other Current Liabilities ₹6607.36 lakhs</p> <p>The Company had classified ₹7.92 crores out of total advances of ₹54.83 crores under Other Long term Liabilities. Many of these advances had become due for adjustment or were approved for refund but were continued to be shown under "Other Long Term Liabilities" instead of classifying these under "Other Current Liabilities".</p> <p>In the absence of correct bifurcation, audit was unable to comment on the correctness of classification of liabilities into current and non-current.</p>	<p>The following are submitted:</p> <p>(a) As the Company is expecting some more assignments from these clients as such it has been continued to be disclosed under other long term liabilities instead of current liabilities because the same was due for more than 1 year. If the same is due within one year from the balance sheet date only then this will be shown under the broad head "Current Liabilities"</p>
	<p>(b) Other Non Current Assets (Note-13) Advance to suppliers and others ₹25.22 lakhs</p> <p>Advance to suppliers and others amounting to ₹0.25 crores shown under Other Non-Current Assets were in the nature of Loans and Advances, therefore, these should have been shown under Long Term Loans and Advances.</p> <p>This resulted in overstatement of other non-current assets and corresponding understatement of long term loans and advances by ₹0.25 crores.</p>	<p>(b) Noted for compliance</p>

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	<p>(c) Short Term Loan and Advance (Note 17) Income Tax Refund Receivable ₹386.23 lakhs The Company depicted Income Tax Refund Receivable of ₹3.86 crores under Short Term Loan and Advances instead of Other Current Assets. This resulted in overstatement of Short Term Loan and Advances and corresponding understatement of Other Current Assets by ₹3.86 crores.</p>	<p>(c) Income tax refund receivable of ₹386.23 lakhs has correctly been shown under the head "Short term loans and advances" as the amount is expected to be received from the Income tax department in short time.</p>
	<p>(d) Other Long term Liabilities- ₹1181.99 lakhs Other Current Liabilities- ₹6607.36 lakhs The bifurcation of ₹7.14 core on account of Security Deposit, EMD and retention money into Current and Non-Current liabilities was not done on the basis of due dates. In view of this, audit was unable to comment upon the correctness of bifurcation of liabilities into current and non-current.</p>	<p>(d) The Security deposit, EMD, retention money wherever payable within one year from the balance sheet date has been considered as "Current Liability" and beyond one year has been considered as "Non-Current Liability" such as retention money from the construction contracts, security deposit from AMCs and suppliers in case of long term supplies</p>



EdCIL (India) Limited

(A Mini Ratna CPSE under Government of India)

EdCIL House, 18-A, Sector-16A, Noida-201 301 (INDIA)

URL : <http://www.edcilindia.co.in> EPABX : 0091-120-2512001-06 • Fax : 0091-120-2515372

E-mail : edcilsupport@edcil.co.in Exclusive website for student placement : www.educationindia4u.nic.in