

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 39th Annual Report and Audited Statement of Accounts of the Corporation, for the financial year ended 31st March 2014.

FINANCIAL HIGHLIGHTS:

The performance of the Corporation for the financial year ended 31/03/2014 is summarized below:

(₹. in Lakh)

		<i>31.03.2014</i>	<i>31.3.2013</i>
I	Total Revenue	8519.46	6596.63
II	Expenses		
a)	Employee benefit expenses	920.30	819.41
b)	Finance cost	1963.42	1170.05
c)	Depreciation and amortization expense	48.17	47.37
d)	Other expenses	1237.60	513.15
	Total Expenses	4169.50	2549.98
	Income from exceptional items	(373.92)	-
III	Profit before tax	3976.03	4046.65
	Provision for taxes	1465.46	971.16
	Profit for the period	2510.56	3075.49

PERFORMANCE REVIEW :

During the financial year ended 31.03.2014 the Corporation continued to show a steady growth and reported a turnover of ₹.8519.46 lakh as against ₹6596.63 lakh in the previous year. The Profit before Taxation stood at ₹.3976.03 lakh compared to ₹4046.65 lakh in the previous financial year. The overall business environment was found to be difficult due to various uncertainties and varying reasons. The performance during the year was improved despite overall recession and economic slow down, mainly due to exposure in lending to infrastructure and institutional sector, better Treasury operations and improved business prudence.

The Corporation continued its main activities of term lending with emphasis on qualitative lending backed with adequate security. The amount sanctioned, disbursed and recovered during the year under review is as follows:

(₹ In lakh)

	2013-14	2012-13
Sanctions	27490.69	28058.38
Disbursements	24587.52	24076.78
Recovery	15368.47	8477.88

The measures taken by the Corporation during the last few years have shown results and have helped in maintaining the Market share in spite of the depressed market conditions. The Corporation has been able to deliver sustainable performance in spite of difficult situation. The emphasis on recovery continued for overall improvement in asset quality.

The Corporation generated revenue of ₹1728.74 lakhs from Patto Plaza during year by way of ground rent, transfer fee as well as Extension fee collected based on a policy of extension framed by the Corporation. The Pay Parking Scheme is working well at Patto Plaza in terms of bringing discipline to traffic & parking.

DIVIDEND:

The Corporation has paid dividend during the last four years. The payment of dividend to the Shareholder during the current year has been retained by your directors, to ₹1/- per equity share, for the year ended 31.03.2014, subject to the approval of the members at the ensuing Annual General Meeting.

RESOURCES:

1. SHARE CAPITAL:

During the year there has been no change in the equity share capital of the Corporation. The total paid up equity share capital of the Corporation is ₹10092.48 lakh.

2. REFINANCE/LINE OF CREDIT LOAN:

The Corporation has not availed any Refinance or Line of credit during the year under review and therefore there is no outstanding towards the same.

3. BANK LOAN:

The Corporation is sanctioned overdraft facility and cash credit from bank of ₹9342.00 lakh (3150.00 lakh) against its fixed Deposit Receipts, and has utilized ₹4835.84 lakh (₹1958.50 lakh) for treasury operations and working capital management as on 31st March, 2014. Similarly, Corporation has availed term loan of ₹5000.00 lakh (Nil) from Bank of Maharashtra for financing infrastructure projects.

ACTIVITIES OF THE CORPORATION FOR 2013-14:

The overall business environment during the year was not encouraging. It was our focused approach to the situation that helped us steer clear and forge ahead, inspite of economic slow down, business uncertainties and competitive market.

Your Corporation continued with its Financing activities and the performance in terms of sanction, disbursement and recovery during the period under the review is summarized as under:

(₹ in lakh)

Financial Year	2013-14	2013-14	2013-14	
	Term Loan	CMRY/ Microfinance	Infrastructure /Inst. Loan	Total
Sanction	3583.00 (2710.00)	1907.69 (848.38)	22000.00 (24500.00)	27490.69 (28058.38)
Disbursement	1651.38 (256.49)	1493.02 (670.38)	21443.12 (23150.00)	24587.52 (24076.87)
Recovery	2800.37 (3106.10)	1297.46 (1202.48)	11270.64 (4169.30)	15368.47 (8477.88)

* Figures shown in bracket are of Financial Year 2012-13.

The Corporation achieved a total recovery of ₹15368.47 lakh (₹8477.88 lakh) of which ₹11259.13 lakh (₹6401.24 lakh) was on account of principal recovery and ₹4251.72 lakh (₹2168.77 lakh) on account of interest and balance (₹.143.13) lakh (₹93.95 lakh) towards OTS and ₹0.75 lakh (₹1.80 lakh) towards Advance against sale of unit. From the total recovery of ₹15368.47 lakh (₹8477.88 lakh) an amount of ₹11270.64 lakh (₹4169.30 lakh) was recovered from Infrastructure/Institution Term Loan, of which ₹8075.28 lakh (₹3099.39 lakh) was on account of principal and ₹3195.36 lakh (₹1069.91 lakh) on interest account. The emphasis continued on reduction of Non Performing Assets (NPA) and qualitative lending. During the year Corporation has revised the policy for the provisioning of loans in accordance with the Circular issued by RBI to all India Financial Institutions adopted by other State Financial Corporations. Due to change in the policy additional provisioning of ₹765.30 lakh has been made towards Non Performing Assets during the year. During the year Corporation had also made the provision for interest, @8% p.a. as compared to the interest @4% p.a. considered during the previous year on Land Acquisition Deposits received from various Goa Government Departments, as such financial expenses have been increased by additional ₹598.15 lakh. With above provisions and increase financial cost, and provisions made towards unsecured loans to Goa Auto Accessories Ltd. coupled with higher income tax-outflow has resulted in to lower net profit as compared to corresponding FY 2012-13.

The Microfinance department continued its efforts to expand its business with Personal Loan Scheme for Government employees and professional loan to others. The CMRY Scheme was also promoted to support beneficiaries from all over the State to generate self employment as mandated by the State Government.

The Business environment that we operate in today is extremely dynamic and requires constant upgradation of skill sets and knowledge. The employees form the most valuable assets, as they are instrumental in implementing the planned actions and schemes. The Corporation continued its policy of their development and took various steps to improve their capabilities so as to build in house Capacity. Employees were deputed to various Training programs to improve their skills and upgrade their knowledge, so that the benefit could accrue to the Corporation in future.

*** Figures shown in bracket are of Financial Year 2012-13.**

REPORT OF SUBSIDIARY COMPANIES:

During the period under review the functions and operation of the Subsidiary Companies were closely monitored. With improved performance of some of the subsidiary, the Corporation laid emphasis on dis-investment. With this policy framework, Corporation has disinvested its stake in M/s. Goa Antibiotics & Pharmaceuticals Ltd.(GAPL). 74% Equity Shares of GAPL were disinvested in favour of M/s. HLL Lifecare Ltd. (a Govt. of India Undertaking). GAPL is ceases to be a subsidiary of EDC Ltd. from 19th March, 2014.

M/s. Goa Electronics Ltd. (GEL) continued with its operations of providing software related services to the State Government. GEL has also been associated with e-governance initiatives with various departments of the State Government. The various software developed by GEL, have been implemented in different departments of the State Government. GEL has posted net loss of ₹60.00 lakh (provisional) for the current year against net profit of ₹22.77 lakh previous year on a current year turnover of ₹715.53 lakhs (provisional), against turnover of ₹623.83 lakh in the previous year.

M/s. Goa Auto Accessories Ltd. (GAAL) engaged in the auto ancillary business has been tremendously impacted by the recession in the automobile sector and was in financial distress. Various measures undertaken to augment the business and improve the capacity utilization did not yield results. GAAL posted a turnover of ₹252.40 lakhs, for the current year (provisional), against turnover of ₹546.00 lakh previous year. The net loss for the current year is ₹832.35 lakhs (provisional), against loss of ₹171.56 lakh in the pervious year. Since, the company continued to incur losses, it was decided to close its operations after offering of VRS to the employees, with approval of Government. Accordingly, operations of GAAL were closed on 10th March, 2014 after introducing VRS to the Employees with approval of Government of Goa. Out of total number of employees 30 employees (non-unionized) opted for VRS. Applications of all these employees were accepted and 24 employees are relieved. 41 employees (unionized) and 6 (non-unionized) employees who did not accept VRS were retrenched and retrenchment compensation paid.

The status on finalization of accounts of Subsidiary Companies is as under:

Sr. No.	Name of the Company	Audited up to
1	M/s. Goa Electronics Ltd.	2012-13
2	M/s. Goa Auto Accessories Ltd.	2012-13

Since the Annual Accounts of the Subsidiary Companies are yet to be adopted by the shareholders, the Directors are not in a position to attach the same with the Annual Accounts of the Corporation for the year 2013-14.

The Corporation has made disclosure u/s 212 of Companies Act, with regard to the Subsidiary Companies and annexed the same to the annual accounts.

OUTLOOK FOR THE FUTURE:

The Corporation in its endeavour to enhance the business and build good portfolio which will focus mainly to identify the changing needs of the customers and strive to fulfill these needs to their utmost satisfaction. The Corporation also continues to identify prospective entrepreneurs and nurture them to make their dreams into reality. For FY 2014-15 higher interest rate regime is likely to continue for some more time despite the Government's effort to bring down the same. This shall put a lot of pressure on the Corporation to extend loans at competitive rates to its customers.

The FY 2014-15 is expected to be challenging and encouraging as it is expected that there will be revival of Indian economy, with changes in existing economic policies, by Government of India.

Based on the performance of last year, the Corporation has set reasonable business target for the FY 2014-15. The Corporation focuses on improving the asset quality and volume of business growth while keeping customer satisfaction as its top priority.

DIRECTORS:

During the year 2013-14, the following were the Directors:

1	Shri P. Krishnamurthy, IAS	Director & Chairman
2	Shri Santosh Kenkre	Director & Vice Chairman
3	Additional Secretary (Budget)	Director
4	Shri Ninad Karpe	Director
5	Shri Victor Gomes	Director
6	Shri Sandip Bhandari	Director
7	Shri Ralph D'Sousa	Director
8	Dr. Purushottam Raya Pednekar	Director
9	Shri Kalidasan Kasi Perumal, Nominee IDBI	Director (till 20/06/13)
10	Shri Girish Joshi, Nominee IDBI	Director (from 25/6/2013)
11	Shri S.P. Bhat	Managing Director

CORPORATE GOVERNANCE:

During the year under review six Board meetings were held. The attendance of Directors at Board Meetings during the year is as below:

Sr.No.	Name of Director	No. of Board Meetings attended
1	Shri P. Krishnamurthy, IAS	6
2	Shri Santosh Kenkre	5
3	Additional Secretary (Budget)	-
4	Shri Ninad Karpe	3
5	Shri Victor Gomes	5
6	Shri Sandip Bhandari	6
7	Shri Ralph D'Sousa	5
8	Dr. Purushottam Raya Pednekar	6
9	Shri Kalidasan Perumal, IDBI (till 20/06/13)	-
10	Shri Girish Joshi, IDBI (from 25/6/2013)	5
11	Shri S.P. Bhat	6

AUDITORS:

The Comptroller and Auditor General of India has appointed M/s. Bhagwati & Bhat, Chartered Accountants, Panaji under Section 619 (2) of the Companies Act, 1956, as Statutory Auditors of your Corporation for the financial year ended 31st March 2014. No adverse observations made in the Auditor's Report.

CORPORATE GOVERNANCE REPORT:

The Corporation is committed to meet the required standards of Corporate Governance. It maintained transparency, accountability and integrity in its functioning with definite procedures and guidelines being followed. Various committees formed by Board in respect of specific areas functioned during the year, facilitating the management in having controls. The good governance practices were directed to ensure the interest of shareholders as well as of those of employees and clients in mind.

In the absence of whole time Company Secretary, a certificate from a practicing Company Secretary is obtained on the compliance provisions of Company's Act and enclosed at Annexure I.

AUDIT COMMITTEE:

During the year under review, the Audit Committee consisting of the following members continued to function.

- | | |
|--------------------------------|--|
| 1. Mr. Santosh Kenkre | : Chairman |
| 2. Mr. Sandip Bhandare | : Member |
| 3. Mr. Purushottam R. Pednekar | : Member |
| 4. Mr. V.D. Bhat | : Member (Statutory Auditor) by invitation |
| 5. Mr. Kedar R. Kenkre | : Member (Internal Auditor) by invitation |

EMPLOYMENT:

There are no employees in the Corporation who draw the remuneration above that specified in sub section 2 (A) of Section 217 of the Companies Act, 1956 read with the rules framed there under.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm:

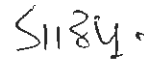
- a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year ended 31/03/2014 and of the profit of the Corporation for that year;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities; and
- d) that the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the co-operation and assistance rendered by the various Departments of the Government of Goa, as well as Central Government, and also all its bankers.

Your Directors also place on record their appreciation for the dedicated services rendered by the officers and the staff of the Corporation, for achieving the improved performance and look forward to the continuous support given by them to the Corporation and their confidence in the management.

For and on behalf of the Board of Directors



(S. P. BHAT)

Managing Director

Place : Panaji – Goa

Date : 22/8/2014



BHAGAWATHI & BHAT
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS TO THE
MEMBERS OF EDC LIMITED**

TO THE MEMBERS OF EDC LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **EDC Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

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



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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

- i) Attention is invited to notes to accounts No 30(10) in the confirmations of balances with various State Government Departments are unavailable. In view of this we are unable to comment on the same.
- ii) Details of Balances Confirmation obtained and large cases pending confirmations provided as Annexure to this report.
- iii) As on 31-3-2014 the Company is the holding company of two Subsidiaries. Accounting Standard 21 requires that the Holding Company has to present Consolidated Financial Statements, the company has not prepared the same. However company in its notes to accounts No 30(5) has made disclosure in this respect.
- iv) The Company has not appointed a whole time secretary as required by the provision of section 383(A) of the Companies Act, 1956. However, the company has obtained Compliance Certificate from a practicing Company Secretary.

Our opinion is not qualified in respect of these matters.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

e. Disclosure in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 is not required for Government Companies as per Notification No GSR 829(E) dated October 21, 2003 issued by the Department of Company Affairs.

FOR BHAGAWATHI & BHAT
CHARTERED ACCOUNTANTS
FRN 122604W

PLACE: PANJIM - GOA
DATE : 22-8-2014

CA VISHWANATH D. BHAT
PARTNER
M. No. 043798



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC LIMITED

(Referred to in Paragraph 1 under "Report on other Legal and Regulatory Requirements section of our Report of even date)

1. In respect of the Company's fixed assets:-
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As per the information provided all the fixed assets have been physically verified by the management at the year end and the differences have been properly dealt with in the books of accounts. In our opinion, the system of physical verification is reasonable having regard to the size of the Company and the nature of its assets
 - (c) In our opinion and according to the information and explanation given to us , a substantial part of the fixed assets has not been disposed off by the Company during the year..
2. In our opinion the company is financial corporation and carries on financing Activity and no inventory is involved in this business. Accordingly, the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
3. (a) The company has granted loans to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 967.82 Lakhs and the year-end balance of loans granted to such parties was Rs. 712 Lakhs.
 - (b) In our opinion, the rate of interest and other terms and conditions of such loans are prima facie, not prejudicial to the interest of the company, except for unsecured loan of Rs 622 Lakhs disbursed to M/S Goa Auto Accessories Ltd . The attention to note no 30(7) is invited in this respect
 - (c) The parties are regular in repayment of principal and interest, except in case of M/S Goa Auto Accessories Ltd a subsidiary which has Principal and Interest outstanding of Rs 17.50 Lacs and Rs 26.54 Lacs respectively for a period more than one year. *Also attention is invited to Note no 30(7) in the accounts where it has been mentioned that the terms of interest and loan repayment have not been finalized with the party.*
 - (d) The Corporation has taken all possible steps for recovery of overdue amounts.
 - (e) The company has not taken any loans from companies covered in the register maintained under section 301 of the Companies Act, 1956. As such maximum amount involved during the year was Rs. NIL and the year-end balance of loans taken from such parties was Rs. NIL.



(f) As the company has not taken any loans from company covered in the register maintained under section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions under provisions of clause 4(iii)(f) of the Companies (Auditor's Report) Order, 2003 is not applicable.

(g) As the Company has not taken any loans, provisions of clause 4(iii) (g) of the Companies (Auditor's Report) Order, 2003 is not applicable.

4. In our opinion and according to the information and explanation given to us, there exists an adequate internal control system commensurate with the size of the Company and nature of its business, with regard to purchase of inventory, fixed assets and with regard to the provision of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.

5. (a) According to the information and explanation given to us, we are of the opinion that the particulars of all contractors or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupee five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. As per the information and explanations given to us, the company has not accepted deposits from public mentioned under provisions of sections 58A and 58AA and other relevant provisions of the Companies Act, 1956, hence the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

8. The Central Government has not prescribed maintenances of cost records under clause (d) of subsection (1) of section 209 of the Act, hence the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

9. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of statutory dues:

(a) The company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor Education and Protection fund, income tax, sales tax, wealth tax, service tax and other material statutory dues applicable to it except for the following.



- (b) According to the information and explanations given to us, there are no material dues of income tax, wealth tax, sales tax, service tax, customs duty and excise duty which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanation given to us, the following dues of Service tax, Wealth Tax and Income Tax, have not been deposited by the Company on account of disputes.

Name of the statute	Nature of dues	Amt Rs	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service Tax on Extension Fees	2034540	FY 2008-09, 2009-10 & 2010-11	Appeal filed on 8-8-2014 with Commissioner of Central Excise (Appeals)
Income Tax Act, 1961	Income Tax	2349825	ASS. YEAR 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2539389	ASS. YEAR 2010-11	Commissioner of Income Tax (Appeals)

10. The company does not have accumulated losses during the year. As such the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.



15. As per the information and explanations given to us, there are no guarantees given which are outstanding as at the end of the year.
16. In our opinion and explanations provided to us, term loans have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us, the company has not made preferential allotment of shares to the parties in the register maintained under Section 301 of the Act.
19. According to the information and explanations given to us during the period covered by our audit report, the company has not issued debentures. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. According to the information and explanations given to us during the period covered by our audit report, the company has not raised money from public issue. Accordingly, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR BHAGAWATHI & BHAT
CHARTERED ACCOUNTANTS
FRN 122604W

PLACE : PANJIMI - GOA
DATE : 22-8-2014

CA VISHWANATH D. BHAT
PARTNER
M.No. 043798



Annexure to Audit Report dated 22-8-2014

EDC Limited

Sr. No.	Nature of Account	Balance as per Balance Sheet	Confirmed Balance	Unconfirmed Balance	Not Replied	Percentage of Unconfirmed Balance to total balance
1	Bank Balances	1,258,116,075.00	1,258,116,075.00	0.00	-	0.00%
2	Loans & Advances	5,470,939,234.97	4,380,636,219.62	3,452,422.00	1,086,850,593.35	0.06%
3	Secured Loans	483,584,079.00	483,584,079.00	0.00	-	0.00%
4	Unsecured Loans	-	-	-	-	-
5	Land Acquisition Award (Deposit)	1,612,971,994.56	838,504,948.71	7,336,621.00	767,130,242.85	0.45%

FOR BHAGAWATHI & BHAT
CHARTERED ACCOUNTANTS

PLACE : PANAJI - GOA

DATE : 22-8-2014

CA VISHWANATH D. BHAT

PARTNER

MEM/NO. 43798

FIRM NO. 122604W





EDC Limited
PANAJI - GOA

BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in ₹)

Sr No	PARTICULARS	Note No	As at 31st March, 2014	As at 31st March, 2013
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	1,009,248,000	1,009,248,000
	(b) Reserves and Surplus	3	2,274,136,133	2,034,887,205
			3,283,384,133	3,044,135,205
(2)	Non-Current Liabilities			
	(a) Long term borrowings	4	462,500,000	-
	(b) Deferred Tax Liabilities (Net)	5	6,324,028	7,004,836
	(c) Other Long Term Liabilities	6	117,485,982	120,156,291
	(d) Long Term Provisions	7	6,003,053	4,992,121
			592,313,063	132,153,248
(3)	Current Liabilities			
	(a) Short-Term Borrowings	8	483,584,079	195,852,030
	(b) Trade Payables	9	4,288,290	3,593,979
	(c) Other Current Liabilities	10	1,995,683,556	1,720,524,290
	(d) Short-Term Provisions	11	44,747,765	23,559,423
			2,528,303,690	1,943,529,722
	Total		6,404,000,886	5,119,818,175
II	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	12	56,058,199	57,592,970
	(ii) Intangible Assets	13	958,624	1,885,026
			57,016,823	59,477,996
	(b) Non-Current Investments	14	23,166,945	23,166,945
	(c) Long Term Loans and Advances	15	4,541,033,937	3,278,757,322
	(d) Other Non Current Assets	16	13,378,095	12,549,266
			4,634,595,800	3,373,951,529
(2)	Current Assets			
	(a) Cash and Bank Balances	17	1,258,207,677	1,269,753,746
	(b) Short-Term Loans and Advances	18	376,151,939	408,541,143
	(c) Other Current Assets	19	135,045,470	67,571,757
			1,769,405,086	1,745,866,646
	Total		6,404,000,886	5,119,818,175

See accompanying notes to the financial statements

1-30

As per our report of even date attached

For M/s Bhagawathi & Bhat

Chartered Accountants

Firm Registration No 122604W

CA. V. D. BHAT

Partner

M.No 043798



For and on behalf of the Board

P. KRISHNAMURTHY

Chairman

S. P. BHAT

Managing Director

Place : Panaji, Goa.

Date : 22nd August, 2014.

Place : Panaji, Goa.

Date : 22nd August, 2014.



EDC Limited
PANAJI - GOA

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

Sr. No.	PARTICULARS	Note No.	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
I.	Revenue from Operations	20	835,819,777	643,281,048
II.	Other Income	21	16,126,742	16,382,471
III.	Total Revenue (I + II)		851,946,519	659,663,519
IV.	Expenses:			
	Employee benefits expenses	22	92,030,054	81,941,127
	Finance costs	23	196,342,938	117,005,398
	Depreciation and amortization	12&13	4,817,312	4,737,413
	Other expenses	24	123,760,375	50,286,828
	Total Expenses		416,950,679	253,970,766
V.	Profit Before exceptional items and tax (III - IV)		434,995,840	405,692,753
VI.	Exceptional items	24A	37,392,371	1,027,500
VII.	Profit before tax		397,603,469	404,665,253
VIII.	Tax Expense:			
	(1) Current Tax		147,200,000	91,900,000
	(2) Prior period Taxes		7,652	-
	(3) Deferred Tax		(680,808)	5,196,554
	(4) Wealth tax		20,000	20,000
			146,546,844	97,116,554
IX	Profit for the year (VII-VIII)		251,056,625	307,548,699
X	Earning per Equity Share: (Rupees)			
	(1) Basic		24.88	30.47
	(2) Diluted		24.88	30.47

See accompanying notes to the financial statements

1-30

As per our report of even date attached

For M/s Bhagawathi & Bhat

Chartered Accountants

Firm Registration No 122604W

For and on behalf of the Board

CA. V. D. BHAT

Partner

M.No 043798



P. KRISHNAMURTHY

Chairman

S. P. Bhat

S. P. BHAT

Managing Director

Place : Panaji, Goa.

Date : 22nd August, 2014.

Place : Panaji, Goa.

Date : 22nd August, 2014.



EDC Limited
PANAJI - GOA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

PARTICULARS	For the year ended 31st March 2014	For the year ended 31st March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit(Loss) before tax	397,603,469	404,665,253
Adjustment for:		
Dividend Received	(5,658,939)	(6,410,890)
Depreciation and amortisation	4,817,312	4,737,413
Interest Expense	196,342,938	117,005,398
Bad debts w/off	1,449,324	7,271,155
Gratuity written back	-	(2,062,500)
Sundry Deposits written back	(2,740,309)	(991,346)
Provision/(Excess Provision Reversed) For Non Performing Assets	163,150,633	(42,485,744)
Writeback in diminution for investments	(140,997,973)	-
Provision for other expenses	21,112,371	-
Provision/(Excess Provision Reversed) For Loss On Investment	70,747,973	1,027,500
Profit on sale of Fixed Assets	(77,656)	(78,095)
Loss on sale of Fixed Assets	307,400	-
Operating Profit/(Loss) before Working Capital Changes	706,056,543	482,678,144
Adjustment for		
(Increase)/Decrease in Long Term Loans & Advances	(1,426,321,265)	(1,753,541,806)
(Increase)/Decrease in Short Term Loans & Advances	32,389,204	(27,260,031)
(Increase)/Decrease in Other Non Current Assets	(828,829)	88,879
(Increase)/Decrease in Other Current Assets	(67,473,713)	1,594,885
Increase/(Decrease) in Long Term Provisions	1,010,932	(12,661,316)
Increase/(Decrease) in Other long term liabilities	70,000	-
Increase/(Decrease) in Trade Payables	694,311	44,973
Increase/(Decrease) in Other Current Liabilities	237,659,266	97,245,561
CASH GENERATED (USED IN) FROM OPERATIONS	(516,743,551)	(1,211,810,711)
Income taxes (Paid)	(147,762,959)	(103,271,774)
Wealth Tax (Paid)/ Refund	(21,993)	929,463
NET CASH FLOW FROM OPERATING ACTIVITIES	A (664,528,503)	(1,314,153,022)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,883,978)	(2,089,147)
Proceeds from sale of fixed assets	298,095	169,075
Proceeds from sale of investments	70,250,000	-
(Investments)/Maturity in/of fixed deposits	(66,125,984)	2,188,832,460
NET CASH FLOW FROM INVESTING ACTIVITIES	B 1,538,133	2,186,912,388





EDC Limited
PANAJI - GOA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd)

(Amount in ₹)

PARTICULARS		For the year ended	For the year ended
		31st March 2014	31st March 2013
C. CASH FLOW FROM FINANCING ACTIVITIES			
Dividend Received		5,658,939	6,410,890
Dividend paid		(10,092,480)	(10,092,480)
Dividend tax paid		(1,637,253)	(1,676,235)
Interest expense		(196,342,938)	(117,005,398)
Proceeds from Long term borrowings		500,000,000	-
Proceeds/ (Repayment) in Short term borrowings		287,732,049	(679,500,324)
NET CASH FLOW FROM FINANCING ACTIVITIES	C	585,318,317	(801,863,547)
NET INCREASE IN CASH AND CASH EQUIVALENTS	[A+B+C]	(77,672,053)	70,895,819
Cash and Cash equivalents as on 1st April		89,259,511	18,363,692
Cash and Cash equivalents as at 31st March (Refer Note 17)		11,587,458	89,259,511
Reconciliation of Cash and Cash equivalents with Cash and Bank Balance			
Cash and Cash equivalents as above		11,587,458	89,259,511
Add: Fixed Deposits with original maturity more than 3 months		1,246,620,219	1,180,494,235
Cash and Bank Balance		1,258,207,677	1,269,753,746
<p>In terms of our report of even date attached For M/s Bhagawathi & Bhat Chartered Accountants Firm Registration No 122604W</p> <p align="right">For and on behalf of the Board</p> <p>CA. V.D.BHAT Partner M.No 043798</p> <p align="right">P. KRISHNAMURTHY Chairman</p> <p align="right">S. P. BHAT Managing Director</p> <p>Place: Panaji, Goa Date: 22nd August, 2014</p> <p align="right">Place: Panaji, Goa Date: 22nd August, 2014</p>			



EDC Limited

PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in the financial statements

1.1 Basis of preparation of financial statements:

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards notified under the Companies (Accounting Standard) rules, 2006 issued by the Central Government, the relevant provisions of the Companies Act, 1956 to the extent applicable and except as indicated below:

a) Interest income on non-performing loans and advances is accounted on cash basis by adopting the exemption granted to financial institutions, under circular No.G.S.R.550 (E) dated 16th May, 1989 issued by the Government of India, Ministry of Industry (Department of Company affairs)

b) In respect of appropriation of sale proceeds upon disposal of assets, taken under Section 29 of SFC's Act 1951/PMRA, the Corporation has decided first, to adjust the amount debited to other expenses, thereafter towards principal and lastly the balance, if any towards interest.

1.2 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates are recognized prospectively in the current and future periods

1.3 Fixed Assets and Depreciation

Tangible Fixed Assets

a) Tangible Fixed Assets are carried at cost of acquisition less accumulated depreciation. The cost of an item of tangible fixed asset comprises its purchase price and other non refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

b) Depreciation on assets has been provided on Straight-Line Method, at the rate prescribed by Schedule XIV to Companies Act, 1956. Depreciation, in respect of additions to and deduction from assets, has been charged on pro-rata basis, with reference to the period of use of such assets. Depreciation, in respect of assets given on lease in respect of lease transactions entered into, prior to 01.04.2001 is depreciated over the primary period of lease.

Intangible Fixed Assets

Computer Software which is subject to technical obsolescence has been classified as Intangible assets and the same is being depreciated on Straight Line Basis at the rate prescribed by Schedule XIV to Companies Act, 1956.





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd)

1.4 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

1.5 Employee Benefits

(a) The eligible employees of the Corporation are entitled to receive benefits, under the Provident Fund, a defined contribution plan in which, both the employees and the Corporation make monthly contributions, at a specified percentage of the covered employee's salary. The contributions, as specified under the law are accrued on a monthly basis and deposited with the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme.

(b) The Corporation has a Superannuation Plan for its employees, with a defined contribution plan. The plan is managed by a Trust and the funds are invested under EDC Employees Group Superannuation Scheme, with the Life Insurance Corporation of India. The contribution paid to the Life Insurance Corporation of India, during the year is charged to the Profit & Loss Account

(c) Based on actuarial valuation, provisions have been made for the different amounts in Gratuity/Leave encashment obligations as per requirements of the Accounting Standard (AS-15)

1.6 Asset Classification

Income Recognition, Asset Classification and Provisioning for Non Performing Assets has been done as per Prudential Norms pertaining to Advances with reference to such norms issued by the Reserve Bank of India.

1.7 Revenue Recognition

(a) In respect of Interest Income on loans, Revenue is recognized as per Prudential Norms issued by RBI on Income Recognition, Asset Classification and Provisioning for Non Performing Assets. In respect of others, Revenue is recognized on accrual basis as and when the right to receive the revenue is established. Revenue Recognition is postponed, when there is a significant uncertainty as to measurability or collectability.

(b) The Corporation has extended various types of loans to the employees, as per the schemes from time to time the interest on such loans is charged on accrual basis.

(c) The Corporation has given some shops/office premises and plots on lease basis and has individual lease agreements with the allottees. The rent received is recognized as income on accrual basis.

(d) Dividend income is recognised when the right to receive the payment is established.





EDC Limited **PANAJI - GOA**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd)

1.8 Income taxes

Income tax expense comprises of current tax and deferred tax charge or credit.

Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of Income tax Act, 1961 . Provision for wealth tax is determined in accordance with the wealth tax act, 1957.

Deferred tax is recognized on timing differences; being difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax asset is recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. In situations where the Company has unabsorbed depreciation or carried forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that the same can be realized against future taxable profits.

1.9 Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

1.10 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

1.11 Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount

1.12 Finance Costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

2 - SHARE CAPITAL

(Amount in ₹)

PARTICULARS	As at 31st March, 2014		As at 31st March, 2013
Authorised: 12,500,000 (Previous year 12,500,000) Equity Shares of ₹100/- each.	1,250,000,000		1,250,000,000
Issued, Subscribed and paid up 10,092,480 (Previous period 10,092,480) Equity Shares of ₹ 100/- each.	1,009,248,000		1,009,248,000
	1,009,248,000		1,009,248,000
Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:	31st March 2014		31st March 2013
	Number	Amount	Number
Equity Shares			
At the commencement of the period	10,092,480	1,009,248,000	10,092,480
Add: Shares issued	-	-	-
Less: Shares forfeited/Bought back during the	-	-	-
At the end of the period	10,092,480	1,009,248,000	10,092,480

Notes:

i) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	31st March 2014		31st March 2013	
	Number	% of Total Shares in Class	Number	% of Total Shares in Class
Equity Shares:				
Government of Goa	8,620,260	85.41%	8,620,260	85.41%
IDBI Bank Limited	1,153,220	11.43%	1,153,220	11.43%

(ii) Rights of shareholders

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of the equity shareholders are in proportion to its paid up equity share capital of the Company.





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

3 - RESERVES AND SURPLUS

(Amount in ₹)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
General Reserve		
At the commencement of the year	1,400,000	1,400,000
Add: Additions during the year	-	-
Closing balance as at the end of the year	1,400,000	1,400,000
Special Reserve (under Section 36(1) (viii) of the Income Tax Act, 1961.)		
At the commencement of the year	741,602,726	677,102,726
Add: Transfer during the year	74,000,000	64,500,000
Closing balance as at the end of the year	815,602,726	741,602,726
Capital Reserve		
At the commencement of the year	234,465,831	234,465,831
Add: Additions during the year	-	-
Closing balance as at the end of the year	234,465,831	234,465,831
Surplus (Profit and Loss Balance)		
At the commencement of the year	1,057,418,648	826,177,646
Add: Profit for the period	251,056,625	307,548,699
	1,308,475,273	1,133,726,345
Less: Appropriations		
Proposed Dividend	10,092,480	10,092,480
Tax on Proposed Dividend	1,715,217	1,715,217
Transfer to Special Reserve Under Section 36(1)(Viii)	74,000,000	64,500,000
	1,222,667,576	1,057,418,648
Total:	2,274,136,133	2,034,887,205

4 - LONG TERM BORROWING

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Term Loan from Banks - Secured	462,500,000	-
Total:	462,500,000	-
(Secured by hypothecation of loans and advances and present and future receivables pertaining to loans and advances to Govt. infrastructure projects financed out of the term loan)		
Details of term loan		
Term loan taken from Bank		
The loans are repayable in quarterly instalments of Rs.1.25 crores over a period of 10 years after a moratorium period of 1 year from disbursement. The rate of interest is the base rate which is currently 10.25% at monthly rests.	462,500,000	-

5 - DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Deferred tax liabilities		
- On account of depreciation	7,668,140	7,892,449
- On account of gratuity	-	282,159
Deferred tax assets		
- On account of gratuity	186,323	-
- On account of leave encashment	1,000,913	1,012,896
- Interest tax provision	156,876	156,876
Total:	6,324,028	7,004,836





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

6 - OTHER LONG TERM LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Conditionally Refundable Security Deposit	-	2,740,309
Unclaimed Deposit	10,000	10,000
Deposit from Borrowers	100,300,233	100,300,233
Government of Goa	16,575,749	16,575,749
Security Deposit (Rent)	600,000	530,000
Total	117,485,982	120,156,291

7 - LONG TERM PROVISIONS

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Provision for employee benefits	3,659,226	3,028,988
Other Provisions	2,343,827	1,963,133
Total	6,003,053	4,992,121

8 - SHORT TERM BORROWINGS

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Loans repayable on demand Cash, credit and overdraft facilities from bank (Secured)	483,584,079	195,852,030
Total	483,584,079	195,852,030

Explanatory Notes:

Short Term Borrowings are from Banks and are secured by pledge of the Fixed Deposits Receipts of the Corporation and repayable on demand. They rate of interest varies from 9.60% to 10.50%

9 - TRADE PAYABLES

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Payable in respect of other Services	4,288,290	3,593,979
Total	4,288,290	3,593,979





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

10 - OTHER CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Current maturities of long term debt (Refer Note 4)	37,500,000	-
Interest accrued and due on borrowings	4,354,948	-
Interest Payable on Land Acquisition Deposit	119,631,602	57,219,825
CMRY (Bridge Loan-Transport)	1,433,704	1,887,851
Govt. of Goa	897,912	897,912
D.I.T.C. Share Capital (Govt. of Goa)	135,262,736	101,607,518
Advance against Sale of Unit/Vehicle	270,750	196,250
Amounts in respect of CMRY Scheme	37,404	37,404
Earnest Money Deposit	488,450	307,350
Land Acquisition Award (Deposit)	1,612,971,995	1,469,724,573
One Time Settlement of Dues	48,424,146	62,736,931
Loan Excess Amount	639,780	521,167
Other Outstanding Liabilities	15,222,263	10,121,363
Dues to Contractors	9,178,915	12,680,902
Audit & Professional Fees Payable	247,754	397,755
Lease Rent/Ground Rent(Patto) received in advance	4,280,046	612,535
Statutory dues payable	4,841,151	1,574,954
Total	1,995,683,556	1,720,524,290

11 - SHORT TERM PROVISIONS

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Proposed equity Dividend	20,184,960	20,184,960
Tax on proposed equity dividend	3,430,434	3,352,470
Provision for wealth tax (net of advance)	20,000	21,993
Other provisions	21,112,371	-
Total	44,747,765	23,559,423





EDC Limited
PANAJI - GOA

STATEMENT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

TANGIBLE ASSETS

(Amount in ₹)

PARTICULARS	RATE OF DEP	Gross Block				Depreciation / Amortization / Diminution				Net Block	
		As at 1st April 2013	Additions during the year	Deductions during the year	As at 31st March, 2014	As at 1st April 2013	For the year	On Deductions	Upto 31st March, 2014	As at 31st March, 2014	As at 31st March
Freehold)		353,000	-	-	353,000	-	-	-	-	353,000	
js	1.63%	51,199,974	-	-	51,199,974	8,331,175	834,559	-	9,165,734	42,034,240	42,
	4.75%	3,309,688	-	-	3,309,688	1,338,527	115,900	-	1,454,427	1,855,261	1,
ditioners & Other Plants	4.75%	6,984,205	1,527,839	723,130	7,788,914	4,578,957	330,739	507,040	4,402,656	3,386,258	2,
ters	16.21%	5,527,905	53,535	25,760	5,555,680	3,921,126	755,163	25,760	4,650,529	905,151	1,
re & Fixtures	6.33%	13,142,659	33,620	115,730	13,060,549	11,856,310	824,263	101,261	12,579,312	481,237	1,
s	9.50%	9,035,595	1,058,330	1,185,184	8,908,741	3,540,479	821,720	969,507	3,392,692	5,516,049	5,
al Fittings	4.75%	773,653	-	-	773,653	117,100	36,749	-	153,849	619,804	
Equipments	4.75%	3,655,451	210,654	188,103	3,678,002	2,705,486	171,817	106,500	2,770,803	907,199	
Total		93,982,130	2,883,978	2,237,907	94,628,201	36,389,160	3,890,910	1,710,068	38,570,002	56,058,199	
Previous Year		92,573,321	2,089,147	680,338	93,982,130	33,167,507	3,811,011	589,358	36,389,160	57,	

INTANGIBLE ASSETS

PARTICULARS	RATE OF DEP	Gross Block				Depreciation / Amortization				Net Block	
		As at 1st April 2013	Additions during the year	Deductions during the year	As at 31st March, 2014	As at 1st April 2013	For the year	On Deductions	Upto 31st March, 2014	As at 31st March, 2014	As at 31st March
ter Software	16.21%	5,715,000	-	-	5,715,000	3,829,974	926,402	-	4,756,376	958,624	
Total		5,715,000	-	-	5,715,000	3,829,974	926,402	-	4,756,376	958,624	
Previous Year		5,715,000	-	-	5,715,000	2,903,572	926,402	-	3,829,974	1,88,	





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

14 - NON-CURRENT INVESTMENTS

(Amount in ₹)

(Valued at Cost unless otherwise stated)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Trade Investments (Quoted)		
Investment in Equity Instruments		
405,302 (Previous year 405,302) Equity Shares of Automobile Corporation of Goa Ltd. of ₹ 10/- each fully paid up	10,132,445	10,132,445
750,000 (Previous year 750,000) Equity Shares of Marmagao Steel Limited of ₹ 1/- each fully paid up	7,500,000	7,500,000
114,240 (Previous year 114,240) Equity Shares of IDBI Bank Limited of ₹ 10/- each fully paid up (Includes 42,840 (Previous year 42,840 as bonus shares issued on 29/3/2001)	9,282,000	9,282,000
50,000 (Previous year 50,000) Equity Shares of GKB Ophthalmics Limited ₹ 10/- each fully paid up	1,750,000	1,750,000
320,000 (Previous year Nil) Equity shares of Mitcon Limited of ₹ 10/- each fully paid up (includes 300,000 (Previous year Nil) as bonus shares issued on 21/06/2013)	80,000	-
Other Non-Current Investments (Unquoted)		
Investment in Equity Instruments		
180,000 (Previous year 180,000) Equity Shares of Goa Electronics Limited of ₹ 100/- each fully paid up	18,000,000	18,000,000
494,520 (Previous year 399,000) Equity Shares of Goa Antibiotics & Pharmaceuticals Limited of ₹ 100/- each fully paid up	46,774,044	37,222,017
259,000 (Previous year 259,000) Equity Shares of Goa Auto Accessories Limited of ₹ 100/- each fully paid up	25,900,000	25,900,000
1,569,037 (Previous year 1,569,037) Equity Shares of Info Tech Corporation of Goa Limited of ₹ 10/- each fully paid up	15,690,370	15,690,370
60,000 (Previous year 60,000) Equity Shares of Goa State Infrastructure Development Corporation Limited of ₹ 10/- each fully paid up (includes 10,000 (Previous year 10,000) as bonus shares issued on 15/04/2010)	500,000	500,000
500 (Previous year 500) Equity Shares of Goa State Co-operative Bank Limited of ₹100/- each fully paid up	50,000	50,000
NIL (Previous year 2,500) Equity Shares of Goa Metal Casters Private Limited of ₹ 100/- each fully paid up	-	250,000





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

14 - NON-CURRENT INVESTMENTS (Contd)
(Valued at Cost unless otherwise stated)

(Amount in ₹)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
750,000 (Previous year 750,000) Equity Shares of Nova Dhatu Udyog Limited of ₹ 10/- each fully paid up	7,500,000	7,500,000
1,500,000 (Previous year 1,500,000) Equity Shares of Ravish Infusion Limited of ₹ 10/- each fully paid up	15,000,000	15,000,000
Nil (Previous year 2,000) Equity Shares of Mitcon Limited of ₹ 100/- each fully paid up (Includes 1,200 (Previous year 1,200) as bonus shares issued on 28/02/2008)	-	80,000
Investment in Preference Shares		
300,000 (Previous year 30,000) 8.5% Cumulative Redeemable Preference Shares of Goa Auto Accessories Limited of ₹100/- each fully paid up	30,000,000	30,000,000
Nil (Previous year 1,503,000) 8.5% Cumulative Redeemable Preference shares of Goa Antibiotics and Pharmaceuticals Limited of ₹ 100/- each fully paid up.	-	150,300,000
15,000 (Previous year 15,000) 13.5% Redeemable Preference shares of Rodal Circaprint Electronics Limited of Rs100/- each fully paid up.	1,500,000	1,500,000
Total	189,658,859	330,656,832
Less: Provision for Diminution in Value of Investments	166,491,914	307,489,887
Net Investments	23,166,945	23,166,945
Book Value of Quoted Investments	28,744,445	28,664,445
Book Value of Unquoted Investments	160,914,414	301,992,387
Market Value of Quoted Investments	127,446,274	102,993,247





EDC Limited PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

15 - LONG TERM LOANS AND ADVANCES

(Amount in ₹)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Loans to Industrial Units , Other Units & Govt. Bodies		
Secured	4,895,044,478	3,452,768,046
Less: Provision for NPA	434,150,992	323,422,115
	4,460,893,486	3,129,345,931
Unsecured	5,092,000	6,092,000
Less: Provision for NPA	4,592,000	5,592,000
	500,000	500,000
Loans to Subsidiary Companies		
Unsecured	62,200,000	87,782,440
Secured	9,000,000	9,000,000
	71,200,000	96,782,440
Less: Provision for NPA	71,200,000	17,778,244
	-	70,004,196
<u>Staff Loans</u>		
i. Secured - Considered Good	12,278,866	12,771,379
ii. Unsecured - Considered Good	1,094,202	710,279
<u>Unsecured Considered Good</u>		
Advance recoverable in cash or kind or for value to be received	4,724,652	4,438,113
<u>Balances with Revenue Authorities (Net of Provisions)</u>		
i) Advance payment of Income Tax and Tax Deducted at Source	60,734,282	60,168,910
ii) Advance payment of Fringe Benefit Tax	364,040	374,105
Deposits with Public Bodies & Others	444,409	444,409
Total	4,541,033,937	3,278,757,322

16 - OTHER NON-CURRENT ASSETS

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Other Investments		
Interest accrued on fixed deposits	106,854	77,284
Interest accrued on staff loans	13,271,241	12,471,982
Total	13,378,095	12,549,266





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

17 - CASH AND BANK BALANCES

(Amount in ₹)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
<u>Cash and Cash Equivalents</u>		
Cash on Hand	91,602	296,197
Cheques on Hand	109,000	1,154,664
Balances with Bank		
On current accounts	11,386,856	47,808,650
On fixed deposit accounts (with original maturity of 3 months or less)	-	40,000,000
<u>Other Bank Balances</u>		
Balances with Bank		
On fixed deposit accounts -with original maturity more than 3 months	1,246,620,219	1,180,494,235
Total	1,258,207,677	1,269,753,746

18 - SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at 31st March 2014	As at 31st March 2013
<u>Secured Loans</u>		
Loans to Industrial Units	354,794,056	384,319,060
<u>Staff Loans</u>		
Secured	5,069,923	6,291,968
Unsecured	310,313	429,518
Interest Subsidy (Govt of Goa) Receivable	5,530,714	6,826,703
Lease/Ground Rent (Patto) Receivable	875,376	6,685,217
Mobilisation Advance		-
Unsecured Considered Good		
Advance recoverable in cash or kind or for value to be received	9,571,557	3,988,677
Total	376,151,939	408,541,143

19 - OTHER CURRENT ASSETS

PARTICULARS	As at 31st March 2014	As at 31st March 2013
(Unsecured considered good unless otherwise stated)		
Accrued Interest on Term Loans	98,466,868	43,172,318
Accrued Interest on Fixed Deposits	36,578,602	24,399,439
Total	135,045,470	67,571,757





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

20 - REVENUE FROM OPERATIONS

(Amount in ₹)

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
Interest Income		
Interest on Loans	483,441,683	239,231,306
Interest on Fixed Deposits (Gross)	138,339,281	289,748,016
Interest Subsidy from Government of Goa**	11,905,424	6,826,703
Interest on Ground Rent	3,343,715	1,589,490
Interest on Extension Fees	8,639,988	67,280
Lease/Ground Rent (Patto Plaza)*	22,396,169	11,247,422
Extension Fees (Patto Plaza)	60,801,935	8,185,673
Other operating income		
Recovery of Bad Debts written off	21,759,451	5,670,657
Write back of NPA Provision	-	42,485,744
Transfer fees	77,715,546	35,752,360
Other Income	7,476,585	2,476,397
Total	835,819,777	643,281,048
(*Net of reversal of excess revenue accounted in of earlier year ₹ Nil (Previous year ₹ 80,69,836))		
(** Including prior period income of Rs 24,88,275 (Previous year Rs Nil))		

21 - OTHER INCOME

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
Dividend Income		
From Trade Investments	5,658,939	6,410,890
Rent (Gross)	6,712,338	6,107,814
Nalanda Rent	937,500	731,826
Gratuity Provision written back	-	2,062,500
Sundry Deposits written back	2,740,309	991,346
Profit on sale of assets	77,656	78,095
Total	16,126,742	16,382,471





EDC Limited
PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

22 - EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
Salaries and Allowances	71,278,132	61,163,725
Contribution to Provident Fund and other Funds	14,455,250	7,338,028
Gratuity	1,443,924	1,563,524
Leave encashement*	3,530,446	10,143,900
Staff Welfare	1,322,302	1,731,950
Total	92,030,054	81,941,127
(*Includes prior period expenditure of Rs Nil (Previous year Rs 60,80,841))		

23 - FINANCE COST

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
Interest expenditure		
On Land Acquisition Deposit	119,631,602	57,219,825
On cash credit	49,496,327	59,785,573
On term loan	27,215,009	-
Total	196,342,938	117,005,398





EDC Limited PANAJI - GOA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

24 - OTHER EXPENSES

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
Rent	9,228	9,228
Repairs to Building	1,481,618	947,473
Repairs to Vehicles	357,627	283,253
Repairs to Others	2,563,965	2,583,835
Maintenance of Patta Plaza	18,327,666	27,790,910
Electricity charges	968,519	1,735,171
Insurance	198,142	202,489
Provision For Non Performing Assets	86,620,633	-
<u>Auditor's Remuneration</u>		
As auditor	101,124	101,124
For taxation matters including tax audit	28,090	28,090
Bad Debts written off	1,449,324	7,271,155
Consultancy & Professional Fees	2,952,075	3,217,340
Postage, Telegram & Telephones	905,680	743,196
Travelling & Conveyance Expenses	1,827,966	1,384,519
Loss on sale of assets/ Fixed Assets written off	307,400	-
Miscellaneous Expenses	5,661,318	3,989,045
Total	123,760,375	50,286,828

24A - EXCEPTIONAL ITEMS

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<u>Exceptional Expense</u>		
Loss on sale of investments	70,747,973	-
Provision For Diminution in Value of Investments	-	1,027,500
Provision for doubtful recovery (subsidiary company)	21,112,371	-
Donations to Chief Ministers Relief Fund	10,000,000	-
Provision For Non Performing Assets	76,530,000	-
	178,390,344	1,027,500
<u>Exceptional Income</u>		
Writeback of provision for diminution in the value of investments	140,997,973	-
Total	37,392,371	1,027,500





EDC LIMITED
PANAJI, GOA

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25. Loans and Advances

- (a) The Corporation considered 71 (Previous Year 19) cases under One Time Settlement Scheme during the year. The total amount outstanding from these units was ₹1154.56 Lakh (Previous Year ₹785.34 Lakh) The details of the amounts Outstanding, Recovered and Waived during the period, are as follows:

(₹ in lakh)

Sr. No.	Particulars	2013-14			2012-13		
		Outstanding amount	Recovered	Amount waived	Outstanding amount	Recovered	Amount waived
1.	Principal	297.72	283.23	14.49	497.04	493.41	3.63
2.	Interest	856.84	79.72	777.12	288.30	43.13	245.17
	Total	1154.56	362.95	791.61	785.34	536.54	248.80

- (b) During the year Corporation has accounted ₹90.33 Lakh (Previous Year ₹285.48 Lakh) received from sale proceeds, from disposal of assets taken under Sec.29 of SFC's Act 1951/PMRA. The details of adjustment of this amount is as follows :

(₹ in lakh)

Sr. No.	Particulars	2013-14	2012-13
1.	Principal	38.89	261.52
2.	Interest	48.44	21.28
3.	Other Expenses	3.00	2.68
	Total	90.33	285.48

(c) Assets Classifications and Provisioning:

The Corporation has been consistently following the guidelines issued by Reserve Bank of India for Prudential Norms on Income Recognition, Asset Classification and Provisioning of Loans and Advances. The provisioning of Loans and advances were made per the rates as applicable to NBFCs. During the year corporation has changed the policy for the provisioning in accordance with the guidelines issued by RBI vide Master Circular No. DBOD NO.BP.BC1/21.04.048/2013-14, dated July,1, 2013 to all India Financial Institutions, normally adopted by other state financial corporations for Prudential Norms on Income Recognition, Asset Classification and Provisioning for Loans and Advances.



The details of the Asset classifications are as under:

(₹ in lakh)

Sr. No	Classification	2013-14			2012-13		
		Amount (₹)	Percentage of Provision to be made	Provisions (₹)	Amount (₹)	Percentage of Provision to be made	Provisions (₹)
I	Standard Assets	47168.91	0.25% to 0.40%	177.20	32158.52	0.25%	80.40
II	Sub Standard	1869.75	15% to 25%	187.59	2846.77	10.00%	284.68
III	Doubtful Assets	3406.94	25.00% to 100.00%	1811.75	2036.48	20.00% to 100.00%	839.96
IV	Loss Assets	2931.70	100.00%	2922.89	2262.89	100.00%	2262.88
	Total	55377.30		5099.43	39304.61		3467.92

In respect of CMRY loans on an average 70% of the outstanding loan amount is considered as secured and no individual assessment is carried out, as the loanees are large in number. The provision is then accordingly made as applicable under various asset classes. Further, no provision is made on the DITC loan under New CMRY scheme, as the amount is funded entirely by the State Government.

Due to the change in the policy for provisioning norms for Income Recognition, Asset Classification and Provisioning, additional impact on the provisioning during the current year is to the tune of ₹765.30 Lakhs.

26. Contingent Liabilities not provided for:

(₹ in Lakhs)

Sr. No.	Particulars	2013-14	2012-13
1.	Income Tax Matters	48.89	23.49
2.	Service Tax Matters	40.88	-

1. The Corporation has provided its fixed deposits held with different bankers on lien to various bankers for working capital facilities advanced to its subsidiary and other companies. Total of such facilities sanctioned amount to ₹500.00 Lakh (Previous year ₹400.00 Lakh). As regards the fixed deposit of ₹200.00 Lakh pledged for overdraft availed by Goa Auto Accessories Ltd., provisions for total amount has been made in the accounts.
2. Provision has not been made in the accounts in respect of the following liabilities not acknowledged as debt for the reasons stated below:-
 - a) Corporation had taken over the possession of mortgaged assets in respect of Diyana Holiday Homes (Borrower), under Section 29, of State Financial Corporation Act. Subsequently, one Mr. Baptist D'Souza, had filed a civil suit against the Corporation on 25.02.2003, for a rent back installment claim of ₹600.00 per day, by way of damages until the date of removal of the seal by the Corporation. As the entire assets of the Hotel were mortgaged to the Corporation, since February 1995, Corporation does not expect any liability on this account.



- b) As per the directions of Hon'ble High Court of Bombay at Goa, an amount of ₹925.00 Lakh was deposited with the Corporation, by M/s. Falcon Retreat Pvt. Ltd., (Borrower) a unit assisted by EDC Ltd.,. Pending final disposal of the suit and as decided by the Board, Interest earned on the above Deposit amounting to ₹7,800,233.00 is provided for up to 31.03.2008. No Provision for further interest is made for the intervening period, as the matter is subjudice and EDC expects to contest this claim successfully and no liability is expected on this account.

Simultaneously M/s. L. K. Trust (Bidder) had deposited ₹1385.00 Lakh in 2005-06 towards purchase of said attached hotel unit of M/s. Falcon Retreat Pvt. Ltd. (Borrower). Considering the judgment passed by Hon'ble Supreme Court of India, the entire amount of ₹1385.00 Lakh has been refunded back to M/s. L. K. Trust in June 2011. M/s. L. K. Trust has filed a claim for interest on the above amount @18% p.a. amounting to ₹1233.00 Lakh. The Corporation has decided to reject this claim of interest. M/s L. K Trust has instituted Suit before civil court at Mapusa-Goa. The matter is subjudice. The Corporation expects to successfully defend the case and no liability is expected in this regard.

- c) The Corporation had awarded a Contract in May, 2010 of ₹920.39 Lakh for Improvement of Infrastructure at Patto Plaza, Panaji to M/s. Kanaka Infratech Ltd., Mumbai. The contract was terminated by the Corporation in view of violation of terms of contract by the contractor. The contractor M/s Kanaka Infratech Ltd., has approached the Additional District Court challenging the termination and claimed compensation of ₹10,000.00 Lakh. The Corporation expects to successfully defend the case and expects no liability on this count.

The Corporation has filed legal case against M/s. Kanaka Infratech Ltd. towards recovery of the liquidated damages, penalties as per the terms of the contract, and recovery of extra cost on account re-tendering and acceptance of tender of M/s. M.V. Rao Infra Projects (P) Ltd. and other related expenses which exceeds ₹111.00 Lakh claimed by M/s. Kanaka Infratech Ltd. for the work carried prior to the termination of the contract. Since the matter is subjudice Corporation has not accounted the claim of ₹111.00 Lakh of M/s. Kanaka Infratech Ltd.

27. D.I.T.C. SHARE CAPITAL:

The Corporation is the implementing agency for the "Share Capital Assistance to Self Employed Scheme of DITC – 2003", a Government of Goa sponsored scheme, which is made applicable to the beneficiaries of Chief Minister's Rozgar Yojana (CMRY). The CMRY Scheme, is a Government of Goa (GOG) sponsored Self Employment Scheme, for assisting educated unemployed. Under the said scheme, in addition to the term loan, the applicant is also provided "Interest Free Share Capital" contribution, which is to be repaid over a period of 5 to 10 years by the applicant. This amount is repaid by EDC, to the D.I.T.C. on recovery from the beneficiaries under the scheme, over a period of 10 years. The details of Share Capital funding are as follows:



(₹ in Lakhs)

Sr. No.	Particulars	31-03-2014
1.	Amount received from GOG up to 31 st March, 2013.	3796.01
2.	Amount received from GOG during the year 2013-14.	540.92
3.	Total (A)	4336.93
4.	Amount disbursed to units up to 31 st March, 2013.	3711.32
5.	Amount disbursed to units during the year 2013-14.	753.01
6.	Total (B)	4464.33
7.	Principal recovered from assisted units up to 31 st March, 2014.	2343.32
8.	Principal remitted to GOG up to 31 st March, 2014.	863.29
9.	Net payable to GOG (3+7) – (6+8)	1352.63

28. PATTO PLAZA PROJECT:

- (a) The Corporation had developed the land at Patto Plaza admeasuring 177,555.72 sq.mtrs. Comprising of 100,667.40 sq.mtrs. of developed plots and the balance being open space, roads etc. The plots have been allotted on Long Lease and the allottees are liable to pay annual ground rent and other charges, as specified in their lease agreement.
- (b) The Corporation has decided to form Society for the maintenance of the Patto Plaza in the Board meeting held on 08.11.2012. The Corporation has initiated to form proposed society and pending the same, expenses and income incurred as well as generated towards maintenance activities at the Patto Plaza has been accounted in the separate head of account.
- (c) The corporation had filed eviction proceedings, under Goa Public premises Act 1988, before the Estate Officer in respect of Four plots at Patto Plaza, leased out to different lessees, for violating the conditions of lease. As regards plots allotted to M/s. J. D Fernandes (Plot No 27) and EDC Employees Cooperative Housing Society Ltd (Plot No 25 B), eviction Proceedings before the Estate Officer are in progress. In respect of M/s. DLF Ltd (Plot No. 35) and M/s. Vaigai Investment Pvt. Ltd. (Plot No 13 A2) the matters are before the Estate officer. However Corporation has offered them extension of time, subject to payment of necessary extension Fees. Both the parties have made total payment of the Extension Fees.



29. Employee Benefit Plans

A) Leave Encashment

The following table set out the status of the leave encashment plan as required under AS-15 (Revised).

The Corporation has funded its leave encashment plan with Life Insurance Corporation from the current year and accordingly comparative data for previous year has not been furnished.

(Amt. in ₹)			
Sr.No.	Particulars	As on 31 st March, 2014	As on 31 st March, 2013
1.	Changes in present value of Obligation		
i)	Present value of obligations as at beginning of the year	2,83,71,728	2,39,33,443
ii)	Interest cost	22,69,738	19,14,755
iii)	Current Service Cost	6,58,266	6,60,376
iv)	Benefits paid	10,45,921	-
v)	Actuarial (gain)/loss on obligations	(31,07,462)	1,863,154
vi)	Present value of obligations as at end of year	3,33,61,273	2,83,71,728
2.	Changes in the fair value of Plans Assets		
i)	Fair value of plan assets at beginning of year	2,53,42,740	-
ii)	Expected return on plan assets	25,05,020	7,35,127
iii)	Contributions	34,74,480	2,46,07,613
iv)	Benefits paid	10,45,921	-
v)	Actuarial gain/(loss) on Plan assets	-	-
vi)	Fair value of plan assets at the end of year	3,02,76,319	2,53,42,740
3.	Fair value of Plan Assets		
i)	Fair value of plan assets at beginning of year	2,53,42,740	-
ii)	Actual return on plan assets	25,05,020	7,35,127
iii)	Contributions	34,74,480	2,46,07,613
iv)	Benefits paid	10,45,921	-
v)	Fair value of plan assets at the end of year	3,02,76,319	2,53,42,740
vi)	Funded status	30,84,954	(30,28,988)
4.	The amounts to be recognized in the Balance Sheet		
i)	Present value of obligations as at the end of year	3,33,61,273	2,83,71,728
ii)	Fair value of plan assets as at the end of the year	3,02,76,319	2,53,42,740
iii)	Net asset/(liability) recognized in balance sheet	(30,84,954)	(30,28,988)
5.	Expenses Recognized in Statement of Profit and Loss		
i)	Current Service cost	6,58,266	6,60,376
ii)	Interest cost	22,69,738	19,14,755
iii)	Expected return on plan assets	25,05,020	(7,35,127)
iv)	Net Actuarial (gain)/loss recognized in the year	(31,07,462)	18,63,154
v)	Expenses recognized in statement of Profit and Loss	35,30,446	37,03,158
Assumption		31.03.2014	31.03.2013
Discount Rate		8.00%	8.00%
Salary Escalation		7.00%	7.00%

Leave encashment debited in Profit and Loss account further includes an amount of ₹3,78,074.00 being amount paid to retired employees.



B) Gratuity

The following table sets out the status of the gratuity plan as required under AS-15 (Revised)

(Amt. in ₹)			
Sr.No.	Particulars	As on 31 st March, 2014	As on 31 st March, 2013
1.	Changes in present value of Obligation		
i)	Present value of obligations as at beginning of the year	3,91,48,444	34,518,094
ii)	Interest cost	31,31,876	27,61,448
iii)	Current Service Cost	7,87,107	806,855
iv)	Benefits paid	11,32,678	-
v)	Actuarial (gain)/loss on obligations	(10,50,577)	10,62,047
vi)	Present value of obligations as at end of year	4,29,85,326	3,91,48,444
2.	Changes in the fair value of plans assets		
i)	Fair value of plan assets at beginning of year	4,00,18,096	3,59,94,247
ii)	Expected return on plan assets	35,25,636	34,37,502
iii)	Contributions	-	5,86,347
iv)	Benefits paid	11,32,678	-
v)	Actuarial gain/(loss) on Plan assets	-	-
vi)	Fair value of plan assets at the end of year	4,24,11,054	4,00,18,096
3.	Fair value of plan assets		
i)	Fair value of plan assets at beginning of year	4,00,18,096	3,59,94,247
ii)	Actual return on plan assets	35,25,636	34,37,502
iii)	Contributions	-	5,86,347
iv)	Benefits paid	11,32,678	-
v)	Fair value of plan assets at the end of year	4,24,11,054	40,018,096
vi)	Funded status	5,74,272	869,652
4.	The amounts to be recognized in the Balance Sheet		
i)	Present value of obligations as at the end of year	4,29,85,326	3,91,48,444
ii)	Fair value of plan assets as at the end of the year	4,24,11,054	4,00,18,096
iv)	Net asset/(liability) recognized in balance sheet	(5,74,272)	8,69,652
5.	Expenses Recognized in statement of Profit and Loss		
i)	Current Service cost	7,87,107	8,06,855
ii)	Interest cost	31,31,876	2,761,448
iii)	Expected return on plan assets	35,25,636	(34,37,502)
iv)	Net Actuarial (gain)/loss recognized in the year	(10,50,577)	10,62,047
v)	Expenses recognized in statement of Profit and Loss	14,43,924	11,92,848
Assumption		31.03.2014	31.03.2013
Salary Escalation		7.00%	7.00%
Discount Rate		8.00%	8.00%

Gratuity debited in the profit and loss account includes an amount of ₹11,32,678.00 being amount paid to retired employees.



30. Others

1. Deposits & Advances includes ₹10,000.00 (Previous Year ₹10,000.00) being unclaimed Fixed Deposits from Public. No response has been received from the depositors, despite efforts from the Corporation to refund the same. Corporation has transferred the above amount to Investors Education & Protection Fund.
2. There are no expenses incurred in foreign currency or earnings in foreign exchange during the current year ₹Nil (Previous Year ₹Nil).
3. Expenditure incurred on office of Chairman/Vice Chairman in connection with the business of the Corporation:

(Amt. in ₹)				
Particulars	2013-14		2012-13	
	Chairman	Vice Chairman	Chairman	Vice Chairman
Salaries of Staff	0.00	71,500.00	0.00	141,000.00
Entertainment & Telephone	0.00	82,660.00	0.00	46,808.00
Expenditure on Car	207,036.99	61,975.50	106,068.40	23,477.50
Traveling & Conveyance	0.00	3,000.00	0.00	15,122.00
Honorarium *	190,968.00	-	-	-

* Rs.10,000/- per month w.e.f. 29/8/2012.

4. Remuneration to the Managing Director:

(Amt. in ₹)		
Particulars	2013-14	2012-13
Salaries	1,747,946.00	1,521,867.00
Perquisites	341,499.00	162,922.00

5. The annual accounts of the subsidiaries are yet to be reviewed by CAG and as such Consolidated Financial Statements as required by Accounting Standard 21, issued by ICAI are not appended herewith. Statement pursuant to Sec.212 of the Companies Act,1956 relating to subsidiary companies is annexed herewith as Annexure -A. The balance confirmation pertaining to all subsidiary companies have been confirmed as on 31.3.2014.
6. The Corporation had invested 1,503,000 shares of 8.5% Cumulative Preference Shares of ₹100/- each held by the Corporation in its subsidiary company, M/s. Goa Antibiotics and Pharmaceuticals Ltd. (GAPL). During the year, these shares were converted into Equity Shares of ₹100 each. The Corporation subsequently disinvested 74% of its total Equity Shareholding in GAPL i.e. 14,07,480 number of shares of ₹100 each amounting to ₹138,763,453.00 for a total consideration of ₹70,000,000.00 (Rupees seven cores only) in favour of M/s. HLL Life Care Ltd (HLL), (a Government of India Enterprise). Presently, the Corporation is holding 26% of Equity Shares in GAPL i.e. 494,520 Number of Equity Shares of ₹100/-each amounting to ₹48,758,564.00. Thereby GAPL ceased to be the subsidiary company of the Corporation with effect from 19th March, 2014.



7. In the current year the Corporation has extended ₹622 lakh (Previous Year ₹10.00 Lakhs) as unsecured loan to subsidiary company M/s. Goa Auto Accessories Ltd. (GAAL). The terms of sanction including interest rate shall be fixed at later stage. Being unsecured loan the amount has been treated as NPA as on date of finalization of accounts. During the year the corporation has received the approval from Finance Department, Government of Goa vide letter No. 2/12/2004-Fin (DMU)Pt., for implementation of Voluntary Retirement scheme (VRS 2013) to the employees of GAAL. Government of Goa had also directed the Corporation to take appropriate steps for closure of the manufacturing operations of GAAL soon after the implementation of VRS Scheme. Accordingly operations of GAAL have been closed since 10th March, 2014 after introducing VRS to the employees. The above unsecured loan was given for meeting the expenditure for closure and implementation of VRS Scheme are being taken for disposal of the assets/disinvestment, after due diligence, as per the directives of Govt. of Goa.
8. The Corporation is primarily engaged in carrying on financial activities where the risks and returns are similar and is in the normal course of lending activities. As such, Segmental Reporting as required under Accounting Standard 17 issued by ICAI is not applicable to the Corporation.
9. In the absence of any intimation received from parties regarding the status of their registration under "Micro, Small & Medium Enterprises Development Act 2006" the Corporation is unable to comply with the disclosures required to be made under the Act.
10. The Corporation has various amounts payable as well as receivable from various State Government Departments pertaining to past transactions. The Corporation has approached the State Government to convey their approval for adjustment of all such payables against receivables. Approval in respect of such payments is awaited.
11. The Corporation had extended the Corporate Loan amounting to ₹160.00 lakh to M/s. Vishwas Steel Ltd. against the pledge of shares. On default of repayment of the loan, the pledge has been invoked and the shares of M/s. Mega Corporation Ltd., are held by the Corporation in the Demat Account. No accounting effect has been given for the same as final decision in respect of such shares is yet to be taken.
12. Fixed Deposits with Banks include ₹360,000.00 pledged with IDBI Bank Ltd, Panaji, (Previous Year ₹ 427,148.00) for furnishing Bank Guarantee to Electricity Department of Goa for H.T. Power connection.



13. Earnings per Share:

(Amt. in ₹)

Particulars	2013-14	2012-13
Net Profit as per Profit & Loss Account	254,517,554	307,548,699
No. of shares	10,092,480	10,092,480
Earning per Share (Basic & Diluted)	25.22	30.47

14. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with Current Year's classification/disclosure. Figures are rounded off to the nearest rupee.

As per our report of even date attached

For M/s. Bhagawathi & Bhat
Chartered Accountants
FRN.122604W

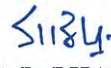
CA. V. D. BHAT
Partner
M. No. 043798

Place: Panaji - Goa
Date: 22nd August, 2014



For and on behalf of the Board


P. KRISHNAMURTHY
Chairman


S. P. BHAT
Managing Director

Place: Panaji - Goa
Date: 22nd August, 2014

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

1. Name of the Subsidiary Company	Goa Electronics Ltd (GEL)	Goa Auto Accessories Ltd. (GAAL)
2. Financial Year of the Subsidiary Company ended on	31-Mar-14	31-Mar-14
3. Date from which it became Subsidiary	10-Mar-76	24-Sep-76
4. a. Number of shares held by EDC Limited(Holding Company) with its nominees in the Subsidiary Company at the end of the financial year of the Subsidiary Company	1,80,000 equity shares of ₹.100/- each fully paid up	2,59,000 Equity shares of ₹.100/- each fully paid up 3,00,000 8.5% Cum. Redeemable Preference Shares of ₹.100/- each fully paid up
b. Extent of shareholding interest of Holding Company at the end of the Financial Year of the Subsidiary Company	100%	100%
5. The net aggregate amount of the Subsidiary Company's Profit/ (Losses) so far as it concerns the members of the Holding Company not dealt with in the Holding Company's accounts (Fig.in ₹.)		
(i) As at 31/03/2014	(20,62,92,514)	(1,87,167,362)
(ii) As at 31/03/2013	(20,02,92,514)	(1,03,640,799)
6. The Net aggregate amount of the Profit of the Subsidiary Company which has been dealt with in the accounts of the Holding Company (Fig.in ₹.)		
(i) For the Financial Year ended 31/03/2014	-	-
(ii) For the Previous Financial Year 31/03/2013	-	-
7. Material changes between the end of the Financial Year of the Subsidiary and the Holding Company's Financial Year	Not Applicable	Not Applicable

Note: The information stated at clause 5 (i) above is as reported by , GEL and GAAL are Provisional. Inview of the disinvestment of 74% of the ShareHoldings in GAPL, GAPL ceased to be the subsidiary Company of EDC LTD during the year..

For M/s. BHAGAWATHI & BHAT
Chartered Accountants
FRN.122804W

CA V. D. BHAT
Partner
M. No.043798

Place : Panaji - Goa.
Date : 22nd August, 2014



P. KRISHNAMURTHY
Chairman

Place : Panaji - Goa.
Date : 22nd August, 2014

S. P. BHAT
Managing Director