



# Standalone Financials

## 2018 - 2019



**N. S. Gokhale & Company**  
**Chartered Accountants**

104, Siddharth Darshan, Dada Patil Wadi, Dada Patil Marg, Nanpada, Thane (West) 400602  
Ph. No. 022- 25445752, 25432771; e-mail : [ns.gokhale.ca@gmail.com](mailto:ns.gokhale.ca@gmail.com)

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF EDC LIMITED**

**REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

**OPINION**

We have audited the standalone financial statements of **EDC Limited** ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2019, the Statement of Profit and Loss, Statement of changes in equity and the statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31<sup>st</sup>, 2019, and its profit, changes in equity and its cash flows for the year ended on that date.

**BASIS FOR OPINION**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**EMPHASIS OF MATTERS**

We draw attention to following Notes to the standalone financial statements:

1. Note no. 25 on Assets Classification and Provisioning of Loans and Advances.
2. Note no. 26 regarding Contingent Liabilities not provided for in the books of accounts of the company.





3. Note no. 27 in respect of Patto Plaza Project.
4. Point no. 3 of Note no. 32 on Corporate Loan extended to M/s. Vishwas Steel Ltd.

Our opinion is not qualified in respect of above matters.

#### OTHER MATTERS

1. The comparative financial statements of the Company for the corresponding year ended March 31<sup>st</sup>, 2018 were audited by another firm of Chartered Accountants who have expressed an unmodified opinion on those financial statements vide their report dated September 17<sup>th</sup>, 2018.
2. In terms of Section 45-IA of the RBI Act, 1934, no Non-banking Financial company can commence or carry on business of a non-banking financial institution without obtaining a certificate of registration from the RBI and without having a Net Owned Funds of Rs. 25 lakhs (Rs. Two crore since April 1999). However, the company has carried out its operations of NBFC during the period under audit even though the certificate of registration was not received. It was explained to us that, the Company has applied for such registration long back and the same was finally issued to the company by the Reserve Bank of India (RBI) on 22<sup>nd</sup> May 2019. Further, the company is of the opinion that, since the registration was received after the balance sheet date, the directions/guidelines/instructions, etc. issued by RBI to NBFC would be applicable to company from financial year 2019-20 onwards. Therefore, the compliance in respect of norms relating to Capital Adequacy, Corporate Governance, Conduct of Business Regulations (Fair Practices Code), etc. issued by the RBI and its disclosure requirements in standalone financial statements for financial year 2018-19 are also not made by the company.
3. The company has accumulated Rs 115.65 Lacs as at 31<sup>st</sup> March 2019 in ledger account 'One Time Settlement of Dues (GL Code: 000334)', for part amounts received from borrowers towards One Time Settlement Scheme (OTS). As per the scheme there is some fixed cut off date upto which borrower can pay the agreed proceeds and close the loan. We have come across several cases where the amounts received for last several years are lying unsettled in the account. In this regard, it is suggested to the company that, as a prudent practice, if the OTS period is over and borrower fails to pay the balance, the amounts already received should be adjusted against borrower's account which will help company to recover its outstanding expenses/charges, interest and principal depending on the amount received from the borrower.
4. The Department of Finance, Government of Goa, has defined 'Exit Policy' for distressed beneficiaries under CMRY/VKRY vide notification No. 6/21/2015-FIN (DMU). The policy lays down criteria's for the borrowers under the scheme who can get relief from outstanding loan amounts in certain cases. All such reliefs are adjusted from 'Corpus Fund' to be managed by EDC Ltd on behalf of Finance Department. The notification requires the company to deposit such funds in a separate account. However, the company has kept contributions under the



scheme in the general account and used such funds in the business. It is advised that the company should deposit such funds in a separate bank account.

5. Balances in respect of loans and advances, deposits, trade receivables, trade payables, amount recoverable from/payable to Government and its departments or agencies such as GTDCL, GEDCL, etc, are subject to confirmation from respective parties.
6. Company has not received any intimation from units covered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") and hence, interest provisioning and disclosures as required under Company Act, 2013 and MSMED Act, 2006 have not been furnished in the standalone financial statements.
7. It is advised that the company should conduct audit of their systems through specialised auditors to check its robustness in terms of coding as per company's rules and system controls. Further, Identification of Non-performing loans and advances should also be systematized at the earliest.

Our opinion is not qualified in respect of above matters.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 standalone 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 Companies Act, 2013.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these standalone financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.





## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **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 term of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. The Comptroller and Auditor General of India has issued the directions and sub directions indicating the areas to be examined in term of Sub-section 5 of Section 143 of the Act, the compliance of which is set out in **Annexure "B"**.
3. 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 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;





- e. In terms of Notification No. GSR 463(E) dated 05.06.2015 Issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "C"**.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 26 to the standalone financial statements;
  - The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For N. S. Gokhale & Co.**  
**Chartered Accountants**  
**(Firm Registration No. 103270W)**



**CA Prajakta Gandhi**  
**(Partner)**

**Membership No.: 109000**

**UDIN - 19109000MAAAA6065**

**Place: Margao, Goa.**

**Date: 24<sup>th</sup> September 2019**

**UDIN :**



**ANNEXURE- A**

**TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS:**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Member of EDC Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2019, we hereby give below the statement on matters specified in paragraph 3 & 4 of the Companies (Auditor's Report) Order, 2016:

**i) Fixed Assets:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the management carries out the physical verification of fixed assets periodically. In our opinion, the frequency of physical verification is reasonable having regard to the size of the company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification necessitating any adjustment.
- c) According to information and explanations given to us, the records examined by us and based on the examination of conveyance deeds/ registered sale deed provided to us, we report that, the title deeds, comprising all immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date.

**ii) Inventory:**

The Company is a Non-Banking Finance Company. Accordingly, it does not hold any inventory. Thus, clause 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable.

**iii) Unsecured Loans Given:**

As explained to us and verified from books and records, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Thus, clauses 3(iii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

**iv) Loans, Investments, Guarantees and Security given to directors, others:**

The Company has not given any loans, investment, guarantees and securities which may be covered under section 185 and 186 of the Companies Act, 2013.

**v) Public Deposit:**

According to the information and explanations given to us, the Company has not accepted any deposit from public during the year within the meaning of section 73 to 76 or any other relevant provision of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.





**vi) Cost Record:**

The Central Government has not prescribed the maintenance of cost records under Sub-section 1 of Section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

**vii) Statutory Dues:**

In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the company, we report that:

- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods & Service Tax and other material statutory dues as applicable to it. Details of undisputed dues payable as at 31<sup>st</sup> March 2019 for a period of more than six months from the date on when they become payable, are as follows:

Particulars	Amount (Rs.)
Service Tax	13,509

- b) According to the records of the company and on the basis of information and explanation given to us the dues outstanding to any statutory authority on account dispute as on 31<sup>st</sup> March 2019 are as follows:

Name of the statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Forum where dispute is pending
Chapter V of the Finance Act, 1994 and Chapter VA of the Finance Act, 2003.	Service tax on Extension fees	9,73,599	F.Y. 2008-09, 2009-10 & 2010-11.	Central Excise and Service Tax Appellate Tribunal.

**viii) Default in Repayment of Dues:**

Based on our examination and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial Institutions or banks.



ix) End Use of moneys raised:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Further, Term loans raised from banks during the year have been applied for the purposes for which it was raised.

x) Fraud:

During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi) Managerial Remuneration:

According to information and explanations given to us, being a Government Company, Section 197 of Companies Act, 2013 does not apply to the Company. Accordingly, clause 3(xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.

xii) Nidhi Company:

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) Related Party Transactions:

In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards. (Refer Point no. 1 of Note No. 32 of standalone financial statements).

xiv) Preferential Allotment / Private Allotment:

According to the information and explanations given to us and based on our examination of the records of the Company, The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, reporting requirement under paragraph 3 (xiv) of the order is not applicable and hence not commented upon.

xv) Non-cash transactions with related party:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them which are covered under Section 192 of Companies Act, 2013. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.





xvi) Non-Banking Financial Company Registration:

In our opinion and according to the information and explanations given to us, the Company is required to, and has submitted application for registration as a non-banking financial institution under section 45-IA of the Reserve Bank of India (RBI) Act, 1934 and the certificate of registration was issued to the company by the Reserve Bank of India (RBI) on 22<sup>nd</sup> May 2019. Further, we would also like to inform that, the company has carried out its operations of NBFC during the period under audit even though the certificate of registration was not received.

**For N. S. Gokhale & Co.**  
**Chartered Accountants**  
**(Firm Registration No. 103270W)**



**CA Prajakta Gandhi**  
**(Partner)**

**Membership No.: 109000**



**Place: Margao, Goa.**

**Date: 24<sup>th</sup> September 2019**

**UDIN :**

**UDIN - 19109000AAAAAA6065**

**ANNEXURE- B****TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS:**

Referred to in paragraph 2 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of EDC Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2019.

**As required under Section 143(5) of the Companies Act, 2013 with respect to the directions and sub-directions issued by The Comptroller & Auditor General of India, we report that:**

Sr. No.	Questionnaire	Replies
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Company has a system in place to process all the accounting transactions through IT system. During FY 2018-19, all the accounting transactions have been processed through IT system. Since system of processing all financial transactions is in place, all transactions are done mandatorily through system only; as such question of processing of transactions outside IT system on the integrity of the accounts doesn't arise.
2.	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	On the basis of our examination of the books of accounts of the company and to the best of our information and according to the explanations given to us, during the year under consideration, there is no case of restructuring of any existing loan or case of waiver / write off of debts / loans / interest etc. by a lender to the Company.





Sr. No.	Questionnaire	Replies
3.	Whether funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	Funds released by Departments/agencies of Government of Goa for CMRY/VKRY and other Government related schemes have been properly accounted for and released to the beneficiaries as per guidelines and terms & conditions of sanction.

**For N. S. Gokhale & Co.**  
**Chartered Accountants**  
**(Firm Registration No. 103270W)**



**CA Prajakta Gandhi**  
**(Partner)**

**Membership No.: 109000**

**UDIN - 191090000AAAAAA6065**

**Place: Margao, Goa.**

**Date: 24<sup>th</sup> September 2019**

**UDIN :**



**ANNEXURE- C**

**TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS:**

Referred to in paragraph 3(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of EDC Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2019.

**Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of **EDC LIMITED** ("the Company") as of 31<sup>st</sup> March 2019 in conjunction with our audit of the standalone 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 considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Institute of Chartered Accountants of India. 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 standalone 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 standalone 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 standalone 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, and to the best of our information and according to the explanations given to us, the Company have, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over



9

financial reporting criteria established by the Company considering the essential 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.

**For N. S. Gokhale & Co.**  
**Chartered Accountants**  
**(Firm Registration No. 103270W)**



**CA Prajakta Gandhi**  
**(Partner)**

**Membership No.: 109000**

**UDIN - 19109000AAAAAA6065**



**Place: Margao, Goa.**

**Date: 24<sup>th</sup> September 2019**

**UDIN :**







**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**BALANCE SHEET AS AT 31ST MARCH, 2019**

(Amount in ₹)

Sr. No.	PARTICULARS	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' Funds</b>			
	(a) Share Capital	2	1,00,92,48,000	1,00,92,48,000
	(b) Reserves and Surplus	3	4,08,94,79,566	3,76,30,88,597
			5,09,87,27,566	4,77,23,06,597
(2)	<b>Non-Current Liabilities</b>			
	(a) Long Term Borrowings	4	41,06,85,957	51,34,70,500
	(b) Deferred Tax Liabilities (Net)	5	35,99,00,652	32,48,62,247
	(c) Other Long Term Liabilities	6	5,99,642	5,99,642
	(d) Long Term Provisions	7	44,56,346	3,43,84,373
			77,56,42,597	87,23,16,762
(3)	<b>Current Liabilities</b>			
	(a) Short-Term Borrowings	8	84,63,77,326	1,25,40,72,070
	(b) Trade Payables (dues of micro, small and medium enterprises)	9	33,42,422	33,42,422
	(c) Other Current Liabilities	10	2,25,15,10,529	2,21,23,13,871
	(d) Short-Term Provisions	11	94,66,783	2,12,42,357
			3,11,07,17,060	3,49,09,70,670
	<b>Total</b>		<b>8,98,50,87,223</b>	<b>9,13,65,94,029</b>
<b>II</b>	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	12	9,63,13,564	8,64,90,261
	(ii) Intangible Assets	13	15,51,668	2,63,482
	(iii) Capital Work in Progress	13	-	8,64,618
			9,78,65,232	8,76,18,361
	(b) Non-Current Investments	14	2,00,44,445	2,00,44,445
	(c) Deferred Tax Assets (Net)	5	-	-
	(d) Long Term Loans and Advances	15	6,69,56,63,099	6,98,60,06,648
	(e) Other Non-Current Assets	16	94,21,232	1,05,18,434
			6,82,29,94,008	7,11,41,87,868
(2)	<b>Current Assets</b>			
	(a) Cash and Cash Equivalents	17	36,71,33,217	39,23,53,996
	(b) Short-Term Loans and Advances	18	1,75,83,48,388	1,57,98,80,366
	(c) Other Current Assets	19	3,66,11,610	5,03,71,779
			2,16,20,93,215	2,02,24,06,141
	<b>Total</b>		<b>8,98,50,87,223</b>	<b>9,13,65,94,029</b>

See accompanying notes to the Financial Statements 1-32

As per our report of even date attached  
For N. S. Gokhale & Company  
Chartered Accountants  
Firm Registration No. 103270W

  
**PRAJAKTA GANDHI**  
Partner  
M No. 109900  
Date: 24 September 2019  
Place: Margao, Goa.



UDIN - 19109000AAAAA6065

For and on behalf of the Board

  
**SADANAND TANAVADE**  
Chairman  
DIN: 08525108

  
**KIRAN BALLIKAR**  
Managing Director  
DIN: 06813369

  
**VIPIN MAKWANA**  
Chief Financial Officer

  
**GOVIND NARVEKAR**  
Company Secretary  
M. No: 26759

Place: Panaji, Goa.  
Date: 24 September 2019



**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in ₹)

Sr. No.	PARTICULARS	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I	Revenue from Operations	20	99,15,70,810	1,15,74,00,645
II	Other Non-Operating Income	21	1,74,25,976	2,24,35,357
III	<b>Total Revenue (I + II)</b>		<b>1,00,89,96,786</b>	<b>1,17,48,36,002</b>
IV	Expenses:			
	Employee Benefit Expenses	22	14,99,15,201	15,91,36,298
	Finance Costs	23	26,42,01,268	29,32,12,141
	Depreciation and Amortization	12&13	50,69,683	42,75,673
	Other Expenses	24	9,10,91,303	3,25,96,882
	<b>Total Expenses</b>		<b>51,02,77,455</b>	<b>48,92,20,994</b>
V	<b>Profit before Exceptional Items &amp; Tax (III - IV)</b>		<b>49,87,19,331</b>	<b>68,56,15,008</b>
VI	Exceptional Items	21A	-	17,89,51,243
VII	<b>Profit before Tax (V + VI)</b>		<b>49,87,19,331</b>	<b>86,45,66,251</b>
VIII	Tax Expense:			
	Current Tax		(12,18,00,000)	(22,81,00,000)
	Deferred Tax		(3,50,38,405)	(7,18,51,734)
	Excess/(short) provision of earlier year		(33,12,886)	(10,14,628)
	<b>Total Tax (Expense) / Income</b>		<b>(16,01,51,291)</b>	<b>(30,09,66,362)</b>
IX	<b>Profit for the year (V - VI)</b>		<b>33,85,68,040</b>	<b>56,35,99,889</b>
X	<b>Weighted Average Number of Shares</b>		<b>1,00,92,480</b>	<b>1,00,92,480</b>
XI	<b>Earning Per Share: (VII/VIII)</b>			
	Basic & Diluted		33.55	55.84
	Book value per share		505.20	472.86

See accompanying notes to the Financial Statements

1-32

As per our report of even date attached

**For N. S. Goldhale & Company**

**Chartered Accountants**

Firm Registration No 103270W

**PRAJAKTA GANDHI**

Partner

M No. 109000

Date: 24 September 2019

Place: Margao, Goa.

UDIN - 19109000AAAAA6065



**For and on behalf of the Board**

**SADANANT TANAVADE**

Chairman

DIN: 08525108

**KIRAN BALLIKAR**

Managing Director

DIN: 06813369

**VIPIN MAKWANA**

Chief Financial Officer

**GOVIND NARVEKAR**

Company Secretary

M. No. 26759

Place: Panaji, Goa.

Date: 24 September 2019





**EDC Limited**  
**PANAJI - GOA**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

CIN: U65993GA19755GC000214

(Amount in ₹)

PARTICULARS	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax	49,87,19,331	86,45,66,251
Dividend Income	(74,72,785)	(74,72,785)
Depreciation and Amortisation	50,69,683	42,75,673
Provision/(Write-back of Provision) For Non Performing Assets	3,74,04,300	(4,27,22,518)
(Profit)/Loss on Sale of Fixed Assets	(4,95,958)	(2,62,557)
Operating Profit/(Loss) before Working Capital Changes	53,32,24,571	81,83,84,064
<b>Adjustment for</b>		
(Increase)/Decrease in Long Term Loans & Advances	13,78,26,363	(44,38,36,247)
(Increase)/Decrease in Short Term Loans & Advances	(17,86,68,022)	(20,22,40,938)
(Increase)/Decrease in Other Non Current Assets	10,97,202	21,78,644
(Increase)/Decrease in Other Current Assets	1,37,60,169	(1,05,97,365)
Increase/(Decrease) in Long Term Provisions	(2,99,28,027)	3,23,57,803
Increase/(Decrease) in Long term borrowings	(10,27,84,543)	(42,38,29,500)
Increase/(Decrease) in Short Term Borrowings	(40,76,94,694)	18,57,89,402
Increase/(Decrease) in Other Long Term Liabilities	-	(10,03,20,591)
Increase/(Decrease) in Trade Payables	-	(21,47,958)
Increase/(Decrease) in Other Current Liabilities	13,79,41,083	(1,44,99,273)
<b>CASH GENERATED (USED IN) FROM OPERATIONS</b>	10,47,74,102	(15,87,63,979)
Income Tax (Paid)	(11,05,00,000)	(22,00,00,000)
Wealth Tax (Paid)/ Refund	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>A</b> (57,25,898)	(37,87,63,979)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,67,44,363)	(3,72,54,153)
Proceeds from Sale of Fixed Assets	19,23,767	5,88,673
Dividend Received	74,72,785	74,72,785
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>B</b> (73,47,811)	(2,91,92,695)





**EDC Limited**  
**PANAJI - GOA**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

CTN: U65993GA1975SGC000214

PARTICULARS		For the year ended 31st March 2019	For the year ended 31st March 2018
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividend Paid		(1,00,92,480)	(1,00,92,480)
Dividend Tax Paid		(20,54,590)	(20,54,590)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>C</b>	<b>(1,21,47,070)</b>	<b>(1,21,47,070)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>[A+B+C]</b>	<b>(2,52,20,779)</b>	<b>(42,01,03,744)</b>
Cash and Cash Equivalents as on 1st April		39,23,53,996	81,24,57,740
Cash and Cash Equivalents as at 31st March		36,71,33,217	39,23,53,996
Reconciliation of Cash and Cash Equivalents with Cash and Bank Balance			
Cash and Cash Equivalents as above		36,71,33,217	39,23,53,996
<b>Cash and Cash Equivalents (refer note 17)</b>		<b>36,71,33,217</b>	<b>39,23,53,996</b>

As per our report of even date attached  
For N. S. Gokhale & Company  
Chartered Accountants  
Firm Registration No 103270W

  
**PRAJAKT GANDHI**  
Partner  
M No: 109000  
Date: 24 September 2019  
Place: Margao, Goa.



UDIN - 19109000A AAAAA6065

For and on behalf of the Board

  
**SADANAND TANAVADE**  
Chairman  
DIN: 08525108

  
**KIRAN BALLIKAR**  
Managing Director  
DIN: 06813369

  
**VIPIN MAKWANA**  
Chief Financial Officer

  
**GOVIND NARVEKAR**  
Company Secretary  
M. No 26739

Place : Panaji, Goa,  
Date : 24 September 2019





**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**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, 2013 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, based on the useful life prescribed under Schedule II to Companies Act, 2013. 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. Component Depreciation method has not been followed as the same is not expected to have a material impact.

**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 based on the useful life prescribed by Schedule II to Companies Act, 2013. Residual value for Intangible assets has been assumed as NIL.



*[Handwritten signatures and initials]*



## **EDC Limited**

### **PANAJI - GOA**

CIN: U65993GA1975SGC000214

#### **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

##### **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. Such current investments are marked to market. All other investments are classified as non-current investments.

Non-current 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**

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

(b) In respect of CMRY loans, on an average, 70% of the outstanding loan amount is considered as secured on a totality basis, 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 Share Capital (loan), as the amount is funded entirely by the State Government.

##### **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) Rent income from Nalanda hall and Incubation Center has been recognized on receipt basis as the amount is not material.

(e) Transfer fee/Extension fee is recognized on receipt basis as there is no reasonable certainty over its collection.

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



*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





## EDC Limited

PANAJI - GOA

CIN: U65993GA1975SGC000214

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 1.8 Income Tax

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.

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. The recoverable amount of an asset is estimated as the higher of its net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. 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**

CIN: U65993GA1975GGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**2 - SHARE CAPITAL**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
<b>Authorised:</b> 12,500,000 (Previous year: 12,500,000) Equity Shares of ₹100/- each.	1,25,00,00,000	1,25,00,00,000
<b>Issued, Subscribed and Paid Up:</b> 10,092,480 (Previous period: 10,092,480) Equity Shares of ₹100/- each.	1,00,92,48,000	1,00,92,48,000
	<b>1,00,92,48,000</b>	<b>1,00,92,48,000</b>

Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Equity Shares				
At the commencement of the period	1,00,92,480	1,00,92,48,000	1,00,92,480	1,00,92,48,000
Add: Shares issued	-	-	-	-
Less: Shares forfeited/Bought back during the period	-	-	-	-
At the end of the period	1,00,92,480	1,00,92,48,000	1,00,92,480	1,00,92,48,000

**Notes:**

(i) Particulars of Shareholders holding more than 5% shares of a class of shares:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number	% of Total Shares in Class	Number	% of Total Shares in Class
Equity Shares:				
Government of Goa	86,20,260	85.41%	86,20,260	85.41%
IOBI Bank Limited	11,53,220	11.43%	11,53,220	11.43%

**(A) 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 the paid up equity share capital of the Company.

**3 - RESERVES AND SURPLUS**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
<b>General Reserve</b>		
At the commencement of the year	14,00,000	14,00,000
Closing balance as at the end of the year	<b>14,00,000</b>	<b>14,00,000</b>
<b>Special Reserve (Under Section 36(1) (viii) of The Income Tax Act, 1961.)</b>		
At the commencement of the year	1,18,53,84,132	1,01,43,84,132
Add: Transfer during the year	13,00,00,000	17,10,00,000
Closing balance as at the end of the year	<b>1,31,53,84,132</b>	<b>1,18,53,84,132</b>
<b>Capital Reserve</b>		
At the commencement of the year	23,44,65,831	23,44,65,831
Closing balance as at the end of the year	<b>23,44,65,831</b>	<b>23,44,65,831</b>
<b>Surplus (Profit and Loss Balance)</b>		
At the commencement of the year	2,24,18,08,634	2,24,17,57,129
Less: Deferred tax adjustment on reserves u/s 36(1) (viii)	-	(25,25,48,384)
	2,24,18,08,634	1,98,92,08,745
Add: Profit for the period	33,85,68,040	56,35,89,889
	2,58,03,76,674	2,55,28,08,634
<b>Less: Appropriations</b>		
Dividend	1,00,92,480	-
Tax on Dividend	20,54,591	-
Transfer to Special Reserve Under Section 36(1)(viii)	11,00,00,000	17,10,00,000
Closing balance as at the end of the year	<b>2,53,82,29,603</b>	<b>2,34,18,08,634</b>
<b>Total:</b>	<b>4,08,94,79,566</b>	<b>3,76,30,58,597</b>







**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**4 - LONG TERM BORROWINGS**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Term Loan from Banks - Secured	51,34,85,957	61,62,70,500
Less: Current Portion (Refer note 10)	-10,28,00,000	-10,28,00,000
<b>Total:</b>	<b>41,06,85,957</b>	<b>51,34,70,500</b>
(Secured by hypothecation of book debts)		

**5 - DEFERRED TAX Liabilities (NET)**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
<u>Deferred Tax (Asset) / Liabilities</u>		
- On account of depreciation	1,60,44,820	77,11,015
- On account of reserves u/s 36 (1) (viii)	37,93,56,784	34,18,64,784
- On account of Provision for Non-Performing Assets	-3,55,00,952	-2,47,13,552
<b>Total:</b>	<b>35,99,00,652</b>	<b>32,48,62,247</b>

Provision for Deferred Tax Liability has been made on the reserves created u/s 36 (1) (viii) of the Income Tax Act, 1961 as per the RBI notification RBI/2013-14/412 DBOD. No.BP.BC.77/21.04.018./2013-14.



7

8

9

10

11



**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**6 - OTHER LONG TERM LIABILITIES**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Security Deposit (Rent)	5,99,642	5,99,642
<b>Total</b>	<b>5,99,642</b>	<b>5,99,642</b>

**7 - LONG TERM PROVISIONS**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits: Other Provisions	44,56,346 -	3,43,84,373 -
<b>Total</b>	<b>44,56,346</b>	<b>3,43,84,373</b>

**8 - SHORT TERM BORROWINGS**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Cash Credit and Overdraft Facilities from Banks (Secured)	84,63,77,326	1,25,40,72,020
<b>Total</b>	<b>84,63,77,326</b>	<b>1,25,40,72,020</b>

**Explanatory Notes:**

Short Term Borrowings are from Banks and are secured by way of hypothecation of book debts. Ref note 32.4 for details.

**9 - TRADE PAYABLES**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Payable in Respect of Other Services (payable to micro, small & medium enterprises; principal balance)	33,42,422	33,42,422
<b>Total</b>	<b>33,42,422</b>	<b>33,42,422</b>



9



**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**10 - OTHER CURRENT LIABILITIES**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Current Maturities of Long Term Debt (Refer Note 4)	10,28,00,000	10,28,00,000
Interest Accrued and Due on Borrowings	30,49,149	32,85,778
Capital City Entrance Zone - Panaji Development Scheme	39,08,193	39,08,193
Debt relief scheme for mining affected borrowers	4,11,17,986	1,84,06,474
Interest Payable on Land Acquisition Deposit	13,65,83,269	14,38,96,444
Govt. of Goa	1,80,93,163	1,62,34,171
D.I.T.C. balance (CMRY scheme of Govt. of Goa)	9,20,11,147	7,35,38,040
Funds received towards GTEGP from Government of Goa	1,88,65,800	-
Advance against Sale of Unit/Vehicle	8,950	99,645
Amounts in respect of CMRY Scheme	38,104	37,404
Earnest Money Deposit & others	79,27,176	30,97,809
Land Acquisition Award (Deposit)	1,75,86,60,361	1,78,12,49,742
One Time Settlement of Dues (Advance Received)	1,15,64,621	71,34,412
Excess Amount of Loan Repayment	50,00,940	49,71,763
Other Outstanding Liabilities	4,32,11,144	3,12,09,233
Dues to Contractors & Others	47,58,376	43,67,376
Audit & Professional Fees Payable	2,53,478	3,61,442
Ground Rent billed in advance	-	1,61,65,412
Statutory Dues Payable	36,58,672	15,50,533
<b>Total</b>	<b>2,25,15,10,529</b>	<b>2,21,23,13,871</b>

**11 - SHORT TERM PROVISIONS**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Provision for Tax (Net)	94,86,783	2,12,42,357
<b>Total</b>	<b>94,86,783</b>	<b>2,12,42,357</b>



*[Handwritten signatures and initials]*





NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

### 2.3 • TABLES AND FIGURES

University of Toronto

Assets		Gross Stock				Depreciation			Net Stock As On	
Particulars	As on 31 April 2018	Additions	Debit/Write	As on 31 March 2019	As on 31 April 2019	For the year	Depreciation	As on 31 March 2019	31-Mar-19	31-Mar-19
Land (Freehold)	2,73,62,440	-	-	2,73,62,440	-	-	-	-	2,73,62,440	2,73,62,440
Building	9,22,25,981	1,27,51,247	-	9,50,22,784	1,22,96,200	9,70,388	-	1,33,68,501	9,16,58,193	9,38,29,394
Van	32,03,089	-	-	32,03,089	66,74,691	1,12,948	-	18,30,838	13,19,278	14,52,131
Air Conditioning & Other Fridge	86,38,118	27,500	-	86,23,618	88,43,771	7,38,400	-	87,32,179	18,91,447	38,52,367
Computer & Printer	72,29,408	8,23,168	-	80,78,577	82,11,344	8,80,052	-	82,32,798	17,88,781	65,13,469
Furniture & Fixtures	1,41,08,770	99,711	-	1,42,28,481	36,43,052	7,28,285	-	1,00,71,940	35,16,247	43,25,120
Electrical fittings	9,08,405	1,28,743	-	1,14,498	3,61,665	1,24,512	-	8,83,329	4,82,848	6,07,778
Vehicle	1,30,03,236	1,13,1,087	34,71,812	1,07,46,373	44,91,108	10,50,270	25,19,238	29,25,188	78,21,775	98,09,605
Office equipments	21,07,847	9,58,053	80,206	30,79,642	27,36,414	1,60,110	37,440	27,82,888	4,91,806	4,63,505
Total	13,01,48,714	1,51,68,527	35,72,838	14,17,41,377	4,35,89,461	47,80,030	50,16,681	4,84,27,813	8,63,13,586	
Total (Previous year)	9,64,12,881	2,63,89,520	10,55,700	13,01,48,712	4,22,88,166	40,98,897	27,37,025	4,36,10,461		8,64,30,261

[illegible]

## U.S. - INTANGIBLE ASSETS & CAPITAL WINN. IN PROGRESS

(Assessment: 100%)

Company's Assets, Liabilities and Equity as at March 31, 2019										
Gross Book				Depreciation				Net Book As On		
Particulars	As on 01 April 2018	Additions	Disposals	As on 31 March 2018	As on 01 April 2019	For the year	Disposals	As on 31 March 2019	21-Mar-19	31-Mar-19
Software	54,40,205	18,72,838	-	60,24,044	61,62,722	2,38,678	-	64,02,372	18,65,880	2,40,492
Total	54,40,205	18,72,838	-	60,24,044	61,62,722	2,38,678	-	64,02,372	18,65,880	2,40,492
Total (Previous year)	54,40,205	-	-	54,40,205	60,24,044	1,70,838	-	61,92,122	-	2,83,492

(Amount in ₹)

CAPITALE DE FIX									
Particulars		Gross Stock			Depreciation			Net Stock	
Particulars	As on 31 April 2018	Additions	Eliminations	As on 31 March 2019	As on 31 April 2017	For the year	Eliminations	As on 31 March 2018	31-Mar-18
Capital Work-in-Progress	8,54,713		8,54,618	--	--	--	--	--	--
Capital Work-in-Progress (Previous year)	--	8,54,618	--	8,54,618	--	--	--	--	8,54,618
<b>Grand Total</b>	<b>13,74,38,561</b>	<b>1,07,46,363</b>	<b>64,38,466</b>	<b>14,17,46,458</b>	<b>4,68,49,184</b>	<b>50,80,863</b>	<b>35,96,061</b>	<b>5,18,61,186</b>	<b>8,76,56,212</b>
<b>Grand Total (Previous year)</b>	<b>10,32,50,083</b>	<b>3,72,54,103</b>	<b>30,58,703</b>	<b>13,74,54,563</b>	<b>4,82,63,096</b>	<b>42,70,873</b>	<b>27,27,365</b>	<b>1,36,61,184</b>	<b>8,76,18,36</b>

Page 12 of 25



→ Cost of poly. m

**EDC Limited****PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****14 - NON-CURRENT INVESTMENTS**

(Amount in ₹)

(Valued at Cost unless otherwise stated)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
<b>Non - Trade Investments (Quoted)</b>		
<b>Investment in Equity Instruments</b>		
405,302 (Previous year 405,302) Equity Shares of Automobile Corporation of Goa Ltd. of ₹ 10/- each fully paid up	1,01,32,445	1,01,32,445
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]	92,82,000	92,82,000
320,000 (Previous year 320,000) Equity Shares of Mitron Consultancy and Engineering Services Limited of ₹ 10/- each fully paid up (Includes 300,000 (Previous year 300,000) as bonus shares issued on 21/06/2013 )	80,000	80,000
<b>Other Non-Current Investments (Unquoted)</b>		
<b>Investment in Equity Instruments</b>		
180,000 (Previous year 180,000) Equity Shares of Goa Electronics Limited of ₹ 100/- each fully paid up	1,80,00,000	1,80,00,000
494,520 (Previous year 494,520) Equity Shares of Goa Antibiotics & Pharmaceuticals Limited of ₹ 100/- each fully paid up	4,67,74,044	4,67,74,044
259,000 (Previous year 259,000) Equity Shares of Goa Auto Accessories Limited of ₹ 100/- each fully paid up	2,59,00,000	2,59,00,000
1,569,037 (Previous year 1,569,037) Equity Shares of Info Tech Corporation of Goa Limited of ₹ 10/- each fully paid up	1,56,90,370	1,56,90,370
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 )	5,00,000	5,00,000
500 (Previous year 500) Equity Shares of Goa State Co-operative Bank Limited of ₹100/- each fully paid up	50,000	50,000



9

GA GA GA GA



**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

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

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
750,000 (Previous year 750,000) Equity Shares of Nova Dhatu Udvoq Limited of ₹ 10/- each fully paid up	75,00,000	75,00,000
1,500,000 (Previous year 1,500,000) Equity Shares of I F G Limited of ₹ 10/- each fully paid up (name changed from Ravish Infusions Limited w e f 26.02.2001)	1,50,00,000	1,50,00,000
<b>Investment in Preference Shares</b>		
300,000 (Previous year 300,000) 8.5% Cumulative Redeemable Preference Shares of Goa Auto Accessories Limited of ₹100/- each fully paid up	3,00,00,000	3,00,00,000
15,000 (Previous year 15,000) 13.5% Redeemable Preference shares of Rodal Circaprint Electronics Limited of Rs100/- each fully paid up.	15,00,000	15,00,000
<b>Total</b>	<b>18,04,08,859</b>	<b>18,04,08,859</b>
Less: Provision for Diminution in Value of Investments	(16,03,64,414)	(16,03,64,414)
<b>Net Investments</b>	<b>2,00,44,445</b>	<b>2,00,44,445</b>
Book Value of Unquoted Investments	16,09,14,414	16,09,14,414
Book Value of Quoted Investments	1,94,94,445	1,94,94,445
Market Value of Quoted Investments	24,82,78,151	47,68,69,076







**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**15 - LONG TERM LOANS AND ADVANCES**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Loans to Industrial Units , Other Units & Govt. Bodies		
Secured Portion	6,68,51,50,986	6,96,83,67,925
Less: Provision for NPA	4,88,11,244	2,86,62,590
	6,63,63,39,742	6,93,97,05,335
Unsecured Portion	45,66,122	35,79,975
Less: Provision for NPA	45,66,122	35,79,975
	-	-
<u>Staff Loans</u>		
i. Secured - Considered Good	1,25,79,233	1,10,26,023
ii. Unsecured - Considered Good	3,61,572	4,25,097
<u>Unsecured Considered Good</u>		
Advance recoverable in cash or kind or value to be received	41,11,519	37,34,345
<u>Balances with Revenue Authorities (Net of Provisions)</u>		
i) Advance Payment of Income Tax and Tax Deducted at Source	4,15,44,920	4,06,28,506
ii) Advance Payment of Fringe Benefit Tax	-	-
Deposits with Public Bodies & Others	7,26,113	7,58,592
<b>Total</b>	<b>6,69,56,63,098</b>	<b>6,99,62,77,898</b>

**16 - OTHER NON-CURRENT ASSETS**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Interest Accrued on Fixed Deposits	-	-
Interest Accrued on Staff Loans	94,21,232	1,05,18,434
<b>Total</b>	<b>94,21,232</b>	<b>1,05,18,434</b>



Handwritten signatures and initials in blue ink.



**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**17 - CASH AND CASH EQUIVALENTS**

(Amount in ₹)

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Cash on Hand	200	3,058
Balances with Bank		
On current accounts	20,66,108	37,76,06,487
On fixed deposit accounts:		
with original maturity of not more than 12 months	-	-
with original maturity of more than 12 months	36,50,66,909	1,47,44,451
<b>Total</b>	<b>36,71,33,217</b>	<b>39,23,53,996</b>

**18 - SHORT TERM LOANS AND ADVANCES**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
<u>Secured Portion of Loans</u>		
Loans to Industrial Units (Current Portion of Long Term Loans)	1,79,01,42,812	1,58,94,24,790
Less: Provision for NPA	5,08,79,028	2,70,68,873
Net	1,73,92,63,783	1,56,23,55,917
<u>Unsecured Portion of Loans</u>		
Loans to Industrial Units (Current Portion of Long Term Loans)	1,54,23,725	2,43,66,490
Less: Provision for NPA	1,54,23,725	2,43,66,490
Net	-	-
<u>Secured Portion of Loans</u>		
Loans to Subsidiaries	34,16,109	20,14,000
Less: Provision for NPA	34,16,109	20,14,000
	-	-
<u>Staff Loans</u>		
Staff Loans (Secured)	20,92,471	20,92,471
Interest Subsidy (Govt of Goa) Receivable	1,03,52,116	43,42,546
Rent Receivable	24,48,475	67,90,425
<u>Unsecured Considered Good</u>		
Ground Rent unbilled	13,76,941	-
Advance recoverable in cash or kind or value to be received	28,14,602	40,99,007
<b>Total</b>	<b>1,75,83,48,388</b>	<b>1,57,96,80,366</b>

**19 - OTHER CURRENT ASSETS**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Accrued Interest on Term Loans	3,52,69,426	4,93,11,071
Accrued Interest on Fixed Deposits with Banks	13,42,184	10,60,708
<b>Total</b>	<b>3,66,11,610</b>	<b>5,03,71,779</b>



*[Handwritten signature]*

*[Handwritten signature]*



**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**20 - REVENUE FROM OPERATIONS**

(Amount in ₹)

PARTICULARS	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Interest Income</b>		
Interest on Loans	90,37,78,960	93,01,65,454
Interest on Fixed Deposits (Gross)	13,92,588	3,40,83,548
Interest Subsidy from Government of Goa	1,03,52,116	1,13,22,624
Interest on Ground Rent	17,633	-
Interest on Extension Fees	-	-
Ground Rent (Patto Plaza)	1,85,46,725	1,88,03,443
Extension Fees (Patto Plaza)	34,75,400	5,50,14,583
<b>Other Operating Income</b>		
Recovery of Bad Debts	1,50,79,053	5,06,41,696
Write back of NPA Provision	-	4,27,22,518
Income From Incubation Center	3,72,680	-
Forfeiture (Patto Plaza)	-	0
Transfer Fees	2,96,61,016	-
Parking Fees (Patto Plaza)	35,21,324	19,52,940
Other Income from Operations	52,73,315	76,93,839
<b>Total</b>	<b>99,15,70,810</b>	<b>1,15,24,00,645</b>

**21 - OTHER NON OPERATING INCOME**

PARTICULARS	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Dividend Income</b>		
From other than Trade Investments	74,72,785	74,72,785
Rent (Gross)	86,28,383	86,08,371
Rent from hire of hall	8,28,850	8,23,206
Interest on Income Tax Refund	-	52,68,438
Profit on Sale of Investments	-	-
Profit on Sale of Fixed Assets	4,95,958	2,62,557
<b>Total</b>	<b>1,74,25,976</b>	<b>2,24,35,357</b>

**21 A - EXCEPTIONAL ITEMS**

PARTICULARS	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest on Loans & Advances (Ref note 26 (b) )	-	10,97,56,353
Recovery of Bad Debts (Ref note 26 (b) )	-	5,91,94,890
<b>Total</b>	<b>-</b>	<b>17,89,51,243</b>







**EDC Limited**  
**PANAJI - GOA**

CIN: U65993GA1975SGC000214

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**22 - EMPLOYEE BENEFIT EXPENSES**

(Amount in ₹)

PARTICULARS	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Salaries and Allowances	10,84,44,302	9,82,77,712
Contribution to Provident Fund and Other Funds*	3,95,43,920	5,87,67,108
Staff Welfare	19,26,979	20,91,478
<b>Total</b>	<b>14,99,15,201</b>	<b>15,91,36,298</b>

\*Figure for 31.3.2019 of Rs 3,95,43,920/- Includes Rs 65,30,901/- pertaining to FY 2017-18

**23 - FINANCE COST**

PARTICULARS	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest Expenditure		
On Land Acquisition Deposit	13,65,83,269	14,38,96,444
On Cash Credit	8,04,80,005	6,91,36,802
On Term Loan	4,71,36,071	8,00,85,648
On Others	1,923	93,247
<b>Total</b>	<b>26,42,01,268</b>	<b>29,32,12,141</b>

**24 - OTHER EXPENSES**

PARTICULARS	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Rent	3,60,000	75,000
Repairs & Maintenance - Building	13,83,825	26,60,782
Repairs & Maintenance - Vehicles	2,40,350	3,74,787
Repairs & Maintenance - Others	82,64,067	33,23,592
Electricity charges	26,39,548	25,42,168
Insurance	3,56,026	3,59,622
<u>Auditor's Remuneration</u>		
As Auditor	1,80,940	1,74,850
For Tax Audit	38,748	34,290
Out of Pocket Expenses	33,790	36,310
Bad Debts - Net (Refer Note 28)	-	-
Provision for Non Performing Assets	3,74,04,300	-
Loss on Sale of Fixed Assets	-	-
Consultancy & Professional Fees	82,55,184	39,94,264
Net expenses of Patta Plaza Society (Proposed) (ref note 27 (b) )	-	10,01,304
Postage, Telegram, Telephones	8,95,546	6,86,159
Travelling & Conveyance Expenses	21,91,472	15,44,112
Corporate Social Responsibility Expenditure	1,80,48,072	73,39,583
Miscellaneous Expenses	1,07,90,435	84,50,059
<b>Total</b>	<b>9,10,91,303</b>	<b>3,25,96,882</b>



**EDC LIMITED**  
**PANAJI, GOA**  
CIN: U65993GA1975SGC000214

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDING 31<sup>ST</sup> MARCH 2019**

**25. Assets Classifications and Provisioning:**

Guidelines issued by Reserve Bank of India for Prudential Norms on Income Recognition, Asset Classification and Provisioning of Loans and Advances as per 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 read with circular number DBR.No.BP.BC.100/21.04.048/2017-18 dated February 7, 2018.

The details of the Asset classifications are as under: (₹)

Sr. No	Classification	31.03.2019		
		Amount (₹)	% Provision	Provisions (₹)
I	Standard Assets	8,58,33,97,007	0.25% to 15%	3,33,87,698
II	Sub Standard Assets	8,40,56,720	15% to 25%	1,54,46,714
III	Doubtful Assets	19,61,72,935	25% to 100%	7,09,32,011
IV	Loss Assets	99,23,273	100%	33,80,767
	<b>Total</b>	<b>885,35,49,935</b>		<b>12,30,96,228</b>

Sr. No	Classification	31.03.2018		
		Amount (₹)	% Provision	Provision (₹)
I	Standard Assets	8,60,20,97,828	0.25% to 0.40%	2,10,58,683
II	Sub Standard Assets	15,22,89,791	15% to 25%	1,48,56,482
III	Doubtful Assets	9,58,10,761	25% to 100%	4,63,72,215
IV	Loss Assets	1,15,70,196	100%	33,04,548
	<b>Total</b>	<b>8,86,15,78,577</b>		<b>8,56,91,928</b>



**26. Contingent Liabilities not provided for:**

**(a) Income Tax & Service Tax Matters (₹ in lac)**

Sr. No.	Particulars	31.3.2019	31.3.2018
1.	Income Tax Matters	108	123
2.	Service Tax Matters	10	10

- (b) As per the directions of Hon'ble High Court of Bombay at Goa, an amount of ₹9,25,00,000/- was deposited with the Corporation, by M/s. Falcon Retreat Pvt. Ltd., (Borrower) a unit assisted by the Corporation. Pending final disposal of the suit and as decided by the Board, Interest earned on the above Deposit amounting to ₹78,00,233/- was provided for up to 31.03.2008. The total amount of ₹10,03,00,233/- was therefore shown under the heading 'Other Long Term Liabilities' as on 31.03.2017. No Provision for further interest was made for the intervening period, as the matter was sub judice and the Corporation expected to contest this claim successfully and no liability was expected on this account. During the year 2017-18, the Hon'ble High Court of Bombay at Goa ruled in favor of the Corporation. Consequent to the said ruling, the following income has been booked under exceptional item during the year 2017-18 pertaining to the said case:

Sr No.	Description	Amount
1	Interest on Loans & Advances	₹ 10,97,56,353
2	Recovery of Bad Debts	₹ 6,91,94,890/-
	<b>Total</b>	<b>₹ 17,89,51,243/-</b>

Simultaneously M/s. L. K. Trust (Bidder) had deposited ₹13,85,36,198/- 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 ₹13,85,36,198/- 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 ₹12,33,20,505/-. The Corporation had rejected this claim of interest. The matter is sub judice. 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 ₹9,20,38,781/- 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 ₹100,00,00,000/-. 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 amounting to ₹33,27,312/- plus interest @24% p a from November 2010. Kanaka Infratech Ltd has made a counterclaim of ₹ 1,20,45,593/- plus interest @ 24% p a. Since the





matter is sub judice Corporation has not accounted the claim of M/s. Kanaka Infrotech Ltd.

- (d) The Corporation has provided its fixed deposit with a bank on lien for working capital facilities advanced to its subsidiary. Total of such fixed deposit amounts to ₹ 99,99,999/- (Previous year ₹99,99,999/-).

## 27. 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. The open spaces form an integral part of Patto Plaza. Since premium on the long term leases of the plots at Patto Plaza has been treated as revenue income in the earlier years as required by the relevant statutory provisions, the cost of developing the plots along with cost pertaining to open spaces and roads has been shown as a cost against the said income in the earlier years as required by the matching concept. Thus, no part of land/open spaces/roads of Patto Plaza was reflecting under fixed assets of the Corporation. However, during the year 2017-18, one of the lessees surrendered/retransferred one plot to the Corporation. The same has been included in fixed assets of the Corporation.
- (b) The Corporation had decided to form Society for the maintenance of the Patto Plaza in the Board meeting held on 08.11.2012. The Corporation had initiated to form proposed society and pending the same, expenses incurred and income generated pertaining to maintenance activities at Patto Plaza were accounted in a separate head of account as an asset/liability respectively. A net amount of ₹10,01,304/- was shown as an asset as on 31<sup>st</sup> March 2017. However, in the 358<sup>th</sup> Board meeting held on 17<sup>th</sup> November 2017, it was resolved that the Corporation shall not form Patto Plaza Maintenance Co-operative Society. Therefore, the receivable amount as on 31<sup>st</sup> March 2017 of ₹ 10,01,304/- has been written off in the Financial Year 2017-18. Expenses and incomes of the year 2017-18 & 2018-19 have been booked under the respective heads.

28. Bad Debts figure reflected in the profit and loss account (Refer Note 24) is arrived as under:

2018-19

NIL

2017-18

Bad Debts Written Off and debited to Profit & Loss Account:

₹99,93,732

Less: Existing provision for bad debts written back in Profit & Loss account:

(₹99,93,732)

Net

NIL

## 29. Expenditure in Foreign Currency

Sr No.	Particulars	2018-19	2017-18
1	Travelling	NIL	₹ 4,59,025



9 Oct 18

### 30. Employee Benefit Plans - Leave Encashment

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

Sr.No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>I.</b>	<b>Changes in Present Value of Obligation</b>		
i)	Present value of obligations as at beginning of the year	4,13,57,720	4,26,95,775
ii)	Interest cost	33,08,618	34,15,662
iii)	Current Service Cost	11,46,428	7,21,998
iv)	Benefits paid	-79,56,354	-1,29,20,085
v)	Actuarial (gain)/loss on obligations	44,04,546	74,44,370
vi)	Present value of obligations as at end of year	<b>4,22,60,958</b>	<b>4,13,57,720</b>
<b>2.</b>	<b>Changes in the Fair Value of Plans Assets</b>		
i)	Fair value of plan assets at beginning of year	3,31,57,040	3,97,77,763
ii)	Expected return on plan assets	27,75,869	28,67,336
iii)	Contributions	97,29,379	34,31,278
iv)	Benefits paid	-79,56,354	-1,29,20,085
v)	Actuarial gain/(loss) on Plan assets	-	-
vi)	Fair value of plan assets at the end of year	<b>3,77,05,934</b>	<b>3,31,56,292</b>
<b>3.</b>	<b>Fair Value of Plan Assets</b>		
i)	Fair value of plan assets at beginning of year	3,31,57,040	3,97,77,763
ii)	Actual return on plan assets	27,75,869	28,67,336
iii)	Contributions	97,29,379	34,31,278
iv)	Benefits paid	-79,56,354	-1,29,20,085
v)	Fair value of plan assets at the end of year	3,77,05,934	3,31,56,292
vi)	Funded status	<b>45,55,024</b>	<b>82,01,428</b>
<b>4.</b>	<b>The Amounts to be Recognized in the Balance Sheet</b>		
i)	Present value of obligations as at the end of year	4,22,60,958	4,13,57,720
ii)	Fair value of plan assets as at the end of the year	3,77,05,934	3,31,56,292
iii)	Net asset/(liability) recognized in balance sheet	<b>-45,55,024</b>	<b>-82,01,428</b>
<b>5.</b>	<b>Expenses Recognized in Statement of Profit and Loss</b>		
i)	Current Service cost	11,46,428	7,21,998
ii)	Interest cost	33,08,618	34,15,662
iii)	Expected return on plan assets	-27,75,869	-28,67,336
iv)	Net Actuarial (gain)/loss recognized in the year	44,04,546	74,44,370
v)	Expenses recognized in statement of Profit and Loss	<b>60,83,723</b>	<b>87,14,694</b>
<b>Assumptions</b>		<b>31.03.2019</b>	<b>31.03.2018</b>
Discount Rate		8%	8%
Salary Escalation		7%	7%



### 31. Employee Benefit Plans - Gratuity

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

Sr.No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>1.</b>	<b>Changes in Present Value of Obligation</b>		
i)	Present value of obligations as at beginning of the year	6,75,49,592	4,67,92,066
ii)	Interest cost	54,03,967	37,43,365
iii)	Current Service Cost	19,44,104	10,08,284
iv)	Benefits paid	-83,53,595	-94,28,383
v)	Actuarial (gain)/loss on obligations	-1,31,896	2,57,60,436
vi)	Present value of obligations as at end of year	<b>6,64,12,172</b>	<b>6,78,75,768</b>
<b>2.</b>	<b>Changes in the Fair Value of Plans Assets</b>		
i)	Fair value of plan assets at beginning of year	4,13,66,647	4,79,99,195
ii)	Expected return on plan assets	49,82,819	31,22,011
iii)	Contributions	2,85,15,729	-
iv)	Benefits paid	-83,53,595	-94,28,383
v)	Actuarial gain/(loss) on Plan assets	-	-
vi)	Fair value of plan assets at the end of year	<b>6,65,11,600</b>	<b>4,16,92,823</b>
<b>3.</b>	<b>Fair Value of Plan Assets</b>		
i)	Fair value of plan assets at beginning of year	4,13,66,647	4,79,99,195
ii)	Actual return on plan assets	49,82,819	31,22,011
iii)	Contributions	2,85,15,729	-
iv)	Benefits paid	-83,53,595	-94,28,383
v)	Fair value of plan assets at the end of year	<b>6,65,11,600</b>	<b>4,16,92,823</b>
vi)	Funded status	<b>-99,428</b>	<b>2,61,82,945</b>
<b>4.</b>	<b>The Amounts to be Recognized in the Balance Sheet</b>		
i)	Present value of obligations as at the end of year	6,64,12,172	6,78,75,768
ii)	Fair value of plan assets as at the end of the year	6,65,11,600	4,16,92,823
iii)	Net asset/(liability) recognized in balance sheet	<b>99,428</b>	<b>-2,61,82,945</b>
<b>5.</b>	<b>Expenses Recognized in Statement of Profit and Loss</b>		
i)	Current Service cost	19,44,104	10,08,284
ii)	Interest cost	54,03,967	37,43,365
iii)	Expected return on plan assets	-49,82,819	-31,22,011
iv)	Net Actuarial (gain)/loss recognized in the year	-1,31,896	2,57,60,436
v)	Expenses recognized in statement of Profit and Loss	<b>22,33,356</b>	<b>2,73,90,074</b>
<b>Assumptions</b>		<b>31.03.2019</b>	<b>31.03.2018</b>
Discount Rate		8%	8%
Salary Escalation		7%	7%





### 32. Others

#### 1. Related Party Disclosures as per Accounting Standard 18:

Following were the key Managerial Personnel during the year 2017-18 & 2018-19:

Sr No	Designation	Name and tenure
1	Chairman	Shri Sidharth Kuncalienker (1.4.2017 to 29.10.2018) Shri Subhash Shiroadkar (31.10.2018 to 30.1.2019) Shri Santosh Kenkre (Officiating Chairman - 30.1.2019 to 31.3.2019)
2	Vice Chairman	Shri Santosh Kenkre (1.4.2017 to 31.3.2019) Shri Arvind Ghatkar (1.4.2017 to 31.5.2017)
3	Managing Director	Shri Surendra Vernekar (1.6.2017 to 30.4.2018) Shri Kiran Ballikar (1.5.2018 to 31.3.2019)
4	Chief Financial Officer	Shri Dayanand Kanekar (1.4.2017 to 31.5.2017) Shri Vipin Makwana (1.6.2017 to 31.3.2019)

Expenditure incurred on office of Chairman/Vice Chairman in connection with the business of the Corporation:

( Amt. in ₹ )

	2018-19		2017-18	
Particulars	Chairman	Vice Chairman	Chairman	Vice Chairman
Salaries of Staff	7,51,481	3,91,210	6,14,856	1,83,876
Entertainment & Telephone	19,370	-	16,393	5,663
Travelling, Conveyance & Expenditure on Car	2,51,391	-	3,00,127	22,550
Honorarium	-	-	-	-

Remuneration to the Managing Director and Chief Financial Officer:

Particulars	2018-19	2017-18
Salaries - Managing Director	37,01,123	35,83,611
Perquisites - Managing Director	82,088	96,805
Salaries - Chief Financial Officer	16,05,585	27,70,507
Perquisites - Chief Financial Officer	66,607	1,35,931



2. Fixed Deposits with Banks include ₹ 6,60,000/- pledged with Vijaya Bank Ltd, Panaji, (Previous Year ₹ 6,60,000/-) for furnishing Bank Guarantee to Electricity Department of Goa for H.T. Power connection.
3. The Corporation had extended the Corporate Loan amounting to ₹1,60,00,000/- to M/s. Vishwas Steel Ltd. On default of repayment of the loan, the pledge against shares held as security 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. However, considering the notional amount of shares, if any, full provision has been made against the loan amount.
4. An amount of ₹ 100lacs was received from the Government of Goa during the year for disbursing the same to Goa Electronics Limited (GEL). However, no disbursement has been availed by GEL as on 31.3.2019.
5. An amount of ₹ 1,07,91,667/- has been spent up to 31.3.2019 towards Convention Center, Dona-Paula. The same is expected to be recovered from the Government of Goa and therefore the same has been netted off against the amount reflected under 'Govt. of Goa' in Note 10.
6. Dividend for the Financial Year 2017-18 was proposed by the Board @1% amounting to ₹ 1,00,92,480/- and was approved in the Annual General Meeting. The same was paid in April 2019.
7. 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 N. S. Gokhale & Company**  
**Chartered Accountants**  
Firm Registration No 103270W

  
**PRAJAKTA GANDHI**

Partner

M No. 109000

Date: 24 September 2019

Place : Margao, Goa.

UDIN - 19109000AAAAA6065



**For and on behalf of the Board**

  
**SADANAND TANAVADE**

Chairman

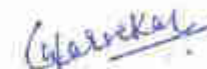
DIN: 08525108

  
**KIRAN BALLIKAR**

Managing Director

DIN: 06813369

  
**VIPIN MAKWANA**  
Chief Financial Officer

  
**GOVIND NARVEKAR**

Company Secretary

M. No. 26759

Place : Panaji, Goa.

Date : 24 September 2019