



# **MEMORANDUM OF UNDERSTANDING (MoU)**

BETWEEN

**NATIONAL SCHEDULED CASTES FINANCE  
AND DEVELOPMENT CORPORATION  
(NSFDC)**

**AND**

**MINISTRY OF SOCIAL JUSTICE  
& EMPOWERMENT**

GOVERNMENT OF INDIA

**FOR THE FINANCIAL YEAR  
2019-20**



## CONTENTS

SL. NO.	PARTICULARS	PAGE NO.
1.	BRIEF ABOUT THE NSFDC	1-2
2.	PERFORMANCE CRITERIA & MoU TARGETS FOR THE FINANCIAL YEAR 2019-20	3-5
3.	TREND ANALYSIS (PART-A)	6
4.	TREND ANALYSIS (PART-B)	7-8



## BRIEF ABOUT THE NSFDC

1.	Name of the CPSE	National Scheduled Castes Finance and Development Corporation (NSFDC)
2.	Status (Maharatna/Navratna/Miniratna/Others)	Others
3.	Schedule of the CPSE (A/B/C/D/None)	C
4.	Purpose for which CPSE has been set up and the main business now.	<p>The objective of National Scheduled Castes Finance and Development Corporation (NSFDC) is to finance for the socio-economic empowerment of persons belonging to the Scheduled Caste families having annual family income up to Rs.3.00 lakh including Skill upgradation.</p> <p>NSFDC has been providing concessional financial assistance, through Channelizing Agencies, for socio-economic empowerment, education and skill training of the target group under its various schemes.</p>
5.	Any capital restructuring during 2017-18 and 2018-19 i.e. buy-back of shares, issue of bonus shares, issue of fresh shares, splitting of shares and percentage of PAT given as dividend.	During the financial year 2017-18, issue of fresh share capital of Rs.128.21 crore. During the financial year 2018-19, issue of fresh share capital of Rs.137.39 crore.
6.	Whether shares are listed (if yes, name of Stock Exchange and price of the share as on date).	Not Applicable.
7.	Any change in Capacity during the year or next year (MoU Year).	Not Applicable.
8.	Any business unit hived off or to be hived off or added or to be added during the year or next year (MoU Year).	Not Applicable.
9.	Brief about the Sector in which the CPSE is operating and national and international environment, regulatory environment etc.	NSFDC has been providing concessional financial assistance in the form of loan for the socio-economic empowerment of Scheduled Caste persons having annual family income up to Rs.3.00 lakh. It is providing financial assistance for income generating schemes of the target group through State Channelizing Agencies (SCAs) nominated by respective State Governments/UT Administration and other Channelizing Agencies with whom NSFDC has signed Agreement.
10.	Details of revival plan, if approved.	Not Applicable.



11.	Any adverse comment by statutory auditors and its impact on Revenue/Profit/Loss/Assets/Liabilities of latest year.	Statutory Auditors has given certain comments on Government Guarantee. However, the Management has contested the comments and gave its reply. The Management Reply to the Statutory Auditors' comment has been considered by the AGM of the Corporation as well as by the CAG.															
12.	Whether C&AG supplemented the comments of Statutory Auditors, if not, give details along with impact of latest year.	Yes, C&AG has conducted the supplementary audit and given Nil comment.															
13.	Number and Name of subsidiary companies along with amount invested and share in its profit during last five years.	<table><tr><td>Year</td><td>Name of Subsidiary</td><td>Amount Invested (Rs.)</td><td>Share in its Profit</td></tr><tr><td>2013-14</td><td colspan="3" rowspan="5">Not Applicable.</td></tr><tr><td>2014-15</td></tr><tr><td>2015-16</td></tr><tr><td>2016-17</td></tr><tr><td>2017-18</td></tr></table>				Year	Name of Subsidiary	Amount Invested (Rs.)	Share in its Profit	2013-14	Not Applicable.			2014-15	2015-16	2016-17	2017-18
Year	Name of Subsidiary	Amount Invested (Rs.)	Share in its Profit														
2013-14	Not Applicable.																
2014-15																	
2015-16																	
2016-17																	
2017-18																	
14.	Number and Name of Joint Venture companies along with amount invested and share in its profit during last five years.	<table><tr><td>Year</td><td>Name of Joint Venture</td><td>Amount Invested (Rs.)</td><td>Share in its Profit</td></tr><tr><td>2013-14</td><td colspan="3" rowspan="5">Not Applicable.</td></tr><tr><td>2014-15</td></tr><tr><td>2015-16</td></tr><tr><td>2016-17</td></tr><tr><td>2017-18</td></tr></table>				Year	Name of Joint Venture	Amount Invested (Rs.)	Share in its Profit	2013-14	Not Applicable.			2014-15	2015-16	2016-17	2017-18
Year	Name of Joint Venture	Amount Invested (Rs.)	Share in its Profit														
2013-14	Not Applicable.																
2014-15																	
2015-16																	
2016-17																	
2017-18																	



## PERFORMANCE CRITERIA & MoU TARGETS FOR THE FINANCIAL YEAR 2019-20

Sl. No.	Performance Criteria	Unit	Marks	2018-19 (Provisional)	Best in last 5 Years	MoU Target for the Year 2019-20					%age Improvement*
						Excellent 100%	Very Good 80%	Good 60%	Fair 40%	Poor 20%	
(A) Compulsory Parameter											
(i)	Turnover - Revenue from Operations	Rs./Crore	10	55.67	39.44	65.00	56.00	50.00	48.00	47.00	0.59%
(ii)	Operating Profit or Surplus as percentage of Revenue from Operations (Net)	%	20	63.00%	51.64%	70.00%	65.00%	60.00%	55.00%	50.00%	3.17%
(iii)	PAT or Surplus/ Average Net Worth	%	20	2.53%	3.19%	3.00%	2.75%	2.50%	2.25%	2.00%	8.70%
(B) Optional Parameters											
(i)	Loans disbursed/ Total Funds available	%	15	78.00%	69.66%	85.00%	83.00%	80.00%	78.00%	76.00%	6.41%
(ii)	Overdue Loans/Total Loans (Net)	%	10	20.30%	20.64%	12.00%	15.00%	17.00%	19.00%	20.00%	26.11%
(iii)	NPA/Total Loans (Net)	%	5	0.79%	0.92%	0.60%	0.70%	0.80%	0.90%	0.95%	11.39%



Sl. No.	Performance Criteria	Unit	Marks	2018-19 (Provisional)	Best in last 5 Years	MoU Target for the Year 2019-20					%age Improvement*
						Excellent 100%	Very Good 80%	Good 60%	Fair 40%	Poor 20%	
(iv)	Human Resource Management (10 Marks)										
(a)	Achievement of HR Parameters of continuous nature as per Annexure	Number of Parameters	5	Not Applicable	Not Applicable	7	6	5	4	3	Not Applicable
(b)	Capability development programmes for employees to build their technical & managerial competencies for higher positions with special focus on web learning programmes	Number of Programmes	5	Not Applicable	Not Applicable	5	4	3	2	1	Not Applicable
(v)	Other Sector Specific Result-oriented Measurable Parameters										
(a)	Providing "Employment /Self-employment through Skill Development Training Programmes"	Number of Persons	5	13,000	-	14,000	13,000	12,000	11,000	10,000	-
(b)	Enrolment/ Registration of SC/ST Entrepreneur financed by NSFDC on MSME/GeM Portal/ SC-ST Hub	Number	5	-	-	300	275	250	225	200	-
TOTAL			100								

**Note:**

1. In working out achievements for the year 2019-20, quantified qualifications of CAG/Statutory Auditors would be adjusted in case of overstatement of Revenue/Profit/Surplus or understatement of Loss/Deficit in addition to the negative marks prescribed in the MoU Guidelines.
2. The targets decided are unconditional and no offset will be allowed on any ground. Further, evaluation would be subject to compliance of Additional Eligibility Criteria as contained in the MoU Guidelines.

*Shyam Kapoor*

SHYAM KAPOOR  
CHAIRMAN-CUM-MANAGING DIRECTOR  
NATIONAL SCHEDULED CASTES FINANCE  
AND DEVELOPMENT CORPORATION

*Nilam Sawhney*

NILAM SAWHNEY  
SECRETARY  
DEPARTMENT OF SOCIAL JUSTICE & EMPOWERMENT,  
MSJ&E, GOVT. OF INDIA

DATE : 24-05-2019  
PLACE: NEW DELHI



## Annexure

### The List of HR Parameters of continuous nature:

Sl. No.	Parameter
(i)	Online submission of ACR/APAR in respect of all executives (E0 & above) along with compliance of prescribed timeline w.r.t. writing of ACR/APAR.
(ii)	Online Quarterly vigilance clearance updation for Senior Executives (E-5 and above).
(iii)	Updation of Succession Plan and its approval by Board of Directors.
(iv)	Holding of DPC without delay for Executives (E0 & and above level).
(v)	Talent Management & career progression by imparting at least 1 week training of at least 10% Executives (E0 & above) in Centre of Excellence within India e.g. IITs, IIMs, NITs, ICAI, etc.
(vi)	Regular updation of Online Human Resource Management System (HRMS) Implementation (consisting of online employee data administration, employee self-service, exit procedure, talent management, etc.) and its integration with finance.
(vii)	Review & implementation of employee performance on the lines of FR (56)j and submitting a compliance report to Board of Directors at the end of the year.



## TREND ANALYSIS (PART(A))

Sl. No.	Financial Performance Criteria	Unit	Target v/s Actual	2013-14	2014-15	2015-16	2016-17	2017-18	Current year (2018-19)	
									Actual upto 30.9.2018	Provisional up to 31.3.2019
1.	Revenue from Operations-Gross	Rs. Crore		22.19	24.42	23.43	28.88	39.44	24.90	55.67
	Revenue from Operations-Net		Actual	22.19	24.42	23.43	28.88	39.44	24.90	55.67
			MoU	-	-	-	25.70	32.72	36.00	36.00
2.	a. Profit before Tax	Rs. Crore		30.07	36.15	44.12	49.01	47.51	30.56	48.50
	b. Other Incomes			25.56	31.37	36.74	35.21	27.15	13.07	13.36
	c. Extraordinary & Exceptional items			0.68	0.00	0.00	0.00	0.00	0.00	0.00
	d. Prior Period Items			0.00	0.05	0.00	0.00	0.00	0.00	0.00
	e. Operating Surplus (a-b+c+d)		Actual	5.19	4.83	7.38	13.80	20.36	17.49	35.14
			MoU	-	-	-	-	-	-	-
3.	a. PAT/ SURPLUS	Rs. Crore		30.07	36.15	44.12	49.01	47.51	30.56	48.50
	b. Net Worth at year end			1174.66	1310.79	1456.44	1645.37	1822.10	1990.05	2007.99
	c. Average Net Worth			1,109.53	1,242.73	1,383.62	1,550.91	1,733.74	1,906.08	1,915.04
	d. PAT/ Average Net Worth	%	Actual	2.71%	2.91%	3.19%	3.16%	2.74%	1.60%	2.53%
			MoU	-	-	-	-	-	-	1.80%
	e. Paid-up Share Capital	Rs. Crore		881.80	981.80	998.13	1218.02	1348.01	1485.40	1485.40
	f. Govt Share	%		100%	100%	100%	100%	100%	100%	100%
	g. Reserves and Surplus	Rs. Crore		292.86	328.99	458.31	427.35	474.09	504.65	522.59
4.	Total Expenses	Rs. Crore		17.68	19.64	16.05	15.08	19.08	7.41	20.53
5.	Total Income	Rs. Crore		47.75	55.79	60.17	64.09	66.59	37.97	69.03
6.	Total expenses/Total Incomes	%		37.03%	35.20%	26.67%	23.53%	28.65%	19.51%	29.75%
7.	Detail of other Incomes									
	a. Interest	Rs. Crore		28.32	30.65	36.00	34.45	26.19	12.71	11.66
	b. Dividend			0	0	0	0	0	0	0
	c. Other Incomes			0.63	0.72	0.74	0.76	0.96	0.36	1.70
	d. Total			<b>28.95</b>	<b>31.37</b>	<b>36.74</b>	<b>35.21</b>	<b>27.15</b>	<b>13.07</b>	<b>13.36</b>
8.	a. Cash and Bank Balance and equivalent			254.09	330.31	410.84	294.31	231.74	153.60	173.00
	b. Investment in mutual funds			0.00	0.00	0.00	0.00	0.00	0.00	0.00
	c. Investment in shares other than subsidiary/JVs			0.00	0.00	0.00	0.00	0.00	0.00	0.00
	d. Total (a+b+c)			254.09	330.31	410.84	294.31	231.74	153.60	173.00
	e. Cash credit/Over-draft loan/ Short-Term loan			0.00	0.00	0.00	0.00	47.47	0.00	0.00
	f. Balance in Current account			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
9.	Dividend paid/ declared for the year, excluding Dividend Tax			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**Note:** Trend would be given for actual figures for preceding five years (audited) and estimated of current year i.e. previous year to the year in respect of which targets are being negotiated.



## TREND ANALYSIS (PART B)

SL No.	Financial Performance Criteria	Unit	Target v/s Actual	2013-14	2014-15	2015-16	2016-17	2017-18	Current year	
									Actual upto 30.9.2018	Provisional up to 31.3.2019
1.	Installed Capacity in respect of each product			-	-	-	-	-	-	-
2.	Capacity Utilisation in respect of each product		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
3.	Contribution of each product in sales.	%		-	-	-	-	-	-	-
4.	New Orders Received during the year	Rs. Crore	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
5.	Exports as a percentage of Revenue from operations	%	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
6.	Development or Revenue from new products or product with new features.		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
7.	Product efficiency parameters.		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
8.	Completion of milestone of clients orders/agreements without time overrun.	%	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
9.	R&D, Innovation, Technology upgradation parameter.		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
10.	Market Share	%	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
11.	CAPEX		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
12.	CAPEX contracts/ projects running/ completed without time/ cost overrun to total value of CAPEX.	%	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
13.	Inventory of finished goods and work in progress.	Rs. Crore	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
14.	Inventory of finished goods and work in progress to RO(Net)	Rs. Crore	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
15.	Inventory of finished goods of more than one year	Rs. Crore	Actual	-	-	-	-	-	-	-
16.	Inventory of finished goods of more than one year as a percentage of RO	%	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
17.	Trade receivables (Net) as number of days of Revenue from Operations (gross)	Rs. Crore	Actual	332.67	340.90	303.53	343.37	318.63	370.14	346.43
			MoU	-	-	-	-	-	-	-
18.	Trade receivables (Net) as number of days of Revenue from Operations (gross)	No. of Days	Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-



SL No.	Financial Performance Criteria	Unit	Target v/s Actual	2013-14	2014-15	2015-16	2016-17	2017-18	Current year	
									Actual upto 30.9.2018	Provisional up to 31.3.2019
19.	Claims against the Company not acknowledged raised by									
	Central Government Departments			0.00	0.00	0.00	0.00	-	-	-
	State Governments/Local Authorities			0.08	0.22	0.20	0.00	-	-	-
	CPSEs			0.00	0.00	0.00	0.00	-	-	-
	Others			0.19	0.00	0.00	0.00	-	-	-
	Total		Actual	0.27	0.22	0.20	0.00	-	-	-
			MoU	-	-	-	-	-	-	-
20.	Loans disbursed/Total Funds Available	%	Actual	47.21%	43.27%	46.67%	60.78%	69.66%	69.68%	78.13%
			MoU	-	-	-	60.00%	67.11%	68.00%	68.00%
21.	Overdue loans/Total loans (Net)		Actual	36.95%	35.65%	29.96%	26.07%	20.64%	20.77%	19.29%
			MoU	-	-	-	-	23.93%	23.50%	23.50%
22.	NPA/Total loans (Net)		Actual	1.53%	1.47%	1.46%	1.08%	0.92%	0.81%	0.79%
			MoU	-	-	-	-	1.09%	1.03%	1.03%
23.	Cost of raising loans as compared to similarly rated CPSEs/entities		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
24.	Return (share of profit/loss) on Investment in Joint Ventures-CPSEs having Joint Ventures		Actual	-	-	-	-	-	-	-
			MoU	-	-	-	-	-	-	-
25.	Any other result-oriented parameters taken for target setting		Actual	-	-	-	-	-	-	-
				-	-	-	-	-	-	-

**Note:** Trend would be given for actual figures for preceding five years (audited) and estimated of current year i.e. previous year to the year in respect of which targets are being negotiated.





**नेशनल शेड्यूल्ड कास्ट्स फाइनेंस एंड डेवलपमेंट कॉर्पोरेशन**  
(भारत सरकार का उपक्रम)

**NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION**  
(Govt. of India Undertaking)



(आई एस ओ 9001 : 2008 प्रमाणित कंपनी)  
(An ISO 9001 : 2008 Certified Company)



14वीं मंजिल, कोर-1 व 2, स्कोप मीनार, लक्ष्मी नगर जिला केन्द्र, दिल्ली-110 092  
14<sup>th</sup> Floor, Core 1 & 2, SCOPE Minar, Laxmi Nagar District Centre, Delhi-110 092  
फोन / Phone: 011-22054392, 22054394, 22054396 फैक्स / Fax: 011-22054395  
ई-मेल / E-mail: support-nsfdc@nic.in, वेबसाइट / Website: www.nsfdc.nic.in