

*NSFDC 30th Annual Report 2018-19*

# 30<sup>वीं</sup> वार्षिक रिपोर्ट 30<sup>th</sup> ANNUAL REPORT 2018-19



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

NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION  
(A Government of India Undertaking)



( आईएसओ 9001:2015 प्रमाणित कंपनी )  
(An ISO 9001:2015 Certified Company)



14<sup>वीं</sup> मंजिल, कोर 1 व 2, स्कोप मीनार, लक्ष्मी नगर जिला केंद्र, दिल्ली-110092  
14<sup>th</sup> Floor, Core 1 & 2, SCOPE Minar, Laxmi Nagar District Centre, Delhi-110092  
फोन/Phone : 011-22054392, 22054394, 22054396 फैक्स/Fax : 011-22054395  
ई-मेल/E-mail : support-nsfdc@nic.in वेबसाइट/Website : www.nsfdc.nic.in



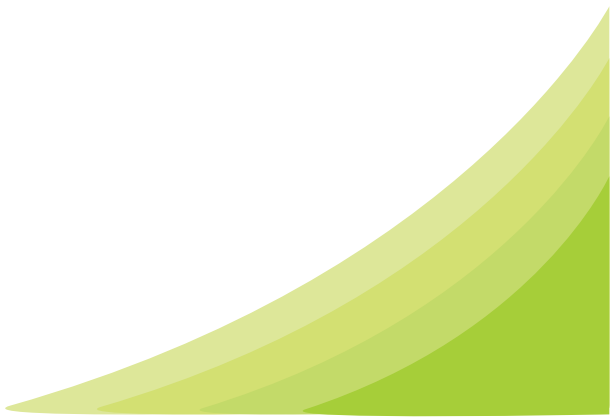





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CIN: U93000DL1989NPL034967

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

**National Scheduled Castes Finance and Development Corporation**  
(A Government of India Undertaking)

NSFDC/SECT/30th AGM/270/1712

8<sup>th</sup> November, 2019

### NOTICE

Notice is hereby given that the 30th Annual General Meeting(AGM) of the National Scheduled Castes Finance and Development Corporation will be held on 11.11.2019 (Monday) at 11.30 a.m in the Chamber of Secretary, SJ&E, A-Wing, Ministry of Social Justice & Empowerment, Shastri Bhawan, New Delhi-110 001 to transact the following businesses:

### ORDINARY BUSINESS:

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, together with reports of the Directors, Auditors' Report, Management's Replies and Comments of the Comptroller and Auditor General of India thereon and pass the following resolution as an ordinary resolution, with or without modification(s):-

**"RESOLVED THAT** the audited Financial Statements of the Company for the financial year ended 31st March, 2019, together with Board Reports, Auditors' Report, Management's replies thereon and Comments of the Comptroller and Auditor General of India on the same be and are hereby received, considered and adopted."

**By the Order of the Board of Directors**



**Place : Delhi**  
**Dated: 8th November, 2019**

**(Annu Bhogal)**  
**Company Secretary**

### NOTE:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER (PROXY FORM IS ENCLOSED).

पंजीकृत एवं प्र. का: 14वीं मंजिल, स्कोप मीनार, कोर 1 व 2, लक्ष्मी नगर जिला केंद्र, लक्ष्मी नगर, दिल्ली-110092  
Regd. & H.O.: 14th Floor, SCOPE Minar, Core - 1 & 2, Laxmi Nagar District Centre, Laxmi Nagar, Delhi-110092  
दूरभाष/Tel.: 011-22054391, 22054392, 22054394, 22054396 फैक्स/Fax : 011-22054395, 22054349  
ई-मेल/E-mail : support-nsfdc@nic.in वेबसाइट/Website : www.nsfdc.nic.in

## ***NSFDC 30th Annual Report 2018-19***

### **COMPANY INFORMATION**

#### **Board of Directors (2018-19)**

**Shri K. Narayan**  
Chairman-cum-Managing Director  
(w.e.f. 01.09.2019)

**Shri Shyam Kapoor**  
Chairman-cum-Managing Director  
(w.e.f. 29.07.2016 to 30.08.2019)

**Shri B.L. Meena**  
(w.e.f. 04.06.2015 to 26.08.2019)

**Smt. T.C.A. Kalyani**  
(w.e.f. 14.01.2016 to 18.07.2019)

**Shri Gulab Singh**  
(w.e.f. 26.08.2014 to 30.08.2019)

**Shri S.M. Awale**  
(w.e.f. 04.06.2015)

**Shri Kayzang Chhophel Lama**  
(w.e.f. 17.04.2017)

**Shri Lachiram Bhukya**  
(w.e.f. 23.03.2018)

**Shri Bhaskar Pant**  
(w.e.f. 23.03.2018)

**Shri Piyush Srivastava**  
(w.e.f. 23.03.2018)

**Ms. Vishakha Shailani**  
(Independent Director)  
(w.e.f. 17.04.2017)

**Dr. K. Ramalingam**  
(Independent Director)  
(w.e.f. 20.03.2019)

#### **Statutory Auditors**

M/s. Naresh K. Gupta & Co. Chartered Accountants,  
201-202A, Aditya Arcade,  
Plot No.30, Community Centre,  
Preet Vihar, Delhi-110092,

#### **Bankers**

Syndicate Bank, Delhi  
Canara Bank, Delhi/Mumbai/Bengaluru  
SBI, New Delhi/Kolkata  
Corporation Bank, Delhi  
Union Bank of India, Delhi  
Punjab National Bank, Delhi  
Vijaya Bank, Delhi  
Indian Overseas Bank, Delhi  
Allahabad Bank, Delhi  
IDBI, Delhi  
Bank of Baroda, Delhi  
Bank of India, Delhi  
Andhra Bank, Delhi  
Oriental Bank of Commerce, Delhi  
Punjab & Sind Bank, Delhi  
Central Bank of India, Delhi  
Kotak Mahindra Bank, Delhi

#### **Registered Office**

National Scheduled Castes Finance and Development  
Corporation,  
(A Government of India Undertaking)  
14th Floor, SCOPE Minar, Core 1 & 2,  
Laxmi Nagar District Centre,  
Laxmi Nagar,  
Delhi-110 0092.

#### **Company Secretary**

Smt. Annu Bhogal

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### **CHAIRMAN'S ADDRESS ON 30<sup>th</sup> AGM OF NSFDC on 11<sup>th</sup> November, 2019**

**Dear Members,**

On behalf of the Board of Directors, I extend a very warm welcome to all of you to the 30th Annual General Meeting of your Company. I would like to convey my sincere gratitude to you for sparing your valuable time to be present on this important occasion.

The Annual Report for the financial year ending 31st March, 2019 along with the Directors' Report, Audited Annual Accounts with the Report of Auditors and comments of Comptroller and Auditor General of India have already been circulated to the Members, and with your permission, I shall take them as read.

As on 31st March, 2019, the Authorized Share Capital of your Corporation was Rs. 1500 crore and Paid-up Capital was Rs. 1485.40 crore.

- **Major Achievements**

**Sanction of Proposals**

During the year, your Corporation sanctioned proposals worth Rs.782.26 crores to the SCAs/CAs for implementation of Schemes.

**Disbursement of Funds**

During the year, your Corporation disbursed Rs.671.21 crores i.e. 79.09 % of total funds available during 2018-19 as against the target of 68% ('Excellent' target under MoU) to the SCAs/CAs for implementation of Schemes to benefit 81,431 beneficiaries.

**Skill Development Training Programmes**

During the year, your Corporation sanctioned and implemented Skill Development Training Programmes with a cost of Rs.27.89 crores to train 19,089 persons belonging to Scheduled Castes and disbursed Rs.14.31 crores [(including grant provided by Ministry of Social Justice & Empowerment under the Scheme of Assistance to Voluntary Organizations working for the Welfare of SCs, Training (Grant)-Advances & Training Expenses-Beneficiaries], by developing partnership with 30 (Thirty) Skill Training Institutes/Sector Skill Councils. Out of 19,089 persons, 16,229 persons completed their Skill Development Training Programmes including 6,226 persons who commenced their training during 2017-18 and completed during the year. Further, 13,668 persons who completed the training programmes were provided Self/Wage-Employment.

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### **Achievements vis-à-vis Targets of MoU (2018-19)**

During the year, your Corporation has achieved all the MoU targets under 'Excellent' category except under PAT or Surplus as percentage of Average Net Worth and Overdue Loans /Total Loans (Net). Based on the audited data, total aggregate score for the financial year 2018-19 comes to 94.20 which conforms to 'Excellent' Rating.

- **Special Initiatives**

Your Corporation has taken special initiatives during 2018-19 to further broaden and strengthen its activities. Some of them are as follows:

- (i) **Composite Awareness Camps in States**

During the year, your Corporation participated in 12 Composite/ Awareness Camps to publicize the Ministry's and National Corporations' Schemes at the field level. These camps were organized in Bihar (Gaya), Gujarat (Narmada), Himachal Pradesh (Kullu), Punjab (Ferozpur), Uttar Pradesh (Baliya, Robertz Ganj, Bijnor, Fatehpur), Madhya Pradesh (Satna, Chitrakoot). At each of these camps, your Corporation was provided a stall to publicize its Schemes and distribute the Scheme pamphlets to the visitors to generate mass awareness. Successful beneficiaries were also invited in some of the Camps to address the gathering about their experiences of availing loans under Corporation's Schemes and activities related to business.

- (ii) **Coverage of Women Beneficiaries**

During the year, your Corporation has provided concessional financial assistance of Rs.276.60 crores to 52,331 women beneficiaries under its various Schemes, which constituted 41.21% of the year's total disbursement and 64.26% of the total coverage against the norm of 40% both in financial and physical terms respectively.

- (iii) **One day Executive Development Programme (EDP) for Officers of SCAs/CAs**

During the year, your Corporation has introduced one day Executive Development Programme (EDP) for the Officers of SCAs & CAs with the maximum budget provision of Rs.50,000/- per programme. This EDP will enable the Officers of SCAs & CAs (i) to understand the Schemes of NSFDC, its implementation, utilization of funds and recovery of dues, (ii) to discuss the issues and constraints in implementation of NSFDC's Schemes and (iii) to formulate strategy to overcome the constraints for effective implementation of NSFDC's Schemes and expand outreach.

- (iv) **Development of Scheduled Caste Weaver Clusters**

During the year, after completion of the Baseline Survey, your Corporation has submitted 09 cluster projects under National Handloom Development Programmes (NHDP) of the Development Commissioner (Handlooms), Ministry of Textiles to the concerned Directorates of the Handloom & Textiles in the State of Assam, Madhya Pradesh, Rajasthan & Uttar Pradesh. Out of 09, 04 proposals of Assam have been recommended by the State Level Project Committee (SLPC), Government of Assam and submitted to the Development Commissioner (Handlooms), Udyog Bhawan, New Delhi for consideration of sanction.



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To expand the outreach, your Corporation has signed Memorandum of Agreement (MoA) with one more PIA viz. Centre for Indian Bamboo Resource and Technology (CIBART), New Delhi during the year for implementation of National Handloom Development Programmes (NHDP) of the Development Commissioner (Handlooms), Ministry of Textiles PAN India.

### **(v) Development of Scheduled Caste Artisans Clusters**

During the year, your Corporation has submitted utilization reports amounting to Rs.115.40 lakhs to DC (Handicrafts) towards reimbursement of second and final installment under the AHVY clusters being undertaken at Village: Poogal & its surrounding areas, District-Bikaner and Gadra Road, District-Barmer (Rajasthan) against release of Rs.49.77 lakhs by DC (Handicrafts).

To expand the outreach, your Corporation has signed MoA with two more PIAs viz; M/s Valeur Fabtex Private Limited, Dibrugarh (Assam) and M/s Centre for Indian Bamboo Resource and Technology (CIBART), New Delhi during the year for implementation of Ambedkar Hastshilp Vikas Yojana (AHVY) of the Development Commissioner (Handicrafts), Ministry of Textiles, PAN India.

### **(vi) Initiatives taken for the Beneficiaries**

During the year, your Corporation revised the Lending Policies for SCAs, PSBs & RRBs and NBFC-MFIs. The following revisions were made in lending policies:

- (i) Second time loan be provided for eligible Scheduled Caste beneficiaries, if they have availed first time loan under any of the NSFDC Scheme subject to (i) Full repayment of the earlier loan, and (ii) Certification of actual assets creation through first loan and successful running of the business by the SCAs/CAs.
- (ii) Minimum Refinance Outstanding Balance has been reduced to Rs.10,000/- and Maximum Refinance Outstanding Balance has been increased to Rs.45.00 lakhs under PSBs/RRBs Refinance Schemes.
- (iii) Enhancement of Unit Cost under Term Loan (TL) Scheme from Rs.30.00 lakhs to Rs.50.00 lakhs.
- (iv) New Lending Policy introduced for Cooperative Banks and Cooperative Societies.
- (iv) New Scheme in the name of Udyam Nidhi Yojana introduced to be implemented through Cooperative Banks and Cooperative Societies.
- (v) Enhancement of Unit Cost under Vocational Education & Training Loan Scheme (VETLS) from Rs.1.50 lakhs to Rs.4.00 lakhs for courses of duration up to two year with repayment period up to 7 years.

### **(vii) Swachh Bharat Abhiyan**

Your Corporation undertook various activities relating to “Swachhta” and also sanctioned projects relating to environment cleanliness at various places and locations. NSFDC organised cleanliness and waste collection drives at JJ Cluster Chitra Vihar, slum at C-block Preet Vihar, Delhi, Basti Vikas Kendra, Trilokpuri, Delhi, Gandhi Nagar, Delhi and Non-residential School at Brahmpuri, Delhi.

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NSFDC organised door to door awareness campaign for spreading awareness regarding better sanitation practices at Preet Vihar Slum, JJ clusters in Chitra Vihar & in Trilokpuri Basti. NSFDC initiated renovation of toilets & class rooms of community training Centre in Gandhi Nagar, Delhi. Two overhead tanks were installed in the community training centre for providing clean drinking water to the residents.

In addition, Swachh Bharat Pakhwara was celebrated by NSFDC in Aspirational District, Firozpur, in association with Government Senior Secondary School, Village Gatti Rajo Ke, Firozpur, Punjab and organized drawing, painting, poem, debate competitions on the theme of cleanliness among the school children. The people of Border area of Gatti Rajo Ke, Firozpur, Punjab had been consuming contaminated and polluted water for the last many years which is the root cause of so many diseases including skin disease. Your Corporation sanctioned the project for digging of deep borewell and installation of RO system for providing clean water to the people living in the village.

Furthermore, your Corporation also installed Sanitary napkin Vending Machines and incinerator in Aspirational districts of Firozpur (Punjab), Fatehpur (U.P), Gaya (Bihar), Narmada (Gujarat) and other places such as Bijnor (U.P), Ujjain (M.P.), Trilokpuri (Delhi) and Gandhi Nagar (Delhi).

### **(viii) Celebration of International Yoga Day**

In compliance of the instructions issued by Ministry of AYUSH, NSFDC celebrated International Yoga Day on 21st June, 2018. On the occasion “Yoga Session” was organized for all the employees of the Corporation. Morarji Desai National Institute of Yoga, Ministry of Ayush deputed Yoga instructor to impart yoga training to employees of your Corporation. All the employees of NSFDC took active part in making the event successful. Your corporation has also started regular yoga session in the evening for the employees of the Corporation in NSFDC office premises.

### **(ix) Public Procurement Policy for MSEs**

The revised Public Procurement Policy for Micro and Small Enterprises mandates that 25% of the total Annual procurement of goods and services by all Central Ministries/ Public Sector Undertakings will be made from Micro and Small Enterprises (MSEs) including a sub-target of 5% procurement from the MSEs owned by SC/ST entrepreneurs. Out of total annual procurement from Micro and Small Enterprise, 3% from within the 25% target shall be earmarked for procurement from Micro and Small Enterprises owned by women. In compliance of the Public Procurement Policy for Micro and Small Enterprises (MSEs), your Corporation has achieved the required target during the year 2018-19.

### **(x) Strengthening of IT-System**

Your Corporation maintains database for project related data in an in-house devised module for generation of various reports. For comprehensive protection of data, hardware & network against various viruses, spyware, adware and other malicious programmes, your Corporation has installed antivirus software, which is updated periodically. To strengthen IT equipments, PCs, accessories and peripherals were procured during the reported year.

- On the instructions of MOSJ&E, the Social Benefits Management System (SBMS) software has been developed by National e-Governance Division (NeGD) in association with NSFDC. It was



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launched by the Hon'ble Union Minister of SJ&E on 27th Feb, 2019. The software will be used by end beneficiaries to apply for loans online and by State Channelizing Agencies for online processing of loans.

- Your Corporation has hosted a new dynamic, disabled friendly, bilingual website which is in compliance with Guidelines for Indian Government Website (GIGW) along with a Web based Skill Training Application which is being hosted at NIC Cloud Server by replacing the previous website.
- A job portal for employable skilled persons has been developed and operationalized. This portal maintains details of candidates who have been trained through the skill training program of NSFDC. It can be used by various organizations to search for skilled candidates with the required skill sets.
- The e-Office software has been implemented in NSFDC Head Office.
- A web based NSFDC's Loan Accounting Software has been developed and currently is in parallel run.
- A web based software for Annual Performance Appraisal Report (APAR/ACR) has been developed and implemented for NSFDC's officials.

### **(xi) Corporate Governance**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance set out by the Companies Act, 2013 and Department of Public Enterprises (DPE).

### **(xii) Corporate Social Responsibility**

The Corporate Social Responsibility & Sustainability Development (CSR & SD) Policy has been formulated and recommended to the Board. The CSR & SD Policy indicating the activities to be undertaken by the Company has been approved by the Board.

As per Companies Act, 2013, out of a budgetary allocation of Rs.93.72 lakhs (which is 2% of the net profit made during three immediately preceding financial years), the Company has spent Rs.41.77 lakhs on CSR activities during the financial year 2018-19.

### **(xiii) Resource Linkage Programme**

The provisions of the Companies Act, 2013 under Section 135 require certain disclosures in the Board report. Your Corporation carries out activities specified in Schedule VII of the Act. Companies incorporated under Section 8 of the Act also find mention in the new Companies (Corporate Social Responsibility Policy) Rules, 2014 issued vide notification dated 27.02.2014 that they shall be implementing agencies.

During the year, your Corporation received sanction under Corporate Social Responsibility (CSR) for Skill Training Programmes from three profit making CPSEs namely Bharat Petroleum Corporation Ltd. (BPCL), Security Printing & Minting Corporation of India Ltd. (SPMICL) and Bridge & Roof Co. (India) Ltd. Further, your Corporation has partnered with Corporate Foundations for cost sharing in conducting skill training programmes. The Corporate Foundations are Tata Strive, Tech. Mahindra

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Foundation, Ambuja Cement Foundation, Dalmia Bharat Foundation and Hindustan Latex Family Planning Promotion Trust. Further, against earlier sanctioned CSR funds, an amount of Rs.121.10 lakhs was released to the concerned training institutions during the year.

The skill training programmes under the above mentioned projects for the financial year 2018-19 have been sanctioned in the States of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Himachal Pradesh, Gujarat, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Odisha, Tamil Nadu, Telangana & Uttar Pradesh.

- **Road Ahead**

Your Corporation will use innovative approaches to assist the target group for accelerating economic growth and increasing incomes. The focus of assistance will continue to be in economic activity, professional/technical education and skill development leading to employability. Geographically, the focus will be primarily on areas where the concentration of the target group is high, particularly in the aspirational districts of the country. Your Corporation will continue building on existing collaborative relationships and develop new partnerships with channelizing agencies and other development partners as well as follow multi-pronged strategy to promote entrepreneurship among Scheduled Castes.

- **Acknowledgements**

On behalf of the Board of Directors of the Company, I take this opportunity to convey my deep gratitude for your continued support and valuable guidance. I convey my sincere thanks to the Ministry of Social Justice and Empowerment for their unstinted support and co-operation. I appreciate and acknowledge the support of the Board of Directors for their constant advice and encouragement. I acknowledge the assistance received from various Ministries of Government of India, Department of Public Enterprises, State Governments and UT Administrations. I also acknowledge the cooperation received from various State Channelizing Agencies, Channelizing Agencies consists of various Public Sector Banks, Regional Rural Banks and Non-Banking Financial Company-Micro Finance Institutions etc.

I would like to convey my sincere thanks to the Training Institutions for their support that has enabled us to provide employment opportunities to the target group.

I would also acknowledge the sincere efforts of all employees of the Corporation which have enabled us to reach higher milestones. I look forward to continued support from all stakeholders in this journey.



**(K. NARAYAN)**

Chairman-cum-Managing Director

**Place: Delhi**

**Date: 11<sup>th</sup> November, 2019**

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### ACRONYMS

Short Form	Word
AA	Appellate Authority
AMY	Aajeevika Microfinance Yojna
BPL	Below Poverty Line
CA	Channelizing Agency
CAPIOs	Central Assistant Public Information Officers
CPIO	Central Public Information Officer
CPSEs	Central Public Sector Enterprises
CSR	Corporate Social Responsibility
CVC	Chief Vigilance Commission
CVO	Chief Vigilance Officer
CMD	Chairman-cum-Managing Director
DPE	Department of Public Enterprises
DPL	Double Poverty Line
EOIOE	Excess of Income over Expenditure
HMV	Heavy Motor Vehicle
IITF	India International Trade Fair
ISSDRI	Incentive Scheme for SCAs for Development of Recovery Infrastructure
IT	Information Technology
LDDP	Liquidity Damages for Defaulted Payment
LMV	Light Motor Vehicle
MHRD	Ministry of Human Resource Development
MOSJ&E	Ministry of Social Justice & Empowerment
MoU	Memorandum of Understanding
MCD	Municipal Corporation of Delhi
MSE	Micro Small Enterprises
MFIs	Micro Finance Institutions
NBFC	Non-Banking Financial Company
NAPE	National Award for Performance Excellence
NSFDC	National Scheduled Castes Finance and Development Corporation
NGO	Non-Governmental Organization
NIC	National Informatics Centre
NICSI	National Informatics Centre Services Incorporated
OBC	Other Backward Classes
OTC	Over the Counter
PSUs	Public Sector Undertakings
PSB	Public Sector Bank
RRB	Regional Rural Bank
RTI	Right to Information
SCAs	State Channelizing Agencies
SCs	Scheduled Castes
SCSP	Scheduled Castes Sub-Plan
STs	Scheduled Tribes
TA/DA	Travelling Allowance/Daily Allowance
TOs	Transparency Officer
UCs	Utilization Certificates
UTs	Union Territories
VETLS	Vocational Education & Training Loan Scheme

## **DIRECTORS' REPORT (2018-19)**

I welcome you to the 30<sup>th</sup> Annual General Meeting of your Corporation. Annual General Meetings are a platform to discuss the Annual Report on the progress of your Corporation together with its Audited Financial Statements, Auditors' Report and Comments of the C&AG on Accounts.

### **1. CORPORATE PROFILE**

Your Corporation was set up as National Scheduled Castes & Scheduled Tribes Finance and Development Corporation on 08.02.1989, as a Company 'not for profit' under Section-25 of the Companies Act, 1956 (now, under Section-8 of the Companies Act, 2013). It catered to the needs of both Scheduled Castes & Scheduled Tribes target groups till 09.04.2001. On 10.04.2001, the Corporation was bifurcated after creation of National Scheduled Tribes Finance & Development Corporation for Scheduled Tribes target group under Ministry of Tribal Affairs. Consequent upon its bifurcation, your Corporation now exclusively caters to the needs of Scheduled Caste target group.

#### **1.1 Vision**

To be the leading catalyst in systematic reduction of poverty through socio-economic development of eligible Scheduled Castes, working in an efficient, responsive and collaborative manner with channelizing agencies and other development partners.

#### **1.2 Mission**

Promote prosperity among Scheduled Castes by improving flow of financial assistance and through skill development & other innovative initiatives.

#### **1.3 Objectives**

The Memorandum of Association of your Corporation lists the following main objects to be pursued:

- (i) Identification of trades & other economic activities of importance to Scheduled Castes population.
- (ii) Upgradation of skills & processes used by persons belonging to Scheduled Castes.
- (iii) Promotion of small, cottage & village industries.
- (iv) Financing of pilot programmes for upliftment and economic welfare of persons belonging to Scheduled Castes.
- (v) Improvement in flow of financial assistance to persons belonging to Scheduled Castes for their economic well-being.
- (vi) Assistance to target group in setting up their projects by way of project preparation, training and financial assistance.
- (vii) Extending loans to eligible students belonging to Scheduled Castes for pursuing full-time professional and technical courses in India and abroad.

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(viii) Extending loans to eligible youth to enhance their skill & employability by pursuing vocational education & training courses in India.

In pursuance of above objects, your Corporation is engaged in providing financial assistance at concessional interest rates under various credit-based schemes to persons belonging to Scheduled Castes through the State/UT Channelizing Agencies and other channel partners and is also implementing various non-credit based schemes to support the target groups.

### 1.4 **Authorized and Paid-up Share Capital**

During the year, the authorized share capital of your Corporation is Rs.1500.00 crore. The paid up share capital at the beginning of financial year 2018-19 was Rs.1348.01 crore. The Government of India released Rs.137.39 crore during the year towards equity support. The cumulative paid up capital at the end of financial year was Rs.1485.40 crore.

### 1.5 **Organization Structure**

Your Corporation is headed by a Chairman-cum-Managing Director who is assisted by a Chief General Manager, two General Managers and a team of Senior Executives. There are 79 employees working in your Corporation. Apart from Projects, Finance, Human Resource, Administration Departments, there are other Departments viz. Corporate, Internal Audit, Co-ordination, Vigilance, Legal, MIS, Skill Training, Record Management and Official Language Cell. In order to ensure efficient implementation and monitoring of NSFDC Schemes in the States, there is a Projects Desk headed by General Manager/Deputy General Manager, with the specific States/UTs assigned to them. Besides above, in order to expand outreach under NSFDC's schemes through Public Sector Banks, Regional Rural Banks, Co-Operative Banks, Co-Operative Societies, Other Institutions and the Last Mile Financiers i.e. the NBFC-MFIs working at the grass root level in backward regions, there is a Banking Division headed by General Manager/Assistant General Manager which is working in PAN India. Apart from Projects Department and Banking Division, there is one Training Cell, exclusively assigned with tasks related to Skill Development of Target Group.

The Organization Chart is depicted at **Annexure-I**.

### 1.6 **Liaison Centres**

Your Corporation has three Liaison Centers, which keep liaison with respective State/UT Channelizing Agencies & other Channel Partners and monitor implementation of various schemes in the respective State/UTs. The locations of the Liaison Centers and their jurisdiction are given below:

Sl. No.	Liaison Centers	Jurisdiction
i.	Bengaluru	Tamil Nadu, Telangana, Kerala, Karnataka, Andhra Pradesh and Puducherry
ii.	Mumbai	Maharashtra, Gujarat, Rajasthan, Goa, Daman & Diu, Dadra & Nagar Haveli
iii.	Kolkata	Odisha, West Bengal, Bihar, Jharkhand, Assam, Manipur, Meghalaya, Mizoram, Tripura and Sikkim

The States like Chhatisgarh, Madhya Pradesh, Haryana, Punjab, Himachal Pradesh, Jammu & Kashmir, Uttar Pradesh, Uttarakhand and UTs of Delhi & Chandigarh, are being monitored from Head Office, directly.



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### **1.7 Channel Finance System**

- (i) Your Corporation implements various credit based and non-credit based schemes for the target group through a network of 37 States/UT Channelizing Agencies (SCAs) spread across the country that are nominated by respective State Governments/UT Administrations. In addition, your Corporation has also established alternate channels for implementation of schemes through Public Sector Banks (PSBs), Regional Rural Banks (RRBs), Non-Banking Financial Company-Micro Finance Institutions (NBFC-MFIs) and other Institutions. As on 31.03.2019, your Corporation has 59 Alternate Channelizing Agencies (CAs).
- (ii) State/UT-wise list of SCAs/CAs is given at **Annexure-II (A) & (B)**.
- (iii) Formulation and sponsoring of project proposals based on local needs, identification of eligible applicants and selection of beneficiaries, documentation with beneficiaries, implementation of schemes and recovery of loans from beneficiaries lies in the domain of the SCAs/CAs.

### **1.8 Notional Allocation of Funds**

At the beginning of each financial year, your Corporation notionally allocates funds to the SCAs, in proportion to the Scheduled Castes population of the Country represented by the respective State/UT.

### **1.9 Norms for Disbursement of Funds**

#### **1.9.1 Norms of SCAs**

Before disbursement of funds to the SCAs, the following norms are taken into consideration:

❖ **Guarantee:**

Availability of adequate State Government Guarantee/Bank Guarantee/State Government Order/State Government Assurance.

❖ **Utilization Level:**

There should be a minimum of 80% cumulative utilization level of funds already disbursed as at the end of preceding month for disbursement till February end and cumulative fund utilization level of 80% at the end of preceding day for disbursement of fund in the month of March.

❖ **Repayment of Dues:**

There should not be any overdues more than one year old.

The above norms are followed in case of disbursement under loan schemes. As regards the Educational Loan Scheme introduced w.e.f. 01.12.2009, the conditions of availability of State Government Guarantee and no overdues more than one year old are ensured at the time of sanction of Education Loan.

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### **1.9.2 Norms for PSBs/RRBs**

As per the Lending Policy of NSFDC, the PSBs & RRBs (Channelizing Agencies) have to fulfill certain norms to be eligible for disbursement of funds from NSFDC. These norms are given as under:

- ❖ There should not be any overdues payable to NSFDC at the time of disbursement.
- ❖ There should be a minimum of 80% cumulative utilization level of funds already disbursed as at the end of preceding month for disbursement till February end and cumulative fund utilization level of 80% at the end of preceding day for disbursement of fund in the month of March, under project-based schemes.

Besides above, the following conditions are to be fulfilled by the Regional Rural Banks (RRBs) based on their Annual Accounts of the preceding financial year:

- ❖ Net Non-performing Assets (NPA) should be less than 10% or average net NPA for the last 05 financial years should be less than 10%. Further, out of these 05 years, the net NPA should be less than 10% each year, for at least 03 years.
- ❖ Should be in profit in the last financial year or be in profit for at least any 03 out of last 05 financial years.
- ❖ Should not be a defaulter of any Regulatory Body.

### **1.9.3 Norms for Other Organizations**

Fixed Deposit lien to NSFDC/Bank Guarantee/Multi-city Post Dated Cheques in favour of NSFDC issued by a Public Sector Bank (PSB).

### **1.9.4 Norms for NBFC-MFIs**

As per the Lending Policy of NSFDC, the NBFC-MFIs (Channelizing Agencies) have to fulfill certain norms to be eligible for disbursement of funds from NSFDC. These norms are given as under:

- ❖ No pending utilization of NSFDC funds for more than one year at the end of the preceding financial year.
- ❖ There should be a minimum of 80% cumulative utilization level of funds already disbursed as at the end of preceding month for disbursement till February end and cumulative fund utilization level of 80% at the end of preceding day for disbursement of fund in the month of March.
- ❖ No overdues payable to NSFDC at the time of disbursement.
- ❖ The disbursement to NBFC-MFIs shall be subject to Security.
  - Under Cluster Mode, Guarantee from Public Sector Bank (PSB) equivalent to the amount to be disbursed or 50% in the form of Post Dated Cheques (PDCs) and 50% Fixed Deposit from PSB. One undated PDC equivalent to the 50% of amount to be disbursed.

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- Under Non-Cluster Mode, Guarantee/Fixed Deposit from Public Sector Bank equivalent to the amount to be disbursed or up to 50% in the form of mortgage of Residential/Commercial property alongwith Personal/ Corporate Guarantee of respective property owner (s) and remaining as Guarantee/Fixed Deposit from PSB.

### **1.9.5 Norms for Co-operative Banks**

As per the Lending Policy of NSFDC, the Cooperative Banks (Channelizing Agencies) have to fulfill certain norms to be eligible for disbursement of funds from NSFDC. These norms are given as under:

- ❖ There should not be any overdues payable to NSFDC at the time of disbursement.
- ❖ There should be a minimum of 80% cumulative utilization level of funds already disbursed as at the end of preceding month for disbursement till February end. Further, cumulative fund utilization level of 80% at the end of preceding day for disbursement of fund in the month of March, under project-based schemes.

Besides above, the following conditions are to be fulfilled by the Cooperative Banks based on their Annual Accounts of the preceding financial year:

- ❖ Net Non-performing Assets (NPA) of the CA(s) should be less than 5% for the preceding financial year.

Or

Average net NPA for the last 05 financial years should be less than 5%. Further, out of these 05 years, the net NPA of the CA(s) should be less than 5% each year, for at least 03 years.

- ❖ CA(s) should have 3 years of continuous profit track record.

Or

CA(s) should be in profit for at least any 03 out of last 05 financial years.

- ❖ CA(s) should not be defaulter of any Regulatory Body.
- ❖ Satisfactory Credit Opinion Report of funding organization in respect of the Cooperative Bank.

### **1.9.6 Norms for Co-operative Societies**

As per the Lending Policy of NSFDC, the Cooperative Societies (Channelizing Agencies) have to fulfill certain norms to be eligible for disbursement of funds from NSFDC. These norms are given as under:

- ❖ There should not be any overdues payable to NSFDC at the time of disbursement.
- ❖ There should be a minimum of 80% cumulative utilization level of funds already disbursed as at the end of preceding month for disbursement till February end. Further, cumulative fund utilization level of 80% at the end of preceding day for disbursement of fund in the month of March, under project-based schemes.



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Besides above, the following conditions are to be fulfilled by the Cooperative Societies based on their Annual Accounts of the preceding financial year:

- ❖ Central/State Government should be Stakeholder in the Share capital of the Cooperative society.
- ❖ Central/State Government should have nominated members in the Board of Directors/Governing Body of the Cooperative Society.
- ❖ Net Non-performing Assets (NPA) of the CA(s) should be less than 5% for the preceding financial year.

Or

Average net NPA for the last 05 financial years should be less than 5%. Further, out of these 05 years, the net NPA of the CA(s) should be less than 5% each year, for at least 03 years.

- ❖ CA(s) should have 3 years of continuous profit track record.

Or

CA(s) should be in profit for at least any 03 out of last 05 financial years

- ❖ The CA should have credit rating of Adequate Safety equivalent to 'A' of CRISIL.
- ❖ CA(s) should not be defaulter of any Regulatory Body.
- ❖ The CA(s) should not have defaulted in repayment of outside borrowings in the last three years or undergone a corporate debt re-structuring.
- ❖ Satisfactory Credit Opinion Report of funding organization in respect of the Cooperative society.

### 1.10 Beneficiaries' Eligibility Criteria

The eligibility criteria of applicants for coverage under Corporation's schemes are as under:

- (i) Applicants should belong to the Scheduled Caste community.
- (ii) Annual family income of the applicants should be within Rs.3.00 lakh (for both rural and urban areas w.e.f. 08.03.2018) under Credit Based Schemes.

The Annual Family Income Criterion will not be applicable for skill development training programmes. The funds under skill development training programmes shall be provided as per the norms of Ministry of Skill Development and Entrepreneurship, Government of India.

### 1.11 Norms for coverage of Women Beneficiaries

Your Corporation gives importance to adequate coverage of women beneficiaries under its schemes. Consequent upon the recommendation of Task Force on Convergence and Coordination of Government Programmes/ Schemes for Educational, Economic and Social Empowerment of Scheduled Castes and OBC women, your Corporation has devised norms to cover 40% women beneficiaries both in financial and physical terms under its schemes.



Smt. Purnima Narang of Bhatt Gaon, Post- Manna, Distt.- Raipur, was provided loan for setting up Readymade Garment Shop under NSFDC's Laghu Vyavasay Yojana (LVY).

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### 1.12 Schemes of Corporation

Your Corporation has various Credit Based & Non-Credit Based Schemes for providing financial and other assistance to the beneficiaries. Loans are provided to beneficiaries for various economic activities under Agriculture & Allied, Small Industries and Services including Transport Sectors. Your Corporation also provides loan for pursuing higher education and vocational education & training.

Details of schemes financed by your Corporation for the target group through its SCAs and CAs are as follows:

#### 1.12.1 Credit-Based Schemes

The various schemes formulated over the years by your Corporation include Term Loan, Working Capital Loan, Micro Credit Finance, Mahila Samriddhi Yojana, Mahila Kisan Yojana, Shilpi Samriddhi Yojana, Laghu Vyavasay Yojana, Educational Loan Scheme, Vocational Education & Training Loan Scheme, Green Business Scheme, Stand-up India Scheme, Aajeevika Microfinance Yojana and Udyam Nidhi Yojana for the socio-economic development of its target group. Under these schemes, loans are provided at concessional interest rates ranging from 1% to 8% p.a. depending on scheme/quantum of loan extended. Further, the SCAs/CAs are allowed to add 2-3% (except 8% in case of Aajeevika Microfinance Yojana and Udyam Nidhi Yojana) to the aforesaid interest rates under different Schemes and charge interest from the beneficiaries.

#### 1.12.1(A) Unit Costs, NSFDC Share & Interest Rates

Sl. No.	Scheme	Unit Cost	Interest rates per annum chargeable to	
			CAs	Beneficiaries
(i)	Term Loan	Up to Rs.50.00 lakh. However, interest is charged based on NSFDC share/unit as per the details given below.		
(a)	Term Loan	Up to Rs.5.00 lakh	3%	6%
(b)	Term Loan	Above Rs.5.00 lakh & up to Rs.10.00 lakh	5%	8%
(c)	Term Loan	Above Rs.10.00 lakh & up to Rs.20.00 lakh	6%	9%
(d)	Term Loan	Above Rs.20.00 lakh & up to Rs.45.00 lakh	7%	10%
(ii)	Working Capital Loan	Entire working capital is provided for projects costing up to Rs.5.00 lakh and up to 70% of the total working capital or Rs.7.00 lakh/unit, whichever is less, for projects costing above Rs.5.00 lakh & up to Rs.30.00 lakh.	8%	10%

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(iii)	Micro Credit Finance	Up to Rs.0.60 lakh	2%	5%
(iv)	Mahila Samriddhi Yojana	Up to Rs.0.60 lakh	1%	4%
(v)	Mahila Kisan Yojana	Up to Rs.2.00 lakh	2%	5%
(vi)	Shilpi Samriddhi Yojana	Up to Rs.2.00 lakh	2%	5%
(vii)	Laghu Vyavasay Yojana	Up to Rs.5.00 lakh	3%	6%
(viii)	Educational Loan Scheme	NSFDC Share is up to 90% of the entire course fee or Rs.10.00 lakh (India) and Rs.20.00 lakh (abroad), whichever is less.	1.5% (Men) 1% (Women)	4% (Men) 3.5% (Women)
(ix)	Vocational Education & Training Loan Scheme	For courses of duration up to two years: Up to Rs.4.00 lakh	1.5% (Men) 1% (Women)	4% (Men) 3.5% (Women)
(x)	Green Business Scheme	Up to Rs.7.50 lakh Above Rs.7.50 lakh & up to Rs.15.00 lakh Above Rs.15.00 lakh & up to Rs.30.00 lakh	2% 3% 4%	4% 6% 7%
(xi)	Stand-up India Scheme	Above Rs.10.00 lakh & up to Rs.20.00 lakh Above Rs.20.00 lakh & up to Rs.30.00 lakh	6% 7%	9% 10%
(xii)	Aajeevika Microfinance Yojana	Up to Rs.0.60 lakh	5% (Men*) 4% (Women*)	13% (Men*) 12% (Women*)
(xiii)	Udyam Nidhi Yojana#	Up to Rs.5.00 lakh	4%	12%

\*Aajeevika Microfinance Yojana is implemented through Non-Banking Finance Company-Micro Finance Institutions (NBFC-MFIs) only. Under the Scheme, the target group shall be eligible to get interest subvention of 2% per annum from NSFDC on timely full repayment of dues on yearly basis, which shall be credited by NSFDC directly to their accounts by Direct Benefit Transfer (DBT) after receiving information from NBFC-MFI about prompt repayment.

#Udyam Nidhi Yojana is implemented through Co-operative Societies/Banks.

### 1.12.1(B) Means of Finance

As per your Corporation's Lending Policy, the Corporation (NSFDC) provides loans up to 90% of unit cost and channelizing agencies and/or promoters provide remaining 10% amount, except in the

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case of Vocational Education & Training Loan Scheme where 100% cost of project is provided as loan by your Corporation.

### 1.12.1(C) **Promoter's Contribution**

In order to have promoter's stake and involvement in the project, promoter's contribution is insisted under Term Loan projects costing above Rs. 1.00 lakh per unit as per the details given below:

Sl. No.	Project/Unit Cost	Minimum Promoter's Contribution as %age of Project Cost
(i)	Projects costing up to Rs.1.00 lakh	Not insisted upon
(ii)	Projects costing above Rs.1.00 lakh & up to Rs. 2.50 lakh	2%
(iii)	Projects costing above Rs.2.50 lakh & up to Rs.5.00 lakh	3%
(iv)	Projects costing above Rs.5.00 lakh & up to Rs. 10.00 lakh	5%
(v)	Projects costing above Rs.10.00 lakh & up to Rs. 20.00 lakh	7%
(vi)	Projects costing above Rs.20.00 lakh & up to Rs.50.00 lakh	10%

### 1.12.1(D) **Subsidy to Beneficiaries**

In all the schemes except Educational Loan Scheme and Vocational Education & Training Loan Scheme, subsidy up to Rs.10,000/- or 50% of the unit cost, whichever is less, is provided by SCAs to the Below Poverty Line (BPL) beneficiaries from Special Central Assistance to Scheduled Castes Sub-Plan (SCSP) funds released by Ministry of Social Justice & Empowerment to the State Governments. Under Educational Loan Scheme, beneficiaries enrolled in recognized Technical/ Professional courses (after Class XII) are also eligible for interest subsidy during moratorium period, which is provided by the Ministry of Human Resources Development (MHRD) under the Central Scheme of Interest Subsidy for students belonging to economically weaker sections.

### 1.12.1(E) **Moratorium Period**

Moratorium (Repayment Holiday) for repayment of principal amount is given to beneficiaries after disbursement of loan to enable beneficiaries to gain a firm footing in their business activities. However, no moratorium is offered for payment of interest amount. The scheme-wise moratorium periods are given as under:

➤ Term Loan	6 months to 12 months depending upon nature of business activity.
➤ Micro Credit Finance	3 months
➤ Mahila Samriddhi Yojana	3 months
➤ Mahila Kisan Yojana	12 months

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➤ Shilpi Samriddhi Yojana	6 months
➤ Laghu Vyavasay Yojana	6 months
➤ Educational Loan Scheme	6 months after course completion or getting employment, whichever is earlier.
➤ Vocational Education & Training Loan Scheme	6 months after course completion or getting employment, whichever is earlier.
➤ Green Business Scheme	6 months
➤ Aajeevika Microfinance Yojana	3 months
➤ Stand-up India Scheme	As per the norms of Stand-up India Scheme of Government of India.
➤ Udyam Nidhi Yojana	3 months

### 1.12.1(F) Repayment Period

The repayment period of loans is broadly fixed on the basis of assessment of cash flow generation, life of the project assets and gestation period of projects. Repayment periods under different schemes and activities are given below:

Schemes	Repayment period
<b>Term Loan Schemes</b>	Land Based Activities (Agricultural Land Cultivation, Horticulture & Irrigation etc.) Up to 10 years
Transport Activities (Autorickshaws, Jeeps, Load Carriers, etc.)	Up to 5 Years
Small Industries	Up to 5 years
Service Sector Activities	Up to 5 years
Working Capital Loan	Up to 2 Years
<b>Mahila Kisan Yojana</b>	Up to 10 years
<b>Shilpi Samriddhi Yojana</b>	Up to 5 years
<b>Laghu Vyavasay Yojana</b>	Up to 6 years
<b>Vocational Education &amp; Training Loan Scheme</b>	For courses of duration up to two years: Up to 7 years
<b>Educational Loan Scheme</b>	Up to 10 years (for loans up to Rs.7.50 lakh) & up to 15 years (for loans above Rs. 7.50 lakh)
<b>Micro Credit Finance</b>	Up to 3 ½ years

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<b>Mahila Samriddhi Yojana</b>	Up to 3 ½ years
<b>Green Business Scheme</b>	Up to 10 years
<b>Aajeevika Microfinance Yojana</b>	Up to 3 ½ years
<b>Stand-up India Scheme Government of India.</b>	As per the norms of Stand-up India Scheme of
<b>Udyam Nidhi Yojana</b>	Up to 6 years

### 1.12.1(G) Second time loan facility

Beneficiaries, if they have availed first time loan under any of the NSFDC Scheme, after repayment of entire loan within the stipulated period, are eligible for availing loan under any Scheme of your Corporation subject to the following two conditions:

(a) full repayment of earlier loan in time and (b) submission of Field Report on actual asset creation and successful running of the business.

### 1.12.1(H) Sector-wise illustrative list of projects financed

Projects financed under various Credit Based Schemes are categorized into four major sectors namely Agriculture & Allied, Industry, Services & Transport and Educational Loan Scheme. Illustrative list of projects under different sectors are given as under:

<b>Agriculture &amp; Allied Sector</b>	
➤ Agricultural Land Purchase	➤ Tractor Trolley
➤ Poly House	➤ Power Tiller with Trolley
<b>Industry Sector</b>	
➤ Flour Mill & Chilli Mill	➤ Fly Ash Bricks Manufacturing
<b>Service &amp; Transport Sector</b>	
➤ Mini Venture	➤ Tent House
➤ Kirana & Cool Drinks	➤ Centering Materials
➤ Mini Hotel	➤ Medical Shop
➤ Mini Super Bazar	➤ Leather Chappal Mfg. Unit
➤ Concrete Mixture	➤ DTP with Laser & Screen
➤ Internet with Xerox Machine	➤ Advocate Office
➤ Mushroom Processing	➤ Fast Food
➤ Green Business (E-Rickshaw)	➤ Guest House Cum Lodge
➤ Pickup Van	➤ Auto Taxi
➤ Auto Trolley Goods	➤ Jeep Taxi
➤ Taxi Car	➤ Small Business



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➤ Auto Goods Carrier	➤ Auto Passenger
<b>Educational Loan Scheme</b>	
➤ Engineering (Diploma in Electrical, Mechanical Engineering, Plastic Technology, B.E, B. Tech., M.Tech., etc.)	➤ Nursing (B.Sc.)
➤ PG Diploma in Transportation Design	➤ Information Technology (BCA/MCA)
➤ Architecture (B.Arch)	➤ Management (BBA/MBA)
➤ Medical (BAMS/BHMS/MBBS/ MD)	➤ Law (LLB/LLM)
➤ Pharmacy (B. Pharma/M. Pharma)	➤ Dental (BDS)
➤ Hospitality & Hotel Management (B.Sc.)	➤ Education (PTC/B.Ed)

### 1.12.2 Non-Credit Based Scheme

#### 1.12.2.(A) Skill Development Training Programmes

- Your Corporation sponsors Skill Development Training Programmes for persons of the target group in employable sectors such as Apparel, Electronics, Furniture & Fittings, Leather, Chemicals and Petro-Chemicals, Textile, Rubber, Capital Goods, Logistics, Food Processing, Handicrafts and Carpet, Instrumentation and Automation etc. The training programmes, in addition to technical skills also provide soft skills training.
- These programmes are conducted through Government/Semi Government/Autonomous Institutions, Universities/Deemed Universities/ Sector Skill Councils/Sector Skill Councils affiliated training providers and the trainees are provided free training and stipend @Rs.1500/- per month during the training period.
- The trainees are also provided placement assistance and/or entrepreneurial guidance to start their own ventures with financial assistance from your Corporation through State Channelizing Agencies/Channel partners.



NSFDC sponsored Trainees undergoing training in TWO SHAFT HANDLOOM WEAVER under ASSAM SKILL DEVELOPMENT MISSION, NAGAON.

#### 1.12.2(B) Marketing Support to Beneficiaries

Your Corporation provides platform to the beneficiaries making saleable products for selling their items at selected exhibitions and fairs.

#### 1.12.2(C) Free Stalls to Beneficiaries at Exhibitions/Fairs

- Your Corporation participates in National and International Exhibitions & Fairs and provides free Stalls to beneficiaries for exhibiting and selling their products.

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- (ii) Participation in these exhibitions provides the beneficiaries an opportunity not only to sell their products but also to interact with customers, dealers, exporters and assess the needs/requirements for development of new products.

### **1.12.2(D) Marketing Training to Beneficiaries**

In order to provide beneficiaries with various inputs relating to marketing and developing/re-designing of artisan products as per customers' needs, marketing training is provided. In such training programmes, emphasis is given on how to modify products to suit customers' needs with input of better Over The Counter (OTC) salesmanship.



NSFDC beneficiaries during Surajkund Mela-2019 at Surajkund Faridabad, Haryana.

### **1.12.2(E) Awareness Camps**

Awareness camps are conducted in various States to generate mass awareness among the target group about the schemes of your Corporation. During these camps, presentations are made and brochures & pamphlets on Corporation's schemes are distributed among the attendees. Successful beneficiaries are invited to address the gathering about their experiences of availing loans under Corporation's schemes and other activities related to business.



NSFDC beneficiaries during IITF-2018 held at Pragati Maidan, New Delhi.

## **2. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

### **2.1 Achievements during the year**

#### **2.1.1 Sanction of Proposals**

During the year, your Corporation sanctioned proposals worth Rs.782.26 crore to the SCAs/CAs for implementation of schemes.

#### **2.1.2 Disbursement of Funds**

During the year, your Corporation disbursed Rs.671.21 crore i.e. 79.09 % of total funds available during 2018-19 as against the target of 68% ('Excellent' target under MoU) to the SCAs/CAs for implementation of schemes to benefit 81,431 beneficiaries.



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### 2.1.2(A) Scheme-wise details of disbursement & beneficiaries covered

The scheme-wise disbursement & beneficiaries covered for the year 2018-19 and that of previous year are given as under:

Sl. No.	Scheme	Amount (Rs. in crore)		Beneficiaries (Numbers)	
		2017-18	2018-19	2017-18	2018-19
<b>A.</b>	<b>Term Loan Schemes</b>				
(i)	Term Loan	124.35	124.09	3,375	2,161
(ii)	Green Business Scheme	1.75	24.17	20	2,350
(iii)	Stand-up India Scheme	9.25	0.00	76	0
(iv)	Mahila Kisan Yojana	0.47	0.00	118	0
(v)	Shilpi Samriddhi Yojana	0.28	0.00	70	0
(vi)	Laghu Vyavasay Yojana	205.53	442.74	11,937	36,657
(vii)	Educational Loan Scheme	4.74	6.27	266	181
	<b>Sub Total (A)</b>	<b>346.37</b>	<b>597.27</b>	<b>15,862</b>	<b>41,349</b>
<b>B.</b>	<b>Micro Credit Schemes</b>				
(i)	Micro Credit Finance	187.46	40.61	42,027	9,266
(ii)	Mahila Samriddhi Yojana	65.14	32.74	50,057	30,694
(iii)	Aajeevika Microfinance Yojana	1.91	0.59	394	122
	<b>Sub Total (B)</b>	<b>254.51</b>	<b>73.94</b>	<b>92,478</b>	<b>40,082</b>
	<b>Grand Total [(A) + (B)]</b>	<b>600.88</b>	<b>671.21</b>	<b>1,08,340</b>	<b>81,431</b>

### 2.1.2(B) Sector-wise details of disbursement & beneficiaries covered:

Sl. No.	Scheme	Amount (Rs. in crore)		Beneficiaries (Numbers)	
		2017-18	2018-19	2017-18	2018-19
(i)	Term Loan				
(a)	Primary Sector (Land Purchase, Irrigation and other Allied Activities)	6.28	32.53	461	793
(b)	Tertiary Sector (Services & Transport)	118.07	91.56	2,914	1,368
	<b>Total (a) + (b)</b>	<b>124.35</b>	<b>124.09</b>	<b>3,375</b>	<b>2,161</b>
(ii)	Green Business Scheme	1.75	24.17	20	2,350
(iii)	Stand up India Scheme	9.25	0.00	76	0

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Sl. No.	Scheme	Amount (Rs. in crore)		Beneficiaries (Numbers)	
		2017-18	2018-19	2017-18	2018-19
(iv)	Mahila Kisan Yojana (Primary Sector)	0.47	0.00	118	0
(v)	Shilpi Samriddhi Yojana	0.28	0.00	70	0
(vi)	Laghu Vyavasay Yojana	205.53	442.74	11,937	36,657
(vii)	Micro Credit Finance	187.46	40.61	42,027	9,266
(viii)	Mahila Samriddhi Yojana	65.14	32.74	50,057	30,694
(ix)	Aajeevika Microfinance Yojana	1.91	0.59	394	122
(x)	Educational Loan Scheme	4.74	6.27	266	181
	<b>Grand Total (i to x)</b>	<b>600.88</b>	<b>671.21</b>	<b>1,08,340</b>	<b>81,431</b>

### 2.1.2(C) (i) MoU Targets Vs Achievements (2018-19)

Consolidated MoU targets and achievements for the financial year 2018-19 are placed at **Annexure-III**. As per the achievements and based on the *audited data*, total aggregate score for the financial year 2018-19 comes to 94.20 which conform to 'Excellent' Rating.

#### (ii) Turnover – Revenue from operations

During the year, Revenue from Operations of your Corporation is Rs.57.21 crore.

#### (iii) Operating Profit or Surplus/Revenue from Operations (Net)

During the year, Operating Profit or Surplus/Revenue from Operations (Net) of your Corporation is 64.93%.

#### (iv) PAT or Surplus as Percentage of Average Net Worth

During the year, PAT or Surplus as percentage of Average Net Worth is 2.62%.

#### (v) Loans disbursed/Total Funds available

During the year, Loans Disbursed/Total funds available of your Corporation is 79.09%.

#### (vi) Overdue Loans/Total Loans (Net)

During the year, Overdue Loans/Total Loans (Net) is 20.29%.

#### (vii) NPA/Total Loans (Net)

During the year, NPA/Total Loans (Net) is 0.78%.

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- (viii) **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

During the year, your Corporation developed Online Human Resource Management System (HRMS) software for Leave Management, Service Book, Employee Self Service, Exit Procedure, etc on 05.10.2018.

- (ix) **Talent Management and carrier progression by imparting training in Centre of Excellence within India e.g. IITs, IIMs, NITs, ICAI, etc.**

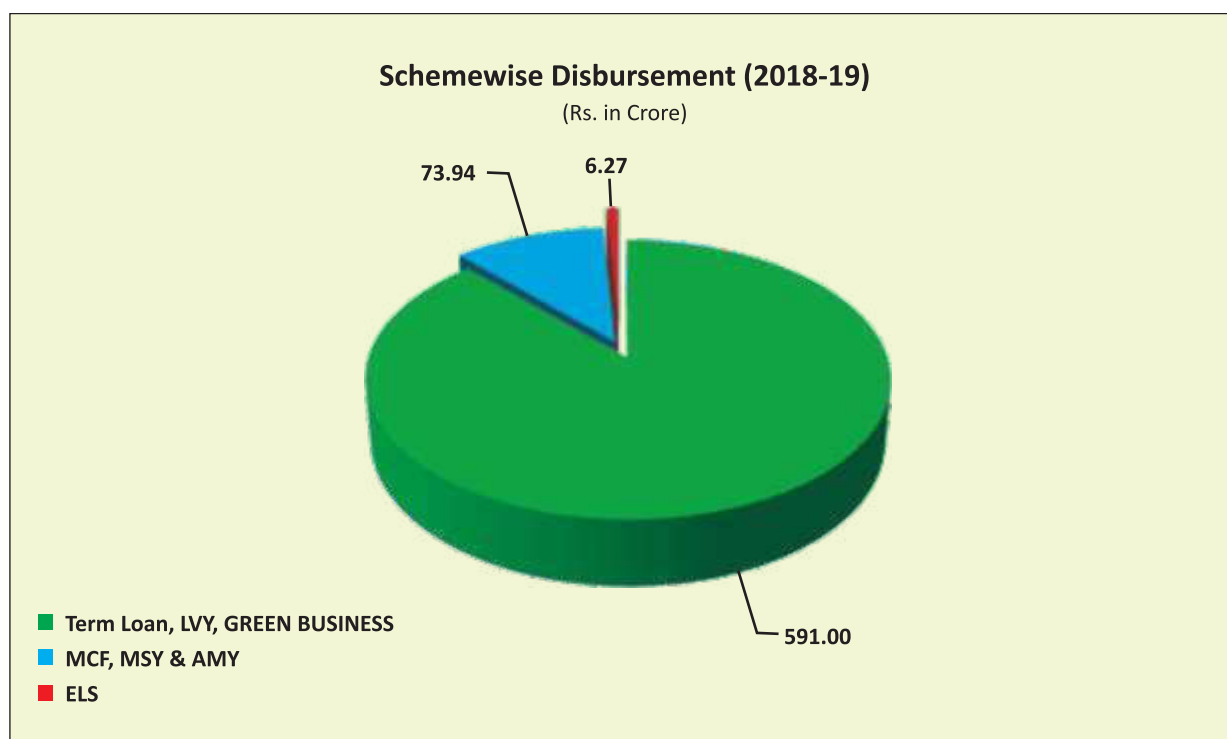
During the year, your Corporation sponsored five employees against the MoU target of five achieving therein 100% target under Talent Management and carrier progression by imparting atleast one week training in Centre of Excellence within India e.g. IITs, IIMs, NITs, ICAI, etc.

- (x) **Providing Employment / Self-Employment through Training Programmes**

During the year, 13,668 persons of target group were provided Employment/Self-Employment through Skill Development Training Programmes.

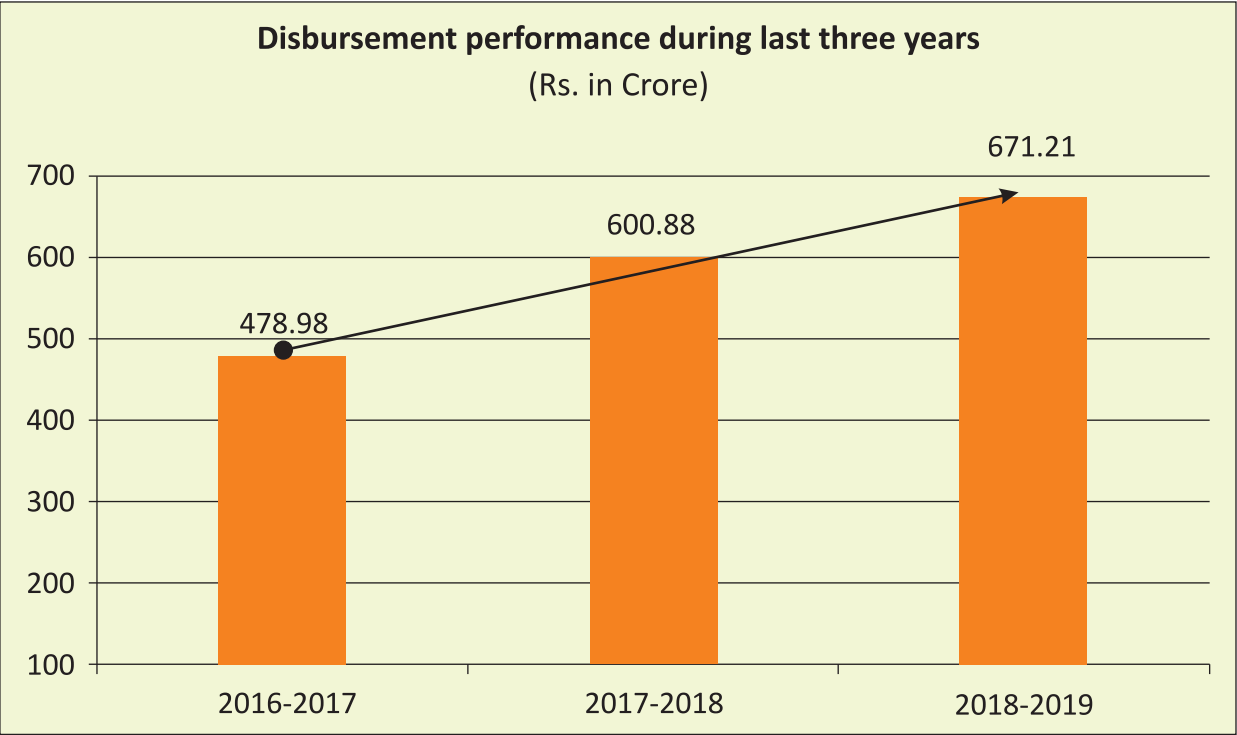
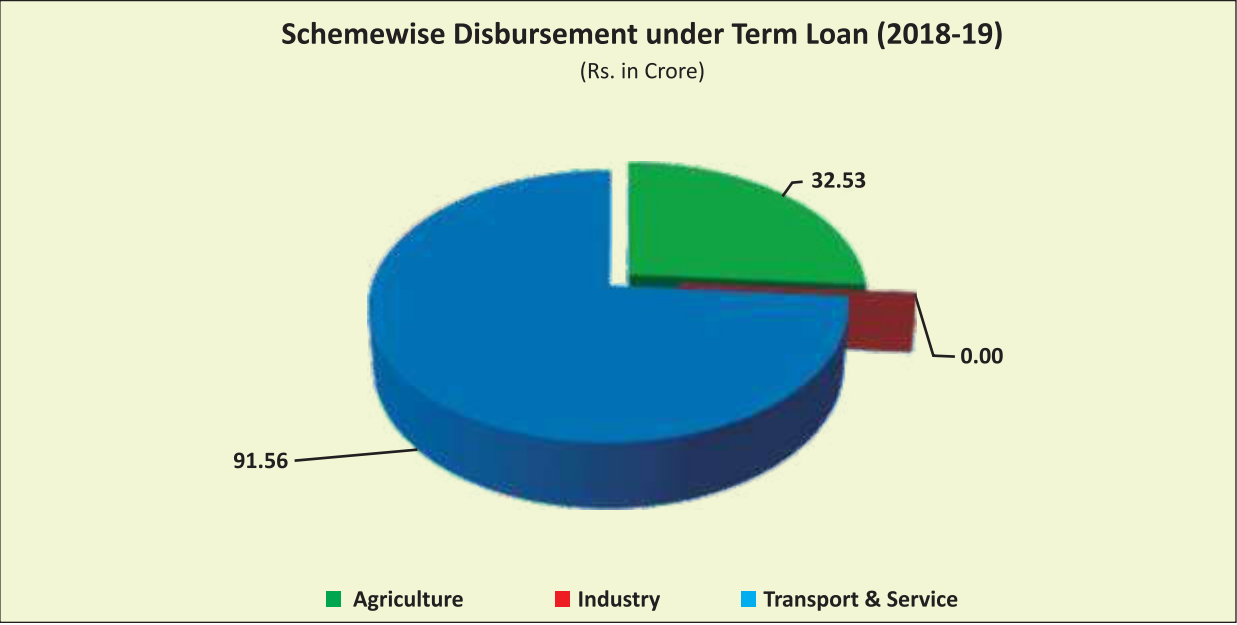
### 2.1.2(D) **Scheme-wise/Sector-wise Disbursement**

The performance during 2018-19 is depicting in the following graphs:



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- (i) Term Loan Scheme includes Laghu Vyavasay Yojana (LVY), Green Business Scheme (GBS).
- (ii) Micro Credit includes Micro Credit Finance (MCF), Mahila Samriddhi Yojana (MSY) and Aajeevika Microfinance Yojana (AMY).
- (iii) Educational Loan Scheme (ELS).



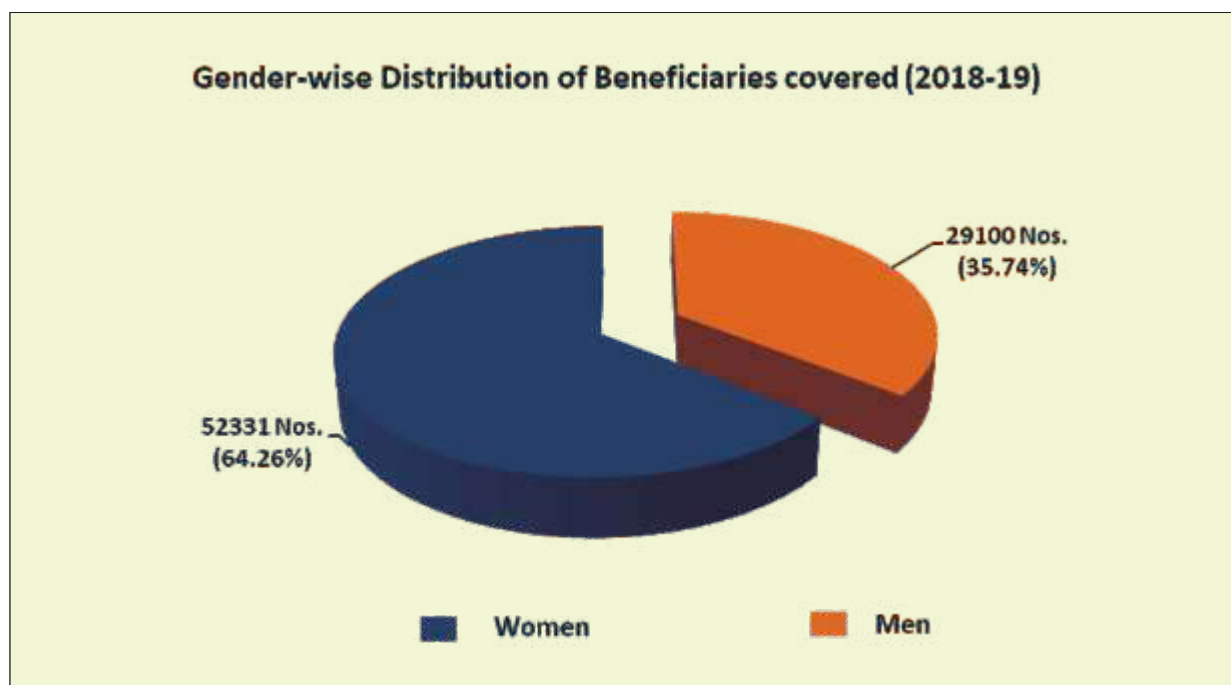
## *NSFDC 30th Annual Report 2018-19*

### **2.1.3 Coverage of Women Beneficiaries**

- During the year, your Corporation has provided concessional financial assistance to 52,331 women beneficiaries under its various schemes, which constituted 64.26% of the total coverage against the norm of 40% in physical terms.

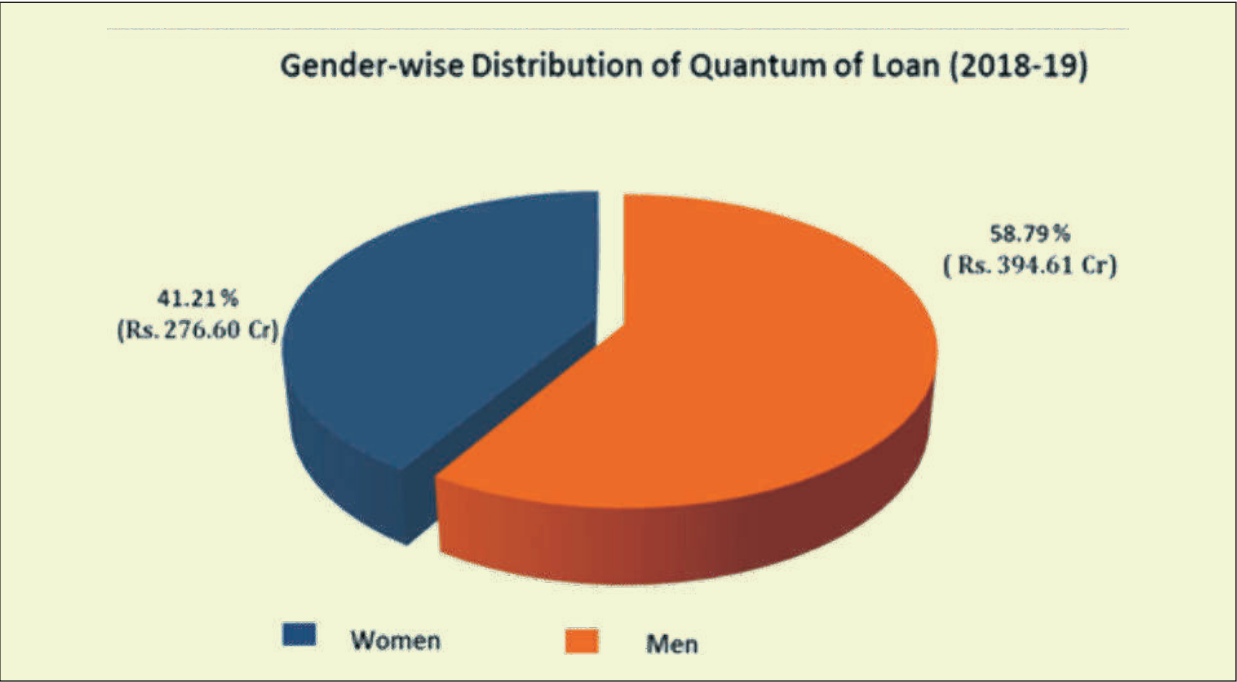


Smt. Ajitha Kumari .S of Kerala was provided loan for starting a tailoring shop under NSFDC's Term loan

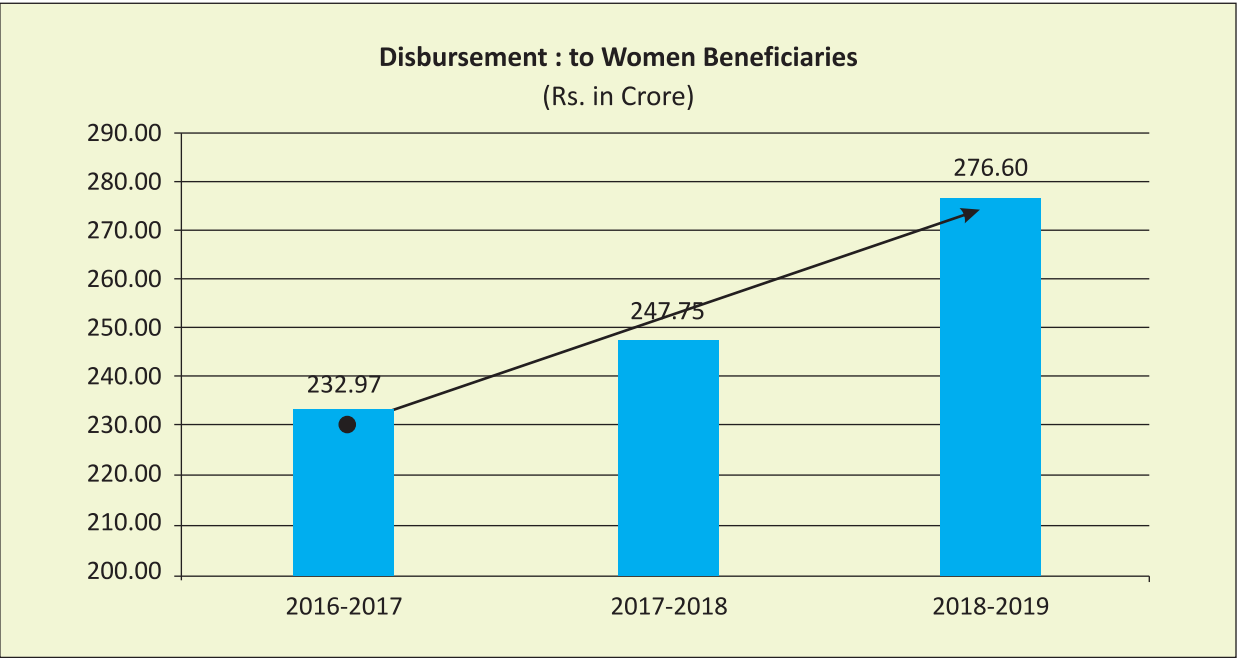


# NSFDC 30th Annual Report 2018-19

- Similarly, during the year, your Corporation has disbursed Rs.276.60 crore for women beneficiaries, which constitutes 41.21% of the year's total disbursement as against the norm of 40% in financial terms.



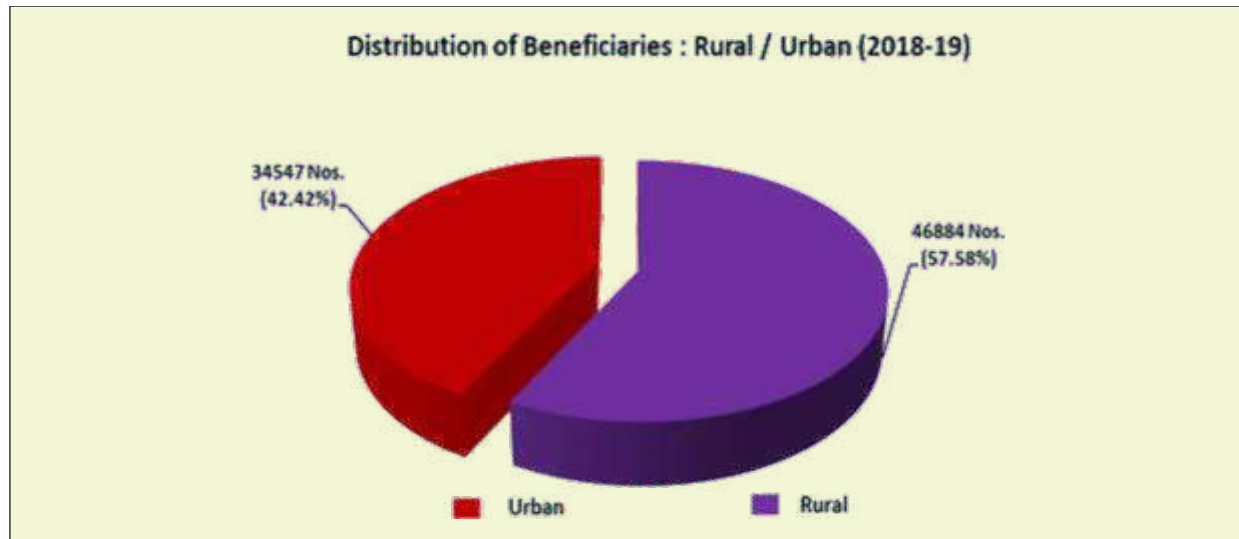
- During the last three years, disbursement to women beneficiaries shows ascending trend.



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### 2.1.4 Coverage of beneficiaries in Rural/Urban Areas:

During the year, your Corporation covered 57.58% beneficiaries from rural areas and 42.42% from urban areas.

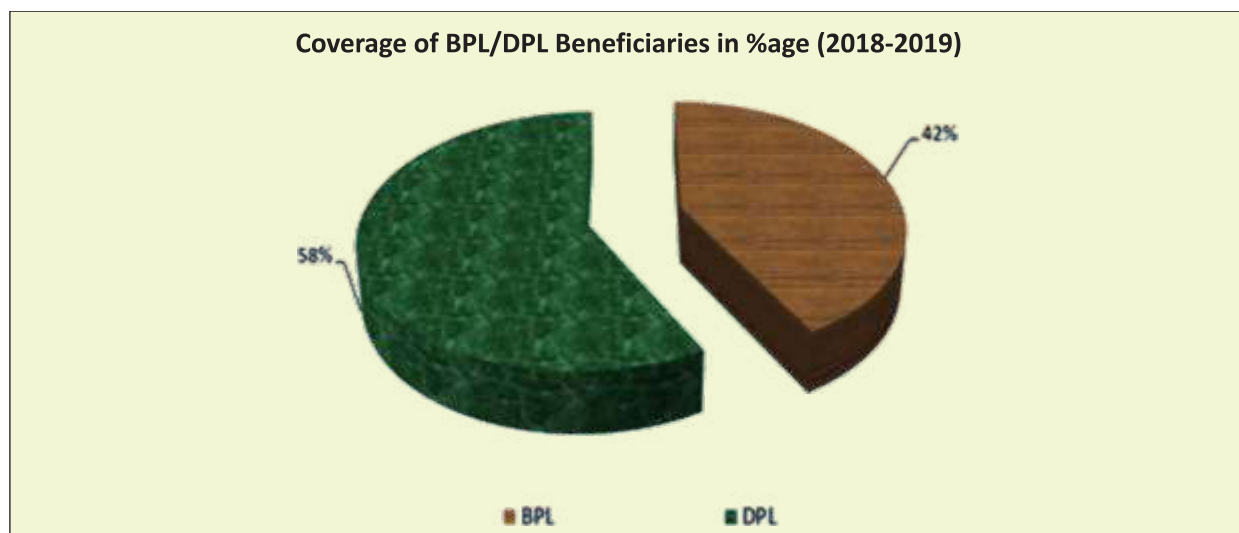


### 2.1.5 Fund Utilization

During the year, your Corporation took up an intensive drive with all the SCAs/CAs to improve utilization of funds disbursed for implementation of schemes. This resulted in achieving cumulative utilization level of 86.88% as on 31.3.2019.

### 2.1.6 Coverage of beneficiary - Below Poverty Line (BPL) and above BPL & below Double Poverty Line (DPL)

During the year, as per the utilization report received from channelizing agencies, 58% beneficiaries falling under BPL category and 42% falling under above BPL & below DPL category were covered under your Corporation's schemes.

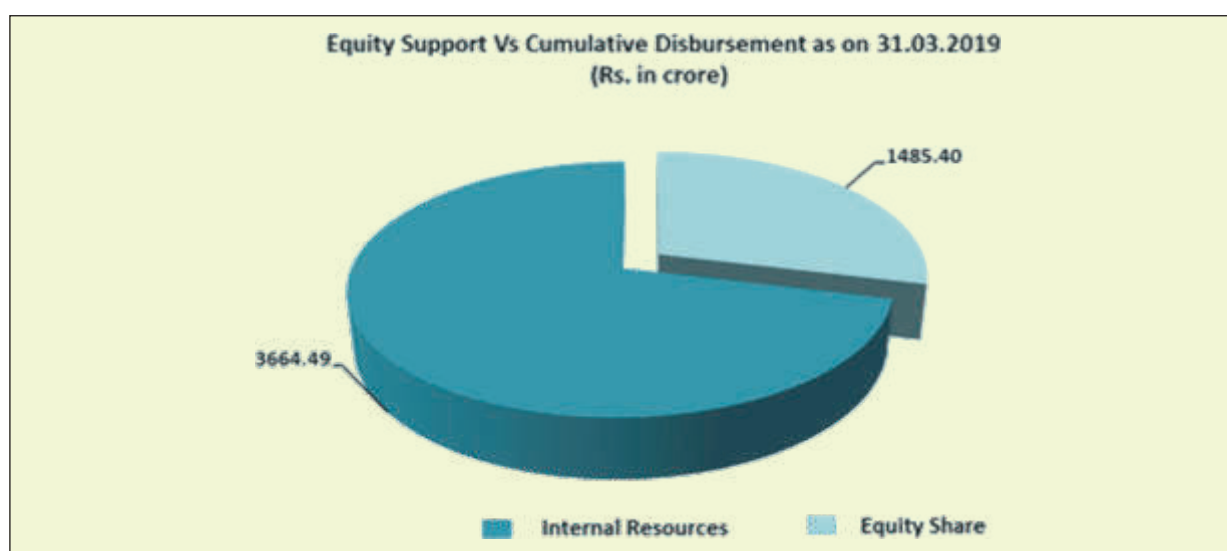




## NSFDC 30th Annual Report 2018-19

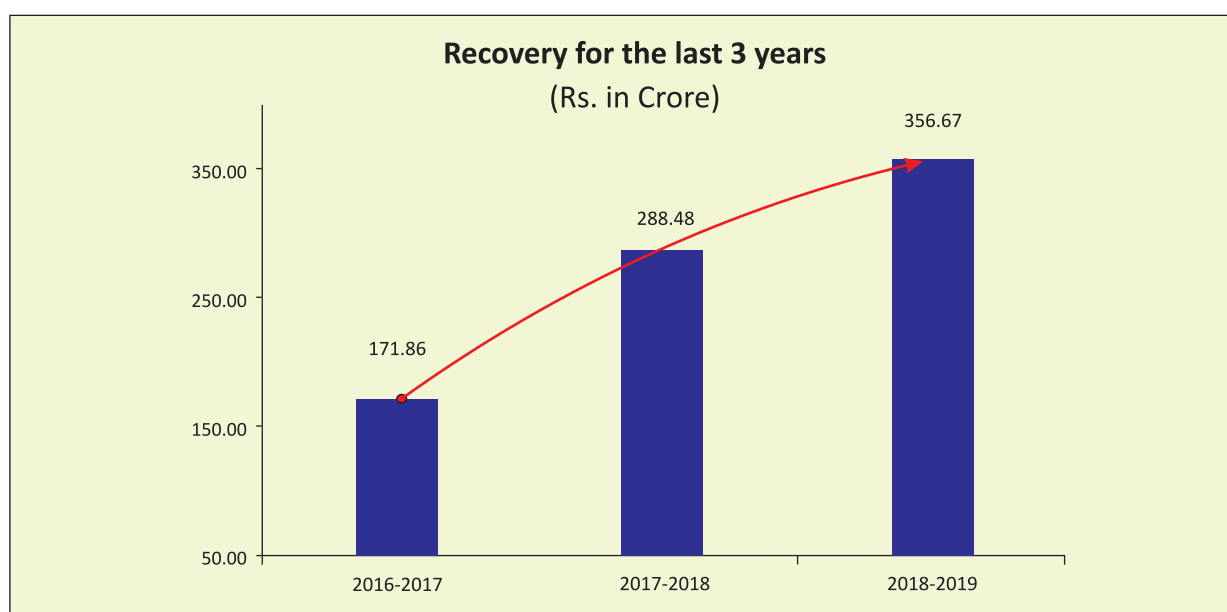
### 2.1.7 Equity Support Vis-à-vis Cumulative Disbursement

- During the year, your Corporation received equity support of Rs.137.39 crore from the Government of India and disbursed Rs.671.21 crore.
- The cumulative equity support as on 31.03.2019 has been Rs.1485.40 crore against which your Corporation achieved cumulative disbursement of Rs.5149.89 crore covering 12.65 lakh beneficiaries out of which 7.38 lakh were women beneficiaries (58.34%).
- The disbursement so far is 3.47 times of equity received from Government of India.



### 2.1.8 Loan Recovery from the SCAs/CAs

During the year, your Corporation received recovery of Rs.356.67 crore from SCAs/CAs.





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### 2.1.9 Functioning of SCAs/CAs

Your Corporation adopts channel finance system wherein funds are channelized to the beneficiaries through the SCAs/CAs. At beginning of the financial year, there were 37 SCAs in the normal channel and 56 CAs in the Alternate Channel. During the financial year, your Corporation signed MoA with 5 new Agencies in the alternate channel. Thus, there were 37 SCAs and 59 other Channelizing Agencies (after merger of two RRBs into one in the state of Bihar & Punjab) in the alternative channel with NSFDC. During the year, out of 27 States and 7 UTs, 25 States and 03 UTs have availed funds.

### 2.1.10 Partnerships

#### 2.1.10(A) Partnership with Government Departments/Established Institutions to leverage the Corporation's objectives

During the year, your Corporation established partnership with the following institutions to leverage the Corporation's objectives:



An MoA has been signed with Dalmia Bharat Foundation for CSR partnership on 27.7.18 for cost sharing in Skill Training Programmes and conducting other CSR activities. The MoA was signed and exchanged by Sh. Vishal Bharadwaj, CEO, Dalmia Bharat Foundation and Sh. Devanand, GM, NSFDC.

Sl. No.	Institutions	Objectives
1	Punjab & Sind Bank, New Delhi.	For expanding outreach at National Level.
2	Andhra Pragathi Grameena Bank, Kadapa.	For expanding outreach in Andhra Pradesh.
3	Saurashtra Gramin Bank, Rajkot.	For expanding outreach in Gujarat.
4	Shri Mahila SEWA Sahakari Bank Ltd. (Sewa Bank), Ahmedabad.	
5	Stree Nidhi Credit Co-operative Federation Ltd. (Stree Nidhi), Hyderabad.	For expanding outreach in Telangana.
6	Valeur Febtex Pvt., Dibrugarh.	For Development of Scheduled Caste Artisan/Weaver Clusters.
7	Centre for Indian Bamboo Resource and Technology (CIBART), New Delhi.	
8	Management & Entrepreneurship and Professional Skills Council, New Delhi.	For Imparting Skill Development Training.

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9	Agriculture Skill Council of India, Haryana.	For Imparting Skill Development Training.
10	Media and Entertainment Skills Councils, New Delhi.	
11	Logistics Sector Skill Council, Chennai.	
12	Sports, Physical Education, Fitness and Leisure Skill Council, New Delhi.	
13	CII Institute of Logistics (CII IL), Chennai	
14	Instrumentation Automation Surveillance & Communication Sector Skill Council (IASC), New Delhi.	
15	Power Sector Skill Council, New Delhi.	
16	Apollo Med Skills Ltd., Hyderabad.	
17	Infrastructure Equipment Skill Council, New Delhi.	
18	Assam Skill Development Mission, Guwahati.	
19	Paints and Coatings Skill Council (PCSC), Mumbai.	
20	BSE Institute Limited, Mumbai.	
21	Indian Iron and Steel Sector Skill Council (IISSEC), Kolkata.	
22	Indian Institute of Technology, Mumbai.	
23	Tata Community Initiatives Trust - Tata Strive	Corporate CSR funding for Imparting Skill Development Training.
24	Hindustan Latex Family Planning Promotion Trust (HLFPPT), Thiruvananthapuram.	
25	Bharat Petroleum Corporation Ltd., Mumbai.	
26	Ambuja Cement Foundation, Mumbai.	For Imparting Skill Development Training.
27	Dalmia Bharat Foundation, New Delhi.	
28	Tech Mahindra Foundation, New Delhi.	

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### 2.1.10(B) Participation in Exhibitions/Fairs:



Beneficiaries of NSFDC selling their products at Suraj Kund Mela 2019 at Faridabad, Haryana



Beneficiaries of NSFDC selling their products at Exhibition IITF-2019 at Pragati Maidan, New Delhi.

During the year, your Corporation participated in the following exhibitions/fairs to provide marketing platforms for the products of beneficiaries. The details of States covered and craft items exhibited in the events are given as under:

S. No.	Location	Date	States represented	Craft items exhibited & sold
1.	Teej Festival, Dilli Haat Pitampura, Delhi	10 <sup>th</sup> -25 <sup>th</sup> August, 2018	Delhi, Gujarat,	Block printing, Readymade Garments, Embroidery items
2.	Shilpotsav, Dilli Haat INA, New Delhi.	1 <sup>st</sup> - 15 <sup>th</sup> November, 2018	Delhi, Karnataka, Madhya Pradesh, Himachal Pradesh, Gujarat, Uttar Pradesh, Maharashtra, West Bengal, Rajasthan, Jammu & Kashmir.	Block printing, Fiber Articles, artificial Jewellery, Khadi items, Woollen products, Kolhapuri Chappal, Accu pressure health care products, stone items, Jute bags, Zari products, Readymade Garments, Embroidery items, Chanderi saree, suits, Imitation Jewellery, Moti work, Shawls, Stoles, Jackets, Socks, Caps, Mufflers, Batik Printing, wooden toys etc.
3.	IITF, New Delhi	14 <sup>th</sup> -27 <sup>th</sup> November, 2018	Assam, Karnataka, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan, Delhi, West Bengal, Puducherry, Jammu & Kashmir	Cane & Bamboo product, Wooden Toys, Wooden Inlay Crafts/Painting, Handloom Saree, Dress Material, Handicraft, Jewellery, Leather Chappal, Kolhapuri chappal, Aratari/Kashidakari Embroidery, Zari items, Crochet items, Batik & block printing sarees, etc.

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4.	9th East Himalayan Expo, Shillong, Meghalaya	10 <sup>th</sup> -17 <sup>th</sup> December, 2018	Assam	Handloom products
5.	Lokutsav Mela, Panaji, Goa	11 <sup>th</sup> -20 <sup>th</sup> January, 2019	Maharashtra	Fiber Articles & Artificial Jewellery
6.	Surajkund International Craft Mela Faridabad, Haryana.	1 <sup>st</sup> -17 <sup>th</sup> February, 2019	Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Puducherry, Rajasthan, Delhi, Maharashtra, Punjab, West Bengal, Manipur & Karnataka.	Embroidered/ Crochet item, Bed Sheet, Patch Work, Handloom Shawls, Stoles, Jackets, Socks, Caps and Mufflers, Chanderi Sarees, Fiber Articles and Paintings, Leather Products, Rajasthani & Punjabi Jutti, Readymade Garments, Batik Printing, wooden toys, Rose wood painting, Kantha work, Soft Toys, Block printing etc.

During the year the total sale figure of our beneficiaries in 3 major exhibitions in Delhi is as under:

S. No	Name of Exhibitions	Date	Sale figure (Rs.)
1.	Shilpotsav, Dilli Haat INA	1 <sup>st</sup> -15 <sup>th</sup> November, 2018	47,53,890.00
2.	IITF, New Delhi	14 <sup>th</sup> -27 <sup>th</sup> November, 2018	28,09,900.00
3.	Surajkund International Craft Mela, Faridabad	1 <sup>st</sup> -17 <sup>th</sup> February, 2019	54,65,400.00
	<b>Grand Total</b>		<b>1,30,29,190.00</b>

### 2.1.11 Composite Awareness Camps in States

During the year, your Corporation participated in 12 Composite/ Awareness Camps to publicize the Ministry's and National Corporations' Schemes at the field level. These camps were organized in Bihar (Gaya), Gujarat (Narmada), Himachal Pradesh (Kullu), Punjab (Ferozpur), Uttar Pradesh (Baliya, Robertz Ganj, Bijnor, Fatehpur), Madhya Pradesh (Satna, Chitrakoot). At each of these camps, your Corporation was provided a stall to publicize its schemes and distribute the Scheme pamphlets to the visitors to



During Swachhta Pakhwara, Awareness camp cum Free Medical Health Checkup camp was organized by NSFDC in aspirational District of Ferozpur, Punjab in June 2018.

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generate mass awareness. Successful beneficiaries were also invited in some of the Camps to address the gathering about their experiences of availing loans under Corporation's schemes and activities related to business.

Sl. No.	Exhibition/Fair	Dates
i.	Awareness camp at Satna, M.P.	8th April, 2018
ii.	Awareness-cum-Medical Camp, Bijnor, U.P.	16th April, 2018
iii.	Awareness-cum-Medical Camp, Ferozpur (Punjab)	5th June, 2018
iv.	Awareness-cum-Medical Camp, Ferozpur (Punjab)	31st July, 2018
v.	Awareness camp at Sonbhadra, Roberts Ganj, UP	14th -15th Sept., 2018
vi.	Kullu Dussehra, Kullu, H.P.	19th -28th, Oct., 2018
vii.	Awareness-cum-Medical Camp, Fatehpur, U.P.	24th Oct, 2018
viii.	Awareness-cum-Medical Camp, Bodh Gaya, Bihar.	21st Dec 2018
ix.	Swadeshi Mela, Baliya Mela, U.P.	22th -31st Dec 2018
x.	Awareness Camp at Bodh Gaya, Bihar	23rd Feb, 2019
xi.	Gramoday Mela, Chitrakoot, Madhya Pradesh	24th - 27th Feb, 2019
xii.	Awareness Camp at Narmada, Gujarat	8th March, 2019

### 2.1.12 External Evaluation Study of Credit and Non-Credit Based Schemes

During the year, your Corporation had commissioned an evaluation study of its Credit and Non-Credit Based Schemes to M/s. Centre for Market Research & Social Development Pvt. Ltd., (CMSD), New Delhi. The study covered 2,379 beneficiaries/trainees trained during 2016-17 in 13 States.



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The State/UT-wise beneficiaries/trainees covered under the study are given as under:

Sl. No.	State	Number of Beneficiaries	Number of Trainees	Total
(i)	Andhra Pradesh	100	35	135
(ii)	Bihar	100	140	240
(iii)	Gujarat	100	60	160
(iv)	Himachal Pradesh	100	20	120
(v)	Jammu & Kashmir	100	20	120
(vi)	Jharkhand	100	54	154
(vii)	Karnataka	414	90	504
(viii)	Maharashtra	100	55	155
(ix)	Manipur	100	20	120
(x)	Punjab	100	60	160
(xi)	Tamil Nadu	100	121	221
(xii)	Telangana	140	30	170
(xiii)	Tripura	100	20	120
	<b>Total</b>	<b>1654</b>	<b>725</b>	<b>2379</b>

### 2.1.13 Skill Development Training Programmes & Skill Training Institute

During the year, your Corporation sanctioned and implemented Skill Development Training Programmes with a cost of Rs.27.89 crore to train 19,089 persons belonging to Scheduled Castes and disbursed Rs. 14.31 crore [(including grant provided by Ministry of Social Justice & Empowerment under the Scheme of Assistance to Voluntary Organization working for the Welfare of SCs, Training (Grant)-Advances & Training Expenses-Beneficiaries], by developing partnership with 30 (Thirty) Skill Training Institutes/Sector Skill Councils. In addition, an amount of Rs.175.73 lakh was received from Bridge & Roof Company India Ltd., Central Warehousing Corporation Ltd., Container Corporation of India Ltd., IFCI Social Foundation, Metal & Minerals Trading Corporation of India, National Fertilizers Ltd. and Security Printing & Minting Corporation of India Ltd. under CSR fund & released to the concerned training institute. The Skill Development Training Programmes were conducted in various trades/sectors such as Self-Employed Tailor, Leather Footwear - Closing & Stitching, Leather Garments-Cutting & Clicking, Machine Operator-Injection Moulding (MO-IM), Machine Operator-Blow Moulding (MO - BM), CNC Operator Turning, Backhoe Loader Operator, CNC Operator Vertical Machining etc. Out of 19,089 commenced, 10,003 persons completed their Skill Development Training Programmes and as per information, placement of trainees in Self/Wage-employment is underway. Further, training in respect of 6226 persons which commenced during 2017-18, was completed during the year.



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The State/UT-wise abstract under Skill Development Training Programmes commenced and completed during 2018-19 is placed at [Annexure-IV](#).

### 2.1.14 Development of Scheduled Caste Weaver Cluster

During the year, after completion of the Baseline Survey, your Corporation has submitted 09 cluster projects under National Handloom Development Programmes (NHDP) of the Development Commissioner (Handlooms), Ministry of Textiles to the concerned Directorate of the Handloom & Textiles in the State of Assam, Madhya Pradesh, Rajasthan & Uttar Pradesh. Out of 09, 04 proposals of Assam has been recommended by the State Level Project Committee (SLPC), Government of Assam and submitted to the Development Commissioner (Handlooms), Udyog Bhawan, New Delhi for consideration of sanction.



NSFDC assisted Women Beneficiary of Block – Bordoloni, District-Dhemaji, Assam under National Handloom Development Programme (NHDP) of Development Commissioner (Handlooms).

To expand the outreach, your Corporation has signed Memorandum of Agreement (MoA) with one more PIA viz. Centre for Indian Bamboo Resource and Technology (CIBART), New Delhi during the year for implementation of National Handloom Development Programmes (NHDP) of the Development Commissioner (Handlooms), Ministry of Textiles PAN India.

### 2.1.15 Development of Scheduled Caste Artisans Cluster

During the year, your Corporation has submitted utilization reports amounting to Rs.115.40 lakh to DC (Handicrafts) towards reimbursement of second and final instalment under the AHVY clusters being undertaken at Village: Poogal & its surrounding areas, District-Bikaner and Gadra Road, District-Barmer (Rajasthan) against release of Rs.49.77 lakh by DC (Handicrafts).



Toolkits were distributed on 22.05.2018 to NSFDC assisted women artisans of Hand Embroidery (Mirror) Craft Cluster at Gadra Road, District- Barmer (Rajasthan) under Ambedkar Hastshilp Vikas Yojana (AHVY) of Development Commissioner (Handicrafts).

To expand the outreach, your Corporation has signed MoA with two more PIAs viz; M/s Valeur Fabtex Private Limited, Dibrugarh (Assam) and M/s Centre for Indian Bamboo Resource and Technology (CIBART), New Delhi during the year for implementation of Ambedkar Hastshilp Vikas Yojana (AHVY) of the Development Commissioner (Handicrafts), Ministry of Textiles, PAN India.

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During the year, your Corporation sanctioned Rs. 19.97 lakh and released Rs. 19.26 lakh to one of its Project Implementing Agency. The Cluster-wise details are given as under

Sl. No.	Name of the PIA	Location of Cluster	Cluster Activity	Number of Artisans	Amount Sanctioned (Rs. in lakh)	Amount Released (Rs. in lakh)
(i)	Art Illuminates Mankind (aim), Kolkata	Jitwarpur, Madhubani, Bihar	Madhubani Painting & Sujni Craft	40	19.97	9.26

### 2.1.16 The best five performing SCAs for the year 2018-19

(a) Sanction availed		
Rank	Name of SCA	Amount (Crore)
1	APSCCFC, Andhra Pradesh	165.65
2	RSFDC, Rajasthan	62.73
3	GSCDC, Gujarat	35.92
4	WBSCST&OBCDFC, West Bengal	26.60
5	KSDC, Kerala	23.77

(b) Disbursement availed		
Rank	Name of SCA	Amount (Crore)
1	APSCCFC, Andhra Pradesh	140.59
2	WBSCST&OBCDFC, West Bengal	34.94
3	GSCDC, Gujarat	31.90
4	KSWDC, Kerala	12.04
5	J&KSCST&OBCDC, Jammu & Kashmir	9.93

(c) Fund Utilization (Cumulative)		
Rank	Name of SCA	%age
1	HSFDC, Haryana	100.00
2	CSASFDC, Chhattisgarh	89.30
3	J&KSCST&OBCDC, Jammu & Kashmir	89.21
4	GSCDC, Gujarat	88.38
5	KSDC, Kerala	84.11

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(d) Repayments made		
Rank	Name of SCA	Amount (Crore)
1	WBSCST&OBCDFC, West Bengal	43.00
2	GSCDC, Gujarat	32.42
3	Andhra Pradesh, APSCFC	16.16
4	Rajasthan, RSCDC	13.70
5	Maharashtra, LIDCOM	9.28

(e) Beneficiaries covered		
Rank	Name of SCA	Numbers
1	WBSCST&OBCDFC, West Bengal	30,186
2	APSCCFC, Andhra Pradesh	7,094
3	KSDC, Kerala	946
4	GSCDC, Gujarat	650
5	KSWDC, Kerala	512

(f) Women Beneficiaries		
Rank	Name of SCA	Numbers
1	WBSCST&OBCDFC, West Bengal	30,000
2	APSCCFC, Andhra Pradesh	2,845
3	KSDC, Kerala	763
4	KSWDC, Kerala	574
5	GSCDC, Gujarat	259

### 2.1.17 The best five performing PSBs for the year 2018-19

Disbursement availed for PAN India		
Rank	Name of PSB	Amount (Crore)
1	Andhra Bank	68.07
2	Punjab National Bank	27.24
3	Syndicate Bank	26.21
4	Vijaya Bank	8.52
5	Allahabad Bank	5.39

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### **2.1.18 The best five performing RRBs for the year 2018-19**

Disbursement availed		
Rank	Name of RRB	Amount (Crore)
1	Gramin Bank of Aryavart, Gomti Nagar, Lucknow.	60.75
2	Karnataka Vikas Grameena Bank, Dharwad, Karnataka.	57.88
3	Baroda UP Gramin Bank, Raebareli, Uttar Pradesh.	36.00
4	Punjab Gramin Bank, Kapurthala, Punjab.	33.87
5	Kashi Gomti Samyut Gramin Bank, Varanasi, Uttar Pradesh.	31.50

### **2.1.19 Initiatives taken to incentivize SCAs**

#### **2.1.19(A) Incentive Scheme for SCAs for Development of Recovery Infrastructure (ISSDRI)**

Your Corporation has been implementing the scheme since 2007-08 to provide incentive to SCAs @ 0.5% on the total amount repaid by them in a financial year, to such SCAs whose cumulative field recovery is more than 60% at the end of financial year or whose recovery improvement is at least 10 percentage points over the last financial year and who are making 100% repayment to your Corporation.

On the requests of the SCAs, the scheme was liberalized as under:

- (i) The SCAs paying 100% to NSFDC, as at the preceding financial year end, are to be provided 0.5% of the total amount repaid in the year as incentive under ISSDRI subject to the condition that their recovery from beneficiaries being at least 50% or their recovery improvement is at least 5 percentage points over the last financial year.
- (ii) The SCAs paying 90% to NSFDC, as at the preceding financial year end, are to be provided 0.25% of the total amount repaid in the year as incentive under ISSDRI subject to the condition that their recovery from beneficiaries being at least 50% or their recovery improvement is at least 5 percentage points over the last financial year.

Since the scheme was well received by the SCAs, its implementation has been extended till 31.03.2022.

#### **2.1.19(B) Scheme of 'National Award for Performance Excellence' (NAPE)**

Your Corporation had been implementing a Scheme of 'Mechanism of Rating of SCAs & Awards for Better Performance' since 2007-08 to provide incentives to better performing SCAs. The Scheme has been revised as 'National Award for Performance Excellence' (NAPE). The revision in the Scheme was made keeping in view the current priorities of the Government of India.

The new Scheme is implemented with effect from 2016-17 with a total budget of around Rs.45.00 lakh per year.

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Under the “National Award for Performance Excellence”, the SCAs would be provided performance incentives as under:

Category	Parameter	Prize			Total
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	
I	The SCAs availing funds from NSFDC against their Notional Allocation up to Rs. 3.00 crore in a particular financial year	5.00	3.00	2.00	10.00
II	The SCAs availing funds from NSFDC against their Notional Allocation more than Rs.3.00 crore and up to Rs.10.00 crore in a particular financial year	7.00	5.00	3.00	15.00
III	The SCAs availing funds from NSFDC against their Notional Allocation more than Rs.10.00 crore in a particular financial year	10.00	6.00	4.00	20.00
	<b>Total</b>	<b>22.00</b>	<b>14.00</b>	<b>9.00</b>	<b>45.00</b>

### 2.1.19(C) One day Executive Development Programme (EDP) for Officers of SCAs/CAs of NSFDC

NSFDC may organize one day EDP for the Officers of SCAs and CAs with a maximum budget provision of Rs.50,000/- per programme.

### 2.1.20 Initiatives taken for the Beneficiaries

#### 2.1.20(A) Amendments in NSFDC Lending Policy for State Channelising Agencies (SCAs), Public Sector Banks (PSBs)/Regional Rural Banks (RRBs)

- (i) Second time loan be provided for eligible Scheduled Caste beneficiaries, if they have availed first time loan under any of the NSFDC Scheme subject to (i) Full repayment of the earlier loan, and (ii) Certification of actual assets creation through first loan and successful running of the business by the SCAs/CAs.
- (ii) Minimum Refinance Outstanding Balance has been reduced to Rs.10,000/- and Maximum Refinance Outstanding Balance has been increased to Rs.45.00 lakh under PSBs/RRBs Refinance Schemes.
- (iii) Enhancement of Unit Cost under Term Loan (TL) Scheme from Rs.30.00 lakh to Rs.50.00 lakh.
- (iv) Enhancement of Unit Cost under Vocational Education & Training Loan Scheme (VETLS) from Rs.1.50 lakh to Rs.4.00 lakh for courses of duration up to two year with repayment period up to 7 years.



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### **2.1.20(B) Introduction of New Lending Policy and Scheme**

- (i) New Lending Policy launched for Cooperative Banks and Cooperative Societies.
- (ii) New Scheme launched Udyam Nidhi Yojana to be implemented through Cooperative Banks and Cooperative Societies.

### **2.1.21 Swachh Bharat Abhiyan**

Your Corporation undertook various activities relating to “Swachhta” and also sanctioned projects relating to environment cleanliness at various places and locations. NSFDC organised cleanliness and waste collection drive at JJ Cluster Chitra Vihar, slum at C-block Preet Vihar, Delhi, Basti Vikas Kendra, Trilokpuri, Delhi, Gandhi Nagar, Delhi and Non-residential school at Brahmpuri, Delhi. NSFDC organised door to door awareness campaign for spreading awareness regarding better sanitation



Plantation of Sapling during Swachh Bharat Abhiyan in MCD school at Trilokpuri basti, Delhi.

practice at Preet Vihar Slum, JJ clusters in Chitra Vihar & in Trilokpuri Basti. NSFDC initiated renovation of toilets & class rooms of community training Centre in Gandhi Nagar, Delhi. Two overhead tanks were installed in the community training centre for providing clean drinking water to the residents.

In addition, Swachh Bharat Pakhwara was celebrated by NSFDC in Aspirational District, Firozpur, in association with Govt. Senior Secondary School, Village Gatti Rajo Ke, Firozpur, Punjab and organized drawing, painting, poem, debate competitions on the theme of cleanliness among the school children. The people of Border area of Gatti Rajo Ke, Firozpur, Punjab had been consuming contaminated and polluted water for the last many years which is the root cause of so many diseases including skin disease. Your Corporation sanctioned the project for digging of deep borewell and installation of RO system for providing clean water to the people living in the village.

Furthermore, your Corporation also installed Sanitary napkin Vending Machine and incinerator in Aspirational districts of Firozpur (Punjab), Fatehpur (U.P), Gaya (Bihar), Narmada (Gujarat) and other places such as Bijnor (U.P), Ujjain (M.P.), Trilokpuri (Delhi) and Gandhi Nagar (Delhi).



## ***NSFDC 30th Annual Report 2018-19***

### **2.1.22 Celebration of International Yoga Day**

In compliance of the instructions issued by Ministry of AYUSH, NSFDC celebrated International Yoga Day on 21st June, 2018. On the occasion “Yoga Session” was organized for all the employees of the Corporation. Morarji Desai National Institute of Yoga, Ministry of Ayush deputed Yoga instructor to impart yoga training to employees of your Corporation. All the employees of NSFDC took active part in making the event successful. Your corporation has also started regular yoga session in the evening for the employees of the Corporation in NSFDC office premises.



International Yoga Day was celebrated by NSFDC.

### **2.1.23 Public Procurement Policy for MSEs**

The revised Public Procurement Policy for Micro and Small Enterprises mandates that 25% of the total Annual procurement of goods and services by all Central Ministries/ Public Sector Undertakings will be made from Micro and Small Enterprises (MSEs) including a sub-target of 5% procurement from the MSEs owned by SC/ST entrepreneurs. Out of total annual procurement from Micro and Small Enterprise, 3% from within the 25% target shall be earmarked for procurement from Micro and Small Enterprises owned by women. In compliance of the Public Procurement Policy for Micro and Small Enterprises (MSEs), your Corporation has achieved the required target during the year 2018-19.

## **3. FINANCIAL PERFORMANCE w.r.t. OPERATIONAL PERFORMANCE**

### **3.1 Income & Expenditure Account**

- (i) During the year, the Revenue from Operations (Net) of your Corporation is Rs.57.21 crore. During the year, the Operating Profit or Surplus/Revenue from Operation (Net) of your Corporation is 64.93%.
- (ii) During the year 2018-19, the income of the Corporation has increased from Rs.66.62 crore to Rs.71.33 crore.
- (iii) The total Expenses including employee cost has increased from Rs. 19.14 crore to Rs.20.06 crore in 2018-19.
- (iv) Excess of Income over Expenditure (EOIOE) during the year 2018-19 is Rs.51.27 crore as against Rs.47.48 crore during 2017-18.

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### **3.2 Appropriation of Profit**

The Corporation transfers 10% of EOIOE to the Special Reserve Fund and balance to General Reserve. Accordingly, Rs.5.12 crore is appropriated to Special Reserve fund and Rs.46.15 crore is transferred to General Reserve to be ploughed back for further disbursement.

### **3.3 Earning Per Share**

Earning per Equity Share during 2018-19 is Rs.35.13 & Rs.35.13 (Basic & Diluted) as against Rs.36.71 & Rs.36.71 (Basic & Diluted) for 2017-18.

### **3.4 NPA/Total Loans (Net)**

During the year, the percentage of NPA/Total Loans (Net) of your Corporation is 0.78%.

### **3.5 Loans disbursed/Total Funds Available**

During the year, the percentage of Loans disbursed/Total Funds Available of your Corporation is 79.09%.

### **3.6 Overdue Loans/Total Loans (Net)**

During the year, the percentage of Overdue Loans/Total Loans (Net) of your Corporation is 20.29%.

### **3.7 Return on Investment: PAT or Surplus / Average Net Worth**

The Average Net Worth of the Corporation has increased from Rs.1745.89 crore in 2017-18 to Rs.1959.95 crore in 2018-19. During the year, PAT or Surplus / Average Net Worth of your Corporation is 2.62%.

## **4. IMPROVEMENT IN FUNCTIONING OF THE CORPORATION**

### **4.1 MoU Rating (2017-18)**

Your Corporation had submitted Self Evaluation Performance Report of the MoU for the Financial Year 2017-18 based on the Audited Data, to the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of



NSFDC received Hindustan Ratan PSU Award 2018 for the category of Best financial performance. The award was presented to Sh. Sh Shyam Kapoor, CMD, NSFDC by Hon'ble Minister of Railways, Finance and Coal, Sh. Piyush Goyal in the presence of Hon'ble Minister of petroleum and Natural Gas, Sh. Dharmendra Pradhan & Hon'ble Minister Culture Dr. Mahesh Sharma.

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India through Ministry of Social Justice & Empowerment, Government of India. Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India has given MoU Composite Score of 61.78 and rated the performance of your Corporation as “Good”.

### **4.2 Strengthening of IT-System**

Your Corporation maintains database for project related data in an in-house devised module for generation of various reports. For comprehensive protection of data, hardware & network against various viruses, spyware, adware and other malicious programmes, your Corporation has installed antivirus software, which is updated periodically. To strengthen IT equipments, PCs, accessories and peripherals were procured during the reported year.

- On the instructions of MOSJ&E, the Social Benefits Management System (SBMS) software has been developed by National e-Governance Division (NeGD) in association with NSFDC. It was launched by the Hon’ble Union Minister of SJ&E on 27th Feb, 2019. The software will be used by end beneficiaries to apply for loans online and by state channelizing agencies for online processing of loans.
- Your Corporation has hosted a new dynamic, disabled friendly, bilingual website which is in compliance with Guidelines for Indian Government Website (GIGW) along with a Web based Skill Training Application which is being hosted at NIC Cloud Server by replacing the previous website.
- A job portal for employable skilled persons has been developed and operationalized. This portal maintains details of candidates who have been trained through the skill training program of NSFDC. It can be used by various organizations to search for skilled candidates with the required skill set.
- The e-Office software has been implemented in NSFDC Head Office.
- A web based NSFDC’s Loan Accounting Software has been developed and currently is in parallel run.
- A web based software for Annual Performance Appraisal Report (APAR/ACR) has been developed and implemented for NSFDC’s officials.



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Shri Thaawarchand Gehlot, Hon'ble Union Minister of Social Justice & Empowerment launching Social Benefits Management System (SBMS) software on 27th Feb, 2019 in the Conference of Additional Chief Secretaries / Principal Secretaries, Social Welfare Department of States/UTs at New Delhi. SBMS software has been developed on the initiative of MOSJ&E, in association with NSFDC and other Corporations by National e-Governance Division (NeGD), MeitY, GoI. On the occasion, Ms. Nilam Sawhney, Secretary, SJ&E, Sh. Shyam Kapoor, CMD, NSFDC and Sh. M. S. Rao, President & CEO, NeGD were also present.

### 5. HUMAN RESOURCE DEVELOPMENT

#### 5.1 Human Capital & Training of NSFDC Staff

The manpower of the Corporation as on 31st March, 2019 is 79 personnel deployed in Head Office and three Liaison Centers of the Corporation. The Corporation regards training and development as a function concerned with organizational activity aimed at bettering the job performance of individuals and groups in organizational settings. In order to align the skill of its human resource with the latest requirements of acts, rules and business goals, besides conducting in-house training programmes, the officers and staff of the Corporation were sent to various premier institutions for short-term training programs in relevant functional areas of the Corporation. The details of the training and Institutions, are as under:

Sl. No.	Name of Training Programme/ Institution	Training Programme Conducted by
1.	Soft & Hard Interventions for MSME Clusters	Ni-msme, Hyderabad
2.	Yoga Session	In-House
3.	Workshop on "Instructions for filling up online data input sheet of Public Enterprises Survey 2017-18"	India Habitat Centre, New Delhi
4.	Training on "Promotion of Viable Micro Enterprises for SHGs"	Ni-msme, Hyderabad
5.	MDP on "Management Effectiveness"	IIM Kolkata

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6.	Workshop on Knowledge Management System Workshop	DPE & ONGC
7.	Workshop on Approaching Cyber Security Challenges in CII Sector (DSCI)	SCOPE along with Data Security Council of India
8.	Workshop on GST	ISTM, New Delhi
9.	Workshop on e-Office	ISTM, New Delhi
10.	Workshop on RTI-Appellate Authority	ISTM, New Delhi
11.	MDP titled “General Management Programme for Senior & Middle level Officials”	IIM Kolkata
12.	MDP titled “Finance for Non-Finance Executives”	IIM Kolkata
13.	MDP titled “Leadership and Team Building”	IIM Kolkata
14.	Workshop on “Digital Forensic: Challenges & Future”	National Board for Quality Promotion, Quality Council of India, Habitat Centre, Lodhi Road, New Delhi
15.	MDP on “Managerial Leadership and Conflict Resolution”	IIM-Kolkata
16.	Traning on “Time Management & Prioritization” e.Services Pvt. Ltd.	M/s. Synapsetech
17.	Traning On PFMS-EAT Module	M/o HRD
18.	Traning On Basic Computer	NSIC, New Delhi

### **5.2 Representation of SCs, STs, OBCs and PwBD category of employees in the Corporation**

Your Corporation has followed the Government's policy on reservations and concessions for SCs, STs, OBCs and PwBD Categories. As per Department of Personnel and Training (DoPT), Ministry of Personnel, PG and Pensions OM No.36035/17/2008-Estt.(Res) dated 14.11.2008 received through MoSJ&E letter No.1-4/2009-CDN dated 4.6.2009, the required data in the prescribed format pertaining to representation of SCs, STs, OBCs and PwBD Categories, are placed at **Annexures-V, VI and VII** respectively.

### **5.3 Measures to give special consideration to Minorities in recruitment:**

Your Corporation has been observing the directives and guidelines contained in OM No.39016/7(S)/2006-Estt.(B) dated 8.7.2007 of Department of Personnel & Training (DoPT) and Prime Minister's-15 point programme for welfare of Minorities which inter-alia envisage special consideration in recruitment of Minorities.

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### 5.4 Sexual Harassment of Women at Work Place:

In compliance of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Corporation has constituted 'Internal Complaints Committee(s)' at Head Office and Liaison Centres level to look into the incidents/complaints of Sexual Harassment in organization's premises, if any. Further, in compliance of Section 22 of the Act, the Annual Report on incidents of Sexual Harassment is as under:

1.	Number of complaints of Sexual Harassment received in the year	NIL
2.	Number of complaints disposed off during the year	Not applicable
3.	Number of cases pending for more than 90 days	Not applicable
4.	Number of workshops on awareness programmes against sexual harassment conducted during the year	-
5.	Nature of action	Not Required

## 6. OTHER ACHIEVEMENTS

### 6.1 Progressive use of Official Language

NSFDC is committed to promote the use of Official Language Hindi in official work of corporation as per Official Language Policy of Union and Annual Programme issued by the Department of Official Language, Ministry of Home Affairs. The work of Hindi Implementation is done by Hindi Officer, Hindi Translator and Assistant under HR & Administration Department headed by a Deputy General Manager.



CMD NSFDC presenting memento to guest of honour Dr. Laxmi Shankar Bajpai during Rajbhasha Sanskritik Sandhya aur Kavya Goshthi organised by NSFDC during Hindi Pakhwara

#### 6.1.1 Implementation of Official Language Policy

In pursuance of the Official Language Policy of the Government of India, all documents covered under section 3(3) of the Official Language Act, 1963 were issued both in Hindi and English. Annual Programme 2018-19 and other orders/instructions issued by the Department of Official Language, Ministry of Home Affairs were forwarded to all the Departments/Sections/Liaison Centers of NSFDC for their compliance. Check Points identified and prepared to ensure compliance of Official Language Policy.



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### **6.1.2 Meeting of Official Language Implementation Committee**

Committee of Official Language Implementation exist as per OL Policy in NSFDC under the chairmanship of Chairman cum Managing Director of NSFDC for ensuring compliance of progressive use of Hindi in NSFDC and its meetings held regularly in each quarter. During the year, four meeting of NSFDC Official Language Implementation Committee were held on 22.06.2018, 04.09.2018, 26.12.2018 & 28.03.2019. The Committee chalked out strategies to implement and ensured compliance of the constitutional provisions of the Official Languages Act, 1963 (as amended in 1967) and Official Language Rules, 1976 with a view to achieve the targets prescribed in the Annual Programme 2018-19. The Committee periodically reviewed the progress made in this regard and suggested and recommended measures to be taken for the effective implementation of the same.

### **6.1.3 Organising of Hindi Workshop**

During the year, five In-house workshops were conducted on 27.06.2018, 10.09.2018, 11.09.2018, 28.12.2018 and 29.03.2019 for the staff members of NSFDC for improving the skill in using Official Language including encouragement of writing noting and drafting in Rajbhasha Hindi, Hindi Typing in Unicode with Inscript/Transliteration/Google voice typing tools on computer besides sharing knowledge of the latest provisions of the Official Language Policy of Union.

### **6.1.4 Hindi Incentive Schemes**

During 'Rajbhasha Mah' employees were awarded for doing more and more work in Hindi for the Financial Year 2017-18 in different schemes like (1) Mool Hindi Tippan/Alekhan protsahan yojana, (2) Incentive scheme for awards to officers for giving maximum dictation in Hindi, (3) Hindi Stenography and Typing Incentive Allowance Scheme for doing official work in hindi, (4) Rajbhasha Chal Shield, (5) Shri Shankar Dayal Singh Rajbhasha Samman Yojana and (6) Staff ka Samvartee mulyankan puraskar yojana,. The award under Shri Shankar Dayal Singh Rajbhasha Samman Yojana was given to Shri Pramod Kumar Jha, JE, Skill and Training Department for doing commendable work in Rajbhasha Hindi. Rajbhasha Chal Shield was awarded to Department of Human Resource and every staff of department has been awarded with cash and special batch.



Human Resource Department received "Rajbhasha Vibhagiya chal Shield"



Shankar Dayal Singh Rajbhasha Samman Award

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### **6.1.5 Hindi Diwas and Hindi Pakhwara**

During the year, Hindi Diwas was celebrated on 14th September, 2018. Minister of Home Affairs, Minister of Social Justice and Empowerment and Chairman cum Managing Director's messages were read out on this occasion. In order to encourage the use of Official Language Hindi in official work amongst officers/staff during 06-20 September, 2018 'Hindi Pakhwada' was celebrated at the Head Office and Liaison Centres of the Corporation. During the Pakhwada Prashna Manch, Hindi Typing and Hindi Essay competitions were organized at Head office, Delhi and for LCs Hindi Nibandh Pratiyogita was organized. All the winners of various competitions were awarded with cash prize.

### **6.1.6 Rajbhasha Sanskritik Sandhya aur Kavya Goshthi**

'Rajbhasha Sanskritik Sandhya aur Kavya Goshthi' was organized jointly with NBCFDC and NSKFDC on 29.09.2018. On this occasion, the officers/staff of the NSFDC presented a short play 'Hindi ki Dasha' for encouraging maximum use of Hindi. Spectators appreciated the acting and play. Officers/staff of the Corporation's and their family members also presented various cultural programmes. After this Kavya Goshthi was organized, wherein, renowned Poets, Dr. Lakshmi Shankar Vajpayee, Smt. Mamta Kiran Vajpayee, Shri Mahendra Sharma, Shri Nishtar Amrohi and Mr. Dinesh Raghuvanshi performed their poems which were highly appreciated by the audience.

### **6.2 Observance Vigilance Awareness Week**

During the year, your Corporation as per the instructions of the Central Vigilance Commission (CVC) observed the Vigilance Awareness Week, 2018 from 29.10.2018 to 02.11.2018 on the theme "Eradicate Corruption - Build in New India / भ्रष्टाचार मिटाओ – नया भारत बनाओ".



NSFDC officials taking Integrity Pledge pledge on the occasion of Vigilance awareness week.

The Vigilance Awareness Week 2018 was

inaugurated on 29.10.2018 with the administration of Integrity Pledge for Organizations and Citizens, to the Officers and Employees of your Corporation. The officials were addressed by Chief Vigilance Officer on the importance of Vigilance. Similarly, Vigilance Awareness Week also commenced with the Administration of Pledge by Liaison Officers and employees of your Corporation in the respective Liaison Offices as well.

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The message of Hon'ble President of India, Hon'ble Vice-President of India, Hon'ble Prime Minister of India, Hon'ble Minister of India and Chief Vigilance Commissioners were also displayed on the Notice Board for the benefit of officials/employees of your Corporation. The NSFDC Whistle Blower Policy was also displayed on the Notice Board for information of all the employees.

In house programme were chalked out and organized by your Corporation during the Vigilance Awareness Week. Banners and slogans on Vigilance were displayed in the Office to draw the attention of Officers and Employees to make them appreciate & perceive the need to fight corruption and promote honesty, integrity & transparency.

During the week, one Essay Competition for the employees on 30.10.2018 on the theme "Eradicate Corruption - Build in New India" was organised. The best three Essays were awarded cash prizes. Besides above, during the Vigilance Awareness Week (VAW)-2018, a Workshop/Sensitization programmes for all the employees of NSFDC was held on the topic – 'Preventive Vigilance' on 02.11.2018 in the NSFDC's Board Room. The Workshop was taken by Sh. V.S.N. Rao, General Manager (HRD), MMTC who also had wide experience in dealing with vigilance matters. Shri Rao showed the employees a film made by CVC on preventive vigilance and also gave a one hour PowerPoint presentation. The presentation was followed by small tests having questions and multiple choice answers to assess the vigilance awareness of the participants. The employees actively participated in the workshop with lot of enthusiasm and made it an interactive workshop.

### **6.3 Implementation of Right to Information Act, 2005**

Your Corporation has been implementing the Right to Information Act, 2005 since October, 2005.

- (i) Details of Corporation's functions along with its functionaries etc. have been placed on Corporation's Website ([www.nsfdc.nic.in](http://www.nsfdc.nic.in)).
- (ii) Manuals as required under the Act have been prepared and put on the Website.
- (iii) The Corporation also designated Appellate Authority, Transparency Officer and Public Information Officers as required under the Act.
- (iv) This Corporation is implementing RTI online through alignment on RTI online portal managed by DoP&T since its inception in the year 2016-17.
- (v) Facilitated Transparency Audit with respect of compliance under Sector 4 of RTI Act, 2005 as per CIC's guidelines.
- (vi) During the year, 71 RTI applications and 03 appeals were received. All applications/appeals received during the year were disposed-off within the specified time limit.

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- (vii) The status of RTI applications as reported to Central Information Commission on-line, in each quarter during the financial year 2018-19 is as given below:-

	Opening Balance at beginning of the Quarter	No. of applications received as transferred from other PAs u/s 6(3)	Received during the Quarter (including cases transferred to other PAs)	No. of cases transferred to other PAs u/s 6(3)	Decisions where requests/ appeals rejected	Decisions where requests/ appeals accepted
<b>Progress during 1st Quarter (April to June, 2018)</b>						
Requests	02	05	11	01	01	12
First Appeals	0	N.A.	0	N.A.	0	0
<b>Progress during 2nd Quarter (July to September, 2018)</b>						
Requests	04	10	15	05	01	17
First Appeals	0	N.A.	02	N.A.	0	01
<b>Progress during 3rd Quarter (October to December, 2018)</b>						
Requests	06	07	10	05	0	17
First Appeals	01	N.A.	01	N.A.	0	01
<b>Progress during 4th Quarter (January to March, 2019)</b>						
Requests	01	04	09	02	0	05
First Appeals	01	N.A.	0	N.A.	0	01
	Total No. of CAPOIs Designated		Total No. of CAPOIs Designated		Total No. of TOs Designated	Total No. of AAs Designated
	0		1		1	1

Block II (Details about fees collected, penalty imposed and disciplinary action taken)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Registration Fee Collected (in Rs.) u/s 7(1)	50	30	30	30
Additional Fee Collected (in Rs.) u/s 7(3)	55	0	0	92

- (viii) As per the fourth Quarterly Report on RTI uploaded on the CIC Website, there were 02 RTI applications pending as on 31.03.2019. These applications were subsequently replied within the stipulated time.



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### 6.4 **Conservation of Energy, Technology Absorption, Foreign Earnings and Outgo**

The activities undertaken by your Corporation do not fall under the purview of disclosures of particulars under Section 134(3)(m) of the Companies Act, 2013, in so far as it relates to the conservation of energy, technology absorption, foreign earnings and outgo.

### 6.5 **Extract of Annual Return**

Extract of Annual Return of the Company in Form No. MGT-9 is annexed herewith as **Annexure-VIII**

### 7. **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Act Read with Rules 5(2) 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and particulars of the employees employed throughout the financial year who received remuneration in excess of the limits set out in the said Rules are annexed herewith as **Annexure-IX**

Disclosures pertaining to remuneration and other details as required under Section 197(2) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Accounts.

### 8. **CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility & Sustainability Development (CSR & SD) Policy has been formulated and recommended to the Board. The CSR & SD Policy indicating the activities to be undertaken by the Company, has been approved by the Board. The CSR & SD Policy may be accessed on the Company's website at : **<http://www.nsfdc.nic.in/en/csr>**.

The Annual Report on CSR activities is annexed at **Annexure-X**.



CMD, NSFDC inaugurating Installation of a Sanitary Napkin Vending Machine at community centre in Gandhi Nagar Delhi.

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### 9. RESOURCE LINKAGE PROGRAMME

The provisions of the Companies Act, 2013 under Section 135 require certain disclosures in the Board report. Your Corporation carries out activities specified in Schedule VII of the Act. Companies incorporated under Section 8 of the Act also find mention in the new Companies (Corporate Social Responsibility Policy) Rules, 2014 issued vide notification dated 27.02.2014 that they shall be implementing agencies.

During the year, your Corporation received sanction under Corporate Social Responsibility (CSR) for Skill Training Programmes from three profit making CPSEs namely Bharat Petroleum Corporation Ltd. (BPCL), Security Printing & Minting Corporation of India Ltd. (SPMICL) and Bridge & Roof Co. (India) Ltd. Further, your Corporation has partnered with Corporate Foundations for cost sharing in conducting skill training programmes. The Corporate Foundations are Tata Strive, Tech. Mahindra Foundation, Ambuja Cement Foundation, Dalmia Bharat Foundation and Hindustan Latex Family Planning Promotion Trust. Further, against earlier sanctioned CSR funds, an amount of Rs.121.10 lakhs was released to the concerned training institutions during the year.

The skill training programmes under the above mentioned projects for the financial year 2018-19 have been sanctioned in the States of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Himachal Pradesh, Gujarat, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Odisha, Tamil Nadu, Telangana & Uttar Pradesh.



NSFDC has signed an MoA for CSR Partnership on cost sharing mode for Skill Training Programmes and other CSR activities with Tech Mahindra Foundation on 31.7.18. The MoA was signed and exchanged between Sh. Chetan Kapoor, COO, Tech Mahindra Foundation and Sh. Devanand, CGM, NSFDC in the presence of CMD, NSFDC

### 10. THE REPORT ON CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance set out by the Companies Act, 2013 and Department of Public Enterprises (DPE). The Report on Corporate Governance forms an integral part of this Report at **Annexure-XI**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached at **Annexure-XII** to the Report on Corporate Governance.

### 11. BOARD OF DIRECTORS

The Board of Directors is headed by the Chairman-cum-Managing Director, the Board consisted of 11 members as on 31.03.2019. For further details, please refer Report on Corporate Governance annexed to this Annual Report.



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### **12. MEETINGS OF THE BOARD**

During the financial year under review, two meetings of the Board of Directors were held. For further details, please refer Report on Corporate Governance annexed to this Annual Report.

#### **12.1 Remuneration Committee**

During the year under review, the Remuneration Committee Meeting has not been held.

#### **12.2 Audit Committee**

The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013. The Audit Committee of the Company comprises of Smt. T.C.A. Kalyani (Chairperson), Shri S.M. Awale (Member) and Shri Shyam Kapoor (Member). Smt. Annu Bhogal (Company Secretary) is the Secretary of the Audit Committee. During the year all the recommendations made by the Audit Committee were accepted by the Board.

#### **12.3 Vigil Mechanism**

Chief Vigilance Officer is appointed by the orders of the Administrative Ministry who is in charge of a separate and independent department i.e. Vigilance Department in the Company. Further, protected disclosures can also be made by a whistle blower to the Chairman-cum-Managing Director of the Corporation under Whistle Blower Policy.

### **13. RISK MANAGEMENT**

As a part of the implementation of the guidelines on Corporate Governance issued by DPE, a Risk Management Policy for drawing of appropriate risk assessment, management and minimization framework as also internal risk assessment framework, integrated and aligned with Corporate has been approved by the Board of Director NSFDC.

The company manages, monitors and reports to the Ministry on the principal risks and uncertainties that can impact its ability to achieve its strategic objective. The company's management system, organizational structure, process and standards and code of conduct governs how the company conducts the business and manages associated risks.

### **14. INTERNAL FINANCIAL CONTROL**

The company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

### **15. ANNUAL GENERAL MEETING (AGM)**

During the year, 29th AGM was held on 25.09.2018 for adoption of Accounts for the year 2017-18. The entire share capital is held by Hon'ble President of India represented by the Secretary to the Government of India, MOSJ&E, except one share held in the name of Joint Secretary, MOSJ&E. The Annual Accounts for the year 2017-18 were adopted along with Directors' Report.

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### **16. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the companies Act, 2013, your Directors state that:-

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The directors had prepared the annual accounts on a going concern basis.
- (v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The directors had devised proper systems to ensure proper compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **17. AUDITORS AND AUDITORS' REPORT**

#### **17.1 Statutory Auditors**

M/s Naresh K. Gupta & Co., Chartered Accountants, New Delhi, was appointed as Statutory Auditors under Section 129(4) of the Companies Act, 2013 by C&AG for the financial year 2018-19. The Statutory Auditor's Report on the Accounts of NSFDC for the year ended 31st March, 2019 along with the replies of the Company shall be given in the **Addendum-A & B** to this Report, respectively.

#### **17.2 C&AG Audit**

The Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) & (7) of the Companies Act, 2013 through MAB-IV. The comment of the C&AG on the Accounts of NSFDC for the year ended 31st March, 2019 along with the replies of the Company shall be attached as **Addendum-C** to this Report.

#### **17.3 Code of Conduct**

The Board of Directors has laid down the Code of Business Conduct and Ethics for the Board Members and Senior Management of the Company. All Board Members and key officials of the company have affirmed their compliance with the Code.

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### **18. GENERAL**

Your directors state that no disclosures or reporting is required in respect of the following items during the year under review:

- (i) A statement on declaration given by independent directors under subsection (6) of section 149;
- (ii) In case of a company covered under sub-section (1) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section(3) of section 178;
- (iii) Particulars of loans, guarantees or investments under section 186.
- (iv) Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form;
- (v) The amount, if any, which is recommended should be paid by way of dividend;
- (vi) No significant or material orders were passed by the Authorities or Courts or Tribunals which impact the going concern status and Company's operations in future.

### **19. ACKNOWLEDGMENTS**

Your Directors would like to place on record their appreciation for the dedicated services rendered by the employees of your Corporation during the year which has resulted in achieving 'Excellent' performance rating under Memorandum of Understanding targets fixed by the Inter-Ministerial Committee (IMC) Task Force of Department of Public Enterprises, Government of India.

Your Directors wish to place on record their sincere thanks for the continuing support of the Ministry of Social Justice and Empowerment in guiding your Corporation from time to time to achieve better results. Your Directors also wish to place on record their appreciation for the support extended by Department of Company Affairs, Department of Public Enterprises, Ministry of Finance, Comptroller and Auditor General of India, and for the cooperation of the State-level Scheduled Castes Finance and Development Corporations and other channelizing agencies.

Your Directors are also grateful to various other Government Departments, Agencies and Statutory Auditors to the Corporation for their continued guidance and support.

For and on behalf of the Board of Directors



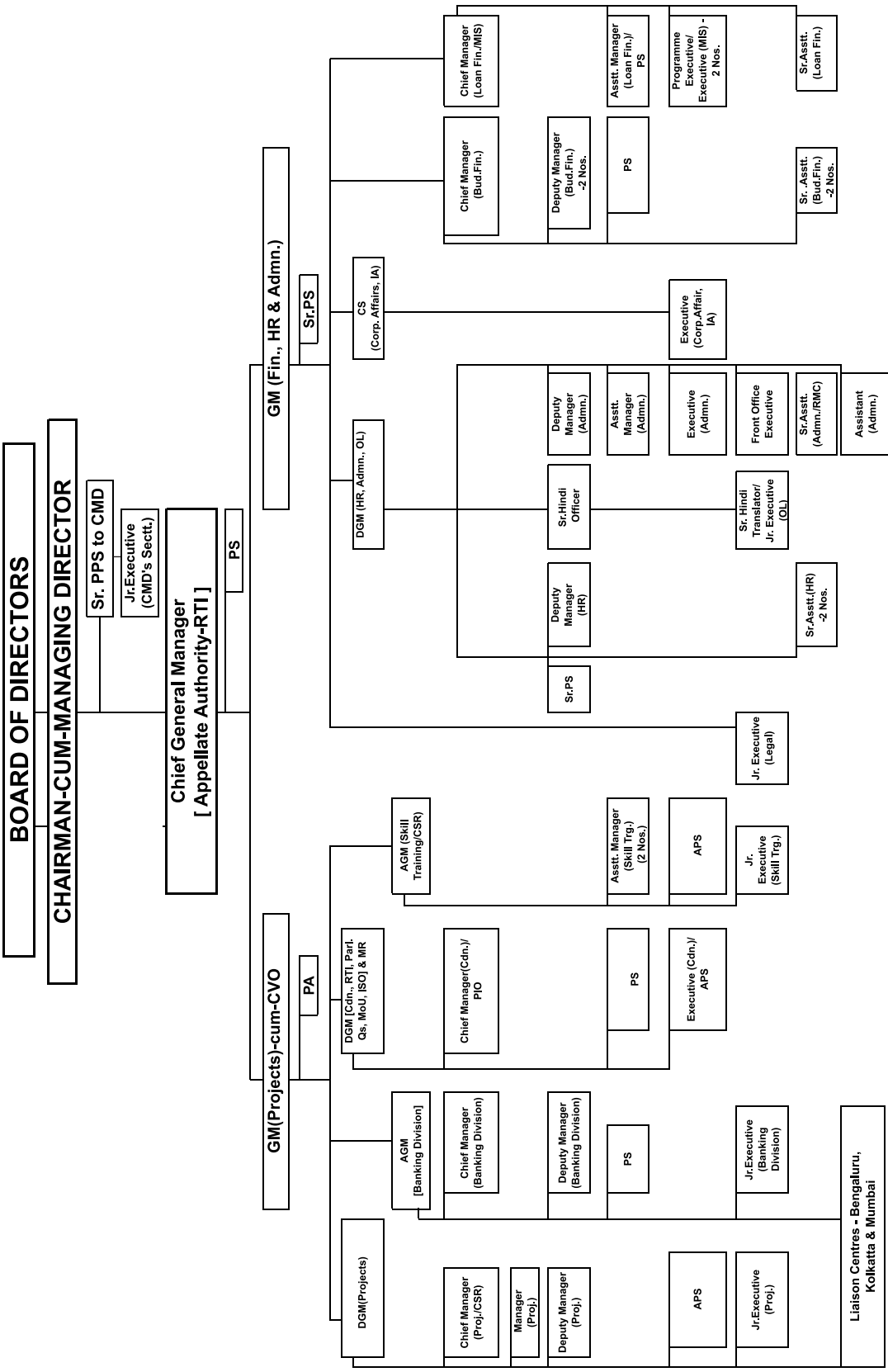
**(K. Narayan)**

Chairman-cum-Managing Director  
DIN : 03561648

**Place : Delhi**  
**Date : 18-09-2019**

ANNEXURE-I  
(See Para 1.5)

NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION, DELHI  
ORGANIZATIONAL CHART (As on 31.03.2019)



## NSFDC 30th Annual Report 2018-19

### ANNEXURE-II (A) (See Para 1.7)

#### STATE/UT-WISE LIST OF STATE CHANNELISING AGENCIES

Sl.No	State/UT	Name of Channelizing Agency
1	Andhra Pradesh	1. Andhra Pradesh Scheduled Castes Co-operative Finance Corporation. Ltd.
2	Assam	2. Assam State Development Corporation for Scheduled Castes Ltd.
3	Bihar	3. Bihar State SCs Co-operative Development Corporation Ltd.
4	Chhattisgarh	4. Chhattisgarh State Antavasayee Sahkari Finance & Development Corporation.
5	Goa	5. Goa State SCs & OBCs Development Corporation Ltd.
6	Gujarat	6. Gujarat Scheduled Castes Development Corporation. 7. Dr. Ambedkar Antyodaya and Development Corporation.
7	Haryana	8. Haryana Scheduled Castes Finance and Development Corporation Ltd.
8	Himachal Pradesh	9. Himachal Pradesh SCs & STs Development Corporation.
9	Jharkhand	10. Jharkhand State Scheduled Castes Co-operative Development Corporation.
10	Jammu & Kashmir	11. Jammu & Kashmir SCs, STs & OBCs Development Corporation Ltd.
11	Karnataka	12. Dr. B.R. Ambedkar Development Corporation Limited.
12	Kerala	13. Kerala State Development Corporation for SCs & STs Ltd. 14. Kerala State Women's Development Corporation.
13	Madhya Pradesh	15. Madhya Pradesh State Co-operative SCs Fin. & Develoment Corporation.
14	Maharashtra	16. Mahatma Phule BCs Development Corporation Ltd. 17. Sahityaratna Lokshahir Annabhau Sathe Development Corporation. 18. Sant Rohidas Leather Industries & Charmakar Development Corporation.
15	Manipur	19. Manipur Tribal Development Corporation Ltd. 20. Manipur State STs & SCs Development Co-operative Bank Ltd.
16	Meghalaya	21. Meghalaya Co-operative Apex Bank Ltd.
17	Mizoram	22. Mizoram Urban Co-operative Development Bank Ltd. 23. Mizoram Khadi & Village Industries Board.
18	Odisha	24. Odisha SCs & STs Development Finance Co-operative Corporation Ltd.
19	Punjab	25. Punjab Scheduled Castes Land Development & Finance Corporation.
20	Rajasthan	26. Rajasthan SCs & STs Finance & Development Co-operative Corporation.
21	Sikkim	27. Sikkim SCs, Tribes & Backward Classes Development Corporation.
22	Tamil Nadu	28. Tamil Nadu Adi Dravidar Housing & Development Corporation.
23	Telangana	29. Telangana Scheduled Castes Co-operative Development Corporation. Ltd.
24	Tripura	30. Tripura Scheduled Castes Co-operative Development Corporation Ltd.
25	Uttar Pradesh	31. Uttar Pradesh Scheduled Castes Finance & Development Corporation Ltd.
26	Uttarakhand	32. Uttarakhand Bahu-udeshiya Vitta Evam Vikas Nigam.
27	West Bengal	33. West Bengal SCs & STs Development & Finance Corporation.
28	Chandigarh	34. Chandigarh SCs, BCs & Minorities Financial & Development Corporation Ltd.
29	Dadra & Nagar Haveli and Daman & Diu	35. DNH, D & Diu SCs/STs/Other BCs & Minorities Financial & Development Corporation.
30	Delhi	36. Delhi SC/ST/OBC/Minorities & Handicapped Financial & Development Corporation
31	Puducherry	37. Puducherry Adi Dravidar Development Corporation Ltd.

Note: The State/UTs namely Arunachal Pradesh, Nagaland, Andaman & Nicobar and Lakshadweep Islands do not have Scheduled Castes population as per Census, 2011 data, and therefore, have not been included in the statement.



## NSFDC 30th Annual Report 2018-19

### ANNEXURE-II (B)

(See Para 1.7)

(Page 1 of 2)

#### LIST OF CHANNELISING AGENCIES – ALTERNATE CHANNEL

Sl. No	State/UT	Name of Channelising Agency
1	Andhra Pradesh	1. Chaitanya Godavari Grameena Bank, Guntur, Andhra Pradesh.
		2. Andhra Pradesh Grameena Vikash Bank, Warangal
		3. Sapthagiri Grameena Bank, Chittoor, Andhra Pradesh
		4. Andhra Pragati Grameena Bank, Kadapa
2	Assam	5. North Eastern Development Finance Corporation, Guwahati, Assam.
		6. Grameen Development & Finance Private Limited, Chhaygaon, Assam.
		7. Assam Gramin Vikash Bank, Guwahati
		8. Langpi Dehangi Rural Bank., Satgoan, Assam
3	Bihar	9. Dakshin Bihar Gramin Bank, Patna, Bihar.
		10. Uttar Bihar Gramin Bank, Muzzafarpur, Bihar.
4	Gujarat	11. Dena Gujarat Gramin Bank, Gandhinagar, Gujarat.
		12. Baroda Gujarat Gramin Bank, Bharuch, Gujarat.
		13. Shri Mahila SEWA Sahkari Bank Limited, Ahmadabad
		14. Saurashtra Gramin Bank, Rajkot
5	Haryana	15. Sarva Haryana Gramin Bank, Rohtak, Haryana.
		16. Oriental Bank of Commerce, Gurgaon
6	Himachal Pradesh	17. Himachal Pradesh Gramin Bank, Mandi, Himachal Pradesh
7	Jharkhand	18. Jharkhand Silk, Textiles & Handicrafts Development Corporation, Ranchi.
		19. Vananchal Gramin Bank, Dumka, Jharkhand.
8	Karnataka	20. Syndicate Bank, Bengaluru, Karnataka.
		21. Pragathi Krishna Gramin Bank, Bellary, Karnataka.
		22. Karnataka Vikas Grameena Bank, Dharwad, Karnataka.
		23. Kaveri Gramin Bank, Mysore, Karnataka
		24. Vijaya Bank, Bengaluru, Karnataka
		25. Canara Bank, Bengaluru, Karnataka
9	Kerala	26. Kerala Gramin Bank, Malappuram, Kerala.
10	Maharashtra	27. Maharashtra Gramin Bank, Aurangabad, Maharashtra.
		28. Vidarbha Konkan Gramin Bank, Nagpur, Maharashtra.
		29. Anik Financial Services Private Limited, Aurangabad, Maharashtra.
		30. Dena Bank, Bandra, Mumbai
		31. Union Bank of India, Mumbai
		32. Bank of Baroda, Mumbai
11	Madhya Pradesh	33. Madhyanchal Gramin Bank,
		34. Narmada Jabhua Gramin Bank,
12	Odisha	35. Sambandh Finserve Pvt. Ltd, Rourkela, Odisha
13	Punjab	36. Punjab Gramin Bank, Kapurthala, Punjab.
14	Rajasthan	37. Rajasthan Marudhara Gramin Bank, Jodhpur, Rajasthan.

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-II (B)

(See Para 1.7)

(Page 2 of 2)

15	Tamil Nadu	38. Indian Overseas Bank, Chennai, Tamil Nadu.
		39. Pallavan Grama Bank, Salem
16	Telangana	40. Pandyan Grama Bank, Virdhunagar
		41. Andhra Bank, Hyderabad, Telangana.
		42. Telangana Grameena Bank, Hyderabad, Telangana.
		43. Stree Nidhi Credit Co-Operative Federation Limited, Hyderabad
17	Tripura	44. Tripura Gramin Bank, Agartala, Tripura.
18	Uttar Pradesh	45. Purvananchal Gramin Bank, Gorakhpur, Uttar Pradesh.
		46. Allahabad UP Gramin Bank, Banda, Uttar Pradesh.
		47. Sarva UP Gramin Bank , Meerut, Uttar Pradesh.
		48. Baroda UP Gramin Bank, Raebareli, Uttar Pradesh.
		49. UP Sahkari Gram Vikas Bank, Lucknow, Uttar Pradesh.
		50. Prathama Bank, Moradabad, Uttar Pradesh.
		51. Kashi Gomti Samyut Gramin Bank, Varanasi, Uttar Pradesh.
		52. Gramin Bank of Aryavart, Gomti Nagar, Lucknow
19	Uttarakhand	53. Uttarakhand Gramin Bank, Dehradun, Uttarakhand.
20	Puducherry	54. Pudukkottai Bhararthiar Grama Bank, Muthialpaet, Puducherry
21	West Bengal	55. Allahabad Bank, Kolkata, West Bengal.
22	Delhi	56. BRITTI Prosikshan Private Limited, Kolkata, West Bengal.
		57. Don Bosco Tech Society, New Delhi.
		58. Punjab National Bank, New Delhi
		59. Punjab & Sind Bank, New Delhi

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-III [See Para 2.1.2(C)(i)]

#### ACHIEVEMENTS OF MoU TARGETS [2018-19]

Sl. No.	Performance Criteria	Unit	Marks	'Excellent' Target (2018-19)	Achievement
<b>(A) Compulsory Parameter</b>					
(i)	Turnover-Revenue from Operations	Rs. Crore	10	36.00	57.21
(ii)	Operating Profit or Surplus as percentage of Revenue from Operation (Net)	% age	20	45.00%	64.93%
(iii)	PAT or Surplus as percentage of Average Net Worth	% age	20	1.80%	2.62%
<b>(B) Optional Parameters</b>					
(i)	Loans disbursed/Total Funds available	% age	15	68.00%	79.09%
(ii)	Overdue Loans/Total Loans (Net)	% age	10	23.50%	20.29%
(iii)	NPA/Total Loans (Net)	% age	05	1.03%	0.78%
<b>(iv) Human Resource Management</b>					
(a)	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	Date	05	15.10.2018	5.10.2018
(b)	Talent Management and career progression by imparting training in Centre of Excellence within India e.g. IITS, IIMs, NITs, ICAI, etc.	Number of Employees	05	5	5
<b>(v) Any other Specific Result-oriented Measurable Parameter</b>					
(a)	Providing "Employment/self-employment through training programmes"	Number of Persons	10	13,000	13,668
	<b>TOTAL</b>		<b>100</b>		

## NSFDC 30th Annual Report 2018-19

ANNEXURE-IV  
[See Para 2.1.13]

### STATE/UT WISE ABSTRACT UNDER SKILL DEVELOPMENT TRAINING PROGRAMMES (2018-19)

(In Number)

Sl.No.	States/UTs	Commenced (Persons)	Completed (Persons)
1	Andhra Pradesh	517	197
2	Assam	1130	80
3	Bihar	850	520
4	Chhattisgarh	530	0
5	Delhi	686	509
6	Gujarat	154	90
7	Haryana	220	208
8	Himachal Pradesh	107	80
9	Jammu & Kashmir	120	0
10	Jharkhand	630	450
11	Karnataka	847	402
12	Kerala	257	227
13	Madhya Pradesh	1589	939
14	Maharashtra	801	141
15	Odisha	980	413
16	Punjab	979	724
17	Rajasthan	406	166
18	Tamil Nadu	2059	1174
19	Telangana	375	223
20	Tripura	123	120
21	Uttar Pradesh	4415	2430
22	Uttarakhand	246	80
23	West Bengal	1068	830
	<b>Grand Total</b>	<b>19089</b>	<b>10003</b>

**ANNEXURE-V**  
(See Para 5.2)  
**SC/ST/OBC REPORT -I**

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs, STs and OBCs AS ON FIRST JANUARY OF THE YEAR AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEDING CALENDAR YEAR**

Name of the Public Sector Enterprise: **National Scheduled Castes Finance and Development Corporation, Delhi**

Groups	Representation of SCs/STs/OBCs (As on 01.01.2019)				Number of appointments made during the calendar year 2018									
					By Direct Recruitment			By Promotion			By Deputation/ Absorption			
	Total no. of employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group 'A' Managerial/ Executive Level*	38	09	02	05	1	-	-	-	03	01	01	-	-	-
Group 'B' Non- Supervisory Staff	09	03	01	02	-	-	-	-	01	-	-	-	-	-
Group 'C' Non- Executive Staff (Excluding Sweepers)	33	17	01	08	6	-	-	02	02	-	01	-	-	-
<b>Total</b>	<b>80</b>	<b>29</b>	<b>4</b>	<b>15</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Including CMD.



ANNEXURE-VI  
(See Para 5.2)  
SC/ST/OBC REPORT -II

**ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs, STs and OBCs IN VARIOUS GROUPS 'A' SERVICES AS ON FIRST JANUARY OF THE YEAR AND NUMBER OF APPOINTMENTS MADE IN THE VARIOUS GRADES IN THE PRECEDING CALENDAR YEAR**

Name of the Public Sector Enterprise: **National Scheduled Castes Finance and Development Corporation, Delhi**

Pay Scale (In Rupees)	Representation of SCs/STs/OBCs (As on 01.01.2019)				Number of appointments made during the calendar year 2018							
	Total no. of employees	SCs	STs	OBCs	By Direct Recruitment			By Promotion			By other methods	
					Total	SCs	STs	OBCs	Total	SCs	STs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13
CMD on Deputation [CDA Pattern]	1	-	-	-	-	-	-	-	-	-	-	14
E-7: ₹100000-260000	1	1	-	-	-	-	-	-	-	-	-	15
E-6: ₹90000-240000	2	1	-	-	-	-	-	-	-	-	-	-
E-5: ₹80000-220000	4	-	1	1	-	-	-	-	-	-	-	-
E-4: ₹70000-200000	2	-	-	-	-	-	-	-	-	-	-	-
E-3: ₹60000-180000	7	1	-	1	1	-	-	-	-	-	-	-
E-2: ₹50000-160000	2	2	-	-	-	-	-	-	1	1	-	-
E-1: ₹40000-140000	9	1	-	2	-	-	-	-	1	-	-	-
E-0: ₹30000-120000	10	3	1	1	-	-	-	-	1	-	1	-
<b>Total</b>	<b>38</b>	<b>9</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>-</b>

**ANNEXURE – VII**  
**(See Para 5.2)**

**REPRESENTATION OF THE PERSONS WITH BENCHMARK DISABILITIES (AS ON 1st January, 2019)**

Group	Number of Employees				Direct Recruitment								Promotion					
					No. of vacancies reserved				No. of Appointments Made				No. of vacancies reserved				No. of Appointments Made	
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	Total	VH	HH	OH			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Group 'A'	38	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group 'B'	09	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group 'C'	33	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	80	1	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: The overall Representation of Person with Benchmark Disabilities (PwBDs) is 3.75%.

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ANNEXURE-VIII  
(See Para 6.11)  
(Page 1 of 6)

### FORM MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31.03.2019

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

#### I. REGISTRATION AND OTHER DETAILS

(i)	CIN	U93000DL1989NPL034967
(ii)	Registration Date	8 <sup>th</sup> February, 1989
(iii)	Name of the Company	National Scheduled Castes Finance and Development Corporation(NSFDC)
(iv)	Category/Sub-Category of the Company	Private Company/Limited by Shares
(v)	Address of the Registered office and contact details	14 <sup>th</sup> Floor, SCOPE Minar, Core 1 & 2, Laxmi Nagar District Centre, Laxmi Nagar, Delhi-110 092.
(vi)	Whether listed company	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / service	NIC Code of the Product / service	% of total turnover of the company
1	Financing	99912	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Application Section
1					
2					

## NSFDC 30th Annual Report 2018-19

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

### ANNEXURE-VIII

(See Para 6.11)

(Page 2 of 6)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	De-mat	Physical	Total	% of total shares	De-mat	Physical	Total	% of total shares	
<b>(A) PROMOTERS</b>									
(1) <b>Indian</b>									
(a) Individual/HUF									
(b) Central Govt.	-	13480100	13480100	100	-	14854000	14854000	100	Nil
(c) State Govt.(s)									
(d) Bodies Corp.									
(e) Banks/FI									
(f) Any Other									
<b>Sub Total (A) (1)</b>									
<b>2 Foreign</b>									
(a) NRIs-Individual									
(b) Other – Individuals									
(c) Bodies Corp.									
(d) Bank / FI									
(e) Any Other									
<b>Sub Total (A) (2)</b>									
<b>Total Shareholding of Promoter (A) = A(1)+ (A)(2)</b>									
<b>(B) PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
(a) Mutual Funds									
(b) Banks/FI									
(c) Central Govt.									
(d) State Govt.(s)									
(e) Venture Capital Funds									
(f) FIIS									
(g) Foreign Venture Capital Funds									
(h) Other (Specify)									
<b>Sub Total (B)(1)</b>									

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-VIII

(See Para 6.11)

(Page 3 of 6)

<b>2. Non-Institutions</b>									
<b>(a) Bodies Corpn.</b>									
(a) Indian									
(i) Overseas									
<b>(b) Individuals</b>									
(i) Individuals Shareholders Holding nominal share capital up to Rs.1.00 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs.1.00 lakh									
<b>(c) Other (Specify)</b>									
<b>Sub Total (B) (2)</b>									
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>									
<b>(C) Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A+B+C)</b>									

### (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	President of India	13480099	99.999%	-	14853999	99.999%	-	Nil
2	Shri B.L. Meena	1	0.001%	-	1	0.001%	-	Nil
	<b>Total</b>	<b>13480100</b>	<b>100%</b>		<b>14854000</b>	<b>100%</b>	<b>-</b>	



## NSFDC 30th Annual Report 2018-19

### ANNEXURE-VIII

(See Para 6.11)

(Page 4 of 6)

#### (iii) Change in Promoters' shareholding (Please specify, if there is no change) -

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	13480100	100%		
2	Date wise Increase / Decrease in Promoters Share-holding during the year specifying the reasons for increase / decrease (i.e. allotment / transfer / bonus / sweat equity etc.)	700000 (14.05.18) 673900 (16.07.18)		700000 (14.05.18) 673900 (16.07.18)	
3	At the end of the year	14854000	100%	14854000	100%

#### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

NIL

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share-holding during the year specifying the reasons for increase / decrease (i.e. allotment / transfer / bonus / sweat equity etc.)				
3	At the end of the year (or on the date of separation, if separated during the year)				

#### (v) Shareholding of Directors and Managerial Personnel :

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1	0.001	1	0.001
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (i.e. allotment / transfer / bonus / sweat equity etc.)				
3	At the end of the year	1	0.001	1	0.001

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-VIII

(See Para 6.11)

(Page 5 of 6)

#### (vi) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>TOTAL</b>				
Change in Indebtedness during the financial year				
- Addition				
- Reduction				
Net Change				
<b>Indebtedness at the end of the financial year</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				

#### (vii) REMUNDERATION OF DIRETORS AND KEY MANAGERIAL PERSONNEL

##### (a) Remuneration of Managing Director, Whole-time Directors and / or Manager

Sl. No.	Particulars of remuneration	Name of MD/WTD/Manger				Total Amount (Rs.)
<b>1</b>	<b>Gross Salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	<b>Shri Shyam Kapoor, CMD</b>				42,28,135/-
	(b) Value of perquisites u/s/ 17(2) Income -Tax Act, 1961					Nil
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961					Nil
	Stock option					Nil
	Sweat Equity					Nil
	Commission					Nil
	- As % of profit					
	- Others, specify					
	Others, please specify					Nil
	Total (A)					42,28,135/-
	Ceiling as per the Act.					N.A.

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-VIII

(See Para 6.11)

(Page 6 of 6)

#### (b) Remuneration to other directors

(in Rs.)

Sl. No.	Particulars of remuneration	Name of MD/WTD/Manger		Total Amount
		Vishakha Shailani	K. Ramalingam*	
<b>1</b>	<b>Independent Directors</b>			
	- Fee for attending board committee meetings	28,000	4,000	32,000
	- Commission			
	- Others, please specify	2,19,600	33,936	2,53,536
	<b>Total(1)</b>	<b>2,47,600</b>	<b>37,936</b>	<b>2,85,536</b>
<b>2</b>	<b>Other Non-executive Directors</b>			
	- Fee for attending board committee meetings			
	- Commission			
	- Others, please specify			
	<b>Total (2)</b>			
	<b>Total (B) = (1+2)</b>	<b>2,47,600</b>	<b>37,936</b>	<b>2,85,536</b>
	<b>Total Managerial Remuneration</b>			
	<b>Overall Ceiling as per the Act</b>			

\* w.e.f. 20.03.2019

#### (c) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO*	Total
1	<b>Gross Salary</b>		20,36,936	19,49,183	39,86,119
(a)	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	-	-	-	-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5	Others, please specify (award + PF contribution)	-	1,76,962	1,70,770	3,47,732
	<b>Total</b>		<b>22,13,898</b>	<b>21,19,953</b>	<b>43,33,851</b>

\*w.e.f. 09.08.2018.

#### (viii) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)

**ANNEXURE-IX**  
(See Para 7)

**Particulars of employees as required under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2019**

a) Employed throughout the financial year under review and were in receipt of remuneration for the financial year in aggregate of not less than Rs. 1,02,00,000/-

S. No.	Name and Age	Designation & Nature of Duties	Remuneration received	Qualification	Experience (Yrs)	Date of joining	Previous employment held	Percentage of equity shares held by the employee in the Company within the meaning of sub – clause (iii) of clause (a) of sub-section (2A) of Section 217 of the Act
NIL								

b) Employed for part of the year and were in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month

S. No.	Name and Age	Designation & Nature of Duties	Remuneration received	Qualification	Experience (Yrs)	Date of joining	Previous employment held	Percentage of equity shares held by the employee in the Company within the meaning of sub – clause (iii) sub-rule (2) above	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
NIL									

Notes:

1. The terms and conditions of all above appointments are as per Company's Rules.
2. Remuneration received includes salary, other allowances and bonus in accordance with the provisions of the Income Tax Act, 19 61 and the Rules made therefore.
3. if employed throughout the financial year or part thereof, as in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY

This Corporation strongly believes in inclusive economic growth. The Company's CSR initiatives are based on this principle. Schedule VII of Section 135 of the Companies Act, 2013 lists out various areas in which corporate entities are expected to deploy their CSR funds and implement programmes for social development. NSFDC has strategically chosen the company's CSR initiatives with a focus on improving the quality of life.

#### 1. Composition of the Corporate Social Responsibility Committee

The Corporate Social Responsibility Policy & Sustainable Development (CSR & SD Policy) of the Corporation has been formulated in line with the provisions of the Companies Act, 2013 read with the Companies(Corporate Social Responsibility) Rules, 2014 made thereunder and the "DPE Guidelines". The CSR Policy has been approved by the Board of Directors.

The Company constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board consisting of following Directors:-

(i)	Shri Shyam Kapoor, Chairman-cum-Managing Director, NSFDC	Chairman
(ii)	Shri S.M. Awale, General Manager (Audit) IDBI Bank.	Member
(iii)	Shri Gulab Singh, Deputy Secretary, Banking Division, Ministry of Finance	Member
(iv)	Smt. Annu Bhogal, NSFDC Company Secretary	Secretary

As per CSR & SD Policy, the CSR&SD activities are coordinated at Corporate Office by the Internal Committee for CSR. This Committee is accountable to the CSR Committee constituted by the Board which oversees the CSR&SD activities. Presently, the constitution of Internal Committee for CSR is as follows:-

(i)	Shri C. Ramesh Rao, GM(Project)	Chairman
(ii)	Smt. Annu Bhogal, Company Secretary	Member
(iii)	Shri David Hrangate, DGM	Member
(iv)	Shri Sapan Barua, AGM	Member
(v)	Shri Thota Satish, Chief Manager	Member



Medical-cum-Awareness programme organised by NSFDC in the Aspirational District of Ferozpur, Punjab



NSFDC, as part of its CSR initiative, contributed to National Mission for Clean Ganga under Clean Ganga Fund: Ghat Work & Beautification of River Front on Ganga at Chhapra, Bihar.



## NSFDC 30th Annual Report 2018-19

### **ANNEXURE-X** (See Para 8) (Page 2 of 4)

#### **2. Average net profit of the Company for the last three financial years**

(₹ in Lakhs)

	<b>Excess of Income Over Expenditure (EOIOE)</b>	<b>Amount 2018-19</b>	<b>Amount 2017-18</b>
(i)	2014 -15	-	3614.09
	2015 -16	4405.48	4405.48
	2016 -17	4900.92	4900.92
	2017 -18	4751.61	-
(ii)	<b>Total (EOIOE)</b>	<b>14058.01</b>	<b>12920.49</b>
(iii)	Less adjustment for sale of fixed assets	<b>0.32</b>	<b>0.54</b>
(iv)	Net Profit	14057.69	12919.95
(v)	Average (iv / 3)	4685.90	4306.65
(vi)	Prescribed CSR Expenditure i.e. 2% of (v)	93.72	86.13
(vii)	Un-spent amount as at Beginning of the Year	53.38	-
(viii)	Amount Spent during the year	41.77	32.76
(ix)	Un-spent amount as at Year End (vi + vii - viii)	105.33	53.38

#### **3. Reasons for unspent amount**

DPE has revised Guidelines for CSR Expenditure vide O.M. dated 10.12.2018 and recommended to adopt a theme based approach every year. The common theme identified by DPE for 2018-19 for undertaking CSR was School Education and Health Care for focussed intervention. Therefore, during 2018-19 for want of specialized implementing agencies for theme based programmes, the amount has remained unspent.

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-X

(See Para 8)

(Page 3 of 4)

**4. The overview of thematic projects/programmes undertaken / ongoing during the financial year are given here under:-**

1 Sl. No.	2 CSR Project or Activity Identified	3 Sector in which the project is covered	4 Project or programs (1) Local area or Other (2) Specify the State and Districts where projects or programs was undertaken#	5 Amount outlay (Budget) project or programs wise*	6 Amount spent on the projects or programms		7 Cumulative expenditure upto the reporting period (Rs. 6A + 6B)	8 Amount spent : Direct or through Implementing Agencies
					Direct expenditure on projects or programme (A)	Over- heads (B)		
1.	Sanitation and cleanliness (Swachta Pakhwada)	Promoting sanitation & cleanliness for a healthy & clean environment through cleaning of surroundings, streets and alleys, distribution of dustbins in localities, plantation of saplings in park, repair & renovation of toilets in training centre and door to door mass campaign	1) <u>Local Areas</u> JJ Cluster Chitra Vihar, Delhi, Preet Vihar, Delhi, Gandhi Nagar, Delhi, Trilokpuri Delhi, and Non- residential school at Brahmpuri, Delhi 2) <u>State &amp; Districts</u> Gatti Rajo ke, Firozpur Punjab	129782	129782	-	129782	Direct
2.	Installation of Sanitary Napkin Vending Machine	With the objective of promoting Sanitation and cleanliness related to	1) <u>State &amp; Districts</u> Aspirational districts of Firozpur (Punjab),	133574	133574	-	133574	Direct

## NSFDC 30th Annual Report 2018-19

### ANNEXURE-X

(See Para 8)

(Page 4 of 4)

		adequate treatment & disposal of human waste & sewage, sanitary napkin vending machine and incinerators were installed at different places	Fatehpur (U.P), Gaya (Bihar), Narmada (Gujarat) and other places such as Bijnor (U.P), Ujjain (M.P.), Trilokpuri (Delhi) and Gandhi Nagar (Delhi).					
3.	Medical-cum-awareness camp	With the objective of promoting community health programs free eye checkup & medical checkup camp were organized at different places.	1) <u>State &amp; Districts</u> Aspirational districts of Firozpur (Punjab), Fatehpur (U.P), Gaya (Bihar), Narmada (Gujarat) and other places such as Bijnor (U.P),	913786	913786	-	913786	Direct
4.	CSR project clean Ganga fund (National Mission for Clean Ganga)	<ul style="list-style-type: none"> <li>▪ Adopt Ghat.</li> <li>▪ Pilot new technologies.</li> <li>▪ Conduct Research.</li> <li>▪ Creating awareness.</li> <li>▪ Tree plantation etc.</li> </ul>	Ganga River regions (National Mission for Clean Ganga)	3000000	3000000	-	3000000	Direct
<b>Total</b>				<b>4177142</b>	<b>4177142</b>	<b>-</b>	<b>4177142</b>	

## **CORPORATE GOVERNANCE REPORT**

### **1. Statement of Company's Philosophy on Code of Corporate Governance**

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. We are committed to meet the aspiration of all our stakeholders which is Government of India in our case. This is demonstrated in governance processes and an entrepreneurial performance focused work environment.

Despite rapid development, financial exclusion, unacceptable poverty levels, unemployment, declining income levels from traditional agricultural activities and lack of skills have remained the major challenges in the economic development of Scheduled Castes. Although, the developmental parameters of the Scheduled Castes have improved since 2001, the gap between mainstream and Scheduled Castes population still persists in the society. Imbalances in development along with environmental degradation and gender inequality pose major challenges for attaining inclusive growth.

NSFDC needs to support capacity development initiatives of State channelizing Agencies for promoting good governance and improving delivery of services. NSFDC also needs to further integrate elements of good governance in its own operations.

### **2. Board of Directors**

#### **2.1 Board Composition and Category of Directors**

The Directors are appointed by the President of India through Administrative Ministry in the Company. There are 15 posts in composition of Board of Directors. The Board consisted of 11 members as on 31.03.2019.

## NSFDC 30th Annual Report 2018-19

### **ANNEXURE-XI**

(See Para 10)

(Page 2 of 7)

**The composition of the Board and category of Directors are as follows:-**

Category	Name of Directors	In the capacity of
<b>Whole time, Executive, Managing Director</b>	Shri Shyam Kapoor	Chairman-cum-Managing Director
<b>Government Directors* :-</b>		
<b>(a) Representing MOSJ&amp;E</b>	Shri B.L. Meena Smt. T.C.A. Kalyani	JS(SCD), MOSJ&E FA, MOSJ&E
<b>(b) Representing other Ministries</b>	Shri Gulab Singh Shri Piyush Srivastava	Representative of Banking Division of Finance Ministry Representative of MSME
<b>(c) Representing other agencies</b>	Shri S.M. Awale Shri Bhaskar Pant	Representative of IDBI Representative of NABARD
<b>(d) Representing SCAs</b>	Shri Kayzang Chhophel Lama Shri Lachiram Bhukya	Representing SCA of Sikkim Representing SCA of Telangana
<b>Non -Official Director</b>	Ms. Vishakha Shailani Dr. K. Ramalingam	

\*The part time Government Directors are ex-officio appointees and their terms is co-terminus with the term of the respective position held by them in Government at the time of appointment on the Company's Board.

### **2.2 Board Meetings and Procedures**

The Board of Directors is the apex body constituted for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders (Government of India) long-term interests are being served.

### **2.3 No. of Board Meetings held with date**

Two Board meeting were held during the year, as against the minimum requirement of two meetings. The details of Board meetings are given below:-

Board Meeting	Date	Board Strength	No. of Directors Present
149th	09.08.2018	10	06
150th	20.03.2019	11	09

NSFDC is a Section 8 Company and Notification dated 05.06.2015 issued by MCA provide exemption under Section 173(1) and provide instead "shall apply only to the extent that the Board of Directors, of such companies shall hold at least one meeting within every six calendar months".



## ***NSFDC 30th Annual Report 2018-19***

### **ANNEXURE-XI**

(See Para 10)

(Page 3 of 7)

#### **2.4 Attendance of Directors at Board Meetings**

Name of Directors	From	To	No. of Meetings held during tenure (2018-19)	No. of meetings attended during tenure (2018-19)
Shri Shyam Kapoor	29.07.2016	Till Date	2	2
Shri Gulab Singh	26.08.2014	Till date	2	2
Shri B.L. Meena	04.06.2015	Till date	2	1
Shri Shalil M. Awale	04.06.2015	Till date	2	2
Smt. T.C.A. Kalyani	14.01.2016	Till Date	2	2
Shri Lachiram Bhukiya	23.03.2018	Till Date	2	-
Shri Kayzang Chhophel Lama	17.04.2017	Till Date	2	1
Shri Bhaskar Pant	23.03.2018	Till Date	2	2
Shri Piyush Srivastava	23.03.2018	Till Date	2	-
Ms. Vishakha Shailani	17.04.2017	Till Date	2	2
Shri K. Ramalingam	20.03.2019	Till Date	1	1

#### **2.5 Appointments & Cessation of Directors**

During the year the following changes took place in the Board of Directors:-

Sl. No.	Name of Director	From	To	Reason for change
1	Shri K. Ramalingam	20.03.2019	Till Date	Appointment

#### **2.6 Recording minutes of proceedings at Board and Committee meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board members for their comments. Decisions taken at Board/Committee Meetings are communicated to the concerned departments promptly for actions and an Action Taken Report on the status of the decision taken at the Board / Committee Meetings is placed, for the information, to the Board / Committee Members.

## NSFDC 30th Annual Report 2018-19

### **ANNEXURE-XI**

(See Para 10)

(Page 4 of 7)

#### **2.7 Remuneration to Directors**

##### **2.7.1 Whole time, Executive, Managing Director**

Being a Central Government Public Sector Enterprise, the appointment, tenure and remuneration of Chairman-cum-Managing Director is decided by the Government of India. The Government letter appointing Chairman-cum-Managing Directors indicate the detailed terms & condition of their appointment, including the period of appointment, scale of pay etc. and it also indicates that in respect of other terms and conditions not cover in the letter, the relevant rules of the Corporation shall apply.

##### **2.7.2 Ex-officio Part Time Government Directors**

Ex-officio Part Time Government Directors are not paid any remuneration and also not paid sitting fees for attending Board/Committee meetings. None of the Government Directors have any pecuniary relationship or transactions with the Company during the year.

##### **2.7.3 Non-Official Directors**

Independent Directors are not paid any remuneration except reimbursement of expenses on official visits to beneficiaries & training institutes. The Board in its 150th Board Meeting held on 20.03.2019 approved and fixed the rate of sitting fees at Rs.4000/- per day for attending the Board Meetings/Committee Meetings to the Independent Directors w.e.f. induction of Independent Directors in the Board of the Corporation i.e. 17.04.2017.

Ms. Vishakha Shailani was appointed as Independent Director in Board of Directors of NSFDC on 17.04.2017. Since then she has attended the following Board Meetings/AGM :-

<b>Date of Board Meeting</b>	<b>No. of Board Meeting/AGM</b>	<b>Sitting Fees Paid (in Rs.)</b>
17.04.2017	145 <sup>th</sup> Board Meeting	4000/-
21.08.2017	146 <sup>th</sup> Board Meeting	4000/-
29.09.2017	28 <sup>th</sup> AGM	4000/-
15.11.2017	147 <sup>th</sup> Board Meeting	4000/-
23.03.2018	148 <sup>th</sup> Board Meeting	4000/-
09.08.2018	149 <sup>th</sup> Board Meeting	4000/-
20.03.2019	150 <sup>th</sup> Board Meeting	4000/-

Dr. K. Ramalingam was appointed as Independent Director in Board of Directors of NSFDC on 20.03.2019 in 150th Board Meeting. Accordingly, Dr. K. Ramalingam is paid sitting fees of total Rs.4,000/-.

**2.8 Code of Conduct**

NSFDC follows a well-defined Code of Conduct, which fairly addresses the issues of integrity, conflict interest and confidentiality and stresses the need of ethical conduct, which is the basis of good governance. Code of Conduct as applicable to Board level and below Board level. i.e. one grade below Board level upto General Manager Cadre is in existence and has been acknowledge by all the members of the Board / Chief General Manager / General Manager(s) for the reporting year.

**3 Annual General Meeting**

During the preceding three years, the Company's Annual General Meetings were held at Chamber of Secretary, Ministry of Social Justice & Empowerment, 6th Floor, ('A'-Wing) Shastri Bhawan, New Delhi.

The date and time of Annual General Meetings held during last three years and the special resolution(s) passed thereat are as follows:-

<b>Year</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolution Passed</b>
2015 -16	27.09.2016	3.00 P.M.	NIL
2016 -17	29.09.2017	12.00 Noon	NIL
2017 -18	25.09.2018	2.30 P.M.	NIL

**4. Audit Committee**

The Corporation is registered under Section 8 of the Companies Act, 2013 (earlier, Section 25 of the Companies Act, 1956) as a Company not for profit. It is neither a Public Company nor a subsidiary of a Public Company. It is a Private government company and not listed with any Stock Exchanges. Since the Company does not fall under the definition of listed Public Company, the provision of the constitution of the Audit committee was not applicable to the Corporation. However, keeping in view the Corporate Governance guidelines for CPSEs issued by DPE, Audit Committee of the Board was constituted on 14.01.2016 on terms of reference as prescribed by DPE.

Ministry of Corporate Affairs issued a notification dated 05.06.2015, exempting Section 8 Companies to the extent "the words in sub-section (2) of Section 177 'with independent directors forming a majority' shall be omitted". Accordingly, the Board may nominate any director as members as having independent directors as members is exempted for Section 8 Companies vide the aforesaid notification. The Audit Committee has discharged such roles as envisaged under the provisions of Section 177 of the Companies Act, 2013. The Audit Committee met two times on 09.08.2018 and 20.03.2019 during the financial year 2018-19.

**5. CSR Committee**

The Corporate Social Responsibility Committee has been constituted in line with Section 135 and Schedule-VII of the Companies Act, 2013 read with the Companies(Corporate Social Responsibility) Rules, 2014. The present CSR Committee comprises of Shri Shyam Kapoor (Chairman), Shri S.M. Awale(Member) and Shri Gulab Singh(Member).

The Committee met twice during the year under review on 09.08.2018 & 20.03.2019. The role of CSR Committee should interalia include the following:-

- (i) Formulation & recommendation of CSR Policy to the Board.
- (ii) Recommendation of CSR Expenditure.
- (iii) Monitoring & implementation of CSR Projects

**6. Disclosures**

**6.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large**

During the period under review, the Company had not entered into any material transaction with any of its related parties other than pay, allowances and housing loan.

**6.2 Details of non-compliance by the Company, penalties, strictures imposed on the Company by any statutory authority, on any matter related to any guidelines issued by Government during the last three years**

During the period under review, the Company had not been imposed penalty / strictures by any Statutory Authority during the last three years.

**6.3 Compliance**

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), ensure adherence to the Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the institute of Company Secretaries of India. The concerned departmental heads are responsible for all applicable laws and regulations, as per their respective functions.

**7. Whistle Blower Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

**8. Means of Communication**

The Company displays Annual Report on its website together with other important information pertaining to the Company. Annual Reports and other papers related to shareholders are laid before Lok Sabha and Rajya Sabha regularly in physical form.

**9. Compliance Certificate**

This report duly complies with the requirements of DPE's Guidelines on Corporate Governance for CPSEs and covers all the suggested items mentioned in Annexure-VII of the Guidelines. The quarterly report on compliance with the Corporate Governance requirements prescribed by DPE is also sent to Administrative Ministry regularly. The certificate obtained from practicing Company Secretary regarding compliance of conditions of Guidelines of Corporate Governance of CPSEs has been annexed to the Board Report at **Annexure-XI**.

While constituting the Committee of Directors, the requirements that a Director shall not be a member of more than 10 committees and Chairman of not more than 5 committees have been ensured and complied with. None of the Non-Official Directors serves as an Non-Official Directors in any listed company.



## NSFDC 30th Annual Report 2018-19



### MNK AND ASSOCIATES LLP

Company Secretaries

G-41, Ground Floor, West Patel Nagar, New Delhi - 110008

Tel: +91-11-45095230; Mobile: +91-9818156340; Email: nazim@mnkassociates.com

#### ANNEXURE-XII

(See Para 10)

(Page 1 of 2)

#### CERTIFICATE ON CORPORATE GOVERNANCE

(As per Clause 8.2.1 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by DPE)

To,

The Members

National Scheduled Castes Finance and Development Corporation

New Delhi

We have examined the compliance of conditions of Corporate Governance by National Scheduled Castes Finance and Development Corporation ("the Company") for the year ended March 31, 2019 as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India (DPE) and annexure mentioned there under.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in DPE Guidelines, except the following:

1. The Government has appointed nominee directors exceeding the limit fixed by the DPE Guidelines;
2. The total number of Independent Directors should be at least 50% of the total Board Members (in case of listed CPSE with an executive chairman) and at least one-third (in case of listed CPSE without an executive chairman). However, on perusal of the records of the Company, we observed that the appointment of Director is made by the concerned Ministry by way of notification and the Ministry has issued notification to appoint only one Independent Director in the Company.
3. During the Financial years 2018-19, no meeting of the Remuneration committee was being held.

Mohd.

Nazim Khan

Digitally signed by Mohd. Nazim Khan  
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serial=822566785467, o=00908656872083,  
2.5.4.20=00908656872083, email=nazim@mnkassociates.com,  
ou=00908656872083, postalCode=110008, st=Delhi,  
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## NSFDC 30th Annual Report 2018-19

### ANNEXURE-XII

(See Para 10)

(Page 2 of 2)

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

For MNK and Associates LLP  
Company Secretaries  
FRN: L2018DE004900

Mohd.  
Nazim Khan

Digitally signed by Mohd. Nazim Khan  
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pseudonym=bb225667df56407c90098d5666752b83,  
2.5.4.20=A9F25E7D10399541F98D4180DEC05611B116C0C,  
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st=Delhi,  
2.5.4.45=0341004132393832433741423737413034354346  
4530314338343241354638423934433934231453041433  
035453390345333324231348633334642633334637,  
serialNumber=bc16e6fe90a945d4f8cc5b31dec32aa274f0  
8c4cd55858079f642cb80da, cn=Mohd. Nazim Khan  
Date: 2019.08.21 18:03:52 +05'30'

Mohd Nazim Khan  
(Designated Partner)  
CP: 8245  
FCS: 6529

Place: New Delhi  
Date: 21.08.2019

PS

## NSFDC 30th Annual Report 2018-19

### BALANCE SHEET AS AT 31st MARCH 2019

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	455.89	483.75
(b) Investment Property	4	13.49	14.17
(c) Other intangible assets	5	11.39	1.29
(d) Intangible assets under development	6	-	10.35
(e) Financial assets			
(i) Loans	7	1,02,756.66	89,843.63
(ii) Others	8	4.34	4.34
(f) Other Non Current Assets	9	62.02	50.04
		1,03,303.79	90,407.58
<b>2 Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	10	6,532.76	1,454.97
(ii) Bank balances other than (i) above	11	17,698.07	32,051.87
(iii) Loans	7	72,972.25	60,962.73
(iv) Others	12	5,348.46	5,179.66
(b) Current Tax Asset (net)	13	12.00	11.65
(c) Other Current Assets	14	85.52	106.89
		1,02,649.06	99,767.77
<b>Total Assets</b>		<b>2,05,952.85</b>	<b>1,90,175.35</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	15	1,48,540.00	1,34,801.00
(b) Other equity	16	52,794.26	47,405.03
		2,01,334.26	1,82,206.03
<b>2 Liabilities</b>			
<b>(i) Non-current liabilities</b>			
(a) Provisions	17	326.74	283.56
		326.74	283.56
<b>(ii) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	-	4,747.17
(ii) Others	19	3,636.69	2,492.49
(b) Other current liabilities	20	47.41	46.75
(c) Provisions	17	607.75	399.34
		4,291.85	7,685.75
<b>Total Equity and Liabilities</b>		<b>2,05,952.85</b>	<b>1,90,175.35</b>
<b>III. See accompanying notes to the financial statements</b>	1-49		

As per our Report of even date attached  
**For Naresh K Gupta & Company**  
Chartered Accountants  
FRN: 002232 N

Sd/-  
**Manish Gupta**  
Partner  
M. No. 093880

Place : New Delhi  
Date : 26-08-2019

Sd/-  
**(Rajesh Bihari)**  
General Manager (Finance)

Sd/-  
**(Devanand)**  
Chief General Manager

Sd/-  
**(Annu Bhogal)**  
Company Secretary

For and on behalf of the Board of Directors

Sd/-  
**(S.M. Awale)**  
Director  
DIN-06804536

Sd/-  
**(Shyam Kapoor)**  
Chairman-Cum-Managing Director  
DIN-02643416

## NSFDC 30th Annual Report 2018-19

### Statement of Income & Expenditure for year ended 31st March 2019

(₹ in Lakhs)

Particulars		Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>I</b>	Revenue from operations	<b>21</b>	5,721.38	3,944.08
<b>II</b>	Other Income	<b>22</b>	1,411.39	2,717.60
<b>III</b>	<b>Total Revenue (I+II)</b>		<b>7,132.77</b>	<b>6,661.68</b>
<b>IV</b>	<b>Expenses</b>			
	Employee Benefits Expenses	<b>23</b>	1,503.99	1,360.16
	Finance Cost	<b>24</b>	23.56	89.56
	Depreciation & Amortization Expenses	<b>25</b>	43.90	42.17
	Incentives to SCA	<b>26</b>	83.24	89.12
	Training Exp - Beneficiaries		6.77	8.44
	CSR Expenses	<b>39</b>	41.77	32.76
	Other Expenses	<b>27</b>	302.87	292.16
	<b>Total Expenses (IV)</b>		<b>2,006.10</b>	<b>1,914.38</b>
<b>V</b>	<b>Excess of Income over expenditure before Exceptional Items and Tax (III - IV)</b>		5,126.67	4,747.30
<b>VI</b>	Exceptional Items	<b>28</b>	-	(0.22)
<b>VII</b>	<b>Excess of Income over expenditure before Tax (V - VI)</b>		5,126.67	4,747.52
<b>VIII</b>	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
<b>IX</b>	<b>Excess of Income over expenditure for the period from continuing operations (VII-VIII)</b>		<b>5,126.67</b>	<b>4,747.52</b>
<b>X</b>	Excess of Income over expenditure from discontinued operations		-	-
<b>XI</b>	Tax expense of discontinued operations		-	-
<b>XII</b>	Excess of Income over expenditure from discontinued operations (X - XI)		-	-
<b>XIII</b>	<b>Excess of Income over expenditure for the period (IX + XII)</b>		<b>5,126.67</b>	<b>4,747.52</b>
<b>XIV</b>	<b>Other Comprehensive Income</b>			
	A. (i) Items that will not be reclassified to Income & Expenditure Account	<b>29</b>	0.38	(109.97)
	(ii) Income Tax relating to Items that will not be reclassified to Income & Expenditure Account		-	-
	B. (i) Items that will be reclassified to Income & Expenditure Account		-	-
	(ii) Income Tax relating to Items that will be reclassified to Income & Expenditure Account		-	-
<b>XV</b>	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Excess of Income over expenditure and Other Comprehensive Income for the period)</b>		<b>5,127.05</b>	<b>4,637.55</b>

## NSFDC 30th Annual Report 2018-19

Particulars		Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>XVI</b>	<b>Earning per equity share:</b> (For continuing Operations)			
	(1) Basic (in ₹)	30	35.13	36.71
	(2) Diluted (in ₹)	30	35.13	36.71
<b>XVII</b>	<b>Earnings Per Equity Share:</b> (For discontinuing Operations)			
	(1) Basic (in ₹)		-	-
	(2) Diluted (in ₹)		-	-
<b>XVIII</b>	<b>Earnings Per Equity Share:</b> (For discontinued and continuing Operations)			
	(1) Basic (in ₹)	30	35.13	36.71
	(2) Diluted (in ₹)	30	35.13	36.71
<b>XIX</b>	See accompanying notes to the financial statements			

As per our Report of even date attached  
**For Naresh K Gupta & Company**  
Chartered Accountants  
FRN: 002232 N

Sd/-  
**Manish Gupta**  
Partner  
M. No. 093880

Sd/-  
**(Rajesh Bihari)**  
General Manager (Finance)

Sd/-  
**(Devanand)**  
Chief General Manager

Sd/-  
**(Annu Bhogal)**  
Company Secretary

For and on behalf of the Board of Directors

**Place : New Delhi**  
**Date : 26-08-2019**

Sd/-  
**(S.M. Awale)**  
Director  
DIN-06804536

Sd/-  
**(Shyam Kapoor)**  
Chairman-Cum-Managing Director  
DIN-02643416



## NSFDC 30th Annual Report 2018-19

### Statement of Changes in Equity (SOCE) for the period ended 31st March 2019

#### A. Equity share capital

(₹ in Lakhs)

Particulars	Number of shares (in lakhs)	Amount
Balance at April 1, 2018	134.80	1,34,801.00
Changes in equity share capital during the year	-	-
Issue of equity shares capital during the year	13.74	13,739.00
Balance at March 31, 2019	148.54	1,48,540.00

#### B. Other Equity

(₹ in Lakhs)

Particulars	Share application money pending allotment	Reserves & Surplus		Total
		Special Reserve	General Reserve	
Balance at the beginning of the year	-	3,964.11	43,440.92	47,405.03
Prior period Adjustments (Refer Note :- 35)	-	-	-	-
Restated balance at the beginning of the year	-	3,964.11	43,440.92	47,405.03
Profit for the year	-	-	5,126.67	5,126.67
Other Comprehensive Income for the year	-	-	0.38	0.38
Total Comprehensive Income for the year	-	-	5,127.05	5,127.05
Transfer to Special reserve	-	512.28	(512.28)	-
Interest on Special Reserve Fund Investment	-	262.18	-	262.18
Share application money received during the year	-	-	-	-
Issue of share capital	-	-	-	-
Balance at the end of the year	-	4,738.56	48,055.69	52,794.26

As per our Report of even date attached

For Naresh K Gupta & Company

Chartered Accountants

FRN: 002232 N

Sd/-

Manish Gupta

Partner

M. No. 093880

Sd/-

(Rajesh Bihari)

General Manager (Finance)

Sd/-

(Devanand)

Chief General Manager

Sd/-

(Annu Bhogal)

Company Secretary

For and on behalf of the Board of Directors

Sd/-

(S.M. Awale)

Director

DIN-06804536

Sd/-

(Shyam Kapoor)

Chairman-Cum-Managing Director

DIN-02643416

Place : New Delhi

Date : 26-08-2019

## NSFDC 30th Annual Report 2018-19

### Statement of Changes in Equity (SOCE) for the period ended 31st March 2018

#### A. Equity share capital

(₹ in Lakhs)

Particulars	Number of shares (in lakhs)	Amount
Balance at April 1, 2017	121.80	1,21,802.00
Changes in equity share capital during the year	-	-
Issue of equity shares capital during the year	13.00	12,999.00
Balance at March 31, 2018	134.80	1,34,801.00

2017-18

#### B. Other Equity

(₹ in Lakhs)

Particulars	Share application money pending allotment	Reserves & Surplus		Total
		Special Reserve	General Reserve	
Balance at the beginning of the year	178.00	3,283.72	39,273.30	42,735.02
Prior period Adjustments (Refer Note :- 35)	-	-	0.19	0.19
<b>Restated balance at the beginning of the year</b>	<b>178.00</b>	<b>3,283.72</b>	<b>39,273.49</b>	<b>42,735.21</b>
Profit for the year	-	-	4,747.52	4,747.52
Other Comprehensive Income for the year	-	-	(109.97)	(109.97)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>4,637.55</b>	<b>4,637.55</b>
Transfer to Special reserve	-	470.11	(470.11)	-
Interest on Special Reserve Fund Investment	-	210.27	-	210.27
Share application money received during the year	-	-	-	-
Issue of share capital	(178.00)	-	-	(178.00)
<b>Balance at the end of the year</b>	<b>-</b>	<b>3,964.11</b>	<b>43,440.92</b>	<b>47,405.03</b>

As per our Report of even date attached

For Naresh K Gupta & Company

Chartered Accountants

FRN: 002232 N

Sd/-

**Manish Gupta**

Partner

M. No. 093880

Place : New Delhi

Date : 26-08-2019

Sd/-

**(Rajesh Bihari)**

General Manager (Finance)

Sd/-

**(Devanand)**

Chief General Manager

Sd/-

**(Annu Bhogal)**

Company Secretary

For and on behalf of the Board of Directors

Sd/-

**(S.M. Awale)**

Director

DIN-06804536

Sd/-

**(Shyam Kapoor)**

Chairman-Cum-Managing Director

DIN-02643416

## NSFDC 30th Annual Report 2018-19

### Statement of Cash Flow for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>A. Cash Flow from Operating Activities</b>		
Excess of income over expenditures before exceptional items and tax	5,126.67	4,747.52
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>		
Depreciation	43.90	42.17
Other comprehensive income on remeasurement of defined benefit plans	0.38	(109.97)
Loss /(Profit) on sale/impairment/exchange of assets	-	(0.22)
<b>Operating profit before changes in operating Assets &amp; Liabilities (1)</b>	<b>5,170.95</b>	<b>4,679.50</b>
<b>Adjustments for:</b>		
Decrease / (Increase) in non-current loans	(12,913.03)	(16,982.49)
Decrease / (Increase) in other non-current financial assets	-	0.00
Decrease / (Increase) in other non-current assets	(11.98)	(2.33)
Decrease / (Increase) in current loans	(12,009.52)	(5,588.77)
Decrease / (Increase) in other current financial assets	(168.80)	(942.54)
Decrease / (Increase) in other current assets	21.37	15.88
Decrease/ (Increase) in Other Bank Balance	14,353.80	(976.83)
(Decrease) / Increase in other current financial liability	1,144.20	1,399.44
(Decrease) / Increase in other current liability	0.66	32.77
(Decrease)/ Increase in non current provisions	43.18	42.62
(Decrease)/ Increase in current provisions	208.41	185.82
<b>(2)</b>	<b>(9,331.71)</b>	<b>(22,816.43)</b>
<b>Cash generated from operation (1+2)</b>	<b>(4,160.75)</b>	<b>(18,136.93)</b>
Income Tax Paid	(0.35)	(1.84)
<b>Net Cash Outflow from Operating Activities</b>	<b>(4,161.11)</b>	<b>(18,138.76)</b>
<b>B. Cash Flow From Investing Activities</b>		
Sale/Disposal of Property, Plant and Equipments	-	0.97
Intangible Assets under Development	10.35	(10.35)
Purchase of Property, Plant and Equipments	(9.85)	(24.12)
Purchase of Intangible Assets	(15.61)	-
Interest on Special Reserve Fund investment	262.18	210.27
<b>Net Cash Inflow from Investing Activities</b>	<b>247.07</b>	<b>176.77</b>

## NSFDC 30th Annual Report 2018-19

(₹ in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>C. Cash Flow From Financing Activities</b>		
Issue of Share Capital	13,739.00	12,821.00
Share application money pending allotment	-	-
Proceeds from Borrowings	(4,747.17)	4,747.17
<b>Net Cash Inflow from Financing Activities</b>	<b>8,991.83</b>	<b>17,568.17</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	5,077.79	(393.82)
Cash & Cash Equivalents at the beginning of the year (Refer note :- 10)	1,454.97	1,848.79
<b>Closing Cash &amp; Cash Equivalents</b>	<b>6,532.76</b>	<b>1,454.97</b>
Reconciliation of Cash & Cash Equivalents		
<b>Cash and Cash equivalents as at the end of the year (Refer note :- 10)</b>	<b>6,532.76</b>	<b>1,454.97</b>

### Notes:-

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2. Previous year's figures are reclassified/regrouped to confirm and make them comparable with those of the current year.

### As per our Report of even date attached

#### For Naresh K Gupta & Company

Chartered Accountants

FRN: 002232 N

Sd/-  
**Manish Gupta**  
Partner  
M. No. 093880

Sd/-  
**(Rajesh Bihari)**  
General Manager (Finance)

Sd/-  
**(Devanand)**  
Chief General Manager

Sd/-  
**(Annu Bhogal)**  
Company Secretary

For and on behalf of the Board of Directors

Sd/-  
**(S.M. Awale)**  
Director  
DIN-06804536

Sd/-  
**(Shyam Kapoor)**  
Chairman-Cum-Managing Director  
DIN-02643416

**Place : New Delhi**  
**Date : 26-08-2019**

## ***NSFDC 30th Annual Report 2018-19***

### **NOTES TO ACCOUNTS**

#### **Note 1 Corporate Information**

National Scheduled Castes & Scheduled Tribes Finance and Development Corporation is a not for profit company domiciled in India and was incorporated on 08.02.1989 under Section 25 of companies Act 1956 (now under Section 8 of the Companies Act, 2013). It catered to the needs of both Scheduled Castes & Scheduled Tribes target groups till 09.04.2001. On 10.04.2001, the Corporation was bifurcated after creation of National Scheduled Tribes Finance & Development Corporation for Scheduled Tribes target group under Ministry of Tribal Affairs. Consequent upon its bifurcation, Corporation now exclusively caters to the needs of Scheduled Castes target group. The registered office of the company is located at 14th Floor, Core 1 & 2, Scope Minar, Laxmi Nagar District Centre, Delhi-110092.

#### **Note 2 Accounting Policies**

##### **2.1 Statement of Compliance**

The financial statements as at and for year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian accounting standards) Amendment Rules 2016, 2017 and 2018.

##### **2.2 Basis of preparation**

The financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

- (i) Defined benefit Plan and other long term employee benefits
- (ii) Certain financial assets and liabilities measured at fair value.

##### **2.3 Use of estimates and judgement**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates include useful life of property, plant and equipment, intangible assets, provision for doubtful debts, future obligations under employee retirement benefit plans & contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

##### **2.4 All financial information presented in Indian rupees and all values are rounded to the nearest lakh rupees with two decimal points except where otherwise stated.**

## **2.5 Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purposes of statement of cash flow, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand are considered part of the Company's cash management system.

### **Ind-AS 7:**

The company adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements.

## **2.6 Foreign Currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (i.e. Functional Currency). The financial statements are presented in Indian rupees, which is the company's functional and presentation currency.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of Income & Expenditure.

## **2.7 Property, Plant and Equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following

- (i) Cost directly attributable to the acquisition of the assets
- (ii) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalised if the recognition criteria are met.

Property, Plant & Equipment whose cost does not exceed Rs. 5000/- have been directly charged to statement of income & expenditure.

Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the Statement of Income & Expenditure.



## ***NSFDC 30th Annual Report 2018-19***

Depreciation is provided for property, plant and equipment on written down value method over their estimated useful life of assets as prescribed in schedule II of the Companies Act 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

### **Category of Assets**

<b>Particulars</b>	<b>Estimated Useful Life (years)</b>
Freehold Building	60
Air Conditioners	5
Computer & Peripherals	3
Fixture & fittings	10
Furniture	10
Office Equipment	5
Vehicles	8

Leasehold building is being amortised over the primary lease period.

Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

The residual value of the assets is taken as 5% of the cost of assets.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

### **2.8 Intangible Assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

In respect of 'Intangible Assets' software not forming integral part of hardware equipment; software development and related expenditure resulting into successful deployment of the developed software, is recognized at cost and being amortized over a period of 3 years thereof.

Depreciation methods, useful life and residual values are reviewed at each balance sheet date.

## **2.9 Investment Properties**

- (i) Investment Property comprises completed property, property under construction and property held under finance lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.
- (ii) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- (iii) The company depreciates building component of investment property over the estimated useful life of the assets as prescribed in property, plant and equipment. (Refer note:2.7)
- (iv) Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Income & Expenditure in the period of de-recognition.

## **2.10 Provisions**

Provision is recognised when:

- (i) The Company has a present obligation as a result of a past event,
- (ii) A probable outflow of resources is expected to settle the obligation and
- (iii) A reliable estimate of the amount of the obligation can be made.

Provision recognized above which are expected to be settled beyond 12 months are measured at the present value by using pre- tax discount rate that reflects the risks specific to the liability and the increase in the provision due to the passage of time is recognized as interest expenses.

Provision are reviewed at each Balance Sheet Date.

## **2.11 Revenue Recognition**

### **(i) Revenue from Operation**

Revenue is recognized to the extent that, it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. However when an uncertainty arises about the collectability of an amount already included in revenue, the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, is recognised as an expense rather as an adjustment of the amount of revenue already recognised.

- a) Interest income on loans given is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable, using Effective Interest Rate method.
- b) Penal interest on delay in utilization and defaults in the repayments is recognized on realization due to uncertainty of its collectability.
- c) Interest on refund recognized on unutilized amount is accounted for on accrual basis.

## ***NSFDC 30th Annual Report 2018-19***

### **(ii) Other Revenue Recognition**

Interest incomes on FDR's and Bank deposits are recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest Rate Method.

### **2.12 Revenue Grants from Government/Other Organisations**

- (i) Grants received during the year related to previous years are recognized in the current year.
- (ii) Unspent grants & interest accrued thereon are deferred & taken to current liabilities.
- (iii) Grants sanctioned by the Government (whether received or not) for programmes undertaken during the year are recognized against related expenses in current year.

### **2.13 Leases**

#### **(i) Operating Lease**

Lease is classified as operating lease when significant portion of the risk and rewards are not transferred to the company.

Payment are charged to Statement of Income & Expenditure on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

#### **(ii) Finance Lease**

- a) that transfers substantially all the risks and rewards incidental to ownership of an asset
- b) are capitalised at lease inception at lower of fair value or present value of minimum lease payment
- c) payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.
- d) finance charges are recognised in finance costs in the Statement of Income & Expenditure.
- e) depreciated over the useful life of the asset. However, if there is no reasonable certainty to obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

### **2.14 Impairment of Non Financial Assets**

- (i) The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.
- (ii) An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the Statement of Income & Expenditure.

## ***NSFDC 30th Annual Report 2018-19***

- (iii) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

### **2.15 Employee Benefits**

#### **(i) Short Term Employee Benefits**

Short Term Employee Benefits such as short-term compensated absences are recognized as an expense on an undiscounted basis in the Statement of Income & Expenditure of the year in which the related service is rendered.

#### **(ii) Post-Employment Benefits & Other Long Term Employee Benefits**

##### **a) Defined Contribution Plan**

Defined Contribution Plans such as Provident Fund, Pension Employees Deposit Linked Insurance, Group Savings Linked Insurance Schemes are recognized as an expense and charged to the Statement of Income & Expenditure. The company makes defined contribution to the Regional Provident Fund Commissioner in respect of Provident Fund. The Company does not have further obligation in this respect beyond its contribution which is expensed off when they become due. The Post Retiral plans such as "Defined Contributory Pension Scheme for Employees of NSFDC" and "Defined contributory Medical Scheme for Retired Employees" are subject to the contribution made by the company as per DPE O.M. dated 21.05.2014.

##### **a) (i) Pension Scheme**

The Corporation has a "Defined Contributory Pension Scheme for Employees of NSFDC" as per DPE Guidelines. The employer contributes 10% of the Basic Pay plus DA every month to the Trust. The Corporation has formed a trust in the name of "Defined Contributory Pension Scheme Trust for Employees of NSFDC" for managing the scheme. LIC of India is the fund Manager for the NSFDC.

##### **a) (ii) Retired Employees Medical Scheme**

The Corporation has "Defined Contribution Medical Scheme for Retired Employees". The Corporation has formed a trust in the name of "Defined Contributory Medical Scheme Trust for Retired Employees of NSFDC". The employer contributes 3% of the Basic Pay plus DA every month to the Trust. The fund was managed by the Trust since inception till 01.08.2018. LIC of India is managing the funds of the Trust under Group Superannuation Cash Accumulation Benefit Scheme w.e.f. 02.08.2018.

##### **b) Defined Benefits Plan**

##### **b) (i) Gratuity**

The employees Gratuity Fund Scheme is funded by the Corporations, managed by LIC through a separate trust. LIC, a Government Undertaking has charged the premium during the year based on the actuarial calculation as certified by LIC. The amount recognized in the balance sheet is the present value

## ***NSFDC 30th Annual Report 2018-19***

of the defined benefit obligations less fair value of plan assets less any past service cost not yet recognized, at the balance sheet date.

### **b) (ii) Leave Benefit**

The Corporation operates a defined benefit plan (the Leave Benefit Plan) covering eligible employees based on the respective employees salary and the tenure of employment as per the leave rules of the Corporation. Leave Benefits such as Leave Encashment, Sick Leave, etc. are recognized on the basis of actuarial valuation made as at the end of the year.

### **2.16 Special Reserve Fund**

The Corporation transfers 10% of Excess of Income over Expenditure to the Special Reserve Fund for meeting investments in buildings and for contingencies/ eventualities.

### **2.17 Expenditure & Provisions**

Payments on account of Skill Development Training Programmes (Beneficiaries) is charged to the Statement of Income and Expenditure in the year of disbursement.

The Incentive & Other Schemes shall be accounted for on accrual basis.

### **2.18 Income taxes**

The Income of the Company is exempted from tax under section 10(26B) of the Income Tax Act, 1961. Thus no provision for income tax is required. Consequently, the provisions of Ind AS-12 of the "Accounting for Income Taxes" is not applicable.

### **2.19 Earnings per Share**

In determining basic earnings per share, the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

### **2.20 Contingent Liabilities and Contingent Assets**

Contingent Liabilities are disclosed in either of the following cases:

- (i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A reliable estimate of the present obligation cannot be made; or
- (iii) A possible obligation, unless the probability of outflow of resource is remote. Contingent Assets is disclosed where an inflow of economic benefits is probable.

Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each reporting date.

Contingent Liability is net of estimated provisions considering possible outflow on settlement.



## **2.21 Fair Value Measurement**

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



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### **2.22 Financial Instruments**

#### **(i) Initial recognition and measurement**

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

#### **(ii) Subsequent measurement**

**Financial Assets** are classified in following categories:

##### **(A) At Amortised Cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost using Effective Interest Rate (EIR) method less impairment, if any. The EIR amortisation is included in finance income in the Statement of Income & Expenditure.

##### **(B) At Fair Value Through Other Comprehensive Income (FVTOCI)**

A 'debt instrument' is classified as at the fair value through other comprehensive income if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent Solely Payment of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Income & Expenditure. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

##### **(C) At Fair Value Through Profit & Loss (FVTPL)**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL.

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Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Income & Expenditure.

### **Financial Liabilities**

#### **a) Financial Liabilities at Amortised Cost**

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

#### **b) Financial liabilities at FVTPL**

The company has not designated any financial liabilities at FVTPL.

### **(iii) De-recognition**

#### **Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

#### **Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Income & Expenditure.

### **(iv) Impairment of Financial Assets:**

- i) The company assesses at each date of balance sheet whether a financial asset is impaired. Ind AS-109 requires Expected Credit Losses (ECL) to be measured through a loss allowance.
- ii) For all financial assets other than contract assets/trade receivables, expected credit losses are to be measured at an amount equal to 12 months expected credit losses or at an amount equal to the life time ECLs if credit risk on the financial asset has increase significantly since its initial recognition.
- iii) ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Income & Expenditure.

### **2.23 Non-current Assets (or disposal groups) held for Sale**

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale

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is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the Balance sheet.

If the criteria stated by IND AS 105 “Non-current Assets Held for Sale and Discontinued Operations” are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of

- (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and
- (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

### **2.24 Changes in Accounting Policies and Disclosures**

#### **Ind AS 115 Revenue from Contracts with Customer**

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, “Revenue from Contracts with Customers”. The Standard is applicable to the Company with effect from 1st April 2018.

Revenue from Contracts with Customers Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective. The core principal of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer. The Company has evaluated Ind AS 115 and does not anticipate any significant impact.

**2.25 Standard issued but not effective for the F.Y. 18-19**

**INDAS 116 Leases**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace Ind AS-17 and related interpretations from its proposed effective date, being annual periods beginning on or after 1 April 2019. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 requires the identification of leases and introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees.

The Company intends to adopt standards from 1st April, 2019. As the Company does not have any material leases, therefore the adoption is not likely to have a material impact in its Financial Statements.

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### Note 3

### Property, Plant & Equipments

(₹ in Lakhs)

Particulars	Buildings Freehold	Buildings Leasehold	Furniture, Fixtures & Fittings	Vehicles	Office Equipments	Computers	Total
<b>Cost or Deemed Cost</b>							
<b>At 1 April 2017</b>	<b>22.48</b>	<b>635.37</b>	<b>113.99</b>	<b>15.43</b>	<b>33.11</b>	<b>77.14</b>	<b>897.53</b>
Additions	-	0.01	1.95	-	7.83	14.38	24.17
Disposals/Adjustments	-	-	(9.74)	(0.02)	(3.82)	(1.99)	(15.57)
<b>At 31 March 2018</b>	<b>22.48</b>	<b>635.38</b>	<b>106.21</b>	<b>15.41</b>	<b>37.12</b>	<b>89.53</b>	<b>906.14</b>
Additions	-	-	2.05	-	2.39	5.41	9.85
Disposals/Adjustments	-	-	-	-	(0.06)	-	(0.06)
<b>At 31 March 2019</b>	<b>22.48</b>	<b>635.38</b>	<b>108.26</b>	<b>15.41</b>	<b>39.45</b>	<b>94.94</b>	<b>915.93</b>
<b>Depreciation and Impairment</b>							
<b>At 1 April 2017</b>	<b>16.16</b>	<b>174.71</b>	<b>104.92</b>	<b>9.63</b>	<b>26.35</b>	<b>66.94</b>	<b>398.71</b>
Depreciation charge for the year	0.32	20.97	1.32	1.93	4.91	8.99	38.45
Impairment	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	(9.35)	(0.02)	(3.51)	(1.89)	(14.77)
<b>At 31 March 2018</b>	<b>16.48</b>	<b>195.69</b>	<b>96.88</b>	<b>11.54</b>	<b>27.75</b>	<b>74.04</b>	<b>422.39</b>
Depreciation charge for the year	0.29	19.56	1.59	1.33	4.59	10.35	37.71
Impairment	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	(0.06)	-	(0.06)
<b>At 31 March 2019</b>	<b>16.77</b>	<b>215.25</b>	<b>98.47</b>	<b>12.87</b>	<b>32.28</b>	<b>84.39</b>	<b>460.04</b>
<b>Net book value</b>							
<b>At 31 March 2019</b>	<b>5.71</b>	<b>420.13</b>	<b>9.79</b>	<b>2.55</b>	<b>7.17</b>	<b>10.54</b>	<b>455.89</b>
<b>At 31 March 2018</b>	<b>6.00</b>	<b>439.69</b>	<b>9.33</b>	<b>3.88</b>	<b>9.37</b>	<b>15.48</b>	<b>483.75</b>

- 3.1** The company has applied the estimated useful lives as specified in Schedule II, of the Companies Act 2013, except in respect of certain assets as disclosed in Accounting Policy on Depreciation / Amortization on fixed assets. Accordingly, the unamortized carrying value is being depreciated /amortized over the revised / remaining useful lives.
- 3.2** Buildings includes both leasehold and freehold buildings. Leasehold buildings includes premises at SCOPE Minar Building, purchased on sub-lease pending transfer of title/sub-lease. Further, the formal deed of the two flats purchased in Mumbai is yet to be executed between MHADA & Housing Society.

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### Note 4

#### Investment Property

(₹ in Lakhs)

Particulars	Freehold Buildings	Total
<b><u>Cost or Deemed Cost</u></b>		
At 1 April 2017	46.50	46.50
Additions	-	-
Disposals/Adjustments	-	-
At 31 March 2018	46.50	46.50
Additions	-	-
Disposals/Adjustments	-	-
At 31 March 2019	46.50	46.50
<b><u>Depreciation and Impairment</u></b>		
At 1 April 2017	31.63	31.63
Depreciation charge for the year	0.70	0.70
Impairment	-	-
Disposals/Adjustments	-	-
At 31 March 2018	32.33	32.33
Depreciation charge for the year	0.68	0.68
Impairment	-	-
Disposals/Adjustments	-	-
At 31 March 2019	33.01	33.01
<b><u>Net book value</u></b>		
At 31 March 2019	13.49	13.49
At 31 March 2018	14.17	14.17

4.1 The company has applied the estimated useful lives as specified in Schedule II, of the Companies Act 2013, except in respect of certain assets as disclosed in Accounting Policy on Depreciation / Amortization on fixed assets. Accordingly, the unamortized carrying value is being depreciated / amortized over the revised / remaining useful lives.

#### 4.2 Valuation of Investment Property

##### VALUATION OF PORTION "A"

Carpet Area	328.39 Sq.Mt.
Circle Rate for office space W.e.f. 15-12-2015	Rs. 77000/Sq.Mt.
Value of office space portion A @Rs.77000	2,52,86,030.00
It is on 4th floor and on main road it is facing Flyover hence deduction @ 30%	(75,85,809.00 )

##### **Fair Market Value of Portion A**

Fair Market Value of Portion A	177,00,221.00
	177.00 Lakhs

##### VALUATION OF PORTION "B"

Carpet Area	57.704 Sq.Mt.
Circle Rate for office space W.e.f. 15-12-2015	Rs. 77000/Sq.Mt.
Value of office space portion A @Rs.77000	44,43,208.00
It is on 4th floor and on main road it is facing Flyover hence deduction @ 30%	(13,32,962.40)

	31,10,245.60
Add for Wooden Partition Wall and other Wood work after adjusting depreciation	1,50,000.00

##### **Fair Market Value of Portion B**

Fair Market Value of Portion (A+B)	32,60,245.60
	32.6 Lakhs



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### Note 5 Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software	Total
<b>Cost or Deemed Cost</b>		
<b>At 1 April 2017</b>	<b>14.88</b>	<b>14.88</b>
Addition during the year	-	-
Adjustment	-	-
<b>Closing balance at 31st March 2018</b>	<b>14.88</b>	<b>14.88</b>
Addition during the year	15.61	15.61
Adjustment	-	-
<b>Closing balance at 31st March 2019</b>	<b>30.49</b>	<b>30.49</b>
<b>Amortization and Impairment</b>		
<b>At 1 April 2017</b>	<b>10.56</b>	<b>10.56</b>
Amortization during the year	3.03	3.03
Impairment during the year	-	-
<b>Closing balance at 31st March 2018</b>	<b>13.59</b>	<b>13.59</b>
Amortization during the year	5.51	5.51
Impairment during the year	-	-
Closing balance at 31st March 2019	19.10	19.10
<b>Net Carrying Value</b>		
<b>As at 31 March 2019</b>	<b>11.39</b>	<b>11.39</b>
<b>As at 31 March 2018</b>	<b>1.29</b>	<b>1.29</b>

### Note 6 Intangible Assets under development

(₹ in Lakhs)

Particulars	Amount
<b>Cost or Deemed Cost</b>	
<b>At 1 April 2017</b>	-
Addition during the year	10.35
Adjustment	-
<b>Closing balance at 31st March 2018</b>	<b>10.35</b>
Addition during the year	-
Adjustment	10.35
<b>Closing balance at 31st March 2019</b>	<b>-</b>
<b>Net Carrying Value</b>	
<b>As at 31 March 2019</b>	<b>-</b>
<b>As at 31 March 2018</b>	<b>10.35</b>

**6.1:** During the financial year 2017-18, the new version of NSFDC's website including module for Skill Training was under development by NCTI. Against this, expense incurred for Rs.8.99 lakh for development and hosting of website and Rs.1.36 lakh for hiring of server space for the website from National Informatics Centre Services Inc. The website has been hosted on 21.05.2018.

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### Note 7 Financial Assets - Loans

Non-current portion of the Loans has been classified under 'Non-Current Financial Assets - Loans' and current portion of the Loans has been classified under 'Current Financial Assets - Loans'.

(₹ in Lakhs)

Particulars	As at 31st March 2019		Total	As at 31st March 2019		Total
	Non - Current	Current		Non - Current	Current	
<b>I A. Loans (Considered good-Unsecured)</b>						
<b>i) Term Loan Disbursement</b>	375,144.42	-	375,144.42	316,044.10	-	316,044.10
Less: Refund / Recall	(54,802.44)	-	(54,802.44)	(46,910.61)	-	(46,910.61)
Less: Re-payments	(181,721.05)	-	(181,721.05)	(165,937.62)	-	(165,937.62)
Less Current part	(49,641.91)	49,641.91	-	(37,359.82)	37,359.82	-
	<b>88,979.02</b>	<b>49,641.91</b>	<b>138,620.93</b>	<b>65,836.05</b>	<b>37,359.82</b>	<b>103,195.87</b>
<b>ii) M.C.F. Disbursement</b>	65,846.41	-	65,846.41	60,896.45	-	60,896.45
Less: Refund / Recall	(10,688.87)	-	(10,688.87)	(9,658.20)	-	(9,658.20)
Less: Re-payments	(34,903.63)	-	(34,903.63)	(26,398.30)	-	(26,398.30)
Less Current part	(12,095.55)	12,095.55	-	(9,398.37)	9,398.37	-
	<b>8,158.36</b>	<b>12,095.55</b>	<b>20,253.91</b>	<b>15,441.58</b>	<b>9,398.37</b>	<b>24,839.95</b>
<b>iii) M.S.Y. Disbursement</b>	67,411.03	-	67,411.03	63,977.94	-	63,977.94
Less: Refund / Recall	(11,809.52)	-	(11,809.52)	(9,976.49)	-	(9,976.49)
Less: Re-payments	(41,969.52)	-	(41,969.52)	(34,397.50)	-	(34,397.50)
Less Current part	(9,734.30)	9,734.30	-	(12,862.09)	12,862.09	-
	<b>3,897.70</b>	<b>9,734.30</b>	<b>13,632.00</b>	<b>6,741.86</b>	<b>12,862.09</b>	<b>19,603.95</b>
<b>iv) M.K.Y. Disbursement</b>	1,246.70	-	1,246.70	1,246.70	-	1,246.70
Less: Refund / Recall	(545.57)	-	(545.57)	(448.03)	-	(448.03)
Less: Re-payments	(591.20)	-	(591.20)	(526.45)	-	(526.45)
Less Current part	(73.56)	73.56	-	(121.00)	121.00	-
	<b>36.38</b>	<b>73.56</b>	<b>109.93</b>	<b>151.22</b>	<b>121.00</b>	<b>272.22</b>
<b>v) S.S.Y. Disbursement</b>	400.65	-	400.65	400.65	-	400.65
Less: Refund / Recall	(250.94)	-	(250.94)	(233.34)	-	(233.34)
Less: Re-payments	(143.98)	-	(143.98)	(138.74)	-	(138.74)
Less Current part	(5.74)	5.74	-	(6.71)	6.71	-
	<b>(0.00)</b>	<b>5.74</b>	<b>5.73</b>	<b>21.86</b>	<b>6.71</b>	<b>28.57</b>
<b>vi) E.L.S. Disbursement</b>	4,636.58	-	4,636.58	4,009.98	-	4,009.98
Less: Refund / Recall	(238.09)	-	(238.09)	(234.13)	-	(234.13)
Less: Re-payments	(1,141.10)	-	(1,141.10)	(664.10)	-	(664.10)
Less Current part	(1,208.39)	1,208.39	-	(960.15)	960.15	-
	<b>2,049.00</b>	<b>1,208.39</b>	<b>3,257.39</b>	<b>2,151.60</b>	<b>960.15</b>	<b>3,111.75</b>

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(₹ in Lakhs)

Particulars	As at 31st March 2019		Total	As at 31st March 2019		Total
	Non - Current	Current		Non - Current	Current	
<b>vii) VETLS Disbursement</b>	28.27	-	28.27	28.27	-	28.27
Less: Refund / Recall	-	-	-	-	-	-
Less: Re-payments	(5.65)	-	(5.65)	-	-	-
Less Current part	(5.65)	5.65	-	(5.65)	5.65	-
	<b>16.96</b>	<b>5.65</b>	<b>22.61</b>	<b>22.62</b>	<b>5.65</b>	<b>28.27</b>
<b>viii) AMY DISBURSEMENT</b>	132.65	-	132.65	-	-	-
Less: Refund / Recall	-	-	-	-	-	-
Less: Re-payments	(55.50)	-	(55.50)	-	-	-
Less Current part	(55.59)	55.59	-	-	-	-
	<b>21.56</b>	<b>55.59</b>	<b>77.15</b>	-	-	-
<b>Subtotal ((i) to (viii))</b>	<b>1,03,158.97</b>	<b>72,820.68</b>	<b>1,75,979.65</b>	<b>90,366.78</b>	<b>60,713.79</b>	<b>151,080.57</b>
Less: Allowance for Bad & Doubtful Loans (refer note:33)	(777.27)	-	(777.27)	(830.91)	-	(830.91)
<b>TOTAL : I A</b>	<b>1,02,381.71</b>	<b>72,820.68</b>	<b>1,75,202.38</b>	<b>89,535.87</b>	<b>60,713.79</b>	<b>1,50,249.66</b>
<b>I B. Loans (Considered good-Secured)</b>						
<b>i) AMY DISBURSEMENT</b>	142.55	-	142.55	215.90	-	215.90
Less: Refund / Recall	-	-	-	-	-	-
Less: Re-payments	(65.40)	-	(65.40)	(27.04)	-	(27.04)
Less Current part	(55.59)	55.59	-	(115.08)	115.08	-
	<b>21.56</b>	<b>55.59</b>	<b>77.15</b>	<b>73.78</b>	<b>115.08</b>	<b>188.86</b>
<b>ii) M.S.Y. Disbursement*</b>	-	-	-	1,048.00	-	1,048.00
Less: Refund / Recall	-	-	-	-	-	-
Less: Re-payments	-	-	-	(958.00)	-	(958.00)
Less Current part	-	-	-	(70.00)	70.00	-
	-	-	-	20.00	70.00	90.00
<b>iii) Staff Advances</b>	353.39	95.98	449.37	213.99	63.86	277.85
<b>TOTAL : I B</b>	<b>374.95</b>	<b>151.57</b>	<b>526.52</b>	<b>307.77</b>	<b>248.94</b>	<b>556.71</b>
<b>* Against Lien of FDR'S, PDC's</b>						
<b>Total (IA+IB)</b>	<b>1,02,756.66</b>	<b>72,972.25</b>	<b>1,75,728.90</b>	<b>89,843.63</b>	<b>60,962.73</b>	<b>1,50,806.37</b>

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### 7.1 Details for the Year

(₹ in Lakhs)

Particulars	Opening Balance 01.04.18	Disbursements 2018-19	Repayments 2018-19	Refund / Recall 2018-19	Closing Balance 31.03.19
Term Loan (TL)*	1,03,195.87	59,100.32	15,783.43	7,891.83	1,38,620.93
Micro Credit Finance (MCF)**	25,017.65	4,061.46	7,794.52	1,030.66	20,253.91
Mahila Samridhi Yojna (MSY)**	19,516.25	3,273.60	7,324.83	1,833.03	13,632.00
Mahila Kisan Yojna (MKY)	272.22	-	64.75	97.54	109.93
Shilpi Samridhi Yojna (SSY)	28.57	-	5.24	17.60	5.74
Education Loan Scheme (ELS)	3,111.75	626.60	477.00	3.96	3,257.39
VETLS	28.27	-	5.65	-	22.61
AMY*	188.86	59.29	93.86	-	154.29
		-			
<b>Total</b>	<b>1,51,359.43</b>	<b>67,121.27</b>	<b>31,549.28</b>	<b>10,874.62</b>	<b>1,76,056.80</b>

\* Opening Balance includes an adjustment of Rs. 18.93 lakhs from Term Loan to AMY.

\*\* Opening Balance includes adjustment of outstanding amount of Rs. 177.70 lakhs from MSY to MCF due to conversion of scheme of disbursed amount of Rs. 888.50 lakhs to Purvanchal Bank

**7.1(A)** Current Loans are loan amounts which are receivable during the next 12 months after end of the financial year.

**7.1(B)** The unutilized amount of loan beyond stipulated time under the prevalent lending policy is eligible for refund. However, as the same is indeterminable in the existing environment, the same stand in non-current.

**7.1(C)** Consequent upon bifurcation of the Corporation in 2001, all the Assets & Liabilities of the erstwhile National Scheduled Castes & Scheduled Tribes Finance and Development Corporation were bifurcated in the ratio of 2:1 except value of real assets and the amount of Higher Rate of Interest (HRI) and Liquidity Damages on Defaulted Payments (LDDP).

A meeting of the officials of both the Corporations was held in the office of Joint Secretary & Financial Advisor, MOSJ&E and Ministry of Tribal Affairs. It was decided in the said meeting to transfer Govt. Guarantee available with the NSCSTFDC on the day of bifurcation (i.e. 10.04.2001) in the recently revised ratio of SC & ST beneficiaries, by way of exchange of letters with intimation to the State Government concerned. The aforesaid guarantees are still in the name of erstwhile corporation i.e. NSCSTFDC.

Accordingly, vide various letters No. NSFDC/FIN-Loan/BF-02/Vol.-II/ dated 07.09.2006, the availability of specific State Government Guarantee (still in the name of erstwhile corporation) as on 10.04.2001 have been reduced by the following amounts:-

(i) Karnataka - Rs.671.42 lakh, (ii) Tamil Nadu - Rs.184.18 lakh, (iii) Manipur - Rs.116.25 lakh, (iv) J&K - Rs.304.09 lakh and (v) Orissa - Rs.108.17 lakh.

**7.1 (D)** In respect of loan given, company has obtained government assurance amounting to Rs. 3285.48 lakhs (previous year Rs 5343.55 lakhs). As per legal opinion obtained by the company, government assurance do not amount to government deed/order. However same can be enforced in disputed case by way of arbitration. In view of above, company is adequately covered in cases where outstanding loan amount is backed by government assurance.

**7.2** As on 31.03.2011, the cumulative provision of BSCDC was Rs.1,113.62 lakh. Although, Bihar Scheduled Castes Development Corporation (BSCDC) extended Assurance to the extent of Rs.2,500.00 Lakhs to NSFDC in the year 2009-10, renewed in the year 2010-11. As per note no. 33.4 the accumulated provision was required to be written back however, as a matter of financial prudence, writing back of the cumulative provision of Rs.1,113.62 Lakhs (upto 31.03.2011) was postponed till the assurance is converted into Government Order. Accordingly, further provision is made after appropriation of repayment, equivalent to the total outstanding as on 31st March each year.

During the year Rs.53.64 lakh has been received from BSCDC, therefore after appropriation of payment, the excess provision to the extent of Rs.0.89 lakh has been written back. Accordingly, the cumulative provision of BSCDC as on 31.03.2019 is amounting to Rs.1,414.50 lakh (previous year Rs.1,415.39 lakh). This includes cumulative principal provision as on 31.03.2019 for Rs.777.27 lakh (previous year Rs.830.91 lakh).

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### Note 8 Other Financial Assets - Non Current

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i) Security Deposit (refer note:8.1) Unsecured, considered good	4.34	4.34
<b>Total</b>	<b>4.34</b>	<b>4.34</b>

8.1 Security Deposits includes Telephone & Telex Security.

### Note 9 Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i) Advance recoverable (Doubtful) Less : Allowance for Bad & Doubtful Deposits (Refer note: 33)	1,539.99 (1,539.99)	1,539.99 (1,539.99)
ii) Prepaid Expenses (refer note: 9.2)	62.02	50.04
<b>Total</b>	<b>62.02</b>	<b>50.04</b>

9.1 Advance recoverable includes amount recoverable from Punwire Rs. 1,539.99/- Lakhs

9.2 Prepaid expenses include Rs 61.46 lakhs ( 2017-18 - Rs 50.04 lakhs) towards unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets at initial recognition & loans given.

### Note 10 Cash and cash equivalent

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i) Cash and Bank Balances Cash in hand Saving Bank Accounts	- 6,532.76	1,454.97
<b>Total</b>	<b>6,532.76</b>	<b>1,454.97</b>

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### Note 11 Bank Balance Other than Cash & Cash Equivalent

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i) Other bank balance		
FDR's	10,777.00	26,738.64
Grant Funds		
Special Reserve Fund Investment a/c	3,964.11	3,283.72
Other (refer note:11.1)	2,956.96	2,029.51
<b>Total</b>	<b>17,698.07</b>	<b>32,051.87</b>

**11.1** Other bank balances-Grant Funds include funds meant for utilization of target group as per terms of grant for training.

### Note 12 Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i) <b>Interest Receivables</b>	<b>5,731.21</b>	<b>4,418.36</b>
Less : Allowance for Bad & Doubtful Interest (Refer note:12.1 & 33)	(637.23)	(584.48)
	<b>5,093.98</b>	<b>3,833.88</b>
ii) <b>Others</b>		
Interest receivable on savings bank	4.80	6.49
Interest receivable but not due on deposits	10.51	1,117.18
Interest Receivable but Not Due on Special Reserve Fund	190.56	132.65
Rent Receivable	1.63	0.41
Amount recoverable	46.98	89.05
<b>Total</b>	<b>5,348.46</b>	<b>5,179.66</b>

**12.1** Although Interest of Rs 52.75 lakhs (2017-18: Rs 52.58 lakh) in respect of overdues from BSCDC has been booked in terms of Accounting Policy 2.11(i)(a).

During the year Rs.53.64 lakh has been received from BSCDC, therefore after appropriation of payment, the excess provision to the extent of Rs.0.89 lakh has been written back. Accordingly, the cumulative provision of BSCDC as on 31.03.2019 is amounting to Rs.1,414.50 lakh (previous year Rs.1,415.39 lakh). This includes cumulative interest provision as on 31.03.2019 for Rs.637.23 lakh (previous year Rs.584.48 lakh).



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### Note 13 Current Tax Assets

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
i) TDS receivable	12.00	11.65
<b>Total</b>	<b>12.00</b>	<b>11.65</b>

### Note 14 Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Advances other than Capital Advances</b>		
Advance to Staff	3.87	6.97
Advances to parties	19.69	24.64
<b>Others</b>		
Prepaid expenses	11.13	9.02
Gratuity Plan Assets	50.83	66.26
<b>Total</b>	<b>85.52</b>	<b>106.89</b>

**14.1** Prepaid expenses includes Rs 7.45 lakhs ( 2017-18 - Rs 6.53 lakhs) towards unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets at initial recognition & loans given.

### Note 15 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Authorized Share Capital</b>		
1,50,00,000 Equity Share of Rs 1,000 each (as at 31-03-2018 : 1,50,00,000) Equity Share of Rs 1,000 each	1,50,000.00	1,50,000.00
<b>Issued/Subscribed and Paid up Capital</b>		
1,48,54,000 Equity Shares of Rs 1000 each (as at 31-03-2018: 1,34,80,100) Equity Share of Rs 1000 each	1,48,540.00	1,34,801.00
	<b>1,48,540.00</b>	<b>1,34,801.00</b>

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### 15.1 Reconciliation of the number of equity shares and share capital

Particulars	As at 31st March 2019		As at 31st March 2018	
	(No's of Shares in Lakhs)	(Amount in Lakhs)	(No's of Shares in Lakhs)	(Amount in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	134.80	134,801.00	121.80	121802.00
Add: Shares Issued during the year	13.74	13,739.00	13.00	12999.00
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<b>148.54</b>	<b>148,540.00</b>	<b>134.80</b>	<b>134,801.00</b>

#### Terms & Rights attached to Equity Shares

The Corporation has only one class of equity shares having par value of Rs.1,000 per share. Each holder of equity shares is entitled to one vote per share. The company has obtained Licence u/s 8 of the Companies Act, 2013 therefore dividend is not payable by the Company.

### 15.2 Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Particulars	As at 31st March 2019		As at 31st March 2018	
	No's of Shares (in Lakhs)	% of holding	No's of Shares (in Lakhs)	% of holding
<b>Equity shares</b>				
President of India	148.54	100.00%	134.80	100.00%
	<b>148.54</b>	<b>100.00%</b>	<b>134.80</b>	<b>100.00%</b>

### Note 16 Other Equity

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Other Reserves</b>		
Special Reserve	4,738.57	3,964.11
General Reserve	48,055.69	43,440.92
Share application money pending allotment	-	-
	<b>52,794.26</b>	<b>47,405.03</b>

## NSFDC 30th Annual Report 2018-19

### Note 16.1 Special Reserve

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Balance as at the beginning of the year	3,964.11	3,283.72
Add: Interest on Special Reserve Fund Investment	262.18	210.27
Add : Transferred from Income and Expenditure Account (refer note 16.4 & 16.5)	512.28	470.11
<b>Closing Balance</b>	<b>4,738.57</b>	<b>3,964.11</b>

### Note 16.2 General Reserve

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Balance as at the beginning of the year	43,440.92	39,273.30
Less: Prior period errors	-	0.19
Restated Balance as at the beginning of the year	43,440.92	39,273.49
Add : Transferred from Income and Expenditure Account (refer note 16.5)	4,614.39	4,277.40
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	0.38	(109.97)
<b>Closing Balance</b>	<b>48,055.69</b>	<b>43,440.92</b>

### Note 16.3 Share Application money pending Allotment

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Balance as at the beginning of the year	-	178.00
Add: Share application money received during the year	-	-
Less: Share allotted during the year	-	(178.00)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

**16.4** Pursuant to Accounting Policy-2.16, the Special Reserve Fund has been invested separately amounting to Rs. 3964.11/- lakhs including interest as per DPE guidelines.

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16.5

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	-	-
Add : Transfer from Income & Expenditure a/c	5,126.67	4,747.52
Less : 10% Transferred to Special Reserve Fund	512.67	475.16
Less: 10% Amount pertain to the prior year exp reversed from amount t/f to Special Reseve Fund	0.39	5.05
<b>Balance Transferred to General Reserve</b>	<b>4,614.39</b>	<b>4,277.40</b>

### Note 17 Current & Non Current Provisions

(₹ in Lakhs)

Particulars	As at 31st March 2019			As at 31st March 2018		
	Non - Current	Current	Total	Non - Current	Current	Total
<b>i) Provision for Employee Benefits</b>						
- Leave Benefits	326.74	8.50	335.24	283.56	17.90	301.46
- Provision for Performance Related Pay	-	445.85	445.85	-	250.31	250.31
<b>ii) Other Provisions</b>						
- Provision for incentive to SCA	-	147.44	147.44	-	131.12	131.12
- Provision for Interest subvention (NBFC-MFI)	-	5.96	5.96	-	-	-
<b>Total</b>	<b>326.74</b>	<b>607.75</b>	<b>934.49</b>	<b>283.56</b>	<b>399.34</b>	<b>682.90</b>

**17.1** Amount pertaining to person(s) superannuating in next 12 months from close of the financial year has been taken as current provision.

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### 17.2 Details of Provisions :

(₹ in Lakhs)

Particulars	As at 1st April 2018	Additions during the year 2018-19	Utilized/ payments during the year 2018-19	Written back during 2018-19	As at 31st March 2019
Leave Benefits	301.46	60.66	26.88		335.24
Provision for PRP	250.31	195.54			445.85
Provision for incentive to SCA	131.12	83.25	42.00	24.93	147.44
Provision for Interest subvention (NBFC-MFI)	-	5.96	-	-	5.96
<b>Total</b>	<b>682.90</b>	<b>345.41</b>	<b>68.88</b>	<b>24.93</b>	<b>934.49</b>

### 17.3 Disclosures as per Ind AS - 19 Actuarial Valuation (Gratuity, Leave Benefit)

The summarized position of defined benefits of gratuity and long term leave benefits recognized in the Statement of Income and Expenditure and Balance Sheet along with the funded status is as under:

(₹ in Lakhs)

Particulars	As at 31st March 2019		As at 31st March 2018	
	Gratuity (Funded)	Leave encashment (Unfunded)	Gratuity (Funded)	Leave encashment (Unfunded)
<b>(I) Key Assumption of actuarial</b>	<b>IALM (2006-08)</b>		<b>IALM (2006-08)</b>	
Mortality Rate				
Attrition rate				
Upto 30 yrs	3%	3%	3%	3%
31 to 44 years	2%	2%	2%	2%
above 44 years	1%	1%	1%	1%
Discount Rate	7.61%	7.61%	7.63%	7.63%
Salary rise (p.a)	6.00%	6.00%	6.00%	6.00%
Rate of return on plan assets (p.a)				
Remaining Working Life	13.31 Years	13.31 Years	13.01 Years	13.01 Years
<b>(II) Changes in the present value of obligations</b>				
Present value of obligations at the beginning of the period	492.52	301.46	310.26	247.11
Interest cost	37.58	23.00	22.68	18.06
Current service cost	20.86	16.57	19.93	14.16
Past service cost	-	-	28.58	-
Benefit paid (if any)	(27.18)	(26.88)	-	(34.63)

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(₹ in Lakhs)

Particulars	As at 31st March 2019		As at 31st March 2018	
	Gratuity (Funded)	Leave encashment (Unfunded)	Gratuity (Funded)	Leave encashment (Unfunded)
Actuarial (gain)/loss	(2.39)	21.09	111.07	56.76
Present value of the obligation at the end of the period	<b>521.39</b>	<b>335.24</b>	<b>492.52</b>	<b>301.46</b>
<b>(III) The amount to be recognized in the Balance Sheet:</b>				
Fair value of plan assets at the end of the year	572.22	-	558.78	-
Present value of obligation as at the end of the year	521.39	335.24	492.52	301.46
Net Asset/(Liability) recognized in the Balance Sheet	<b>50.83</b>	<b>(335.24)</b>	<b>66.26</b>	<b>(301.46)</b>
<b>(IV) Expenses recognized in the Income and Expenditure statement</b>				
Current service cost	20.86	16.57	19.93	14.16
Past service cost	-	-	28.58	-
Net Interest cost	(5.06)	23.00	(0.89)	18.06
Actuarial (gain)/ loss	-	21.09	-	56.76
Net cost recognized in the Income & Expenditure Statement	<b>15.81</b>	<b>60.66</b>	<b>47.62</b>	<b>88.98</b>
<b>(V) Changes in the Fair Value of Planned Assets:</b>				
Fair Value of Plan Assets at the beginning of the period	558.78	-	322.48	-
Expected Return on Plan Assets	38.14	-	24.67	-
Contributions	2.48	-	211.63	-
Benefits paid	(27.18)	-	-	-
Actuarial gain/(loss) on plan assets	-	-	-	-
Fair Value of Plan Assets at the end of the Period	<b>572.22</b>	<b>-</b>	<b>558.78</b>	<b>-</b>
<b>(VI) Actuarial Gain/(Loss) to be recognised in Other Comprehensive Income:</b>				
	<b>0.38</b>	<b>-</b>	<b>(109.97)</b>	<b>-</b>
	<b>0.38</b>	<b>-</b>	<b>(109.97)</b>	<b>-</b>



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### Sensitivity Analysis: For the year ended 31st March 2019

Change in	Change in assumptions	Effect on Gratuity obligation	Effect on Leave Encashment
<b>Discount Rate</b>	Present value of obligation as at the end of the year	521.39	335.24
	impact due to increase of 0.50%	(19.38)	(12.73)
	impact due to decrease of 0.50%	20.43	13.44
<b>Salary Growth Rate</b>	Present value of obligation as at the end of the year	521.39	335.24
	impact due to increase of 0.50%	16.83	13.58
	impact due to decrease of 0.50%	(16.61)	(12.98)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lumpsum benefit on retirement.

### Maturity Profile of Defined Benefit Obligation

Year	Amount	Amount
i 0 to 1 year	9.68	8.50
ii 1 to 2 year	23.96	5.38
iii 2 to 3 year	20.94	15.08
iv 3 to 4 year	35.18	14.18
v 4 to 5 year	20.44	25.81
vi 5 to 6 year	43.76	14.99
vii 6 year onwards	367.45	251.31

### Note 18 Borrowings

(₹ in Lakhs)

Particulars	As at 31st March 2019			As at 31st March 2018		
	Non - Current	Current	Total	Non - Current	Current	Total
i) Loan From IDBI	-	-	-	-	3,307.50	3307.50
ii) Loan From P&SB	-	-	-	-	1,439.67	1439.67
<b>Total</b>	-	-	-	-	<b>4,747.17</b>	<b>4,747.17</b>

**18.1.** A short tenure loan against FDRs pertaining to IDBI Bank and Punjab & Sind Bank was availed for the purpose of fund management in order to achieve the disbursement targets of F.Y. 2017-18. As per terms, the rate charged was FDR rate + 0.60% on the borrowed amount and repayable on or before maturity of the FDRs. However the loan amount was repaid in full on 06.04.18 and 17.04.18.

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### Note 19 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
(i) <u>Grant in Aid towards :</u>		
Grant for Skill Training (MOSJ&E) (refer note:19.1)	2,850.41	2,257.51
Grant from Other Organisations	83.03	26.09
Grant from Ministry of Textiles	0.45	19.70
(ii) Security Deposit Received	4.22	4.22
(iii) EMD payable	16.22	18.87
(iv) Sundry Creditors	136.15	69.93
(v) Outstanding Expenses	53.01	39.53
(vi) Other Payable	493.20	56.64
<b>Total</b>	<b>3,636.69</b>	<b>2,492.49</b>

- 19.1** As advised by CAG, the Grants available are recognized as capital grants and unspent balance is shown as Current Liabilities. During the year an amount of Rs.1925.73 (2017-18: Rs 3042.67/- Lakhs) was received from Govt Institutions towards imparting training and stipend. Out of total grants available, Rs. 1447.82 Lakhs (2017-18: Rs. 1659.03/- Lakhs) was released and recognized during the financial year as capital grant. The details of training grant and subsidy at the beginning, received, refunded, released during the year and the balance as on 31.03.19 are as under :

(₹ in Lakhs)

S. No.	Particulars	Opening Balance as at 01.04.2018	Receipts during the year 18-19	Interest Income during the year 18-19	Refund	Recognized during the year 18-19 (Releases)	Closing Balance
1	Ministry of Social Justice (Training Grant)	2,257.51	1,750.00	146.29	-	1,303.39	2,850.41
2	Resource Linkage Program II	26.09	175.73	2.32	-	121.11	83.03
3	Textile Grant	19.70	-	3.50	-	22.74	0.45
	<b>Total</b>	<b>2,303.30</b>	<b>1,925.73</b>	<b>152.11</b>	<b>-</b>	<b>1,447.24</b>	<b>2,933.89</b>

- 19.2** Government Grants and Other Grants are recognized when there is no uncertainty involved with regard to collection of the same and firm commitments / sanctions are available with the company and there is reasonable assurance that the company will comply with the conditions attached to the Grants. In certain case, Grants are recognized on satisfaction of above conditions during the year, although the related expense are recognized in different years.

- 19.3** The company has a closing balance of Rs. 2,850.86 lakh for Government Grants and Rs. 83.03 lakh for Grants from other PSUs towards unspent Grant liability which is shown as 'Other financial liabilities' in note no 19. The Company has followed capital approach for the recognition of Grant and the expenses / releases have been reduced from the opening balance or Grants received during the year. The accounting is not done on Grant wise basis and is rather done on cumulative Grant receipt basis. Therefore, no amounts are recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.

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### Note 20 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Statutory Dues	47.41	46.75
<b>Total</b>	<b>47.41</b>	<b>46.75</b>

### Note 21 Revenue From Operations

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>Interest on Loan to SCAs/others</b>		
Interest on Term Loan (TL)	4,320.20	3,180.68
Interest on Micro Credit Finance (MCF)	530.00	193.51
Interest on Mahila Kisan Yojana (MKY)	3.54	5.84
Interest on Mahila Samridhi Yojana (MSY)	162.82	191.73
Interest on Shilpi Samridhi Yojna (SSY)	0.28	0.50
Interest on Education Loan Scheme (ELS)	48.93	45.82
Interest on VETLS	0.32	0.34
Interest on Refund (refer note:21.1)	654.39	321.78
LDDP Received	-	-
HRI Received	0.01	0.30
<b>Other Operating Revenue</b>		
Reversal of allowance for doubtful loans	0.89	3.58
<b>Total</b>	<b>5,721.38</b>	<b>3,944.08</b>

**21.1.** During the year 2018-19, an Interest on Refund of Rs. 101.83 lakhs (Rs.313.00 lakhs during the F.Y 2017-18), Rs. 552.56 lakh (Rs.8.78 lakhs during the F.Y 2017-18) and Rs.NIL (Rs. NIL during the F.Y 2017-18) was levied on refund from SCAs, RRBs/PSBs and NBFC-MFIs respectively on refunded amount of Rs.10988.31 lakh (Rs.6837.64 lakhs during the F.Y 2017-18)."

Interest on Refund is levied as per existing Lending Policy as follows:-

- (i) In case of SCAs on refund of disbursement amount in toto.
- (ii) In case of Channelizing Agencies:-
  - (a) Interest on funds not utilized within stipulated time period and refunded shall be applicable @4% p.a. over and above the normal rate of interest charged by NSFDC from CA(s) and it shall be applicable from the date of disbursement to date of refund.

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- (b) NSFDC funds refunded unutilized by the CA(s) even within 120 days shall attract the same interest as indicated above.
- (c) The CA(s) shall be exempted from levy of such interest on unutilized funds of the cumulative funds utilization level is 80% or above as the end of preceding financial year.
- (iii) In case of NBFC-MFI, the CAs shall be exempted from levy of Interest on Refund, if the cumulative fund utilization level is 80% or above under the particular scheme.
- (iv) NBFC-MFI is eligible for interest subvention @ 2% per annum subject to timely full repayment of dues on yearly basis on claim basis.

### Note 22 Other Income

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>a) Interest Income</b>		
Interest on deposits with Banks	1,271.26	2,621.83
Interest on Saving Bank Accounts	57.98	47.38
Interest on advance to employees & others (Refer note-22.1)	39.06	26.25
<b>b) Other Non-Operating Income</b>		
EMD Forfeited	-	0.05
Miscellaneous Receipts	0.34	2.53
Rent Received	16.20	16.48
Fair value adjustment (Refer note-22.2)	-	0.19
Provision written back	26.55	2.88
<b>Total</b>	<b>1,411.39</b>	<b>2,717.60</b>

**22.1** Rs 8.88 lakhs during the F.Y. 2018-19 (Rs 8.26 lakhs during the F.Y. 2017-18) for amortisation of deferred expenses recognised due to fair valuation of staff loan.

**22.2** Rs Nil during the F.Y. 2018-19 (Rs 0.19 lakhs during the F.Y. 2017-18) for amortisation of deferred expenses recognised due to fair valuation of security deposits/EMD.

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### Note 23 Employee Benefits Cost

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>a) Salary, Wages &amp; Benefits : CMD</b>		
Salary & Allowances	33.66	31.08
Medical Reimbursement	0.12	0.12
Membership fees	-	0.01
LTC Exp	-	-
Leave Benefit	-	0.61
Foreign Service Contributions	8.42	8.35
	<b>42.20</b>	<b>40.17</b>
<b>b) Salary, Wages &amp; Benefits : Employees</b>		
Salary & Allowances	986.84	887.33
Leave Benefit	60.66	88.98
LTC Encashment	1.51	0.31
LTC Exp	9.23	1.13
Medical Reimbursement	14.28	19.88
Overtime	1.98	0.97
Professional Membership Fees	0.04	0.09
PRP	195.54	107.19
	<b>1,270.07</b>	<b>1,105.89</b>
<b>c) Contribution to Provident Fund &amp; Other Funds</b>		
Corpn Cont. to PF/GSLIS	63.34	58.41
Corpn Cont to Pension	11.64	10.85
PF Admin Exp	3.86	4.93
Gratuity	15.81	48.60
Medical (Retiral)	18.72	18.50
Pension (Retiral)	62.42	61.68
	<b>175.79</b>	<b>202.97</b>
<b>d) Staff welfare expenses</b>	7.05	2.87
	<b>7.05</b>	<b>2.87</b>
<b>e) Employee benefit expense on loans and advances</b>	8.88	8.26
<b>Total</b>	<b>1,503.99</b>	<b>1,360.16</b>

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### Note 24 Finance Costs

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>Interest</b>		
Interest on Loan against FDR	23.56	89.05
<b>Other borrowing costs</b>		
Unwinding of discount on Security Deposits	-	0.32
Unwinding of discount on Earnest Money Deposits	-	0.19
<b>Total</b>	<b>23.56</b>	<b>89.56</b>

### Note 25 Depreciation & Amortization Costs

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Depreciation on Tangible Assets (refer note:3 & 4)	38.39	39.14
Amortization of Intangible assets (refer note: 5)	5.51	3.03
<b>Total</b>	<b>43.90</b>	<b>42.17</b>

### Note 26 Incentive to SCA

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Incentive to SCA for Recovery	38.24	44.12
Incentive to SCA- NAPE	45.00	45.00
<b>Total</b>	<b>83.24</b>	<b>89.12</b>

- 26.1.** The incentive & other schemes is accounted for an accrual basis w.e.f. 01.04.2017. A provision has been made for Rs.83.24 lakh during the F.Y. 2018-19.



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### Note 27 Other Expenses

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Advertisement Expenses	0.20	1.38
Business Promotion Expenses	4.44	2.15
Computer and Website Exp	1.99	4.30
Corporation Membership fees	1.36	1.26
Directors/Board Meeting Expenses	1.33	1.26
Electricity Charges	22.16	23.62
Insurance Charges	2.89	1.34
Legal & Professional Expenses/Consultancy	21.48	19.99
Media Audio Visual Publ.Eva/Conf/Seminar	55.61	50.18
Office Building Exp	49.25	48.90
Office Expenses	56.08	50.11
Office Rent	6.40	5.48
Payments to Auditor (refer note: 27.1)	1.85	1.44
Postage, Telegram	1.53	1.60
Printing and Stationery	8.34	7.20
Staff Recruitment Exp	-	2.54
Telephone & Telex	5.86	6.64
Training Exp - Staff	6.36	6.66
Traning Exp - Directors	7.72	-
Conveyance Expenses	0.59	1.08
Travelling Exp - Directors	9.31	5.50
Travelling Exp - Staff	19.95	34.49
Vehicle Expenses	10.53	13.15
Rates & Taxes	7.26	1.19
Newspapers, Books & Periodicals	0.39	0.69
<b>Total</b>	<b>302.87</b>	<b>292.16</b>

### 27.1 Auditors Remuneration

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
For Audit Fee for previous year	0.23	0.04
For Audit Fee for current year	1.62	1.25
For Taxation matters	-	0.15
<b>Total</b>	<b>1.85</b>	<b>1.44</b>

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### Note 28 Exceptional Items

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
(Profit)/ Loss on sale of assets (Net)	-	(0.22)
<b>Total</b>	<b>-</b>	<b>(0.22)</b>

### Note 29 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:-

(₹ in Lakhs)

Particulars	(FVTOCI)	
	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Remeasurement of Defined benefit plans - Gratuity	0.38	(109.97)
<b>Total</b>	<b>0.38</b>	<b>(109.97)</b>

### Note 30 Earnings per share (EPS)

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>Basic EPS</b>		
From continuing operation	35.13	36.71
<b>Diluted EPS</b>		
From continuing operation	35.13	36.71

### 30.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Profit attributable to equity holders of the company: <b>Continuing operations</b>	5,126.67	4,747.52
Earnings used in calculation of Basic Earning Per Share	5,126.67	4,747.52
Weighted average number of shares for the purpose of basic earnings per share	145.95	129.33

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### 30.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Profit attributable to equity holders of the company:		
Continuing operations	5,126.67	4,747.52
Earnings used in calculation of diluted Earning Per Share from continuing operations	<b>5,126.67</b>	<b>4,747.52</b>

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Weighted average number of shares for the purpose of basic earnings per share	145.95	129.33
Effect of Dilution :		
Shares pending allotment	-	-
Weighted average number of shares for the purpose of Diluted earnings per share	145.95	129.33

### Note 31 Capital management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019.

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### Note 32 Fair Value measurements

(i) The Carrying Value of Financial Instruments by categories are as follow:

(₹ in Lakhs)

Particulars	As at 31st March 2019		Amortised Cost	As at 31st March 2018		Amortised Cost
	FVTPL	FVTOCI		FVTPL	FVTOCI	
<b>Financial Assets</b>						
(i) Cash and Cash Equivalents	-	-	6,532.76	-	-	1,454.97
(ii) Other Bank balances	-	-	17,698.07	-	-	32,051.87
(iii) Other Financial Assets	-	-	5,352.80	-	-	5,184.00
(iv) Loan to SCA's & CA's	-	-	175,279.53	-	-	150,528.52
(v) Loan to employees	-	-	449.37	-	-	277.85
<b>Total Financial Assets</b>	-	-	<b>205,312.53</b>	-	-	<b>189,497.21</b>
<b>Financial Liabilities</b>						
(i) Borrowings	-	-	-	-	-	4,747.17
(ii) Security Deposits and EMD payable	-	-	20.43	-	-	23.09
(iii) Other financial liabilities	-	-	3,616.26	-	-	2,469.41
<b>Total Financial Liabilities</b>	-	-	<b>3,636.69</b>	-	-	<b>7,239.66</b>

(ii) Fair value of financial assets and liabilities that are measured at fair value:

(₹ in Lakhs)

Particulars	As at 31st March 2019		As at 31st March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
(i) Loan to SCA's and CA's	175,279.53	175,279.53	150,528.52	150,528.52
(ii) Staff loans and Advances	449.37	461.04	277.85	293.44
<b>Total Financial Assets</b>	<b>175,728.90</b>	<b>175,740.57</b>	<b>150,806.37</b>	<b>150,821.95</b>
<b>Financial Liabilities</b>				
(i) Security Deposits and EMD payable	20.43	20.43	23.09	23.09
<b>Total Financial Liabilities</b>	<b>20.43</b>	<b>20.43</b>	<b>23.09</b>	<b>23.09</b>

- The carrying amounts of cash and cash equivalents, other bank balances, Borrowings, Security deposits and EMD, other financial liabilities and loan to SCA's are considered to be the same as their fair values, due to short term nature.
- The fair value of "Loans to employees" were calculated based on cash flows discounted using current market rate. They are classified as level 3 fair values in fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

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### Fair Value Hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost:-

### Fair Value hierarchy as on 31-03-2019

(₹ in Lakhs)

Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Financial assets at Amortised Cost					
(i) Loan to employees	31st March 2019	-	-	449.37	449.37
<b>Total Financial Assets</b>		-	-	<b>449.37</b>	<b>449.37</b>
<b>Financial Liabilities</b>					
Financial Liabilities at Amortised Cost					
(i) Security Deposits and EMD payable	31st March 2019	-	-	20.43	20.43
<b>Total Financial Liabilities</b>		-	-	<b>20.43</b>	<b>20.43</b>

### Fair Value hierarchy as on 31-03-2018

(₹ in Lakhs)

Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Financial assets at Amortised Cost					
(i) Loan to employees	31st March 2018	-	-	293.44	293.44
<b>Total Financial Assets</b>		-	-	<b>293.44</b>	<b>293.44</b>
<b>Financial Liabilities</b>					
Financial Liabilities at Amortised Cost					
(i) Security Deposits and EMD payable	31st March 2018	-	-	23.09	23.09
<b>Total Financial Liabilities</b>		-	-	<b>23.09</b>	<b>23.09</b>

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### **(iii) Financial risk management**

The Company's principal financial liabilities comprise grants and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operation. The Company's principal financial assets include Term/Micro finance loans to SCA's/CA's that derive directly from its equity.

The Company is exposed to market risk, credit risk and liquidity risk. The company's financial risk activities are governed by appropriate policies and procedures and those financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The board of directors review and agree on policies for managing each of these risks, which are summarised below:-

#### **a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises Interest rate risk. Financial instruments affected by market risk include loans and advances, deposits and other non derivative financial instruments.

#### **b) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rate. The company is not exposed to interest rate risk.

#### **c) Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans receivables from SCA's & CA's. The company is exposed to credit risk from its financial activities of loans given to SCA's & CA's.

The company assesses and manages credit risk based on company's internal policies. The company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated.

- Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees.
- Significant changes in the expected performance and behaviours of the borrower (SCA's & CA's), including changes in the payments status of the borrowers (SCA's & CA's) in the group and changes in the operating results of the borrower (SCA's).

In general, it is presumed that the credit risk has significantly increased since initial recognition if the payments are due for more than 3 years.

A default on a financial asset is when the counter party fails to make payments whenever they fall due.

#### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the company's policy. Investment of surplus is made only with approved counterparty on the basis of the financial quotes received from the counterparty.



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### d) Liquidity Risk

Ultimate responsibility for liquidity risk management rest with the board of directors the company manages maintaining adequate banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturities of financial liabilities.

During F.Y. 2018-19, A shot tenure loan against FDRs pertaining to IDBI Bank and Punjab & Sind Bank was availed for the purpose of managing the liquidity risk of the Company.

### Note 33

#### 33.1 Provision for Expected Credit Losses of Loans and advances for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount (Net of Impairment Provision)
Loss Allowance measured at life-time expected credit losses	Financial Asset for which credit risk has not increased significantly since initial recognition <b>Loans</b>	1,75,279.53	0%	-	1,75,279.53
	<b>Interest on Loans</b>	5,093.98	0%	-	5,093.98
	Financial Asset for which credit risk has increased significantly and not creditly impaired <b>Loans</b>	777.27	100%	777.27	-
	<b>Interest on Loans</b>	637.23	100%	637.23	-
	<b>Advance</b>	1,539.99	100%	1,539.99	-
		<b>1,83,328.00</b>		<b>2,954.49</b>	<b>1,80,373.51</b>

#### 33.2 Provision for Expected Credit Losses of Loans and advances for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount (Net of Impairment Provision)
Loss Allowance measured at life-time expected credit losses	Financial Asset for which credit risk has not increased significantly since initial recognition <b>Loans</b>	1,50,528.52	0%	-	1,50,528.52
	<b>Interest on Loans</b>	3,833.88	0%	-	3,833.88
	Financial Asset for which credit risk has increased significantly and not creditly impaired <b>Loans</b>	830.91	100%	830.91	-
	<b>Interest on Loans</b>	584.48	100%	584.48	-
	<b>Advance</b>	1,539.99	100%	1,539.99	-
		<b>1,57,317.78</b>		<b>2,955.38</b>	<b>1,54,362.40</b>

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### **33.3**

For SCA's where State Government Guarantee/Order/Assurances are available the Allowance for Doubtful loans is made @ 100% in the Books of Account if overdue for more than 3 years old on the date of Balance Sheet and shortfall in State Government Guarantee/Order/Assurances.

Other than SCAs (Where State Government Guarantee is not available)

- (a) 100% provision on the amount due for payment but outstanding for the period of 3 years and above.
- (b) 40% provision on the amount due for payment but outstanding for the period of 2 years and above but less the 3 years.
- (c) 25% provision on the amount due for payment but outstanding for the period of 1 year and above but less the 2 years.
- (d) No provision on the amount due for payment but outstanding for the period less than 1 year.

### **33.4 Provision for Bad and Doubtful Deposits**

Provision for bad and doubtful deposits for Rs.1,539.99/- Lakhs (2017-18 Rs.1,539.99/- Lakhs) [being the principal amount Rs.1,485.00/- Lakhs (2017-18 Rs.1,485.00/- Lakhs) and interest receivable & due Rs.54.99/- Lakhs (2017-18 Rs.54.99/- Lakhs)] made in the books of accounts in respect of deposit made with PUNWIRE during the year 2000-01. As the principal amount itself is doubtful for recovery, provision for interest has not been made.

Two court cases by NSFDC against PUNWIRE under Negotiable Instruments Acts, 1881 are pending with the concerned court. The Company (PUNWIRE) was wound-up by an order dated 01.02.2001 passed by the Hon'ble High Court of Punjab & Haryana. Thereafter, an Official Liquidator was appointed by the Court in the matter. As per information gathered from the Official Liquidator, assets of the PUNWIRE are not adequate enough even to settle the Company's liabilities towards its secured creditors. NSFDC, being an unsecured creditor, has no chance of recovery of its money and the money invested by NSFDC with the said Company is doubtful of recovery.

### **Note 34 Key sources of estimation uncertainty**

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

#### **a) Useful lives of property, plant & equipment**

As described in note 2.7 company has estimated the useful life of property, plant & equipment .

The financial impact of the above assessment may impact the depreciation expenses in subsequent financial years.

#### **b) Useful lives of Intangibles Assets**

As described in note 2.8, company has estimated the useful life of intangible assets.

The financial impact of the above assessment may impact the amortisation expenses in subsequent financial years.

#### **c) Fair valuation measurement and valuation process**

The fair values of financial assets and financial liabilities is measured the valuation techniques including the DCF model. The inputs to these method are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in arriving fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 32 for further disclosures.

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### d) Defined benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### Note 35 Prior Period Errors

(₹ in Lakhs)	
Particulars	Amount
<b>Opening General Reserve as on 01.04.2017</b>	39,273.30
Prior Period Adjustments	(0.19)
<b>Restated Opening General Reserve as on 01.04.2017</b>	<b>39,273.49</b>
Restated Excess of Income over expenditure for the period from continuing operations for year ended 2017-18	4,747.52
Transfer to Special Reserve during 2017-18	(470.11)
Other Comprehensive Income during 2017-18	(109.97)
<b>Restated Opening General Reserve as on 31.3.2018</b>	<b>43,440.92</b>

### Impact of Prior period errors on equity, statement of Income and Expenditure and EPS

(₹ in Lakhs)		
Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>Impact on equity (increase/(decrease) in equity)</b>		
Other payable	-	(0.02)
Statutory Dues	-	(6.37)
Interest receivable but not due on deposits		2.52
Amount Recoverable	-	(0.30)
Advance to staff	-	(0.01)
Provision for Depreciation	-	(0.02)
Outstanding Expenses	-	0.10
<b>Net Impact on Equity</b>	<b>-</b>	<b>(4.09)</b>

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(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>Impact on statement in Income &amp; Expenditure (increase/(decrease) in profit)</b>		
Other Expenses	-	(0.22)
Interest on Deposits	-	2.52
Employee Benefit Expense	-	(6.38)
Depreciation	-	(0.02)
Office Equipments	-	0.04
Provision for Depreciation	-	(0.04)
<b>Total Impact</b>	-	(4.09)
Attributable to Equity Holders	-	(4.09)

### Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>Earnings per share for continuing operation</b>		
Basic, profit from continuing operations attributable to equity holders	-	(0.03)
Diluted, profit from continuing operations attributable to equity holders	-	(0.03)

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### Note 36 Related Party Disclosures

#### 36.1 Key Managerial personnel of the company

(₹ in Lakhs)

Name	Position
Mr. Shyam Kapoor	Chairman Cum Managing Director
Sh Rajesh Bihari	General Manager (Finance) w.e.f 09.08.2018
Mrs. Annu Bhogal	Company Secretary
Ms Vishakha Shailani	Independent Director w.e.f 17.04.2017
Dr K.Ramalingam	Independent Director w.e.f 20.03.2019

#### 36.2 Compensation of key management personnel:

Nature & volume of transactions with key management personnel during the year:

(₹ in Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Short Term Benefits	85.94	63.27
Post Employment Benefits	43.26	1.66
Other Long Term Benefits	-	-
<b>Total</b>	<b>129.20</b>	<b>64.93</b>

Short term benefits includes payment to KMP and sitting fees to Independent Director.

(₹ in Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b><u>Loan To related party</u></b>		
<b>(i) <u>Sh Rajesh Bihari (General Manager-Finance)</u></b>		
Amount owed by related parties at beginning of the year	5.42	-
Loan Given during the year	0.00	-
Interest	0.09	-
Repayment during the year	(1.00)	-
Closing Balance	4.51	-
<b>(ii) <u>Mrs. Annu Bhogal (Company Secretary)</u></b>		
Amount owed by related parties at beginning of the year	14.94	17.09
Loan Given during the year	-	-
Interest	0.90	1.20
Repayment during the year	(3.21)	(3.35)
Closing Balance	12.63	14.94
<b>Total amount owed by related parties at end of the year</b>	<b>17.14</b>	<b>14.94</b>

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### 36.3 Transactions with the Government Related entities

Apart from transactions reported above, the company has transactions with other Government related entities, which includes but not limited to the following:-

**Name of Government:** Government of India, through Ministry of Social Justice and Empowerment (100% Capital Contribution)

#### Certain significant Transactions:-

(₹ in Lakhs)

Party	Nature of Transactions	Year ended 31st March 2019	Year ended 31st March 2018
Ministry of Social Justice and Empowerment	Capital Contribution	13,739.00	12,821.00
Ministry of Social Justice and Empowerment	Grant for Skill Training	1,750.00	2,950.00
Ministry of Social Justice and Empowerment	Other Schemes	20.21	40.76
		<b>15509.21</b>	<b>15811.76</b>

### 37. Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	3.09	11.16
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made beyond the appointed date	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and Payable even in the succeeding year, until such date when interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 38** On account of transaction entered into with national level corporation and MOSJ&E the total amount recoverable after setting off receivable/payable comes to Rs 8.53 Lakhs (31.03.2018 Rs.64.93/- Lakhs) towards events held commonly/on their behalf.



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### Note 39 Corporate Social Responsibility

(₹ in Lakhs)

CSR Expenditure	Financial Year (in Lakhs)	
	2018-19	2017-18
Yoga Camp for Senior Citizen	-	0.16
Contribution to Swachh Bharat Kosh/National Mission for Clean Ganga	30.00	28.50
Installation of Bio-Methanation Plant/Composting Organic Waste Processor	-	2.30
Sanitation (Swachhata Phakwada)	1.30	1.80
Installation of Sanitary Napkin Vending Machine Skill upgradation	1.33	-
Medical Camp	9.14	-
<b>Total</b>	<b>41.77</b>	<b>32.76</b>

### 39.1 Disclosures in respect of CSR Expenditure as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof:

(a) Detail of amount required to be spent

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
(i) EOIOE		
2014-15	-	3,614.09
2015-16	4,405.48	4,405.48
2016-17	4,900.92	4,900.92
2017-18	4,747.52	-
(ii) Total (EOIOE)	<b>14,053.92</b>	<b>12,920.49</b>
(iii) Less adjustment for sale of assets	0.32	0.54
(iv) Net Profit	14,053.60	12,919.95
(v) Average (iv/3)	4,684.53	4,306.65
(vi) 2% of (v)	93.69	86.13
(vii) Un-Spent amount as at beginning of the year	53.37	-
(viii) Amount Spent during the year	41.77	32.76
(ix) Un-Spent amount as at Year End (vi+vii-viii)	105.29	53.37

(b) During the year Rs.41.77 lakh has been booked under CSR.

(c) No provision has been made for CSR expenditure unspent balance as at the year ending 31st March, 2019

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**Note 40** Madhya Pradesh State Co-op. Scheduled Castes Finance & Development Corporation (MPSCFDC) has bifurcated their NSFDC's loan portfolio as per Madhya Pradesh Re-organization Act, 2000 which governs transfer of assets and liabilities between corporation/state government on account of bifurcation of the erstwhile State of Madhya Pradesh (MP) into Chattisgarh and Madhya Pradesh (M.P.). The matter of apportionment of loan liability between MPSCFDC & CSASFDC (Chhattisgarh State Antyavasayee Co-operative Finance Dev. Corporation) on account of bifurcation of erstwhile MPSCFDC was referred to the Madhya Pradesh Sahakari Adhikaran, Bhopal by the Additional Registrar Cooperative Society as the bifurcation carried out by MPSCFDC was not acceptable by CSASFDC. Judgment of the Tribunal given in favour of MPSCFDC was not accepted by CSASFDC and it filed an appeal against the judgment before Hon'ble High Court of Madhya Pradesh, Jabalpur. The writ petition was admitted by the Hon'ble High Court of Madhya Pradesh, Jabalpur. The matter is still sub-judice.

Pending decision by the Court, the loan liability of Rs.210.09 Lakhs along with due interest has been accepted and repaid by CSASFDC. For loan liability of Rs.835.93 Lakhs (previous year Rs. 835.93 lakhs) towards principal and Rs.961.30 Lakhs (previous year Rs. 889.46 Lakhs) towards interest as on 31.03.2019 not accepted by CSASFDC, the same continues to be shown against MPSCFDC and demand for its repayment is being raised on them.

**Note 41** The total overdues of loans as on 31.03.2019 Rs 35,743.97 Lakhs (as at 31.03.2018 / Rs.33,277.55 lakhs) including interest of Rs 4,733.78 Lakhs (as at 31.03.2018 Rs.3,793.71 Lakhs).

### 41.1 SCAs/CAs having overdues for more than three years are as below:

S.No.	Agency	State	Total Overdues (₹ in lakhs) (As on 31.03.2019)
1	ASDC	Assam	597.68
2	BSCDC	Bihar	1,414.50
3	MPSCFDC	Madhya Pradesh	1,797.24
4	LASDC	Maharashtra	8,614.01
5	OSFDC	Odisha	1,071.45
6	PSLDFC	Punjab	1,500.00
7	PUDCO	Puducherry	304.47
8	UPSCFDC	Uttar Pradesh	2,008.21
9	MSTCB	Manipur	118.35
10	GMBCDC	Gujarat	1,262.14
	<b>Total (A)</b>		<b>18,688.04</b>

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### 41.2 SCAs/CAs having overdues for less than three years are as below:

S.No.	Agency	State	Total Overdues (₹ in lakhs) (As on 31.03.2019)
1	GSCDC	Gujarat	3,754.67
2	DBRADC	Karnataka	3,852.42
3	LIDCOM	Maharashtra	1,464.21
4	TSCDC	Tripura	2,023.29
5	RSCDC	Rajasthan	903.22
7	CTSCDC	Chhattisgarh	1,414.49
8	APSCFDC	Andhra Pradesh	1,394.62
9	JSCDC	Jharkhand	478.25
10	J&KSCDC	Jammu & kashmir	227.97
11	Remaining SCAs/CAs		1,542.79
	<b>Total (B)</b>		<b>17,055.93</b>
	<b>Gross Total (A+B)</b>		<b>35,743.97</b>

### 41.3 The utilization certificates for Rs.63,964.64 lakhs (as on 31.03.2018 Rs.73,478.26 lakhs) are pending as on 31.03.2019. The SCAs/CAs wise details of unutilized funds are as follows:-

S.No.	Agency	State	Unutilized Funds (₹ in lakhs)	
			2018-19	2017-18
1	DBRADC	Karnataka	7,442.69	8,598.24
2	APSCDC	Andhra Pradesh	8,610.33	6,347.35
3	GSCDC	Gujarat	3,122.31	5,012.95
4	WBSCSTDC	West Bengal	5,938.00	4,252.90
5	MPBCDC	Maharashtra	4,156.70	4,152.20
6	TSCDC	Tripura	3,438.98	3,451.20
7	LASDC	Maharashtra	1,862.34	3,354.84
8	CTSCDC	Chhattisgarh	897.16	2,837.59
9	LIDCOM	Maharashtra	1,453.61	1,503.27
10	TAHDCA	Tamil Nadu	41.66	1,281.37
11	RSCDC	Rajasthan	2,045.29	1,162.81
12	J&KSCSTDC	Jammu & Kashmir	330.26	1,160.34

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S.No.	Agency	State	Unutilized Funds (₹ in lakhs)	
			2018-19	2017-18
13	DSFDC	Delhi	964.69	1,068.69
14	KSDC	Kerala	1,119.40	758.95
15	HPSCDC	Himachal Pradesh	412.71	386.17
16	GSCMBCDC	Gujarat	305.71	305.71
17	ASDC	Assam	304.75	304.75
18	PSLDFC	Punjab	251.43	251.43
19	JHARCRAFT	Jharkhand	250.00	250.00
20	UBEVN	Uttarkhand	237.55	229.75
21	JSCDC	Jharkhand	636.65	198.40
22	MPSCFDC	Madhya Pradesh	166.23	166.23
23	UPSCFDC	Uttar Pradesh	160.82	160.82
24	SSCSTBCDC	Sikkim	131.35	131.35
25	KSWDC	Kerala	655.48	120.61
26	OSFDC	Odisha	110.79	110.79
27	NEDF-Manipur	Manipur	100.00	100.00
28	Remaining SCAs / CAs		18,817.75	25,819.55
<b>Total</b>			<b>63,964.64</b>	<b>73,478.26</b>

### **Note 42** Exemption from Tax under the Income Tax Act, 1961

No Provision for Income Tax/Deferred Tax is required as the income of Corporation is exempt from tax under section 10 (26) (B) of the Income Tax Act, 1961.

Further CBDT had issued Circular No.18/2017 dated 29.05.2017 which laid down that in case of Corporation, body, institution or association established for promoting interests of members of Scheduled Castes or Scheduled Tribes or backward classes referred to in Section 10 Clause (26B);

whose income is unconditionally exempt and who are also statutorily not required to file return of income as per section 139 of the Income-tax Act, 1961 there would be no requirement for tax deduction at source, since their income is anyway exempt under the Income-tax under Section 10(26B) of the Income Tax of India Act, 1961.

**Note 43** There was a scheme of Loan Waiver in the event of Death of Beneficiary for the period 01.10.2008 to 31.03.2015. Claims containing incomplete documents / information were received from four SCAs namely Tamil Nadu , Gujarat, Uttar Pradesh and Tripura. Clarifications were sought from SCAs which remained unresolved since more than three years. Due to non-receipt of requisite documents establishing claim under the scheme, a notice dated 05.10.2018 has been issued to all the SCAs who had forwarded the claim under the scheme for cancellation of claim with immediate effect.

The claims under the scheme were accounted for on actual payment basis. Subsequent to adoption of Ind-AS w.e.f. 31.03.2018 and in pursuance of Accounting Policy 2.2, no provision was made due to non-receipt of

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requisite document establishing claim. In view of disclaimer notice issued by NSFDC, there is no financial implication in this connection whatsoever.

**Note 44      Disclosure as per Ind AS- 17 'Lease'**

The Company has entered into operating lease arrangement for office premises. The minimum future lease payment during non-cancellable period under the foregoing arrangement is 'NIL'.

**Note 45      Exemption under Reserve Bank of India Act, 1934**

The Reserve Bank of India vide letter No.DNBS.ND.NO.4175MI/10.01.001 /2010-11 dated 29.04.2011 has certified that NSFDC has been exempted by the Bank from the applicability of provisions of Section 45-1A of the Reserve Bank of India Act, 1934 and other regulatory and prudential norms on the basis of Company (NSCFDC) being classified by Government of India as a 'No profit no loss' company engaged in 'community services'. RBI advised to submit a copy of Board Resolution stating that the company (NSCFDC) will not accept deposits from the public. Accordingly, the Resolution has been passed in the 118th Board Meeting held on 30.05.2011 and the Resolution submitted to RBI vide letter No.NSFDC/SECT/193/2010/2704 dated 13.06.2011.

**Note 46      Application of IndAS on material items**

The Prior Period Items and changes in accounting policies are applied retrospectively on account of materiality only in line with the provisions of Indian Accounting Standards.

**Note 47**      The Company has adopted Ind AS 115 (Revenue from contract with Customers) in accordance with requirement of applicable financial reporting framework, due to adoption of this there is no material impact on financial statements of Company.

**Note 48**      Previous year figures have been regrouped to conform to the current year's presentation and to enhance comparability with the current year's financial statements.

**Note 49      Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on 26<sup>th</sup> August, 2019



## NSFDC 30th Annual Report 2018-19

### **NARESH K. GUPTA & CO.** CHARTERED ACCOUNTANTS

**ADDENDUM - A**  
(See Para 17.1 of the Director's Report)

#### **Independent Auditor's Report**

**To the Members of  
NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION,**

#### **Report on the standalone Ind AS Financial Statements**

#### **Qualified Opinion**

We have audited the accompanying standalone Ind AS Financial Statements of **NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION ("the Company")** which comprise the Balance Sheet as at March 31, 2019, the Statement of Income and expenditure (including other Comprehensive Income), the statement of cash flow and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information ("herein after referred to as Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the basis for qualified opinion section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 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, 2019, excess of income over expenditure and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

1. *Balance confirmation of loans and advances receivable has not been received from some of the agencies (SCAs, PSBs/RRBs and NBFC MFIs). In the absence of balance confirmation, the closing balances of loans as per books of accounts have been incorporated in the Ind AS Financial Statements. The impact, if any, of the outcome of this uncertainty on the Ind AS Financial Statements cannot be currently ascertained.*
2. *Company has classified loans amounting to Rs. 832.97 lacs (OSFDC- Rs. 55.70 lacs and BSCDC- Rs. 777.27 lacs) as unsecured considered good while same should be classified as unsecured considered doubtful thereby overstating the loans considered good and understating the loans considered doubtful by Rs. 832.97 lacs.*
3. *Company has a doubtful loan to OSFDC (SCA) amounting to Rs. 55.70 lacs which is over-due for more than 3 years as on the date of the balance sheet and also not covered by Government guarantee. As per the company policy a provision for bad and doubtful loans at the rate of 100% is required to be made for loans given to SCAs on the amount of overdue amount for more than 3 years and which is also not covered by Government guarantee. However, no such provision has been made by the company in the Ind AS Financial Statements. Hence Profit of the company is overstated by 55.70 lacs, Financial Assets- Loans are overstated by 55.70 lacs.*

Room 209, 7/28, Vardaan House  
Ansari Road, Darya Ganj  
New Delhi - 110002, Tel. : 011-23282131



201-202A, Aditya Arcade, Plot No.30, Community Centre,  
Preet Vihar, Delhi - 110092, Tel. : 011-43073220  
E-mail : manish.gupta@nareshkgupta.com



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4. There are 4 cases where Government guarantee in respect of loans given to SCA falls short of the outstanding amount (including interest) as on 31.03.2019 as below.

Name of the SCA	outstanding Amount (including interest) as on 31.03.19 (Rs. In lacs)	Amount of guarantee as on 31.03.19(Rs. In lacs)
DBRADC	10,448.56	6,191.58
LASDC	9,189.27	9,025.00
OSFDC	1,071.45	891.83
MSTCB	141.56	125.00

Shortfall in Government guarantee can have consequential impact in future on Ind AS Financial Statements in case of outstanding loans. Company should obtain sufficient Government guarantee to cover the amount of outstanding loans.

5. Attention is drawn to note 7.1 (b). The company in respect of loan given, the unutilised amount beyond a stipulated period, is eligible for refund. However at the year end the aforesaid amounts have not been ascertained by the company and the same has been classified as non- current loans in Note 7 on "Financial Assets- Loans". The amount due for refund should be classified as current and disclosed accordingly. In absence of any quantification of such amounts by the company, same continue to be shown as Non- current.
6. Company is providing financial and others assistance to beneficiaries belonging to scheduled Castes through SCAs and CAs. However, utilization certificates for Rs.63,964.64 lakhs are pending as on 31<sup>st</sup> March 2019.
7. Attention is drawn to note 19.3. The Company has a closing balance of Rs. 2850.86 lacs for Government Grants and Rs. 83.03 lacs for Grants from other PSUs towards unspent Grant liability which is shown as 'Other financial liabilities' in note no. 19. The Company has followed capital approach for the recognition of Grant and the expenses/releases have been reduced from the opening balance or Grants received during the year. The accounting is not done on Grant wise basis and is rather done on cumulative Grant receipt basis. Therefore, no amounts are recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. The Company is therefore in violation of Ind AS 20 with regard to accounting for Government Grants.

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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.





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### OTHER MATTERS

1. The company has booked interest income of Rs.52.75 lakhs in respect of doubtful overdues from Bihar Scheduled Castes Development Corporation (BSCDC) which has the effect of overstatement of Revenue from operations to the extent of Rs.52.75 lakhs. However, there is no impact on excess of income over expenditure to that extent due to creation of provision for Bad & Doubtful debts of the same amount.
2. It was observed that many SCAs have defaulted in payments which have resulted in overdues more than three years amounting to Rs. 186.88 Crores. Although these loans are secured by state government guarantees, these guarantees are never invoked resulting in blockage of funds.
3. Attention is drawn to note 7.1 (d) regarding loans amounting to Rs. 3,285.48 lacs in respect of which company has obtained Government assurance. As per legal opinion obtained by the company, Government assurance do not tantamount to Government deed/order. However same can be enforced in disputed cases by way of arbitration. In view of the management, company is adequately covered in cases where the outstanding loan amount is backed by Government assurance.
4. Attention is drawn to note 7.1 (c) regarding SCA guarantee disclosure wherein the company has bifurcated Government guarantee available with National Scheduled Castes & Scheduled Tribes Finance and Development Corporation ("erstwhile entity") as on 10.04.2001 in the agreed ratio between the Company and National Scheduled Tribes Finance and Development Corporation ("NSTFDC"). The same was communicated vide various letters as is more appropriately described in the aforesaid note and consequentially the State Government guarantee still stands in the name of erstwhile entity and not in the name of the company.
5. As per the disbursement policy of the Company, with regard to the Loans to SCA, for any disbursement to be made during the year to SCAs for other than ELS scheme and for any sanction to be made to SCAs for ELS schemes, overdues payable to the Company should not be outstanding for more than 1 year at the end of preceding financial year. However, during the financial year 2018-19 Company has disbursed term loans amounting to Rs. 4,165.69 lacs and has sanctioned loans under ELS schemes amounting to Rs. 864.52 lacs to SCAs having overdues payable for more than 1 year as on 31.03.2018. The same is in contravention of the disbursement policy of the Company. However, as explained by the management, there were no overdues from the SCAs on the date of aforesaid disbursements/sanctions.
6. Company is recognising an expense for employer's contribution to provident fund in Note 23C of the Ind AS financial statements. The expense for PF contribution for the year is being provided at the rate of 12 percent of the basic salary and dearness allowance for that year for all the eligible employees. However the recent Supreme court judgement in case of Vivekananda Vidyamandir and others lays down principles to exclude a particular allowance from the definition of basic wages for the purpose of computing the charge towards provident fund contributions. As per the aforesaid Supreme court judgement those allowance that are variable or linked to any incentive for production resulting in greater output or the allowance that are not paid across the board to all employees are the only allowances that needs to be excluded from the definition of basic wages for the purpose of computing the charge towards provident fund contributions. As explained by the management, the Company has not made an estimate of any additional liability in this regard as the Company has not received any directions/instructions from Employee provident fund organisation relating to above.

Our opinion is not qualified/ modified in respect of these matters.





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### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and those charges with Governance for the Standalone Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, statement of changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.





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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 standalone Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 standalone Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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### Report on Other Legal and Regulatory Requirements

1. Requirements of the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, is not applicable to the Company.
2. As required by the comptroller and Auditor General (C&AG) of India through directions issued u/s 143 (5) of the Companies Act, 2013 on the basis of written representations received from the management, we give our report on the matters specified in the "Annexure A" attached.
3. As required by section 143(3) of the Act, we report to the extent applicable 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 Income and Expenditure including the statement of Other Comprehensive Income, the cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. Except for the effects of the matter described vide Item no. 1 to 7 in the Basis for Qualified opinion paragraph, in our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. In terms of Notification No. G.S.R 463 (E) dated June 5<sup>th</sup> 2015, issued by Ministry of Corporate Affairs, Government of India; sub section (2) of section 164 of Companies Act 2013 is not applicable to the Government Companies;
  - f. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, does not have any adverse effect on the functioning of the Company.
  - g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
  - h. 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 'B'; to this report.
  - i. With respect to the matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, the reporting requirements are not applicable in terms of notification number G.S.R. 463(E) dated 05<sup>th</sup> June 2015, issued by Ministry of Corporate Affairs.





## NSFDC 30th Annual Report 2018-19

- j. 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements.
  - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no cases where the amount was required to be transferred to the investor education and protection fund by the company.

For and on behalf of

**Naresh K Gupta & Co**

*Chartered Accountants*

Firm's registration number: 002232N

Manish Gupta

*Partner*

Membership number: 093880

UDIN: 19093880 AAB 7136

Place: Delhi

Date: August 26, 2019





## NSFDC 30th Annual Report 2018-19

### "Annexure A" to the Independent Auditors' Report

Below are our replies to the directions, issued by the comptroller and Auditor General of India u/s 143(5) of the companies act, 2013 with respect to the Ind AS Financial Statements of **M/s NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION** for the Financial Year ended on **31<sup>st</sup> March, 2019**

(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.	The financial accounting of the Company is done on Tally ERP software. However the Loan accounting of the Company is done on manual ledgers. As explained by the management, the manual ledgers are reconciled with the Tally ERP software. As explained to us, the processing of loan transactions outside IT system does not have any adverse effect on the integrity of accounts and the same therefore does not have any financial implications.
(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.	During the year under audit, there was no restructuring of an existing loan or waiver/ write off of debts/loan/interest made by a lender to the company due to the company's inability to repay the loan.
(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.	Except for the effects of the matter described in clause 7 of the basis for qualified opinion section of our report, funds received/receivable for specific schemes from Central/state agencies have been properly accounted for/utilised.

For and on behalf of

**Naresh K Gupta & Co**

Chartered Accountants

Firm's registration number: 002232N

Manish Gupta

Partner

Membership number: 093880

UDIN: 19093880AAAB&P7126

Place: Delhi

Date: August 26, 2019



## NSFDC 30th Annual Report 2018-19

### **"Annexure B" to the Independent Auditor's Report of even date on the Ind AS Financial Statements of NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION**

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

##### **To the Members of NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION,**

We have audited the internal financial controls over financial reporting of **NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS 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 issued by the Institute of Chartered Accountants of India. 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 (ICAI). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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





## NSFDC 30th Annual Report 2018-19

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 Ind AS 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, except matters stated in clause 1 to 4 below, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 issued by the Institute of Chartered Accountants of India.

1. *Considering the internal controls and systems of the company, we are not in a position to verify end use of the funds sanctioned and disbursed to SCAs. We have been informed by the management that the release of funds to eligible beneficiaries is the sole responsibilities of SCAs. The company needs to devise some audit system through which it can be ensured that funds are properly disbursed to the eligible beneficiaries. This becomes more important as the company is not for profit company and is enjoying many exemptions under various statutes.*
2. *Company is providing financial and others assistance to beneficiaries belonging to scheduled Castes through SCAs and CAs. However, utilization certificates for Rs. 63,964.64 lakhs are pending as on 31<sup>st</sup> March 2019. Internal control system should be strengthened to obtain utilization certificates at the earliest.*



## NSFDC 30th Annual Report 2018-19

3. There are 4 cases where Government guarantee in respect of loans given to SCA falls short of the total outstanding amount (including interest) as on 31.03.2019, the details of which has already been shared in clause 4 of "Basis for qualified opinion" of our Audit report. The company should strengthen the internal control to monitor cases where there is shortfall in Government guarantee vis-à-vis the outstanding loan amounts.
4. Matters referred to in clause 1 and clause 7 of our basis for qualified opinion point to lapses in internal control financial reporting system. The company should monitor and strengthen internal control system in respect of such issues.

For and on behalf of

**Naresh K Gupta & Co**

Chartered Accountants

Firm's registration number: 002232N

  
Manish Gupta  
Partner

Membership number: 093880

UDIN : 19093880AAABQP7136

Place: Delhi

Date: August 26, 2019





## NSFDC 30th Annual Report 2018-19

### ADDENDUM 'B'

(See Para 17.1 of the Director's Report)

#### MANAGEMENT REPLY TO THE STATUTORY AUDITORS' REPORT ON THE Ind AS Financial Statements 2018-19

Para No.	Audit Para	Management's Reply
1.	Balance confirmation of loans and advances receivable has not been received from some of the agencies (SCAs, PSBs/RRBs and NBFC-MFIs). In the absence of balance confirmation, the closing balances of loans as per books of accounts have been incorporated in the Ind AS Financial Statements. The impact, if any, of the outcome of this uncertainty on the Ind AS Financial Statements cannot be currently ascertained.	<p>The process of obtaining balance confirmation of loans and advances is a continuous process.</p> <p>The balance confirmation from 57 SCAs/CAs out of 62 SCAs/CAs have been obtained. Remaining SCAs are being persistently pursued to confirm their balance.</p>
2.	Company has classified loans amounting to Rs.832.97 lacs (OSFDC- Rs.55.70 lacs and BSCDC- Rs.777.27 lacs) as unsecured considered good while same should be classified as unsecured considered doubtful thereby overstating the loans considered good and understating the loans considered doubtful by Rs.832.97 lacs.	<p><b>I. OSFDC – Rs.55.70 lakh</b></p> <p>This amount pertains to interest portion of the loan to OSFDC. The Guarantee Deed issued by SCA clearly mentions that the principal amount and all interests levied thereon in future are covered by the guarantee.</p> <p>OSFDC has provided Government Guarantee Deed for Rs.2025.00 lakh and Government Order for Rs.11050.00 lakh totalling to Rs.13075.00 lakh guarantee against which total outstanding loan is Rs.8791.01 lakh. Accordingly, the loans to OSFDC has been rightly classified under the 'unsecured considered good' by the Company.</p> <p>It is relevant to mention that OSFDC has repaid the entire amount of its overdues (Principal and Interest) of Rs.10.90 crore to NSFDC on 02.11.2019.</p> <p><b>II. BSCDC – Rs.777.27 lakh</b></p> <p>100% Allowance for doubtful debt is provided in case of BSCDC equivalent to the outstanding amount of loan of BSCDC. Accordingly, the same is reduced from the</p>

## NSFDC 30th Annual Report 2018-19

	<p>loans “unsecured considered good” at Note No.6. Further the SCA has till date not disputed the liabilities &amp; has confirmed the said amount in Balance Confirmation. This indicate their intent of repayment and respecting the Letter of Assurance.</p> <p>As the same is already shown as doubtful in the Financial Statements there is no financial implication and it is a matter of presentation only.</p>
3	<p>Company has a doubtful loan to OSFDC (SCA) amounting to Rs. 55.70 lacs which is over-due for more than 3 years as on the date of the balance sheet and also not covered by Government guarantee. As per the company policy a provision for bad and doubtful loans at the rate of 100% is required to made for loans given to SCAs on the amount of overdue amount for more than 3 years and which is also not covered by Government guarantee. However, no such provision has been made by the company in the Ind AS Financial Statements. Hence Profit of the company is overstated by 55.70 lacs, Financial Assets-Loans are overstated by 55.70 lacs.</p> <p>As per NSFDC Policy, NSFDC disburses loans to its SCAs against available Government Guarantee/Government Order/Assurance.</p> <p>The deed dated 11.02.1993 issued by OSFDC expressly states: in Para (1) that:</p> <p>“The Guarantor hereby fully unconditionally and irrevocably guarantee to the NSFDC the due repayment by the Channelising Agency to the NSFDC of each loan sanctioned by NSFDC for the projects/schemes mentioned in the said Loan Agreement within the overall limit of Rs.4,00,00,000.00 (Rupees Four Crores) only hereinabove mentioned and the due payment of interest by the Channelising Agency to the NSFDC on that loan or instament/instalment(s) thereof as shall become due and payable in respect of that loan and in the event of the Channelising Agency’s failure to repay that loan or any part or parts thereof and/or to pay any interest/service charges that will become due, and payable and remain due and unpaid by the Channelising Agency to the NSFDC the Guarantor shall on demand by NSFDC pay the same to the NSFDC”. and in Para (3) that</p> <p>“That the Guarantee hereby given shall be a continuing guarantee for all amounts advanced and or to be advanced by NSFDC to the Channelising Agency from time to time to the extent and upto the limit of the amount agreed to be advanced under the aforesaid Loan Agreement together with the interest/service charges at the stipulated rate and costs, charges and other monies payable to NSFDC by</p>



## NSFDC 30th Annual Report 2018-19

	<p>the Channelising Agency and shall not be considered satisfied by any payment or liquidation at any time or times hereafter of any sum or sums of money for the time being due under the aforesaid Loan Agreement or any of them by way of principal or interest but shall extend to cover and be a security for all future sums at any time or times due thereafter under the said Loan Agreement. AND this Guarantee shall continue until all the dues of the NSFDC under the said Loan Agreement have been paid in full or otherwise fully discharged by the Guarantor to the satisfaction of the NSFDC irrespective of any part payment or payments.”</p> <p>In view of above, it is pertinent that Gurantee deed mention the principal amount and all interests thereon are covered by the gurantor. The Deed of Block Government Guarantee taken by NSFDC provides for Guarantee against principal amount of the loan sanctioned only.</p> <p>Hence, overdue on account of interest is not to be included in the shortfall of guarantee.</p> <p>Accordingly, there is no shortfall of Government Guarantee in the case of SCA of Odisha.</p> <p>It is relevant to mention that OSFDC has repaid the entire amount of its overdues (Principal and Interest) of Rs.10.90 crore to NSFDC on 02.11.2019.</p>																									
4	<p>There are 4 cases where Government guarantee in respect of loans given to SCA falls short of the outstanding amount (including interest) as on 31.03.2019 as below.</p> <table><tr><th>Name of the SCA</th><th>Outstandin g Amount (including interest) as on 31.03.19 (Rs. In lacs)</th><th>Amount of guarantee as on 31.03.19 (Rs. In lacs)</th></tr><tr><td>DBRADC</td><td>10,448.56</td><td>6,191.58</td></tr><tr><td>LASDC</td><td>9,189.27</td><td>9,025.00</td></tr><tr><td>OSFDC</td><td>1,071.45</td><td>891.83</td></tr><tr><td>MSTCB</td><td>141.56</td><td>125.00</td></tr></table>	Name of the SCA	Outstandin g Amount (including interest) as on 31.03.19 (Rs. In lacs)	Amount of guarantee as on 31.03.19 (Rs. In lacs)	DBRADC	10,448.56	6,191.58	LASDC	9,189.27	9,025.00	OSFDC	1,071.45	891.83	MSTCB	141.56	125.00										
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LASDC	9,189.27	9,025.00																								
OSFDC	1,071.45	891.83																								
MSTCB	141.56	125.00																								
	<p>There is a misstatement in the audit observation. The Government Guarantee is available viz-a-viz outstanding amount of loan as on 31.3.2019 in the three cases as detailed below:- (Rs. In lakh)</p> <table><tr><th>Name of the SCA</th><th>Amount outstanding as on 31.03.2019</th><th>Amount of guarantee as per Audit</th><th>Actual Guarantee/ Order figures as per NSFDC records</th><th>Remark</th></tr><tr><td>DBRADC</td><td>10,248.61</td><td>6,191.58</td><td>38427.58</td><td>Adequately covered</td></tr><tr><td>LASDC</td><td>8,239.17</td><td>9,025.00</td><td>9,025.00</td><td>Adequately covered</td></tr><tr><td>OSFDC</td><td>761.88</td><td>891.83</td><td>891.83</td><td>Adequately covered</td></tr><tr><td>MSTCB</td><td>123.35</td><td>125.00</td><td>125.00</td><td>Adequately covered</td></tr></table>	Name of the SCA	Amount outstanding as on 31.03.2019	Amount of guarantee as per Audit	Actual Guarantee/ Order figures as per NSFDC records	Remark	DBRADC	10,248.61	6,191.58	38427.58	Adequately covered	LASDC	8,239.17	9,025.00	9,025.00	Adequately covered	OSFDC	761.88	891.83	891.83	Adequately covered	MSTCB	123.35	125.00	125.00	Adequately covered
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MSTCB	123.35	125.00	125.00	Adequately covered																						

## NSFDC 30th Annual Report 2018-19

<p>Shortfall in Government guarantee can have consequential impact in future on Ind AS Financial Statements in case of outstanding loans. Company should obtain sufficient Government guarantee to cover the amount of outstanding loans.</p>	<p>Difference is on account of certain Government Orders which have not been taken into consideration by the audit. Since these Government Orders are issued by respective State Governments, they are binding and valid form of Government Guarantee.</p> <p>As the adequate Government Guarantee is available, as per the lending policy for SCAs, there is no shortfall in Government Guarantee.</p> <p>Further, DBRADC, LASDC, OSFDC and MSTCB have also provided balance confirmation certificate duly signed and stamped. This indicate their intent of repayment and respecting the Guarantee/Order/Assurance. Here, it is also pertinent to mention that the OSFDC has repaid the entire amount of its overdue of Rs.10.90 crore to NSFDC on 02.11.2019. DBRADC has also repaid the entire amount of its overdue of Rs.104.49 crore on 17.10.2019. This repayment of OSFDC &amp; DBRADC evidently shows the validity of Government Guarantee / Order.</p>
<p>5 Attention is drawn to note 7.1 (b). The company in respect of loan given, the unutilised amount beyond a stipulated period, is eligible for refund. However at the year end the aforesaid amounts have not been ascertained by the company and the same has been classified as non- current loans in Note 7 on “Financial Assets- Loans”. The amount due for refund should be classified as current and disclosed accordingly. In absence of any quantification of such amounts by the company, same continue to be shown as Non-current.</p>	<p>As per Lending Policy of NSFDC for SCAs, regarding unutilized amount there are following provisions:-</p> <ul style="list-style-type: none"> <li>(i) levying of penal interest in case funds are not utilized within a specified period.</li> <li>(ii) Amounts lying unutilized with SCAs may be recalled by NSFDC.</li> <li>(iii) NSFDC may withhold further disbursement.</li> </ul> <p>The objective of lending schemes of NSFDC is to provide loans to Scheduled Castes person living below the annual family income limit of Rs.3,00,000/- per annum at concessional rates of interest. The provisions illustrated above clearly indicate that intention of the statute is to provide support to state financial institutions and this is the reason why the word “may” is used.</p> <p>In the light of the aforesaid provisions, gathering the data of unutilized amount is a matter of Management Information (MIS) only. When certain amount is</p>

## NSFDC 30th Annual Report 2018-19

	<p>neither to be accounted for, nor ascertainable, the same may not be qualified by the Audit. In this regard, Note No.7.1(B) is self-explanatory, and it is already disclosed that the quantification of any such amount is indeterminable.</p> <p>Generally SCAs/CAs utilise the funds in time, however some times SCAs/CAs take more time to utilize the funds due to reasons beyond their control.</p> <p>Further the utilization certificates are communicated from the district level to state level office and then to NSFDC. Due to this chain of communication, in certain cases, the SCAs/CAs are not able to communicate the UCs in time even if they have utilized the loan amount.</p> <p>It is pertinent to mention here that the aforesaid note was inserted at the insistence of audit as the utilization or non-utilization of loan.</p> <p>Keeping in view of the above, the presentation is correct.</p>
6	<p>Company is providing financial and other assistance to beneficiaries belonging to scheduled Castes through SCAs and CAs. However, utilization certificates for Rs. 63,964.64 lakhs are pending as on 31st March 2019.</p> <p>SCAs are to utilize the disbursed funds within 120 days from the date of disbursement. NSFDC periodically undertakes utilization drives with the SCAs for pursuing utilization and obtaining utilization reports. As per NSFDC policy, utilization level of minimum 80% as at the end of preceding month, is a pre-requisite for making fresh disbursements to SCAs. The fulfilment of this condition is strictly ensured while releasing funds to SCAs.</p> <p>It is practically observed that in some cases utilization gets delayed due to delay in completion of documentation by the beneficiaries with the SCAs. Further, in the channel finance system, the utilization of 15-20% of the funds always remains in the pipeline and hence permission to this extent is given to the SCAs.</p> <p>Further, funds being shown as unutilized in records of NSFDC does not mean that they are actually not utilized at the field level. There is a possibility that funds are actually utilized in the districts but they are shown as unutilized in NSFDC records due to delay in submission of utilization reports by the field units of</p>

## NSFDC 30th Annual Report 2018-19

	<p>the SCAs to the Headquarters or pendency at SCAs' Headquarters to compile the same and thereby sending to NSFDC.</p> <p>As the figures of pending UC's is a matter of MIS and no treatment is carried out in the books of accounts, it is a matter of audit observation and should not be included under qualified opinion.</p>
7	<p>Attention is drawn to note 19.3. The Company has a closing balance of Rs. 2850.86 lacs for Government Grants and Rs. 83.03 lacs for Grants from other PSUs towards unspent Grant liability which is shown as 'Other financial liabilities' in note no. 19. The Company has followed capital approach for the recognition of Grant and the expenses/releases have been reduced from the opening balance or Grants received during the year. The accounting is not done on Grant wise basis and is rather done on cumulative Grant receipt basis. Therefore, no amounts are recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. The Company is therefore in violation of Ind AS 20 with regard to accounting for Government Grants.</p> <p>The Company accounts for the Government Grants on cumulative grant receipt basis for the reasons beyond the control of the company.</p> <p>Except Sanction Letter, no other written communication is received in order to ascertain the amount of grant receivable pertaining to a particular financial year. Ministry sanctions grants to NSFDC for Skill Training pertaining to a particular year in more than one installment which generally takes place in the concerned financial year and in the subsequent financial years (quantum of which remains unascertainable until received). Thus, in the absence of actual receipt/sanction of grant from Ministry, it is not feasible to book a specific amount in the concerned financial year, grant wise.</p> <p>Under Skill Training Programme, funds are released to the training providers, as per Common Norms of the Government of India i.e. in three installments. The 1st installment is released only after commencement of the programme. The second and third installments are released on completion and submission of placement details in due course of time, the quantum of which is unascertainable at a particular year end. Thus payments pertaining to a specific financial year spill over in the next and subsequent financial years also.</p> <p>After examining various factors, management is of the view that grant receivable amount is indeterminable as well as amount to be paid to various training providers is also un-ascertainable (as depend on various factors &amp; actual claims made). Therefore, management considers that on practical &amp; prudent basis NSFDC may continue with the present practice of booking of grant on cumulative receipt basis.</p> <p>However, the CSR grants from other PSUs are specific on case to case basis approval.</p>



## NSFDC 30th Annual Report 2018-19

### ADDENDUM - C

(See Para 17.2 of the Director's Reports)



कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा  
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-IV, नई दिल्ली  
Office of the Principal Director of Commercial  
Audit & Ex-Officio Member Audit Board-IV, New Delhi



गोपनीय

स. 370-PDCA/MAB-IV/Company/A/cs/NSFDC/2019-20/5399

दिनांक :- 05.11.2019

सेवा में,

The Chairman-cum- Managing Director,  
National Scheduled Castes Finance and Development Corporation,  
14<sup>th</sup> floor, Scope Minar, Core-1 and 2, Laxmi Nagar District Centre,  
Laxmi Nagar,  
Delhi-110092

विषय: भारत के नियन्त्रक एवं महालेखापरीक्षक द्वारा कम्पनी अधिनियम 2013 के अनुच्छेद 143(6)(b) के अंतर्गत National Scheduled Castes Finance and Development Corporation के 31 मार्च 2019 को समाप्त वर्ष के वित्तीय खातों पर टिप्पणियां।

महोदय,

इस पत्र के साथ कम्पनी अधिनियम 2013 के अनुच्छेद 143(6)(b) के National Scheduled Castes Finance and Development Corporation के 31 मार्च 2019 को समाप्त वर्ष के वित्तीय खातों पर Nil Comment प्रमाणपत्र भेजा जा रहा है।

कृपया इस पत्र की पावती भेजने की कृपा करें।

भवदीय

संलग्न : यथोपरि

(राजदीप सिंह)

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा  
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड - IV

आठवाँ व नवौं तल, सी०ए०जी० संकाय भवन, 10, बहादुर शाह ज़फर मार्ग, नई दिल्ली-110002  
8th & 9th Floor, CAG Annexe Building, 10, Bahadur Shah Zafar Marg, New Delhi-110002  
दूरभाष / Phone : 23239413, 23239415, 23239419, 23239420 फैक्स / Fax : 91-11-23239416  
E-mail : mabnewdelhi4@cag.gov.in

## *NSFDC 30th Annual Report 2018-19*

### **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION FOR THE YEAR ENDED 31 MARCH 2019**

The preparation of financial statements of **National Scheduled Castes Finance and Development Corporation** for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor/auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is/are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **26th August 2019**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements **National Scheduled Castes Finance and Development Corporation** for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

**Place: New Delhi  
Dated: 05/11/2019**

  
(राजदीप सिंह)  
प्रधान निदेशक वाणिज्यिक लेखापरीक्षा  
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड - IV



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### **ADDRESSES OF NSFDC OFFICES**

National Scheduled Castes Finance and Development Corporation  
(A Government of India Undertaking)  
(An ISO 9001-2015 Certified Company)

#### **HEAD OFFICE**

14th Floor, Core 1 & 2, SCOPE Minar,  
Laxmi Nagar District Centre, Delhi-110 092  
Ph: 011-22054392, 22054394, 22054396 Fax: 011-22054395  
e-mail: support-nsfdc@nic.in  
Website: www.nsfdc.nic.in

#### **NSFDC – LIAISON CENTRES**

- |    |   |
|----|---|
| 1. | <b>Dr. VR Salkute</b><br>Chief Manager<br>NSFDC Liaison Centre,<br>5th Floor, Visveswaraiah Main Tower,<br>Dr. Ambedkar Veedhi, Bengaluru -560 001<br>Phone: 080-2286561<br>Mobile: 09845871561   |
| 2. | <b>Dr. VR Salkute</b><br>Chief Manager<br>[Incharge], NSFDC Liaison Centre<br>Oshiwara MHADA Complex,<br>Building No.5, Flat No.004, Adarsh Nagar,<br>New Link Road, Azad Nagar Post Office,<br>Andheri (West)<br>Mumbai -400 053<br>Phone: 022-26361624<br>Mobile: 09845871561 |
| 3. | <b>Dr. KC Mahato</b><br>Deputy General Manager<br>[Incharge], NSFDC Liaison Centre,<br>New Market, Phase -1, 5th Floor,<br>15-N, Nellie Sengupta Sarani, Kolkata -700 087<br>Phone: 033-22521395<br>Mobile: 09810448741   |