

31<sup>वीं</sup> वार्षिक रिपोर्ट  
31<sup>st</sup> ANNUAL REPORT  
2019-20



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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(भारत सरकार का उपक्रम)

NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION

(A Government of India Undertaking)

NSFDC/SECT/31st AGM/275/

28th December, 2020

## **NOTICE**

Notice is hereby given that the 31st Annual General Meeting (AGM) of the members of **National Scheduled Castes Finance and Development Corporation** will be held on **30.12.2020 (Wednesday) at 2.30 p.m** through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at SCOPE Minar, 14th Floor, Core 1 & 2, Laxmi Nagar District Centre, Delhi-110 092 which shall be the deemed venue of the AGM.

### **ORDINARY BUSINESS:**

To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March, 2020, 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, 2020, 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**

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

Place : Delhi

Dated: 28th December, 2020

### **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).

14<sup>th</sup> Floor, SCOPE Minar, Core - 1 & 2, Laxmi Nagar District Centre, Laxmi Nagar, Delhi-110092

Regd. & H-O:- 14<sup>th</sup> Floor, SCOPE Minar, Core - 1 & 2, Laxmi Nagar District Centre, Laxmi Nagar, Delhi-110092

दूरभाष/Phone: 22054391, 22054392, 22054394, 22054396 फैक्स/Fax : 22054395, 22054349

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website: www.nsfdc.nic.in

## COMPANY INFORMATION

### **Board of Directors (2019-20)**

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

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

Smt. Upma Srivastava  
(w.e.f. 21.09.2020)

Shri Sanjay Pandey  
(w.e.f. 18.07.2019)

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

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

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

Shri Gulab Singh  
(w.e.f. 26.08.2014 to 31.08.2019)

Ms. Vishakha Shailani (Independent Director)  
(w.e.f. 17.04.2017 to 16.04.2020)

Shri Kayzang Chhophel Lama  
(w.e.f. 17.04.2017 to 30.04.2020)

Shri Bhaskar Pant  
(w.e.f. 23.03.2018 to 15.05.2020)

Shri Lachiram Bhukya  
(w.e.f. 23.03.2018 to 19.08.2020)

### **Statutory Auditors**

M/s. V. Sahai Tripathi & Co. Chartered Accountants,  
Hansalaya, 15, Barakhamba Road,  
Connaught Place,  
New Delhi-110 001.

### **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  
Indian Overseas Bank, Delhi  
Allahabad Bank, Delhi  
IDBI, Delhi  
Bank of Baroda, Delhi  
Bank of India, Delhi  
Andhra Bank, Delhi  
Oriental Bank of Commerce  
Punjab & Sind Bank  
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**

C.A. Annu Bhogal



### CHAIRMAN'S ADDRESS

ON

31<sup>st</sup> AGM OF NSFDC

On 30<sup>th</sup> December, 2020

**Dear Members,**

On behalf of the Board of Directors, I extend a very warm welcome to all of you to the 31st 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, 2020 alongwith 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, 2020, the Authorized Share Capital of your Corporation was ₹1500.00 crore and Paid-up Capital was ₹1500.00 crore.

### **MAJOR ACHIEVEMENTS**

#### **Sanction of Proposals**

During the year, your Corporation sanctioned proposals worth ₹1147.68 crores to the SCAs/CAs for implementation of Schemes.

#### **Disbursement of Funds**

During the year, your Corporation disbursed ₹681.50 crores i.e. 84.20% of total funds available during 2019-20 as against the target of 85% ('Excellent' target under MoU) to the SCAs/CAs for implementation of Schemes to benefit 83,970 beneficiaries.

#### **Skill Development Training Programmes**

During the year, your Corporation sanctioned and implemented Skill Development Training Programmes at an estimated cost of ₹36.01 crores to skill 19,445 persons belonging to Scheduled Castes and disbursed ₹25.82 crores to 29 (twenty nine) partner Skill Training Institutes/Sector Skill Councils. Further, 12,367 persons who completed the training programmes were provided Self/Wage-Employment.

#### **Achievements vis-à-vis Targets of MoU (2019-20)**

During the year, your Corporation has achieved most of the MoU targets under 'Excellent' and 'Very Good' category, as the achievement under some MoU parameters was affected due to the COVID-19 pandemic in the last quarter of the financial year. Based on the audited data, total aggregate score for the financial year 2019-20 comes to 78.19 which conform to 'Very Good' Rating.

## SPECIAL INITIATIVES

Your Corporation has taken special initiatives during 2019-20 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 21 Composite/Awareness Camps to publicize the Ministry's and National Corporations' Schemes at the field level. These camps were organized in Haryana (Yamuna Nagar), Delhi (Dwarka, Seemapuri, Ambedkar Nagar, Sultanpuri), East Sikkim, Jammu & Kashmir (Kathua, Marh), Uttarakhand (Haridwar), Madhya Pradesh (Ujjain), Rajasthan (Jaipur, Sikkar, Dholpur, Pokhran, Jaisalmer), Uttar Pradesh (Baliya, Noida), West Bengal (Kolkata and Telangana (Bhupalpally). 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 ₹288.26 crores to 50,909 women beneficiaries under its various Schemes, which constituted 42.30% of the year's total disbursement and 60.63% of the total coverage against the norm of 40% both in financial and physical terms respectively.

### (iii) Development of Scheduled Caste Weaver Clusters

During the year, the Development Commissioner (Handlooms), New Delhi sanctioned ₹179.88 lakhs for covering 300 weavers at Dhemaji district and ₹178.38 lakhs for covering 566 weavers at Dhubri District of Assam.

To expand the outreach, your Corporation signed Memorandum of Agreement (MoA) with two more PIAs viz; M/s. Indian Institute of Rural Management (IIRM), Jaipur (Rajasthan) and M/s. Jay Dashama Hastkala Udhyogik Sahkari Mandali Ltd., Ahmedabad, (Gujarat) during the year.

### (iv) Development of Scheduled Caste Artisans Clusters

During the year, NSFDC released wage compensation of ₹9.63 lakhs under DBT to 70 SC artisans at village Poogal and its surrounding area, Bikaner District, Rajasthan. Further, ₹31.38 lakhs towards interventions undertaken at Gadra Road cluster, Barmer District, Rajasthan were released to the concerned PIAs. To expand the outreach, your Corporation signed MoA with one more PIA viz. M/s. Indian Institute of Rural Management (IIRM), Jaipur (Rajasthan).

### (v) 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) The Educational Loan Policy of NSFDC revised with a provision to accept sponsored group proposals in summary form from the SCAs [Course ending month

and year, Number of Male/Female Students (Rural/Urban) under annual family income up to ₹1.50 lakhs and above ₹1.50 lakhs to ₹3.00 lakhs, Means of Finance, Yearly Disbursement Schedule, etc.] instead of individual student details for smooth implementation of NSFDC Schemes. The revised Policy has been implemented w.e.f. 01.04.2020.

- (ii) Reduction of 2% interest under the Aajeevika Microfinance Yojana (AMY) implemented through NBFC-MFIs.
- (iii) The maximum loan amount in case of NBFC-MFIs submitting proposals under cluster approach covering minimum 100 beneficiaries shall be ₹2.00 crores per NBFC-MFI for new channel partners and ₹5.00 crores per NBFC-MFI for existing channel partners who have availed NSFDC fund for minimum 3 years. Besides the process of identification of persons under annual income criteria was also eased.

### (vi) **NSFDC Intervention during COVID-19 Pandemic**

On March 11, 2020, the World Health Organization declared the novel corona virus (COVID-19) as a pandemic. The Ministry of Home Affairs, Govt. of India, vide Order No.40-3/2020 dated March 24, 2020 declared National lockdown. Besides the toll that this outbreak has had on human life, it has also disrupted the social, economic and financial structure resulting in significant reduction in global and local economic activities.

However, the operations of the Corporation have not been disrupted. The Corporation has responded to the changed business environment and as per RBI Circular dated 23.05.2020 permitting to extend the moratorium period upto 30.09.2020, along-with repayment schedule. NSFDC stepped up its level of routine and CSR interventions true to its ethos of helping the marginalized at all times. They are summarized as under:

- (i) NSFDC disbursed ₹84.54 crore in the last week of March post lockdown for facilitating concessional financing to 10464 beneficiaries in various States/UTs. In addition, payments amounting to ₹1.53 crore for 1,980 trainees were released to Training Institutes under various Skill Training Development Programmes sponsored by the Corporation.
- (ii) NSFDC contributed an amount of ₹20.00 lakhs to PMCARES Fund under its CSR initiative. Further as part of Individual Social Responsibility, NSFDC employees contributed from their salaries, an amount of ₹4.02 lakhs to PMCARES Fund for promoting quality treatment and encourage research on ways to contain Corona virus along with ₹8.70 lakh to NBCFDC for intervention towards COVID-19 pandemic among marginalized sections.

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

In compliance of instructions issued by Ministry of AYUSH, NSFDC celebrated International Yoga Day on 21st June, 2019. On the occasion, Yoga instructor was also invited to impart yoga training session to employees of your Corporation.

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

During the year 2019-20, your Corporation has achieved the required target as mandated under the Public Procurement Policy for Micro and Small Enterprises.



## (ix) 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. Further, the following initiatives were taken for strengthening of IT System:

- Your Corporation has hosted and maintaining a dynamic, disabled friendly, bilingual website which is in compliance with the Guidelines for Indian Government Website (GIGW) alongwith a web-based Skill Training Application which is hosted at NIC cloud server.
- A web-based NSFDC's Loan Accounting Software has been developed and currently in parallel run.
- A web-based Beneficiary Tracking System (BTS) has been developed and implemented for maintaining a digital repository of beneficiaries covered under various loan schemes of NSFDC.
- An online portal for registration of NGOs/Voluntary Organizations for implementing NSFDC sponsored Skill Development Training Programmes through Sector Skill Councils has been developed and hosted.
- An in-house Inventory Management Module has been developed and implemented for maintaining issues and receipts records related to office inventory.

## (x) 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).

## (xi) 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 ₹98.50 lakhs (which is 2% of the net profit made during three immediately preceding financial years), the Company has spent ₹97.57 lakhs on CSR activities during the financial year 2019-20.

All the same, due to lag in commencement of CSR activities in its initial years, pending the clarification of DPE in respect of Schedule '8' Companies, the overall unspent balance as on end of year was ₹104.28 lakhs. However, given the cementing of systems and also considering the effects of COVID-19 Pandemic, the Corporation is expected to significantly increase its CSR intervention and expenditure in 2020-21.

## (xii) Resource Linkage Programme

Corporation has partnered with corporate foundation like Tata Strive, Tech Mahindra Foundation, Ambuja Cement foundation, Dalmia Bharat Foundation and Hindustan Latex Family Planning Promotion Trust for Cost Sharing in conducting Skill training programmes. During the year ₹121.10 lakh was released to concerned training institutes.



## **ROAD AHEAD**

Your Corporation will use innovative approaches to face the challenges posed by COVID-19 pandemic, 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.

At the same time, the Corporation is hopeful of increasing its reach to more number of States. In this context, a new Interest Subvention Scheme for SC-SHG's & Individual beneficiaries is also being introduced which should help provide quite interest benefits directly to the beneficiaries.

- **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, Channel Partners consisting 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: 28th December, 2020

## **DIRECTORS' REPORT (2019-20)**

I welcome you to the 31<sup>st</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.
- (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 ₹1500.00 crore. The paid up share capital at the beginning of financial year 2019-20 was ₹1485.40 crore. The Government of India released ₹14.60 crore during the year towards equity support. The cumulative Paid up Capital at the end of financial year has reached the level of ₹1500.00 crore.

#### **1.5 Organization Chart:**

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 80 employees working in your Corporation. Apart from Projects, Finance, Human Resource, Administration Departments, there are other Departments/Cells viz. Corporate Service, Internal Audit, Co-ordination, Vigilance, Legal, MIS, Skill Training, Corporate Social Responsibility, RTI, ISO, 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 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 Skill 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, Chhatisgarh, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Tripura and Sikkim

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

## 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 31.03.2020, your Corporation has 55 (*after amalgamation of PSBs & RRBs*) 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.

**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:
  - (a) 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**.
  - (b) Should be in profit in the last financial year or be in profit for at least any 03 out of last 05 financial years.
  - (c) 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.
  - 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 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 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 society.

#### 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 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 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 ₹3.00 lakhs (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.



*LVY Beneficiary at Vijaywada, Andhra Pradesh*

## 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 ₹50.00 lakhs. However, interest is charged based on NSFDC share/unit as per the details given below.		
(a)	Term Loan	Up to ₹5.00 lakhs	3%	6%
(b)	Term Loan	Above ₹5.00 lakhs & up to ₹10.00 lakhs	5%	8%
(c)	Term Loan	Above ₹10.00 lakhs & up to ₹20.00 lakhs	6%	9%
(d)	Term Loan	Above ₹20.00 lakhs & up to ₹45.00 lakhs	7%	10%
(ii)	Working Capital Loan	Entire working capital is provided for projects costing up to ₹5.00 lakhs and up to 70% of the total working capital or ₹7.00 lakhs/unit, whichever is less, for projects costing above ₹5.00 lakhs & up to ₹30.00 lakhs.	8%	10%
(iii)	Micro Credit Finance	Up to ₹0.60 lakh	2%	5%
(iv)	Mahila Samriddhi Yojana	Up to ₹0.60 lakh	1%	4%
(v)	Mahila Kisan Yojana	Up to ₹2.00 lakhs	2%	5%
(vi)	Shilpi Samriddhi Yojana	Up to ₹2.00 lakhs	2%	5%
(vii)	Laghu Vyavasay Yojana	Up to ₹5.00 lakhs	3%	6%
(viii)	Educational Loan Scheme	NSFDC Share is up to 90% of the entire course fee or ₹10.00 lakhs (India) and ₹20.00 lakhs (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 ₹4.00 lakhs	1.5% (Men) 1% (Women)	4% (Men) 3.5% (Women)
(x)	Green Business Scheme	Up to ₹7.50 lakhs Above ₹7.50 lakhs & up to ₹15.00 lakhs Above ₹15.00 lakhs & up to ₹30.00 lakhs	2% 3% 4%	4% 6% 7%
(xi)	Stand-up India Scheme	Above ₹10.00 lakhs & up to ₹20.00 lakhs Above ₹20.00 lakhs & up to ₹30.00 lakhs	6% 7%	9% 10%
(xii)	Aajeevika Microfinance Yojana <sup>#</sup>	Up to ₹0.60 lakh	3% (Men) 2% (Women)	11% (Men) 10% (Women)
(xiii)	Udyam Nidhi Yojana <sup>##</sup>	Up to ₹5.00 lakhs	4%	12%

<sup>#</sup> Aajeevika Microfinance Yojana is implemented through NBFC-MFIs.

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



NSFDC Beneficiary under Mahila Samridhhi Yojana at Imphal, Manipur

## 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 ₹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 ₹1.00 lakh	Not insisted upon
(ii)	Projects costing above ₹1.00 lakh & up to ₹ 2.50 lakhs	2%
(iii)	Projects costing above ₹2.50 lakhs & up to ₹5.00 lakhs	3%
(iv)	Projects costing above ₹5.00 lakhs & up to ₹ 10.00 lakhs	5%
(v)	Projects costing above ₹10.00 lakhs & up to ₹ 20.00 lakhs	7%
(vi)	Projects costing above ₹20.00 lakhs & up to ₹50.00 lakhs	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 ₹10,000/- or 50% of the unit cost, whichever is less, is provided by SCAs to the Below Poverty Line (BPL) beneficiaries from Special



NSFDC Term Loan Beneficiary at Vijayawada, Andhra Pradesh

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:

Schemes	Moratorium period
• Term Loan	6 months to 12 months depending upon the nature of business activity
• Micro Credit Finance	3 months
• Mahila Samriddhi Yojana	3 months
• Mahila Kisan Yojana	12 months
• 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 ₹7.50 lakhs) & up to 15 years (for loans above ₹7.50 lakhs)
<b>Micro Credit Finance</b>	Up to 3 ½ years
<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</b>	As per the norms of Stand-up India Scheme of Government of India.
<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, Small Industries, Services & Transport and Educational Loan Scheme. Illustrative list of projects under different sectors are given as under:

<b>Agricultural &amp; Allied Sector</b>	
• Agricultural Land Purchase	• Tractor Trolley
• Poly House	• Power Tiller With Trolley
<b>Industries Sector</b>	
• Flour Mill & Chilli Mill	• Fly Ash Bricks Manufacturing
<b>Service &amp; Transport Sector</b>	
• Mini Venture	• Tent House
• Kirana & Cold Drinks	• Centering Materials
• Mini Hotel	• Medical Shop
• Concrete Mixture	• Leather Chappal Mfg. Unit
• Internet with Xerox Machine	• DTP with Laser & Screen
• Mini Super Bazar	• 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
• Small Business (Agriculture & Allied)	• 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, Telecom, Capital Goods, Logistics, Food Processing, Handicrafts and Carpet, Instrumentation and Automation, Domestic Worker, Beauty & Wellness, Life Science, Power, Sports & Physical Education, Healthcare, Construction, Tourism & Hospitality, Media & Entertainment, Infrastructure, etc. The training programmes, in addition to technical skills also provide soft skills.
- 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 @₹1500/- per month for non-residential training. For residential training programmes, the boarding and lodging charges, are additionally borne by NSFDC, as per rates fixed in the Common Norms.
- 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.



*Skill training sessions being conducted at Modinagar*

## 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.



*NSFDC sponsored Skill Training workshop on Animation in Uttarkashi, Uttarakhand*

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

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



*Hon'ble Union Minister, SJ&E interacting with beneficiaries at Shilpotsav, Dilli Haat held in Nov 2019*

- (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.

**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.

**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 ₹1147.68 crores to the SCAs/CAs for implementation of schemes.

**2.1.2 Disbursement of Funds**

During the year, your Corporation disbursed ₹681.50 crores i.e. 84.20% of total funds available as against the target of 85% ('Excellent' target under MoU) to the SCAs/CAs for implementation of schemes to benefit 83,970 beneficiaries.

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

The scheme-wise disbursement & beneficiaries covered for the year 2019-20 and that of previous year are given as under:

Sl. No.	Scheme	Amount (₹ in crores)		Beneficiaries (Numbers)	
		2018-19	2019-20	2018-19	2019-20
A.	Term Loan Schemes				
(i)	Term Loan	124.09	161.27	2,161	3,235
(ii)	Green Business Scheme	24.17	7.58	2,350	216
(iii)	Udyam Nidhi Yojana	0.00	5.89	0	1,191
(iv)	Mahila Kisan Yojana	0.00	0.80	0	200
(v)	Shilpi Samriddhi Yojana	0.00	0.40	0	100
(vi)	Laghu Vyavasay Yojana	442.74	418.38	36,657	43,400
(vii)	Educational Loan Scheme	6.27	11.59	181	583
(viii)	Vocational Education & Training Loan Scheme	0.00	0.90	0	100
	<b>Sub Total (A)</b>	<b>597.27</b>	<b>606.81</b>	<b>41,349</b>	<b>49,025</b>

Sl. No.	Scheme	Amount (₹ in crores)		Beneficiaries (Numbers)	
		2018-19	2019-20	2018-19	2019-20
B.	Micro Credit Schemes				
(i)	Micro Credit Finance	40.61	27.51	9,266	5,451
(ii)	Mahila Samriddhi Yojana	32.74	46.52	30,694	29,360
(iii)	Aajeevika Microfinance Yojana	0.59	0.66	122	134
	<b>Sub Total (B)</b>	<b>73.94</b>	<b>74.69*</b>	<b>40,082</b>	<b>34,945</b>
	<b>Grand Total [(A) + (B)]</b>	<b>671.21</b>	<b>681.50</b>	<b>81,431</b>	<b>83,970</b>

\*In addition to the above, under other Schemes except Educational Loan Scheme (ELS) and Vocational Education & Training Loan Scheme (VETLS), your Corporation has considered the funds disbursed up to ₹1.25 lakhs per unit as Micro Finance Loan, as per the Reserve Bank of India (RBI) Notification No.RBI/2019-20/95 dated 08.11.2019.

Accordingly, the disbursed funds of ₹243.72 crores for 36,387 beneficiaries are considered as Micro Finance Loan as well.

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

Sl. No.	Scheme	Amount (₹ in crores)		Beneficiaries (Numbers)	
		2018-19	2019-20	2018-19	2019-20
(i)	Term Loan				
(a)	Primary Sector (Land Purchase, Irrigation and other Allied Activities)	32.53	64.48	793	2,158
(b)	Tertiary Sector (Services & Transport)	91.56	96.79	1,368	1,077
	<b>Total (a) + (b)</b>	<b>124.09</b>	<b>161.27</b>	<b>2,161</b>	<b>3,235</b>
(ii)	Green Business Scheme	24.17	7.58	2,350	216
(iii)	Udyam Nidhi Yojana	0.00	5.89	0	1,191
(iv)	Mahila Kisan Yojana (Primary Sector)	0.00	0.80	0	200
(v)	Shilpi Samriddhi Yojana	0.00	0.40	0	100
(vi)	Laghu Vyavasay Yojana	442.74	418.38	36,657	43,400
(vii)	Micro Credit Finance	40.61	27.51	9,266	5,451
(viii)	Mahila Samriddhi Yojana	32.74	46.52	30,694	29,360
(ix)	Aajeevika Microfinance Yojana	0.59	0.66	122	134
(x)	Educational Loan Scheme	6.27	11.59	181	583
(xi)	Vocational Education & Training Loan Scheme	0.00	0.90	0	100
	<b>Grand Total (i to xi)</b>	<b>671.21</b>	<b>681.50</b>	<b>81,431</b>	<b>83,970</b>

## 2.1.2(C)(i) MoU Targets Vs Achievements (2019-20)

Consolidated MoU targets and achievements for the financial year 2019-20 are placed at **Annexure-III**. As per the achievements and based on the audited data, total aggregate score for the financial year 2019-20 comes to 78.19 which conform to 'Very Good' Category.



(ii) **Revenue from operations (Net)**

During the year, Revenue from Operations (Net) of your Corporation is ₹68.89 crores.

(iii) **Operating Surplus as percentage of Revenue from Operations (Net)**

During the year, Operating Surplus as percentage of Revenue from Operations (Net) of your Corporation is 67.09%.

(iv) **PAT or Surplus/Average Net Worth**

During the year, PAT or Surplus/Average Net Worth is 2.97%.

(v) **Loans disbursed/Total Funds Available**

During the year, Loans Disbursed/Total funds available of your Corporation is 84.71%.

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

During the year, Overdue Loans/Total Loans (Net) is 18.44%.

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

During the year, NPA/Total Loans (Net) is 0.76%.

(viii) **Achievements of HR Parameters of continuous in nature (7 Parameters) [Number]**

During the year, your Corporation has achieved all 7 Parameters of continuous in nature.

(ix) **Capability Development programme for employees to build their technical & managerial competencies [Number]**

During the year, your Corporation sponsored five employees against the MoU target of five achieving therein 100% target under Capability Development programme for employees to build their technical & managerial competencies for 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 Skill Development Training Programmes [Number]**

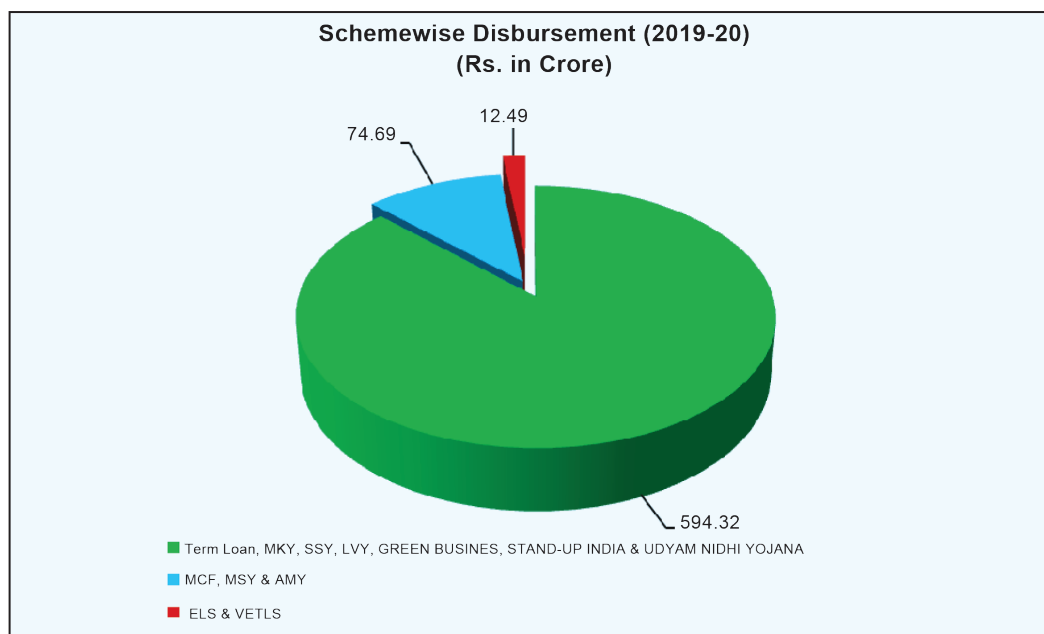
During the year, 12,367 persons of target group were provided Employment/ Self-Employment through skill development training programmes.

(xi) **Enrolment / Registration of SC / ST Entrepreneurs financed by NSFDC on MSME /GeM Portal / SC-ST Hub [Number]**

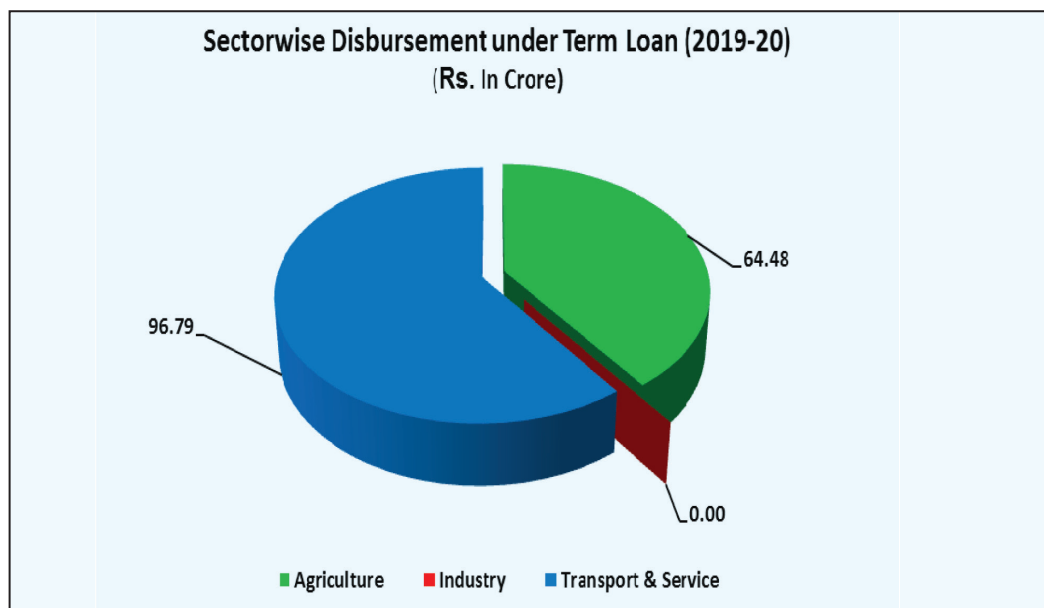
During the year, 169 persons of target group were assisted in Enrolling/ Registration of SC /ST Entrepreneurs financed by NSFDC on MSME/ GeM Portal/SC-ST Hub.

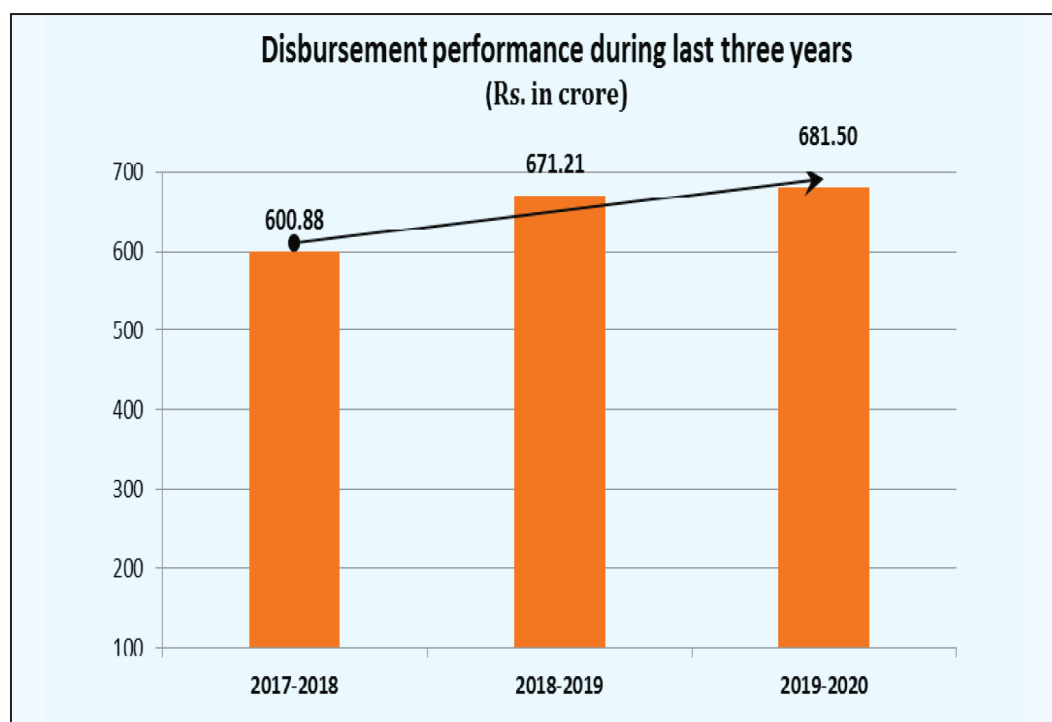
## 2.1.2(D) Scheme-wise/Sector-wise Disbursement

The performance during 2019-20 is depicted in the following graphs:



- (i) Term Loan Scheme includes Laghu Vyavasay Yojana (LVY), Green Business Scheme (GBS), Udyam Nidhi Yojana (UNY), Mahila Kisan Yojana (MKY) and Shilpi Samriddhi Yojana (SSY).
- (ii) Micro Credit includes Micro Credit Finance (MCF), Mahila Samriddhi Yojana (MSY) and Aajeevika Microfinance Yojana (AMY).
- (iii) Educational Loan Scheme (ELS) and Vocational Education & Training Loan Scheme (VETLS).

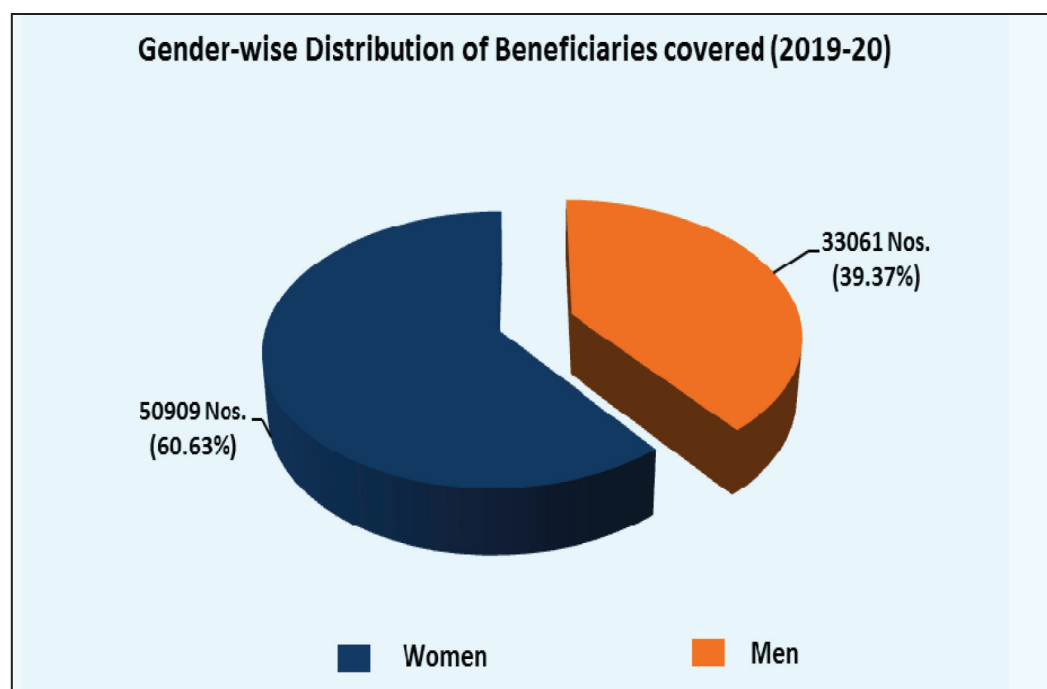




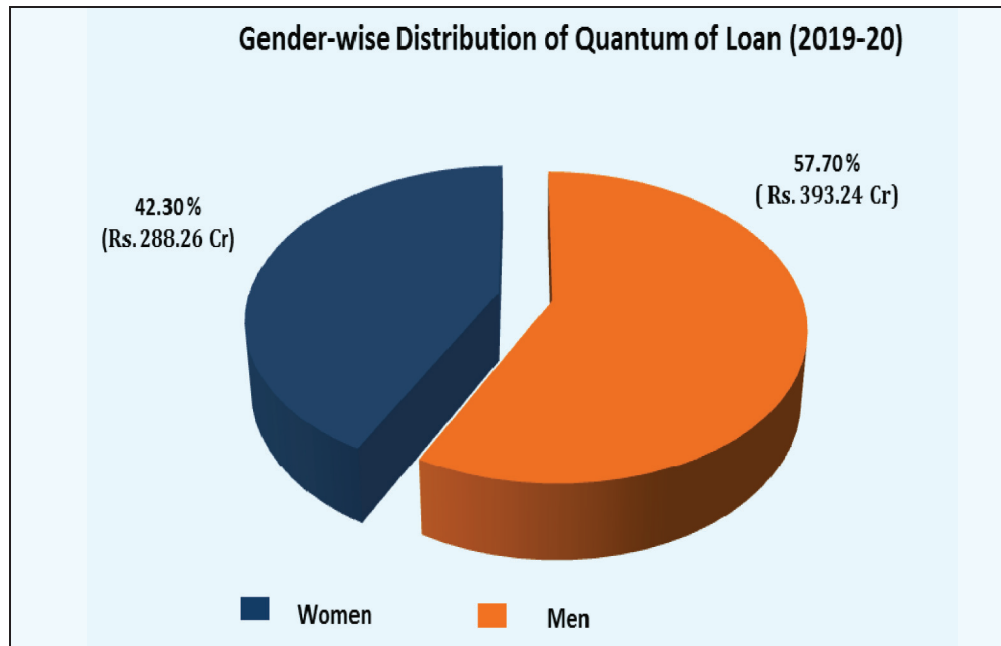
### 2.1.3

#### Coverage of Women Beneficiaries

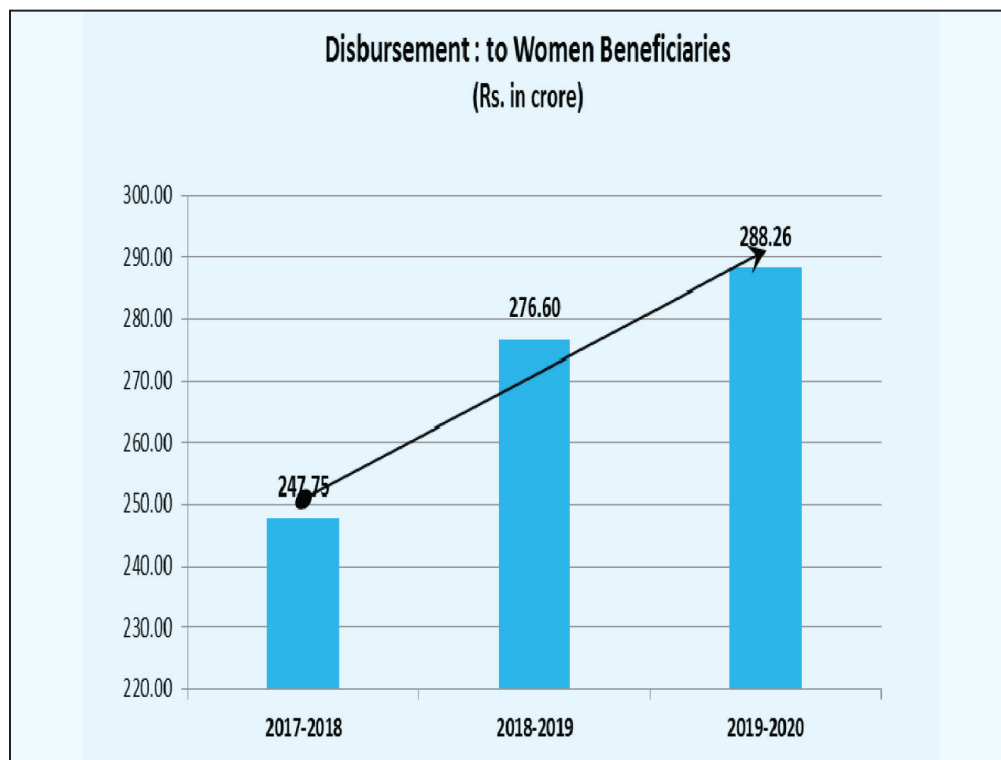
- During the year, your Corporation has provided concessional financial assistance to 50,909 women beneficiaries under its various schemes, which constituted 60.63% of the total coverage against the norm of 40% in physical terms.



- Similarly, during the year, your Corporation has disbursed ₹288.26 crores for women beneficiaries, which constitutes 42.30% of the year's total disbursement as against the norm of 40% in financial terms.



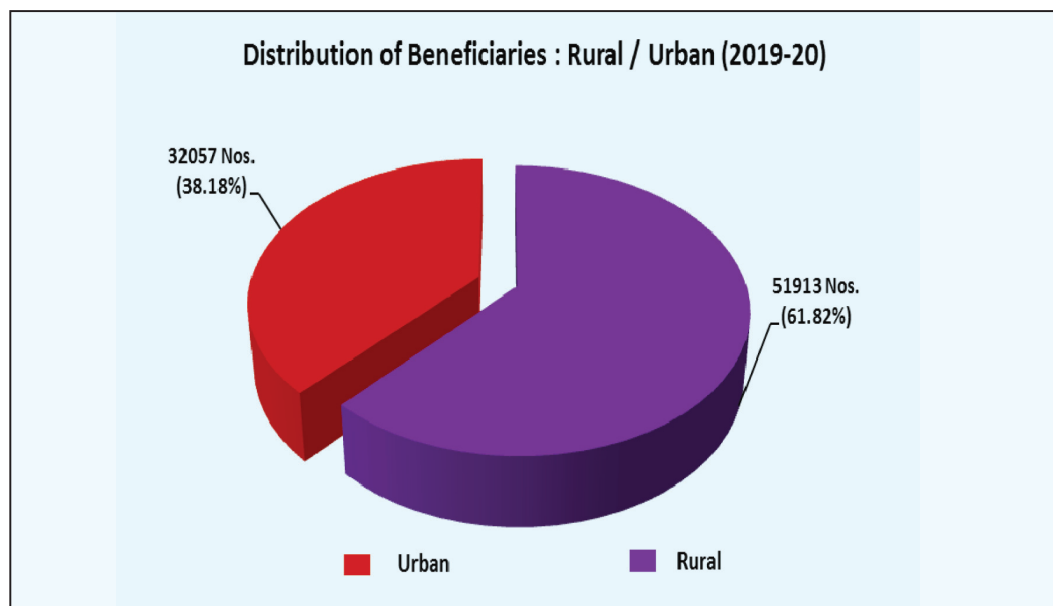
- During the last three years, disbursement to women beneficiaries shows ascending trend.



#### 2.1.4

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

During the year, your Corporation covered 61.82% beneficiaries from rural areas and 38.18% from urban areas.



#### 2.1.5

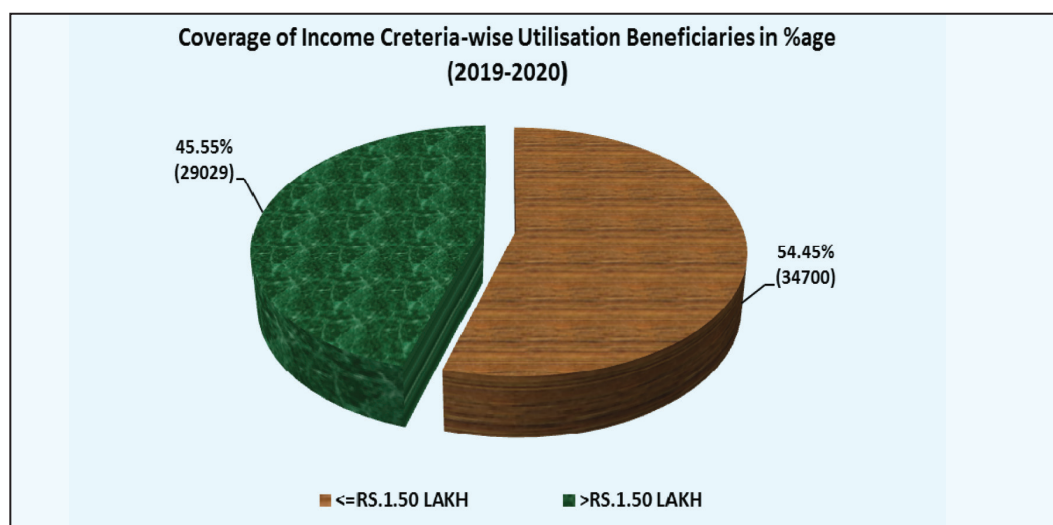
##### Fund Utilization

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 85.31% as on 31.03.2020.

#### 2.1.6

##### Coverage of beneficiary–As per the revised annual family income ceiling limits

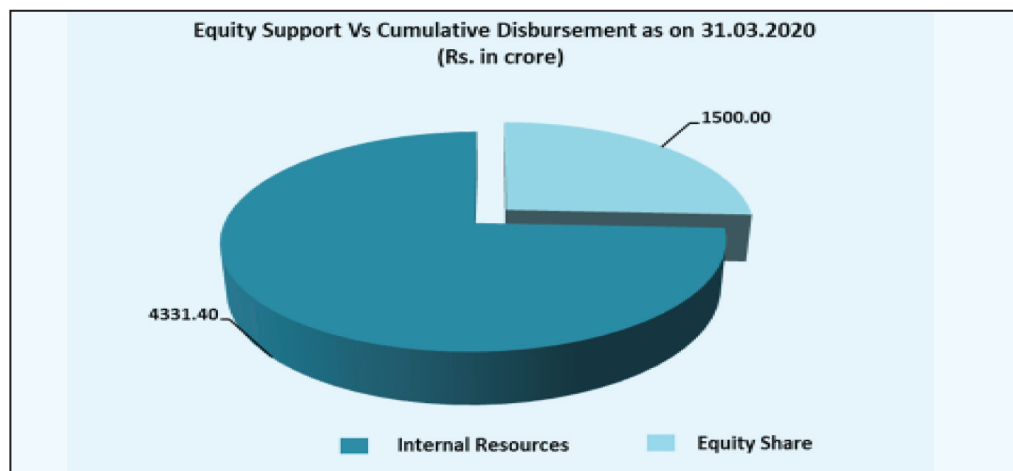
During the year, as per the utilization report received from channelizing agencies, 54.45% beneficiaries falling under having annual family income up to ₹1.50 lakhs category and 45.55% falling under having annual family income above ₹1.50 lakhs & up to ₹3.00 lakhs category were covered under your Corporation's schemes.



## 2.1.7

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

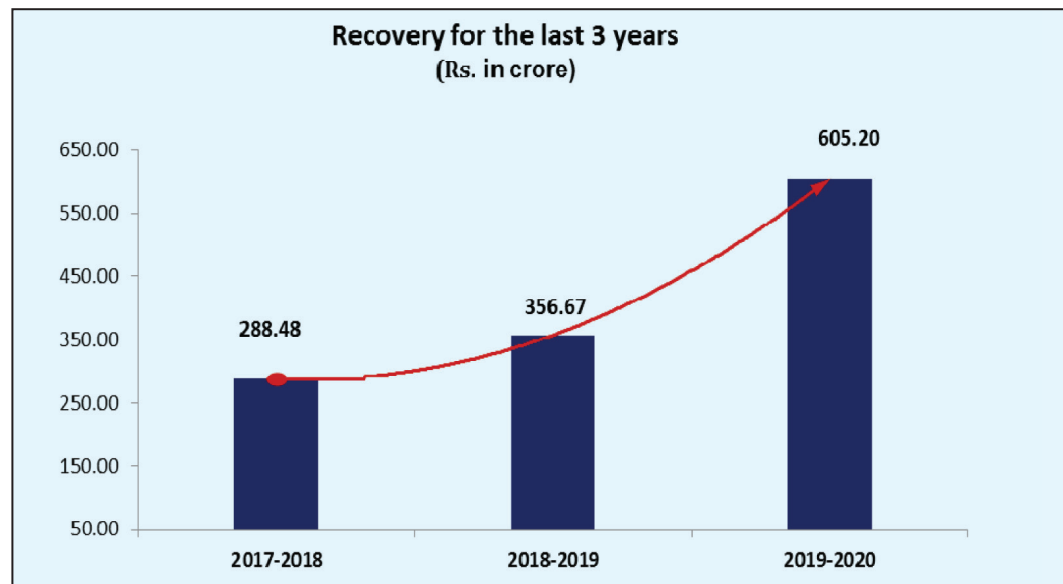
- During the year, your Corporation received equity support of ₹14.60 crores from the Government of India and disbursed ₹681.50 crores.
- The cumulative equity support as on 31.03.2020 has been ₹1500.00 crore against which your Corporation achieved cumulative disbursement of ₹5831.40 crores covering 13.49 lakhs beneficiaries out of which 7.63 lakhs were women beneficiaries (56.52%).
- The disbursement so far is 3.89 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 ₹605.20 crores from SCAs/ CAs.



### 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 59 CAs in the Alternate Channel. During the financial year, your Corporation signed MoA with 5 new Agencies. Thus, there were 37 SCAs and 55 (*after amalgamation of PSBs & RRBs*) other Channelizing Agencies in the alternative channel with NSFDC. During the year, out of 28 States and 9 UTs, 25 States and 2 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:



MoA Signing with Indian Bank at Royapettah, Chennai in December 2019

Sl. No.	Institutions	Objectives
1.	Indian Bank, Chennai, Tamil Nadu	For expanding PAN India outreach.
2.	Andhra Pradesh State Financial Corporation, Vijayawada, Andhra Pradesh.	For expanding outreach in Andhra Pradesh.
3.	Manipur Rural Bank, Imphal, Manipur.	For expanding outreach in Manipur.
4.	Baroda Rajasthan Kshetriya Gramin Bank, Ajmer, Rajasthan.	For expanding outreach in Rajasthan.
5.	Paschim Banga Gramin Bank, Howrah, West Bengal.	For expanding outreach in West Bengal.
6.	Shri Jay Dashama Hastkala Udyogik Sahkari Mandli Ltd., Ahmedabad, Gujarat.	For Development of Scheduled Caste Artisan/ Weaver Clusters.
7.	Indian Institute of Rural Management, Jaipur, Rajasthan.	
8.	Institute of Entrepreneurship Development Lucknow, Uttar Pradesh.	For imparting NSFDC sponsored Skill Development Training Programmes.
9.	Institute of Entrepreneurship Development, Guwahati, Assam.	
10.	MSME Technology Centre (CTTC), Kolkata, West Bengal.	
11.	Tool Room & Training Centre, Ministry of Micro, Small & Medium Enterprises, Guwahati, Assam.	
12.	MSME-Technology Development Centre (PPDC), Agra, Uttar Pradesh.	
13.	Centre for Development of Glass Industry (CDGI), Firozabad, Uttar Pradesh.	



14.	MSME Technology Centre, Indo Technology Centre, Indo German Tool Room, Aurangabad, Maharashtra.	
15.	Institute of Human Resources Development, Thiruvananthapuram, Kerala.	
16.	Telecom Sector Skill Council, Gurugram, Haryana.	
17.	Life Sciences Sector Skill Development Council, New Delhi.	
18.	Honey Bee Network (Through Gujarat Grassroots Innovation Augmentation Network), Ahmedabad, Gujarat.	Technology and Innovation Partners.
19.	Gargi Genetics Private Ltd., Mumbai, Maharashtra.	
20.	Abhinav Farmers Club, Pune, Maharashtra.	
21.	GAIL India Limited.	CSR funding Partner for imparting Skill Development Training Programmes.

## 2.1.10(B)

### Participation in Exhibitions/Fairs:

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



NSFDC beneficiaries marketing their products at Surajkund Mela in February 2020

Sl. No.	Exhibitions	Date	States/UT represented	Craft items exhibited & sold
1.	East Himalyan Expo-2019 Shillong, Meghalaya	16 <sup>th</sup> – 22 <sup>nd</sup> October, 2019	Assam	Handloom products
2.	Kullu Dussehra Mela, Kullu, Himachal Pradesh	8 <sup>th</sup> -14 <sup>th</sup> October, 2019	Himachal Pradesh	Handloom products
3.	Shilpotsav, Dilli Haat-2019, Delhi	1 <sup>st</sup> -15 <sup>th</sup> November, 2019	Delhi, Karnataka, Madhya Pradesh, Himachal Pradesh, Gujarat, Uttarakhand, Maharashtra, Chandigarh, Punjab, Rajasthan, Jammu & Kashmir.	Block printing, Fiber Articles, Artificial Jewellery, Khadi items, Woollen products, Hand Painting, Punjabi Jutti, Cutlery, Zari products, Readymade Garments, Embroidery items, Chanderi Sarees, Suits, Moti work, Shawls, Stoles, Jackets, Socks, Caps, Mufflers, Bed sheets, wooden toys, Photoframe, Handicraft Items etc.



Sl. No.	Exhibitions	Date	States/UT represented	Craft items exhibited & sold
4.	IITF, Pragati Maidan, New Delhi	14 <sup>th</sup> -27 <sup>th</sup> November, 2019	Uttarakhand, Karnataka, Gujarat, Kerala, Madhya Pradesh, Rajasthan	Readymade Garments, Handloom Cloth work, Silk Material, Sarees & Suits, Wooden Toys, Wooden Inlay Crafts/ Painting, Pickles, Dress Material, Embroidery, Bed sheets, block printing etc.
5.	Lokutsav, Goa	10 <sup>th</sup> -19 <sup>th</sup> January, 2020	Madhya Pradesh, Gujarat	Readymade Garments, Handloom Cloth work, Handicraft Item etc.
6.	Surajkund International Craft Mela, Faridabad, Haryana	1 <sup>st</sup> -16 <sup>th</sup> February, 2020	Gujarat, Haryana, Uttarakhand, Maharashtra, Madhya Pradesh, Puducherry, Rajasthan, Delhi, Uttar Pradesh, Chandigarh, Punjab, West Bengal, Jammu & Kashmir and Karnataka.	Handicraft Items, Wooden Inlay paintings, Soft toys, Hand Embroidered & Crochette item, Artificial Jewellery, Wooden Toys, Hand Embroidery Bag, Cushion Cover, Bed Cover, Punjabi Jutti, Bed Sheet, Kurti, Dupatta, Zari Work, Leather work, Barmeri Glass Kashidakari, Bed sheet, Pillow Cover, Cushion cover, Art Metal Ware, Jute Craft items, Moti cloth work, Metal brush, Chanderi Sarees, Khadi Silk, Fiber Articles and Paintings, Leather Products, Readymade Garments, Block printing etc.

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

Sl. No.	Name of Exhibitions	Date	Sale figure (₹)
1.	Shilpotsav, Dilli Haat INA, New Delhi	1 <sup>st</sup> -15 <sup>th</sup> November, 2019	4561200.00
2.	IITF, New Delhi	14 <sup>th</sup> -27 <sup>th</sup> November, 2019	3043550.00
3.	Surajkund International Craft Mela, Faridabad	1 <sup>st</sup> -16 <sup>th</sup> February, 2020	5046600.00
<b>Grand Total</b>			<b>1,26,51,350.00</b>

### 2.1.11 Composite Awareness Camps in States

During the year, your Corporation participated in 21 **Composite/Awareness Camps** to publicize the Ministry's and National Corporations' Schemes at the field level. These camps were organized in Haryana (Yamuna Nagar), Delhi (Dwarka, Seemapuri, Ambedkar Nagar, Sultanpuri), East Sikkim, Jammu & Kashmir (Kathua, Marh), Uttarakhand (Haridwar), Madhya Pradesh (Ujjain), Rajasthan (Jaipur, Sikar, Dholpur, Pokhran, Jaisalmer), Uttar Pradesh (Ballia, Noida), Kolkata and Telangana (Bhupalpally). At each of these camps,



Awareness & health checkup camp at Sunder Nagri, Delhi organised by NSFDC & DSFDC in December 2019

your Corporation was provided 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 share their experiences of availing loans under Corporation's schemes and activities related to business.

Sl. No.	Composite/Awareness Camps	Dates
i.	Awareness Cum Medical camp East Sikkim	27 <sup>th</sup> June, 2019
ii.	Awareness Camp at Ujjain, Madhya Pradesh	10 <sup>th</sup> August, 2019
iii.	Awareness camp at Ladli foundation, Delhi	10 <sup>th</sup> August, 2019
iv.	Awareness camp during Akhil Bhartiya Hindi Sammelan, Delhi	22 <sup>nd</sup> -23 <sup>rd</sup> August, 2019
v.	6th India International MSME Startup Expo & Summit-2019, New Delhi	23 <sup>rd</sup> -25 <sup>th</sup> August, 2019
vi.	Awareness camp at Yamuna Nagar, Haryana	31 <sup>st</sup> August, 2019
vii.	Awareness cum Medical camp at Bhupalpally, Warangal, Telangana	20 <sup>th</sup> September, 2019
viii.	7 <sup>th</sup> Indian National Exh.-cum-Fair 2019 at Kolkata	25 <sup>th</sup> -29 <sup>th</sup> September, 2019
ix.	Swadeshi Mela, Dwarka, Delhi	15 <sup>th</sup> – 21 <sup>st</sup> October, 2019
x.	Awareness cum Medical camp at Haridwar, Uttarakhand	26 <sup>th</sup> November, 2019
xi.	Awareness cum Medical camp at Sultanpuri, Delhi	4 <sup>th</sup> December, 2019
xii.	Awareness cum Medical camp at Laxmangarh, Sikar, Rajasthan	6 <sup>th</sup> December, 2019
xiii.	Awareness cum Medical camp at Jaipur, Rajasthan	6 <sup>th</sup> December, 2019
xiv.	Awareness cum Medical camp at Seemapuri, Delhi	7 <sup>th</sup> December, 2019
xv.	Awareness cum Medical camp at Ambedkar Nagar, Delhi	7 <sup>th</sup> December, 2019
xvi.	Awareness cum Medical camp at Dholpur, Rajasthan.	13 <sup>th</sup> December, 2019
xvii.	Awareness cum Medical camp at Kathua, Jammu & Kashmir.	18 <sup>th</sup> December, 2019
xviii.	Awareness cum Medical camp at Marh, Jammu & Kashmir	19 <sup>th</sup> December, 2019
xix.	Awareness cum Medical camp at Pokhran, Jaisalmer, Rajasthan	23 <sup>rd</sup> December, 2019
xx.	Swadeshi Mela, Baliya, Uttar Pradesh	25 <sup>th</sup> Jan -3 <sup>rd</sup> Feb, 2020
xxi.	Awareness cum Medical camp at Noida, Uttar Pradesh	4 <sup>th</sup> March, 2020

### 2.1.12 External Evaluation Study (2019-20) of Credit and Non-Credit Based Schemes

During the year, your Corporation had commissioned and awarded an evaluation study of its Credit and Non-Credit Based Schemes to M/s. Datawise Management Services India Pvt. Ltd. (DMSIPL), Hyderabad. The study envisages to cover 3,130 beneficiaries/trainees trained during 2018-19 in 9 States.

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

Sl. No.	State/UT	Number of Beneficiaries	Number of Trainees	Total
(i)	Andhra Pradesh	510	20	530
(ii)	Bihar	120	50	170
(iii)	Delhi	100	50	150
(iv)	Gujarat	200	20	220
(v)	Karnataka	370	40	410
(vi)	Odisha	100	40	140
(vii)	Punjab	300	70	370
(viii)	Tamil Nadu	700	120	820
(ix)	Tripura	300	20	320
	<b>TOTAL</b>	<b>2,700</b>	<b>430</b>	<b>3,130</b>

However, the study(ies) is/are yet to commence by the Agency due to Covid-19 outbreak and subsequent lockdown imposed in the country w.e.f. 25.03.2020.

### 2.1.13 External Evaluation Study (2018-19) of Credit and Non-Credit Based Schemes

During the year, your Corporation had commissioned and awarded an evaluation study of its Credit and Non-Credit Based Schemes to M/s. Centre for Market Research & Social Development, New Delhi. The study envisaged to cover 2,400 beneficiaries/trainees trained during 2017-18 in 9 States.

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

Sl. No.	State/UT	Number of Beneficiaries	Number of Trainees	Total
(i)	Assam	50	70	120
(ii)	Chhattisgarh	100	30	130
(iii)	Haryana	100	55	155
(iv)	Kerala	200	45	245
(v)	Rajasthan	100	60	160
(vi)	Uttar Pradesh	200	150	350
(vii)	West Bengal	1,030	90	1,120
(viii)	Maharashtra	100	0	100
(ix)	Telangana	20	0	20
	<b>TOTAL</b>	<b>1,900</b>	<b>500</b>	<b>2,400</b>

The study(ies) is/are underway. Due to Covid-19 outbreak and subsequent lockdown imposed in the country w.e.f. 25.03.2020, the Agency had sought extension to submit the final report(s) of the study(ies).

## 2.1.14 Recommendations of External Evaluation Study (2017-18) of Credit and Non-Credit Based Schemes

In addition to the above, during the year, M/s. Centre for Market Research & Social Development, New Delhi has submitted its final reports (conducted during 2017-18) of both the Credit Based Schemes and Non-Credit Based Scheme (Skill Development Training Programmes) and its impact on the economic development of its target group in 13 States covering 2,379 (1,654 Beneficiaries & 725 Trainees) who had availed loan/skill development training during the year 2016-17.

### A. CREDIT BASED SCHEMES:

The State-wise findings are given as under:

Sl. No.	State/SCA or CA	Credit Based Schemes			%age of beneficiaries crossed Double Poverty Line (DPL)
		%age of beneficiaries utilized funds for the intended purpose	%age of beneficiaries found to have possessed assets created	%age of beneficiaries crossed Poverty Line (BPL)	
(i)	Andhra Pradesh (Andhra Bank)	100.00%	100.00%	100.00%	87.00%
(ii)	Bihar (MBGB)	91.00%	63.00%	100.00%	66.00%
(iii)	Gujarat (GSCMBCDC)	100.00%	100.00%	100.00%	83.00%
(iv)	Himachal Pradesh (HPSCSTDC)	98.00%	98.00%	100.00%	96.00%
(v)	Jammu & Kashmir (JKSCSTBCDC)	98.00%	100.00%	100.00%	100.00%
(vi)	Jharkhand (JSCDC)	96.00%	93.00%	100.00%	100.00%
(vii)	Karnataka (DBRADC & Vijaya Bank)	81.88%	96.13%	100.00%	88.40%
(viii)	Maharashtra (LIDCOM)	94.00%	94.00%	86.70%	80.00%
(ix)	Manipur (NEDFi)	99.00%	99.00%	100.00%	99.00%
(x)	Punjab (PUNGB)	100.00%	100.00%	100.00%	98.00%
(xi)	Tamil Nadu (PANGB)	99.00%	100.00%	0.00%	100.00%
(xii)	Telangana (TGB)	95.00%	95.00%	100.00%	95.70%
(xiii)	Tripura (TGB)	92.00%	92.00%	100.00%	89.00%

MBGB : Madhya Bihar Gramin Bank.

GSCMBCDC : Dr. Ambedkar Antyodaya and Development Corporation (Formerly Gujarat SCs Most Backward Castes Development Corporation).

HPSCSTDC	: Himachal Pradesh SCs & STs Development Corporation.
JKSCSTBCDC	: J&K SCs, STs & BCs Development Corporation.
JSCDC	: Jharkhand State Scheduled Castes Cooperative Development Corporation.
DBRADC	: Dr B. R. Ambedkar Development Corporation.
LIDCOM	: Sahityaratna Lokshahir Annabhau Sathe Development Corporation.
NEDFi	: North Eastern Development Finance Corporation.
PUNGB	: Punjab Gramin Bank.
PANGB	: Pandyan Grama Bank.
TGB	: Telangana Grameena Bank.
TGB	: Tripura Gramin Bank.

## **Major Findings**

The major findings of the study are summarized as under:

Sl. No.	Particulars	Details
(i)	Number of beneficiaries inspected during the study	1,654 in 13 States
(ii)	Number and percentage of beneficiaries utilized the assistance for the intended purpose	1,593 (96.31%)
(iii)	Number and percentage of beneficiaries possessed the assets created	1,570 (94.92%)
(iv)	Number and percentage of beneficiaries crossed Poverty Line (BPL)	189 (99.88%)
(v)	Number and percentage of beneficiaries crossed Double Poverty Line (DPL)	1,507 (91.11%)

## **Recommendations**

- (i) **Implement all Credit Based Schemes:** The study observed that total 17,978 beneficiaries were benefitted under Credit Based Schemes of NSFDC in sample 13 States in 2016-17. The Schemes under which the beneficiaries benefitted were, Term Loan (TL), Micro Credit Finance (MCF), Mahila Samridhi Yojana (MSY), Mahila Kisan Yojana (MKY) and Laghu Vyavasay Yojana (LVY). NSFDC may plan, propose, encourage and guide the channel partners to implement other Credit Based Schemes. The Channel Partners should be encouraged to implement other Credit Based Schemes so that different category of target population may get benefit through other Schemes.



- (ii) **Reduce time in sanction and disbursement of loan:** During the study, beneficiaries have highlighted the slow process of application, and approval and disbursement of loan by the Channel Partners. The average time taken from submission of application to receipt of loan by the beneficiaries under NSFDC Schemes in 2016-17 in concerned states was found to be more than six months. Such delay discourages the applicants from seeking loans to pursue their prospective activities/self-employment which in turn deviate the economic activity from its optimal path. The delay in sanctioning of loan amount from Channel Partners has been identified as the core reason for the same. Thus, Channel Partners should be guided and monitored for sanction and disbursement of loan to the target group within three months from the date of submission of application.
- (iii) **Increase the loan amount:** The study observed that the average loan received by the beneficiaries under NSFDC Schemes in 2016-17 was ₹57,131/-. One-third of the surveyed beneficiaries expressed their unhappiness about the insufficient credit amount provided to undertake their proposed economic activities properly and suggested for increment in the loan amount. In this regard, NSFDC may consider increasing the amount of credit for the beneficiaries under Micro Credit Finance (MCF) up to ₹1.00 lakh.
- (iv) **Reduce number of visits to the Office of the Channel Partners:** One in four beneficiaries stated that they had faced difficulty in getting the loan under the Schemes of NSFDC due to repeated visits to the Office of the Channel Partner. Thus, the Channel Partners are to be guided to reduce the number of visits of the beneficiaries to the Office of the Channel Partners by simplifying the documentation process and implement IT platform such as SBMS (Social Benefit Management System) Software for online application.
- (v) **Motivating ‘others’:** In order to expand the ambit of the NSFDC Schemes and create awareness, ‘success stories’ of the beneficiaries of NSFDC Schemes need to be publicised widely through preferably social or print media. This may be done by circulating these stories by ‘word-of-mouth’ and short films based on the ‘before-and-after’ scenarios, among others. Such activities will inspire others to be more experimental as well as motivate them to continue the activity while igniting risk-taking appetite.



## B. NON-CREDIT BASED SCHEME (SKILL DEVELOPMENT TRAINING PROGRAMMES):

### Major Findings

The major findings of the study are summarized as under:

Sl. No.	Particulars	Details		
(i)	Number of trainees surveyed during the study	725 in 13 States		
(ii)	Number and percentage of trainees who have sought job after getting the skill development training of NSFDC	593 (82%)		
(iii)	Present employment status of the trainees	<b>Job employed</b>	<b>Self-employed</b>	<b>Unemployed</b>
		331 (46%)	231 (32%)	163 (22%)
(iv)	Monthly average salary of the job employed trainees	₹9,647/-		
(v)	Monthly average earning of the self-employed trainees	₹6,526/-		

### Recommendations

- (i) **Provide training in higher level courses:** A significant percentage of trainees (18%) desired to be trained in higher level course (manager level) so that it would help them to be employed in good position and earn more. Also, 38% job-employed trainees and 43% self-employed trainees were found to be dissatisfied with their present job/activity and income. Thus, NSFDC may select some higher level courses so that the trainees would be satisfied with their present job or activity as well as with income.
- (ii) **Proper selection of candidates:** Since the study found that there were many trainees who did not seek employment after the training, proper selection of candidates should be stressed upon to only select those candidates who have aptitude and interest in pursuing the course. This would also help the training institutes to identify the interest areas of the candidates and could admit them in the course of their choice.
- (iii) **Initiatives for effective placement:** Effective publicity of the skill development program and tie-up with prospective employers should be undertaken by NSFDC training providers to create awareness among employers for more and effective placement of trainees. Also, it is suggested that there should be a designated official at the institute level for monitoring the placement work for more and effective placement of trainees.

- (iv) **Release of stipend in time:** All the trainees reported that they have received stipend for the training. However, some trainees informed that they did not get the stipend in time due to delay in disbursing the stipend to the trainees by the training provider. Thus, NSFDC should monitor and guide the training institutes to release the stipend to the trainees in time.

### 2.1.15

#### **Skill Development Training Programmes – Achievements**

During the year, your Corporation sanctioned and implemented Skill Development Training Programmes with a cost of ₹36.01 crore to train 19,445 persons belonging to Scheduled Castes and disbursed ₹25.82 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 29 Training Institutes/Sector Skill Councils. In addition, an amount of ₹363.96 lakh was received from IFCI Social Foundation, National Fertilizers Ltd., REC Foundation, Security Printing & Minting Corporation of India Ltd. and GAIL India Ltd. under their 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 Assistant-Injection Molding (MOA-IM), Machine Operator Assistant-Blow Molding (MOA-BM), CNC Operator Turning, Backhoe Loader Operator, General Duty Assistant, Assistant Electrician, Fitter-Fabrication, Front Office Associate, Installation Technician, Electric Domestic Solution, Consumer Energy Meter Technician, Courier Associate, CCTV Installation Technician, DTH Set-top Box Installer & Service Technician, Handset Repair Engineer, Jacquard Weaver-Handloom, Cane & Bamboo Utility Handicraft Assembler, Animator, Graphic Designer, Make-up Artist, Hank Dyer, Warper, CRM-Domestic Voice & Non-Voice, Life Guard, Hospital Front Desk Coordinator, Beauty Therapist, Carpet Weaver, Engraving Artisan, Warehouse Packer, Consignment Booking Assistant, Loan Processing Officer etc. Out of 19,445 commenced, 7,500 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 9,086 persons which commenced during 2018-19, was completed during the year.

*The State/UT-wise abstract under Skill Development Training Programmes commenced and completed during 2019-20 is placed at **Annexure-IV**.*

### 2.1.16

#### **Development of Scheduled Caste Weaver Cluster**

During the year, out of 04 proposals recommended by State Level Project Committee (SLPC), Government of Assam, the Development Commissioner (Handlooms), New Delhi has sanctioned 02 Block Level Clusters (BLC) to NSFDC at Bordoloni Block, Dhemaji District and Agomoni Block, Dhubri District of Assam vide letter dated 07.08.2019. The total cost of project was ₹179.88 lakhs for covering 300

weavers and ₹178.38 lakhs for covering 566 weavers, respectively. Under both the BLCs, the Development Commissioner (Handlooms) also released ₹13.30 lakhs to NSFDC towards Baseline Survey, Product development, Documentation of cluster activities, Engaging of Designer and Project Management Cost (PMC). Similarly, budgetary provision of ₹70.432 lakhs was also made with Weavers Service Centre (WSC), Guwahati under both the BLCs for undertaking Hathkargha Samvardhan Sahayata (HSS) (Technology Up-gradation) and Skill Upgradation as per the National Handloom Development Programmes (NHDP) guidelines of Development Commissioner (Handlooms). The BLCs could not be undertaken due to the request of NSFDC to allow undertaking of all the sanctioned interventions under direct supervision is still undecided at the level of Development Commissioner (Handlooms).

To expand the outreach, your Corporation has signed Memorandum of Agreement (MoA) with two more PIAs viz; M/s. Indian Institute of Rural Management (IIRM), Jaipur (Rajasthan) and M/s. Jay Dashama Hastkala Udhogik Sahkari Mandali Ltd., Ahmedabad, (Gujarat) during the year for implementation of National Handloom Development Programmes (NHDP) of the Development Commissioner (Handlooms), Ministry of Textiles, PAN India.

**2.1.17****Development of Scheduled Caste Artisans Cluster**

During the year, NSFDC has released wage compensation of ₹9.63 lakhs under DBT to 70 SC artisans assisted under the intervention of Design and Technical Development Workshop (DTDW) and Integrated Design and Technical Development Project (IDTDP) undertaken by NSFDC at village Poogal and its surrounding area, Bikaner District, Rajasthan. Similarly, toolkits were distributed to 110 SC artisans of this cluster on 24.08.2019. NSFDC has also received an amount of ₹33.505 lakhs from DC (Handicrafts) towards reimbursement of 2<sup>nd</sup> and final installment against the UCs of the sanctioned interventions.

Similarly, an amount of ₹31.38 lakhs was also received from DC (Handicrafts) towards reimbursement of 2<sup>nd</sup> and final installment against the UCs of the sanctioned interventions undertaken at Gadra Road cluster, Barmer District, Rajasthan. Accordingly, the funds were released to the concerned PIAs.

NSFDC has also completed the remaining intervention of 02 Handicrafts Technical Training Programme (HTTP). The programmes were undertaken at Jitwarpur and Ranti Villages of Madhubani District, Bihar covering 20 artisans per village under Ambedkar Hastshilp Vikas Yojana (AHVY) of Development Commissioner (Handicrafts) sanctioned to NSFDC.

To expand the outreach, your Corporation has signed MoA with one more PIA viz; M/s. Indian Institute of Rural Management (IIRM), Jaipur (Rajasthan) during the year for implementation of Ambedkar Hastshilp Vikas Yojana (AHVY) of the Development Commissioner (Handicrafts), Ministry of Textiles, PAN India.

## 2.1.18 The best five performing SCAs for the year 2019-20

### (a) Disbursement availed

Rank	Name of SCA	Amount (Crores)
1.	APSCCFC, Andhra Pradesh	113.34
2.	RSCDC, Rajasthan	62.76
3.	WBSCSTOBCDFC, West Bengal	29.35
4.	GSCDC, Gujarat	20.29
5.	KSDC, Kerala	16.12

### (b) Fund Utilization (Cumulative)

Rank	Name of SCA	%age
1.	HSFDC, Haryana	97.26
2.	GSCDC, Gujarat	86.81
3.	HPSCSTDC, Himachal Pradesh	86.53
4.	KSDC, Kerala	82.83
5.	TSCDC, Tripura	81.52

### (c) Repayments made

Rank	Name of SCA	Amount (crores)
1.	WBSCSTOBCDFC, West Bengal	36.17
2.	APSCCFC, Andhra Pradesh	27.14
3.	DBRADC, Karnataka	10.10
4.	KSWDC, Kerala	8.83
5.	KSDC, Kerala	4.55

### (d) Beneficiaries covered

Rank	Name of SCA	Numbers
1.	WBSCSTOBCDFC, West Bengal	25,258
2.	RSCDC, Rajasthan	4,266
3.	APSCCFC, Andhra Pradesh	3,255
4.	KSDC, Kerala	1,308
5.	KSWDC, Kerala	432

### (e) Women Beneficiaries

Rank	Name of SCA	Numbers
1.	WBSCSTOBCDFC, West Bengal	25,101
2.	RSCDC, Rajasthan	2,235
3.	APSCCFC, Andhra Pradesh	1,856
4.	KSDC, Kerala	928
5.	KSWDC, Kerala	432

## 2.1.19 The best three performing PSBs for the year 2019-20

Disbursement availed for PAN India		
Rank	Name of PSB	Amount (Crores)
1.	Indian Bank	60.00
2.	Bank of Baroda	43.62
3.	Syndicate Bank	4.27

## 2.1.20

**The best five performing RRBs for the year 2019-20**

Disbursement availed		
Rank	Name of RRB	Amount (Crores)
1.	Purvanchal Bank, Gorakhpur, Uttar Pradesh	68.34
2.	Tamil Nadu Grama Bank, Salem, Tamil Nadu	67.50
3.	Karnataka Vikas Grameena Bank, Dharwad, Karnataka	36.91
4.	Karnataka Gramin Bank, Bellary, Karnataka	34.53
5.	Punjab Gramin Bank, Kapurthala, Punjab	32.69

## 2.1.21

**Initiatives taken to incentivize SCAs**

## 2.1.21(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.

During the year, the following SCAs have been provided incentives amount under the ISSDRI for the financial year 2017-18:

Sl. No.	Name of SCA	Incentive Amount (₹)
1.	Chandigarh SCs, BCs & Minorities Financial & Development Corporation, Chandigarh.	4,769/-
2.	Goa State SCs & OBCs Development Corporation Ltd., Goa.	3,837/-
3.	Haryana Scheduled Castes Finance and Development Corporation, Haryana.	28,996/-
4.	Kerala State Development Corporation for SCs & STs, Kerala.	2,43,372/-
5.	Kerala State Women's Development Corporation, Kerala.	2,78,594/-
6.	West Bengal SCs, STs & BCs Development & Finance Corporation, West Bengal.	18,25,462/-
	<b>Total</b>	<b>23,19,453/-</b>

During the year, the following SCAs have been provided incentives amount under the ISSDRI for the financial year 2018-19:

Sl. No.	Name of SCA	Incentive Amount (₹)
1.	Chandigarh SCs, BCs & Minorities Financial & Development Corporation, Chandigarh.	10,363/-
2.	Goa State SCs & OBCs Development Corporation Ltd., Goa.	8,800/-
3.	Haryana Scheduled Castes Finance and Development Corporation, Haryana.	54,773/-
4.	Jammu & Kashmir SCs, STs & OBCs Development Corporation, Jammu & Kashmir.	92,597/-
5.	Kerala State Development Corporation for SCs & STs, Kerala.	2,43,372/-
6.	Kerala State Women's Development Corporation, Kerala.	2,78,594/-
7.	West Bengal SCs, STs & BCs Development & Finance Corporation, West Bengal.	21,50,130/-
	<b>Total</b>	<b>28,38,629/-</b>

## 2.1.21(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 ₹45.00 lakhs per year.

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 ₹3.00 crores 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 ₹3.00 crores and up to ₹10.00 crores 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 ₹10.00 crores 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>



During the year, the following SCAs have been provided incentives amount under the NAPE for the financial year 2018-19 grouped under Level-I, II and III category:

**LEVEL-I**

(₹ in lakhs)

Name of SCA	Composite Score	Rating	Position	Eligible Award Amount
Kerala State Women's Development Corporation, Kerala.	1.75	Very Good	Winner	5.00
Goa State SCs & OBCs Development Corporation Ltd., Goa.	2.43	Very Good	1 <sup>st</sup> Runner up.	3.00
Chandigarh SCs, BCs & Minorities Financial & Development Corporation, Chandigarh.	2.80	Good	2 <sup>nd</sup> Runner up.	2.00

**LEVEL-II**

(₹ in lakhs)

Name of SCA	Composite Score	Rating	Position	Eligible Award Amount
Kerala State Development Corporation for SCs & STs, Kerala.	2.55	Good	Winner	7.00
Delhi SC/ST/OBC/Minorities & Handicapped Financial & Development Corporation, Delhi.	2.95	Good	1 <sup>st</sup> Runner up.	5.00
Gujarat Scheduled Castes Development Corporation, Gujarat.	3.03	Good	2 <sup>nd</sup> Runner up.	3.00

**LEVEL-III**

(₹ in lakhs)

Name of SCA	Composite Score	Rating	Position	Eligible Award Amount
West Bengal SCs, STs & BCs Development & Finance Corporation, West Bengal.	2.30	Very Good	Winner	10.00
Haryana Scheduled Castes Finance and Development Corporation, Haryana.	2.68	Good	1 <sup>st</sup> Runner up.	6.00
Andhra Pradesh Scheduled Castes Co-operative Finance Corporation, Andhra Pradesh.	2.91	Good	2 <sup>nd</sup> Runner up.	4.00
<b>GRAND TOTAL (I+II+III LEVELS)</b>				<b>45.00</b>

**2.1.22 Initiatives taken to incentivize CAs**

**2.1.22(A) Incentive Scheme for CAs for Development of Recovery Infrastructure (ISOCAs)**

The Board of Directors of NSFDC in their 153<sup>rd</sup> Board Meeting held on 20.03.2020 has approved the 'Incentive Scheme for Other Channelizing Agencies (All Agencies

other than the State Channelizing Agencies) of National Scheduled Castes Finance and Development Corporation (NSFDC).

The objective of the Scheme is to strengthen the infrastructure of Other Channelizing Agencies (OCAs) in order to improve their delivery mechanism for better implementation of NSFDC Schemes as well as creating awareness, mobilization of eligible beneficiaries, timely utilization of disbursed funds and strengthening the recovery system.

- (a) Other Channelizing Agencies who have availed fund from NSFDC during the last three years continuously for implementation of NSFDC Schemes.
- (b) Cumulative fund Utilization should be at least 90% as on 31<sup>st</sup> March of the relevant financial year for which the Incentive Scheme is considered.
- (c) Cumulative recovery of OCA (Including Interest on Refund) up to the relevant financial year for which the Incentive Scheme is considered should be 100%.
- (d) No pending Utilization Certificate of earlier Incentive amount received, if any, from NSFDC.

Your Corporation is to provide incentive amount @ 0.5% of the total amount repaid to NSFDC (excluding interest on refund, if any) by the Other Channelizing Agencies (OCA) during the relevant financial year for which the Incentive Scheme is considered or ₹10.00 lakhs, whichever is less.

The Incentive amount shall be utilized by the OCAs for the following activities:

- (a) Improvement of delivery mechanism e.g. Procurement of Computers/ Printers/Internet connectivity & related Peripherals, Computerization of beneficiary records & ensuring Digitization & DBT system etc.
- (b) Purchase/Hiring of Vehicles for loan recovery and monitoring.

The OCAs shall furnish a consolidated Utilization Certificate of Incentive amount received to NSFDC in GFR 12C duly signed and stamped by authorized signatory of the OCAs.

The new Scheme is implemented with effect from the financial year 2020-21.

### **2.1.22(B) 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 ₹50,000/- per programme.

### **2.1.23 Initiatives taken for the Beneficiaries Revision in Lending Policy of NSFDC w.r.t. Annual Family Income Certification**

The Board of Directors of NSFDC in their 153<sup>rd</sup> Board Meeting held on 20.03.2020 have approved the following mode of certification, in addition to the present certification mode, w.r.t. the Annual Family Income for smooth implementation of NSFDC Schemes.

- (i) Self-certified annual family income certificate duly endorsed by any Gazetted Officer notified by the State/Central Government in case of assistance through SCAs.
- (ii) Self-certified annual family income certificate duly endorsed by the Branch Manager in case of PSBs/RRBs.

## 2.1.24

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

**(i) Standard Operating Procedures (SOP) for recommending Educational Loan Proposals by SCAs under delegation of powers granted to SCAs for courses in India**

The Educational Loan Policy of NSFDC has been revised by the NSFDC Board in its 153<sup>rd</sup> Meeting held on 20.03.2020 and the SCAs have been advised to sponsor group proposals in summary form [Course ending month and year, Number of Male/Female Students (Rural/Urban) under annual family income up to ₹1.50 lakhs and above ₹1.50 lakhs to ₹3.00 lakhs, Means of Finance, Yearly Disbursement Schedule, etc.] instead of individual student details for smooth implementation of NSFDC Schemes. The revised Policy is implemented w.e.f. 01.04.2020.

**Amendments in NSFDC Lending Policy for NBFC-MFIs**

The Aajeevika Microfinance Yojana (AMY) implemented through NBFC-MFIs Lending Policy of NSFDC has been revised by the NSFDC Board in its 153<sup>rd</sup> Meeting held on 20.03.2020.

**Revised interest rate by reducing 2% interest**

The revised pattern of charging interest under the scheme as under:

NSFDC to NBFC-MFI	Interest Spread to NBFC-MFI	NBFC-MFI to Beneficiaries
2% p.a. for Women SHGs 3% p.a. for Men SHGs	8%	10% p.a. for Women. 11% p.a. for Men.

**Note:** The existing system of providing 2% interest subvention stands discontinued.

**NBFC-MFIs under cluster mode**

The maximum loan amount in case of NBFC-MFIs submitting proposals under cluster approach covering minimum 100 beneficiaries shall be ₹2.00 crores per NBFC-MFI for new channel partners and ₹5.00 crores per NBFC-MFI for existing channel partners who have availed NSFDC fund for minimum 3 years. Further, the Principal outstanding amount shall not be more than ₹2.00 crores/₹5.00 crores respectively per NBFC MFI at any point of time.

## 2.1.25 Celebration of International Yoga Day

In compliance of instructions issued by Ministry of AYUSH, NSFDC celebrated International Yoga Day on 21<sup>st</sup> June, 2019. On the occasion, Yoga instructor was also invited to impart yoga training session to employees of your Corporation.



NSFDC celebrated International Yoga Day on 21st June 2019

## 2.1.26 Public Procurement Policy for MSEs

During the year 2019-20, your Corporation has achieved the required target under the Public Procurement Policy for Micro and Small Enterprises.

## 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 ₹68.89 crore. During the year, the Operating Profit or Surplus/Revenue from Operation (Net) of your Corporation is 67.10%.
- (ii) During the year 2019-20, the income of the Corporation has increased from ₹73.78 crore to ₹83.65 crore.
- (iii) The total Expenses including employee cost has increased from ₹19.85 crore to ₹22.67 crore in 2019-20.
- (iv) Excess of Income over Expenditure (EOIOE) during the year 2019-20 is ₹60.98 crore as against ₹53.94 crore during 2018-19.

### 3.2 Appropriation of Profit

The Corporation transfers 10% of EOIOE to the Special Reserve Fund and balance to General Reserve. Accordingly, ₹8.92 crore is appropriated to Special Reserve fund and ₹51.60 crore is transferred to General Reserve to be ploughed back for further disbursement.

### 3.3 Earning Per Share

Earning per Equity Share during 2019-20 is ₹40.75 & ₹40.75 (Basic & Diluted) as against ₹36.96 & ₹36.96 (Basic & Diluted) for 2018-19.

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

##### **4.1 MoU Rating (2018-19)**

Your Corporation had submitted Self Evaluation Performance Report of the MoU for the Financial Year 2018-19 based on the Audited Data, to the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of 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 97 and rated the performance of your Corporation as “Excellent”.

##### **4.2 Changeover of Quality Management System Certification Licence from IS/ISO 9001:2008 to IS/ISO 9001:2015**

Your Corporation’s Quality Management System Certification Licence, after successful completion of Surveillances-cum-Changeover Audit as per all the requirements of Quality Management System Certification, as per ISO/ISO 9001:2015, was revised from IS/ISO 9001:2008 to IS/ISO 9001:2015 by the Bureau of Indian Standards (BIS) in 2019-20. The BIS conducted Surveillances-cum-Changeover Audit in the month of September, 2019 and recommended for the revision of License in October, 2019. The revised License number assigned by BIS is CRO/QM/L-8002836.3. The License was valid from 19<sup>th</sup> September, 2019 to 29<sup>th</sup> November, 2019. However, the same may be recertified as prescribed in the regulations. Accordingly, the application in the prescribed format for renewal of License has been sent to the BIS in the month of January, 2020.

##### **4.3 Strengthening of IT-System**

- Your Corporation has hosted and maintaining a dynamic, disabled friendly, bilingual website which is in compliance with the Guidelines for Indian Government Website (GIGW) alongwith a web-based Skill Training Application which is hosted at NIC cloud server.
- 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.
- A web-based NSFDC’s Loan Accounting Software has been developed and currently in parallel run.
- A web-based Beneficiary Tracking System (BTS) has been developed and implemented for maintaining a digital repository of beneficiaries covered under various loan schemes of NSFDC.



- An online portal for registration of NGOs/Voluntary Organizations for implementing NSFDC sponsored Skill Development Training Programmes through Sector Skill Councils has been developed and hosted.
- An in-house Inventory Management Module has been developed and implemented for maintaining issues and receipts records related to office inventory.

## 5. HUMAN RESOURCE DEVELOPMENT

### 5.1 Human Capital & Training of NSFDC Staff

The manpower of the Corporation as on 31st March, 2020 is 80 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	Training Programme Conducted by
1.	Advance Excel	M/s. Trulabz Technologies, New Delhi
2.	Yoga Training	In House
3.	Handling of Disciplinary Proceedings & Cases of Sexual Harassment at Workplace	Integrated Training & Policy Research (Training Division), N. Delhi
4.	Workshop on Noting & Drafting	ISTM, New Delhi
5.	Orientation Course in Records Management for Record Officer	National Archives of India, Jaipur
6.	Workshop on Instructions for filling up online data input sheet of Public Enterprises Survey 2018-19	DPE in association with NIFM
7.	Workshop on “Communication Skills”	ISTM, New Delhi
8.	Seminar on Prevention of Sexual Harassment of Women at Workplace	Institute of Good Governance, New Delhi
9.	MDP on “Managerial Effectiveness”	IIM-Kolkata
10.	Guidelines for attending proceeding under Section 7-A of EPF & MP Act	SCOPE
11.	Recent changes under the Companies Act, 2013	SCOPE with Institute of Companies Secretaries of India (ICSI)
12.	Strategies for Financing MSMEs	National Institute of Bank Management (NIBM)
13.	Seminar on Challenges & Management of Arbitration	SCOPE, New Delhi
14.	Global Summit 2020 “Mission 5 Trillion CMA as a Cryogenic Force”	The Institute of Cost Accountants of India



15.	Transparency Audit w.r.t. compliance under Section 4 of RTI Act, 2005	Indian Rubber Manufacturing Research Association (IRMRA)
16.	Executive Development Program for Executives of CPSEs	APSE, SCOPE
17.	On-line Course on MS Excel	On-line Course from UDEMY
18.	On-line Course on SQL Server High Availability and Disaster Recovery (HA/DR)	UDEMY
19.	On-line Course on Complete Networking Fundamental Course	UDEMY
20.	On-line Course on PHP for Beginners-Become a PHP Master-CMS Project	UDEMY
21.	Management of Contract Labour “Compliance of Labour Laws with Special reference to the Code on Wages 2019”	SCOPE
22.	On-line Course on Functions, Data Analysis, Presentation and Finance W/Excel	On-line Course from UDEMY

## **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.

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

The Corporation has zero tolerance for sexual harassment at workplace and in compliance of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Corporation has reconstituted ‘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. The names and contact details of all ICC members were prominently displayed on board of Head Office and all Liaison Centres.

During the year, all the information relating to Internal Complaints Committee, SHWW Act, Hadbook, SHe-Box link (<http://www.shebox.nic.in/user/faq>) and

E-mail ID (nsfdc.shwwicc@gmail.com) has been made available at the website of NSFDC.

## **Meetings of the ICC :**

During the year, two meetings of NSFDC Internal Complaint Committee (ICC) for Prevention of Sexual Harassment of Women at Workplace were held on 19.09.2019 & 17.12.2019.

## **Annual Report of the ICC for SHWW:**

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	02 (08-10 August, 2019 & 11-12 October, 2019)
5.	Nature of action	Not Required

## **6. OTHER ACHIEVEMENTS**

### **6.1 Progressive use of Official Language (OL)**

NSFDC is committed to promote the use of OL Hindi in official work of Corporation as per OL Policy of Union and Annual Programme issued by the D/o OL, MHA. The work of Hindi Implementation is done by Hindi Officer, Hindi Translator and Assistant under HR & Administration Department headed by a DGM. In pursuance of the OL Policy of the GoI, all documents covered under section 3(3) of the OL Act, 1963 were issued both in Hindi & English. Annual Programme 2018-19 and other orders/instructions issued by the D/o OL, MHA were forwarded to all the Departments/ Sections/LC of NSFDC for their compliance. Check Points identified and prepared to ensure compliance of OL Policy. To promote the progressive use of Hindi, a digital notice board was setup on 14.09.2018 at HO, Delhi for 'Aaj ka Shabd aur Vichar'.

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

As per OL Policy OLIC exist in NSFDC under the chairmanship of CMD for ensuring compliance of progressive use of Hindi & its meetings held regularly in each quarter. During the year, four meeting of NSFDC OLIC were held on 17.06.2019, 21.08.2019, 13.12.2019 & 24.03.2020. The Committee chalked out strategies to implement & ensured compliance of the constitutional provisions of the OL Act, 1963 (as amended in 1967) & OL Rules, 1976 with a view to achieve the

targets prescribed in the Annual Programme 2019-20. The Committee periodically reviewed the progress made in this regard and suggested & recommended measures to be taken for the effective implementation of the same.

## 6.3 Hindi Workshop

In-house 4 workshops were conducted on 18.06.2019, 13.09.2019, 17.12.2019 & 20.02.2020.

## 6.4 Participation in Seminar, Conference, TOLIC Competitions and Abhimukhi Karyakram

During the year, on 06.06.2019 NSFDC represented in one day OL Seminar conducted by TOLIC, Delhi (Undertaking-1). The Corporation also participated in the All India Hindi Conference organized by the TOLIC, Delhi (Undertaking-2) on 22-23 August, 2020. Three employees of the NSFDC participated in the Competitions organised under the aegis of TOLIC and awarded with consolation prizes. Smt. Archana Mehra, HO was undergone 5 days Insentive training from 14-18 October, 2019 on 'Orientation Programme for OL Officers of GOI Organised by CHTI, MHA, D/o OL, Delhi.

## 6.5 Hindi Diwas and Hindi Week

Hindi Diwas was celebrated on 13.09.2019. On this occasion Minister of MHA, Minister of SJE and CMD, NSFDC's messages were read out. In order to encourage the use of OL Hindi in official work amongst staff during 13-19 Sept., 2019 'Hindi Week' was organized at the HO & LC of the Corporation. During the week 5 competitions were organized such as Kavita Path, Hindi Gyan, Prashna Manch, Hindi Typing and Hindi Essay competitions on 'One Nation One Constitution' were organized at HO, Delhi and in LCs Hindi Essay competition was organized. All the winners of various competitions were awarded with cash prizes.



*Hindi Saptah Celebration at NSFDC in September 2019*



*Appreciation certificates being given to employees during Hindi Saptah Celebration in September 2019*

## 6.6

### Hindi Incentive Schemes

During the year employees were awarded for doing excessive work in Hindi for the FY 2018-19 in different incentive schemes like Mool Hindi Tippan/ Alekhan Protsahan Yojana, Incentive scheme for awards to Officers for giving maximum dictation in Hindi, Hindi Stenography and Typing Incentive Allowance

Scheme, NSFDC Rajbhasha Chal Shield, Shri Shankar Dayal Singh Rajbhasha Samman Yojana and Samvartee Mulyankan Puraskar Yojana. The award under Shri Shankar Dayal Singh Rajbhasha Samman Yojana was given to Miss Rachana, SA, Finance Deptt. for doing commendable work in Hindi. Rajbhasha Chal Shield was awarded to HR Department & every staff of department has been awarded with cash prize & special batch.



Smt. Rachana Devi, Sr. Assistant was awarded 'Shankar Dayal Singh Rajbhasha Samman' for the year 2018-19.

## 6.7

### Observance Vigilance Awareness Week

During the year, your Corporation as per the instructions of the Central Vigilance Commission (CVC) observed the Vigilance Awareness Week, 2019 from 28.10.2019 to 02.11.2019 on the theme "*Integrity – A way of life*– ईमानदारी - एक जीवन शैली".

The Vigilance Awareness Week 2019 was inaugurated on 28.10.2019 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.

The message of Hon'ble President of India, Hon'ble Vice-President of India, Hon'ble Prime Minister of India, Hon'ble Home 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.



NSFDC observed Vigilance awareness week in November 2019



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.

Besides above, during the Vigilance Awareness Week (VAW)-2019, a Workshop/ Sensitization programme was organized by Vigilance Unit, NSFDC on 31.10.2019 at Ground Floor, SCOPE Minar, Laxmi Nagar District Centre, Delhi for the employees/officials of three National Corporations under the aegis of Department of Social Justice & Empowerment, MoSJ&E namely, NSFDC, National Backward Classes Finance and Development Corporation (NBCFDC) and National Safai Karamcharis Finance and Development Corporation (NSKFDC).

The Workshop/Sensitization programme was conducted by Shri J.S. Emmanuel, Additional Superintendent of Police, CBI Academy, Ghaziabad, who was specially invited by NSFDC for the purpose. About 50 officials from NSFDC, NBCFDC and NSKFDC participated in the programme. Shri Emmanuel made a presentation on the Vigilance starting from genesis of vigilance in India and discussing the practical aspects from his long experience and association with anti-corruption branch of CBI. The Workshop served as an interesting and eye opening experience for officials of all the 3 National Corporations as the Preventive and Punitive aspects of vigilance were discussed in detail and sufficient awareness on the subject could be generated.

Further, a list of Do's and Don'ts, Misconducts defined under the NSFDC Conduct, Discipline and Appeal Rules and NSFDC policy on Whistle Blower was displayed on the Notice Board to sensitize the officials / employees of the Corporation. Apparel Training and Design Centre (ATDC) [a Training Partner of NSFDC] administered the vigilance pledge to the trainees at their Indore Centre. The trainees were sensitized on the subject of need to eradicate corruption from our daily life.

### 6.8

#### **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 updated 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. During the year, 80 applications were received. 07 appeals were received during the year. All applications received during the year were disposed-off within the specified time limit.

- VI. With respect to DOPT's OM No.1/6/2011-IR dated 15.04.2013 & 10.12.2013, this Corporation has complied with the the guidelines on implementation of suo-motu disclosures under Section 4 of RTI Act, 2005 within the time limit.
- VII. The status of RTI applications as reported to Central Information Commission on-line, in each quarter during the financial year 2019-20 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, 2019)</b>						
Requests	02	08	10	0	0	11
First Appeals	0	N.A.	1	N.A.	0	1
<b>Progress during 2nd Quarter (July to September, 2019)</b>						
Requests	09	10	22	05	01	28
First Appeals	0	N.A.	02	N.A.	0	02
<b>Progress during 3rd Quarter (October to December, 2019)</b>						
Requests	07	06	17	02	01	22
First Appeals	0	N.A.	04	N.A.	0	01
<b>Progress during 4th Quarter (January to March, 2020)</b>						
Requests	05	02	05	02	0	09
First Appeals	03	N.A.	0	N.A.	0	03
	Total No. of CAPIOs designated		Total No. of CPIOs 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)

	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
Registration Fee Collected (in ₹) u/s 7(1)	40	70	50	10
Additional Fee Collected (in ₹) u/s 7(3)	20	90	70	0

- (VIII) As per the fourth Quarterly Report on RTI uploaded on the CIC Website, there was 01 RTI application pending as on 31.03.2020. This application was subsequently replied within the stipulated time.

## 6.9

### **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.

## 6.10

### **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



*NSFDC under its CSR initiative funded surgical equipment to L V Prasad Eye Institute, Siddipet, Telangana*

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**.

9. **RESOURCE LINKAGE PROGRAMMES**

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 27.2.2014 that they shall be implementing agencies.

During the year, your Corporation received sanction under Corporate Social Responsibility (CSR) from 2 (two) profit making CPSE's namely GAIL India Ltd., and Bridge & Roof Company India Ltd. Your Corporation also partnered with

Corporate Foundations for cost sharing in conducting skill training programmes. The Corporate Foundations are Ambuja Cement Foundation, Dalmia Bharat Foundation, Hindustan Latex Family Planning Trust and Tech. Mahindra Foundation. Further, out of CSR sanctioned funds received from CPSEs, an amount of ₹354.93 lakh was released to concerned training institutions during the year.

The Skill training programmes under the above CSR funded projects for the financial year 2019-20 have been sanctioned in the States of Jharkhand, Madhya Pradesh, and implementation is underway

## 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 9 members as on 31.03.2020. For further details please refer Report on Corporate Governance annexed to this Annual Report.

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

During the financial year under review, three 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 financial year under the review, two meetings of the Remuneration Committee Meeting took place on 15.11.2019 and 27.02.2020.

### 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 Shri K. Narayan (Chairman), Shri S.M. Awale (Member) and Ms. Vishakha Shailani (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 was approved by the Board for drawing of appropriate risk assessment, management and minimization framework as also internal risk assessment framework, integrated and aligned with Corporate objectives has been revised by the Board of Director in their 152<sup>nd</sup> Board Meeting held on 15.11.2019.

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. Accordingly, the potential risk areas are assessed by the Risk Management Committee comprising of Heads of all Departments of the Corporation and suggested sensitive areas are placed before the Board of Directors included in the Quarterly Directors Review Report.

**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, 30<sup>th</sup> AGM was held on 11.11.2019 for adoption of Accounts for the year 2018-19. 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. After the approval in AGM, the Annual Accounts for the year 2018-19 were adopted along with Directors' Report.

**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. NSFDC INTERVENTIONS DURING COVID-19 PANDEMIC

On March 11, 2020, the World Health Organization declared the novel corona virus (COVID-19) as a pandemic. The Ministry of Home Affairs, Govt. of India, vide Order No.40-3/2020 dated March 24, 2020 declared national lockdown. Besides the toll that this outbreak has had on human life, it has also disrupted the social, economic and financial structure resulting in significant reduction in global and local economic activities.

However, the operations of the Corporation have not been disrupted. The Corporation has responded to the changed business environment and as per RBI Circular dated 23.05.2020 permitting to extend the moratorium period upto 30.09.2020, along with repayment schedule. NSFDC stepped up its level of routine and CSR interventions true to its ethos of helping the marginalized at all times. They are summarized as under:

- 17.1 NSFDC disbursed ₹84.54 crore in the last week of March post lockdown for facilitating concessional financing to 10464 beneficiaries in various States/UTs. In addition, payments amounting to ₹1.53 crore for 1980 trainees were released to Training Institutes under various Skill Training Development Programmes sponsored by the Corporation.
- 17.2 NSFDC contributed an amount of ₹20.00 lakhs to PM CARES Fund under its CSR initiative. Further as part of Individual Social Responsibility, by NSFDC employees contributed from their salaries, an amount of ₹4.02 lakhs to PM CARES Fund for promoting quality treatment and encourage research on ways to contain Corona virus along with ₹8.70 lakh to NBCFDC for intervention towards COVID-19 pandemic among marginalized sections.

- 17.3 About 6500 homeless facilitated 7,62,000 cooked meals by provision of utensils and transportation support covering 85 shelter homes/locations at Delhi through NGO CSR interventions amounting to ₹12.17 lakhs.
- 17.4 About 500 abandoned senior citizens and mentally challenged persons provided dry ration for 22,500 meals through NGO partner at Gurugram, Haryana with financial assistance of ₹5.29 lakhs.
- 17.5 400 number of Personal Protective Equipment (PPE) Kits provided to Doctors, Nurses and Para-medical staff at Kerala with a financial assistance of ₹4.98 lakhs.
- 17.6 About 38,500 food packets distributed to migrants, daily wage workers and JJ Cluster residents at Delhi during COVID Lockdown and unlock period through NGO interventions amounting to ₹16.44 lakhs.

**18. AUDITORS AND AUDITORS' REPORT**

**18.1 Statutory Auditors**

M/s. V. Sahai Tripathi & Company, 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 2019-20. The Statutory Auditor's Report on the Accounts of NSFDC for the year ended 31<sup>st</sup> March, 2020 along with the replies of the Company shall be given in the **Addendum-A & B** to this Report, respectively.

**18.2 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 31<sup>st</sup> March, 2020 along with the replies of the Company shall be attached as **Addendum-C** to this Report.

**18.3 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.

**19. 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.

**20.**

**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**

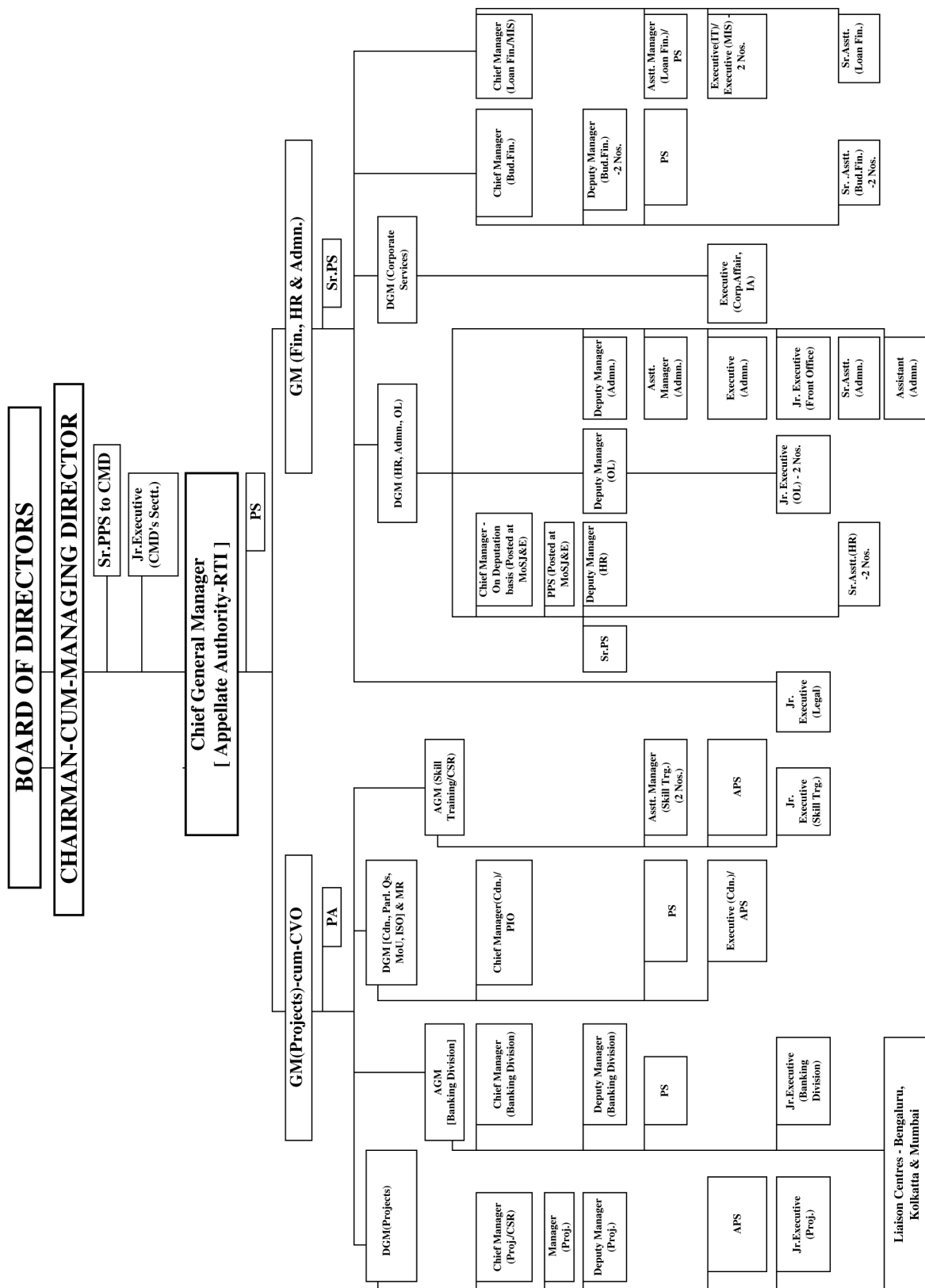
**DIN : 03561648**

**Place : Delhi**

**Date : 11.09.2020**



## ORGANIZATIONAL CHART (As on 31.03.2020)



**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. Andhra Pradesh State Financial Corporation
2.	Assam	3. Assam State Development Corporation for Scheduled Castes Ltd.
3.	Bihar	4. Bihar State SCs Co-operative Development Corporation Ltd.
4.	Chhattisgarh	5. Chhattisgarh State Antavasayee Sahkari Finance & Development Corporation.
5.	Goa	6. Goa State SCs & OBCs Development Corporation Ltd.
6.	Gujarat	7. Gujarat Scheduled Castes Development Corporation. 8. Dr. Ambedkar Antyodaya and Development Corporation.
7.	Haryana	9. Haryana Scheduled Castes Finance and Development Corporation Ltd.
8.	Himachal Pradesh	10. Himachal Pradesh SCs & STs Development Corporation.
9.	Jharkhand	11. Jharkhand State Scheduled Castes Co-operative Development Corporation.
10.	Jammu & Kashmir	12. Jammu & Kashmir SCs, STs & OBCs Development Corporation Ltd.
11.	Karnataka	13. Dr. B.R. Ambedkar Development Corporation Limited.
12.	Kerala	14. Kerala State Development Corporation for SCs & STs Ltd. 15. Kerala State Women's Development Corporation.
13.	Madhya Pradesh	16. Madhya Pradesh State Co-operative SCs Fin. & Development Corporation.
14.	Maharashtra	17. Mahatma Phule BCs Development Corporation Ltd. 18. Sahityaratna Lokshahir Annabhau Sathe Development Corporation. 19. Sant Rohidas Leather Industries & Charmakar Development Corporation.
15.	Manipur	20. Manipur Tribal Development Corporation Ltd. 21. Manipur State STs & SCs Development Co-operative Bank Ltd.
16.	Meghalaya	22. Meghalaya Co-operative Apex Bank Ltd.
17.	Mizoram	23. Mizoram Urban Co-operative Development Bank Ltd. 24. Mizoram Khadi & Village Industries Board.
18.	Odisha	25. Odisha SCs & STs Development Finance Co-operative Corporation Ltd.
19.	Punjab	26. Punjab Scheduled Castes Land Development & Finance Corporation.
20.	Rajasthan	27. Rajasthan SCs & STs Finance & Development Co-operative Corporation.
21.	Sikkim	28. Sikkim SCs, Tribes & Backward Classes Development Corporation.
22.	Tamil Nadu	29. Tamil Nadu Adi Dravidar Housing & Development Corporation.
23.	Tripura	30. Tripura Scheduled Castes Co-operative Development Corporation Ltd.
24.	Uttar Pradesh	31. Uttar Pradesh Scheduled Castes Finance & Development Corporation Ltd.
25.	Uttarakhand	32. Uttarakhand Bahu-udeshiya Vitta Evam Vikas Nigam
26.	West Bengal	33. West Bengal SCs, STs & OBCs Development & Finance Corporation.
27.	Chandigarh	34. Chandigarh SCs, BCs & Minorities Financial & Development Corporation Ltd.
28.	Dadra & Nagar Haveli and Daman & Diu	35. DNH, D & Diu SCs/STs/Other BCs & Minorities Financial & Development Corporation.
29.	Delhi	36. Delhi SC/ST/OBC/Minorities & Handicapped Financial & Development Corporation
30.	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.

**ANNEXURE-II (B)**

(See Para 1.7)

(1 of 2)

**LIST OF CHANNELISING AGENCIES – ALTERNATE CHANNEL**

Sl. No.	State/UT	Name of Channelizing Agency
1.	Andhra Pradesh	1. Chaitanya Godavari Grameena Bank, Guntur, Andhra Pradesh
		2. Andhra Pradesh Grameena Vikas Bank, Warangal
		3. Sapthagiri Grameena Bank, Chittoor, Andhra Pradesh
		4. Andhra Pragati Grameena Bank, Kadapa
2.	Assam	5. Grameen Development & Finance Private Limited, Chhaygaon, Assam
		6. Assam Gramin Vikas Bank, Guwahati
		7. North Eastern Development Finance Corporation, Guwahati, Assam.
3.	Bihar	8. Dakshin Bihar Gramin Bank, Patna, Bihar
		9. Uttar Bihar Gramin Bank, Muzzafarpur, Bihar
4.	Delhi	10. Punjab National Bank, New Delhi
		11. Punjab & Sind Bank, New Delhi
		12. Don Bosco Tech Society, New Delhi
5.	Gujrat	13. Baroda Gujarat Gramin Bank, Bharuch, Gujarat
		14. Shri Mahila SEWA Sahkari Bank Limited, Ahmadabad, Gujarat
		15. Saurashtra Gramin Bank, Rajkot, Gujarat
6.	Haryana	16. Sarva Haryana Gramin Bank, Rohtak, Harayana
		17. Oriental Bank of Commerce, Gurgaon
7.	Himachal Pradesh	18. Himachal Pradesh Gramin Bank, Mandi, Himachal Pradesh
8.	Jharkhand	19. Jharkhand Rajya Gramin Bank, Jharkhand
		20. Jharkhand Silk, Textiles & Handicrafts Development Corporation, Ranchi
9.	Karnataka	21. Syndicate Bank, Bengaluru, Karnataka
		22. Karnataka Vikas Grameena Bank, Dharwad, Karnataka
		23. Karnataka Gramin Bank, Bellary, Karnataka
		24. Canara Bank, Bengaluru, Karnataka
10.	Kerala	25. Kerala Gramin Bank, Malappuram, Kerala
11.	Maharashtra	26. Maharashtra Gramin Bank, Aurangabad, Maharashtra
		27. Vidharba Konkan Gramin Bank, Nagpur, Maharashtra
		28. Anik Financial Services Private Limited, Aurangabad, Maharashtra
		29. Union Bank of India, Mumbai
		30. Bank of Baroda, Mumbai
12.	Madhya Pradesh	31. Madhyanchal Gramin Bank, Sagar, Madhya Pradesh
		32. Madhya Pradesh Gramin Bank, Indore, Madhya Pradesh
13.	Manipur	33. Manipur Rural Bank, Imphal, Manipur
14.	Odisha	34. Sambandh Finserve Pvt. Ltd. Rourkela, Odisha
15.	Puducherry	35. Pudevai Bharathiar Grama Bank, Muthialpaet, Puducherry
16.	Punjab	36. Punjab Gramin Bank, Kapurthala, Punjab
17.	Rajasthan	37. Rajasthan Marudhara Gramin Bank, Jodhpur, Rajasthan
		38. Baroda Rajasthan Kshetrya Gramin Bank, Ajmer, Rajasthan

**ANNEXURE-II (B)**

**(See Para 1.7)**

**(2 of 2)**

18.	Tamil Nadu	39. Indian Overseas Bank, Chennai, Tamil Nadu
		40. Indian Bank, Chennai, Tamil Nadu
		41. Tamil Nadu Grama Bank, Salem, Tamil Nadu
19.	Telangana	42. Andhra Bank, Hyderabad, Telangana
		43. Telangana Grameena Bank, Hyderabad, Telangana
		44. Stree Nidhi Credit Co-operative Federation Limited, Hyderabad
20.	Tripura	45. Tripura Gramin Bank, Agartala, Tripura
21.	Uttar Pradesh	46. Kashi Gomti Samyut Gramin Bank, Varanasi, Uttar Pradesh
		47. Aryavart Bank, Lucknow, Uttar Pradesh
		48. Purvanchal Bank, Gorakhpur, Uttar Pradesh
		49. Baroda UP Gramin Bank, Raebareli, Uttar Pradesh
		50. Prathama UP Gramin Bank, Muradabad, Uttar Pradesh
		51. UP Sahkari Gramin Bank, Lucknow, Uttar Pradesh
22.	Uttarakhand	52. Uttarakhand Gramin Bank, Deheradun, Uttarakhand
23.	West Bengal	53. Paschim Banga Gramin Bank, Howrah, West Bengal
		54. Allahabad Bank, Kolkatta
		55. BRITTI Prosikshan Private Limited, Kolkata, West Bengal

**ANNEXURE-III**

[See Para 2.1.2(C)]  
(1 of 2)

**ACHIEVEMENTS OF MOU PARAMETERS**  
**(2019-20)**

Sl. No.	Performance Criteria	Marks	Targets					Achievements (Provisional)
			Ex.	VG	Good	Fair	Poor	
1.	Revenue from operations (Net) [Crore]	10	65.00	56.00	50.00	48.00	47.00	<b>68.89</b>
2.	Operating Surplus as percentage of Revenue from Operations (Net) [%age]	20	70.00	65.00	60.00	55.00	50.00	<b>67.09</b>
3.	PAT or Surplus / Average Net Worth [%age]	20	3.00	2.75	2.50	2.25	2.00	<b>2.97</b>
4.	Loans disbursed/ Total Funds Available [%age]	15	85.00	83.00	80.00	78.00	76.00	<b>84.71</b>
5.	Overdue Loans / Total Loans (Net) [%age]	10	12.00	15.00	17.00	19.00	20.00	<b>18.44</b>
6.	NPA/ Total Loans (Net) [%age]	5	0.60	0.70	0.80	0.90	0.95	<b>0.76</b>
7.	Achievements of HR Parameters of continuous in nature (7 Parameters) [Number]	5	7	6	5	4	3	<b>7</b>
8.	Capability Development programme for employees to build their technical & managerial competencies [Number]	5	5	4	3	2	1	<b>5</b>

**ANNEXURE-III**

**[See Para 2.1.2(C)]**

**(2 of 2)**

Sl. No.	Performance Criteria	Marks	Targets					Achievements (Provisional)
			Ex.	VG	Good	Fair	Poor	
9.	Providing “Employment/ Self-employment through Skill Development Training Programmes” [Number]	5	14000	13000	12000	11000	10000	12367
10.	Enrolment / Registration of SC / ST Entrepreneurs financed by NSFDC on MSME/GeM Portal/SC-ST Hub [Number]	5	300	275	250	225	200	169
	<b>TOTAL</b>	<b>100</b>						

**Note:** The above achievements are compiled as per the data/information provided by the concerned Departments viz; Finance, HR, Admn. and Skill Training.



**ANNEXURE-IV**

[See Para 2.1.13(A)]

**STATE/UT WISE SKILL DEVELOPMENT  
TRAINING PROGRAMMES (2019-20)**

Sl. No.	States/UTs	Commenced (No. of Persons)	Completed (No. of Persons)
1.	Andhra Pradesh	710	120
2.	Assam	920	60
3.	Bihar	1260	410
4.	Chhattisgarh	290	80
5.	Delhi	379	147
6.	Gujarat	926	696
7.	Haryana	1065	26
8.	Himachal Pradesh	633	300
9.	Jammu & Kashmir	400	0
10.	Jharkhand	708	360
11.	Karnataka	402	112
12.	Kerala	130	90
13.	Madhya Pradesh	1647	1000
14.	Maharashtra	778	533
15.	Manipur	120	0
16.	Odisha	765	150
17.	Punjab	1149	460
18.	Rajasthan	1010	390
19.	Tamil Nadu	335	75
20.	Telangana	290	190
21.	Tripura	210	60
22.	Uttar Pradesh	3808	1562
23.	Uttarakhand	542	325
24.	West Bengal	968	354
	<b>Grand Total</b>	<b>19445</b>	<b>7500</b>

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**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 01.01.2020)				Number of appointments made during the calendar year 2019									
					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*	39	09	02	05	-	-	-	-	-	-	-	01	-	-
Group 'B' Non-Unionized Supervisory Staff	09	03	01	02	-	-	-	-	-	-	-	-	-	-
Group 'C' Non-Executive Staff (Ex- cluding Sweepers)	32	17	01	08	-	-	-	-	-	-	-	-	-	-
Total	80	29	4	15	-	-	-	-	-	-	-	01	-	-

\* 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 01.01.2020)				Number of appointments made during the calendar year 2019									
	Total no. of employees	SCs	STs	OBCs	By Direct Recruitment			By Promotion			By Deputation			
					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
CMD on Deputation [CDA Pattern]	1	-	-	-	-	-	-	-	-	-	-	-	-	-
E-7: ₹100000-260000	1	1	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-
E-1: ₹40000-140000	9	1	-	2	-	-	-	-	-	-	-	-	-	-
E-0: ₹30000-120000	10	3	1	1	-	-	-	-	-	-	-	-	-	-
Total	39	9	2	5	-	-	-	-	-	-	-	-	-	-

\* On Deputation.

**ANNEXURE – VII**

(See Para 5.2)

**REPRESENTATION OF THE PERSON WITH  
BENCHMARK DISABILITIES**

**(AS ON 1<sup>st</sup> January, 2020)**

Group	Number of Employees				Direct Recruitment						Promotion							
					No. of vacancies reserved			No. of Appointments Made			No. of vacancies re-served			No. of Appointments Made				
	Total	VI	HI	LD	VI	HI	LD	To-tal	VI	HI	LD	To-tal	VI	HI	LD			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Group ‘A’	39	–	–	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Group ‘B’	09	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Group ‘C’	32	–	–	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	80	1	–	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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

**ANNEXURE-VIII**

(See Para 6.11)

**FORM MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31.03.2020**

(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.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held 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	
(A) PROMOTERS									
(1) Indian									
(a) Individual/HUF									
(b) Central Govt.	–	14854000	14854000	100	–	15000000	15000000	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 SHARE-HOLDING</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>									
<b>2. Non-Institutions</b>									
<b>(a) Bodies Corpn.</b>									
(i) Indian									
(i) Overseas									
<b>(b) Individuals</b>									
(i) Individuals Shareholders Holding nominal share capital upto ₹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>		14854000	14854000	100	–	15000000	15000000	100	Nil



**(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	14853999	99.999%	—	14999999	99.999%	—	Nil
2.	Shri B.L. Meena	1	0.001%	—	1	0.001%	—	Nil
	<b>Total</b>	<b>14854000</b>	<b>100%</b>		<b>15000000</b>	<b>100%</b>	—	

**(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	<b>14854000</b>	<b>100%</b>	<b>14854000</b>	<b>100%</b>
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)		146000 (15.07.19)	
3.	At the end of the year	<b>14854000</b>	<b>100%</b>	<b>15000000</b>	<b>100%</b>

**(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.		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.	For each of the Directors and KMP	1	0.001	1	0.001
2.	At the beginning of the year	1	0.001	1	0.001
3.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (i.e. allotment / transfer / bonus / sweat equity etc.)	—	—	—	—
	At the end of the year	1	0.001	1	0.001

## V. 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>	NIL	NIL	NIL	NIL
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of remuneration	Name of MD/MTD/Manger				Total Amount (Rs.)
1	<b>Gross Salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	Shri K. Narayan, CMD (Addl. Charge) Shri Shyam Kapoor, Ex-CMD (upto 31.08.19)				NIL 19,06,869/-
	(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)					19,06,869/-
	Ceiling as per the Act.					

**(b) Remuneration to other Directors**

(in Rs.)

Sl. No.	Particulars of remuneration	Name of MD/WTD/Manger		Total Amount
		Vishakha Shailani	K. Ramalingam*	
1.	<b>Independent Directors</b>			
	– Fee for attending board committee meetings	14,160/-	20,355/-	34,515/-
	– Commission			
	– Others, please specify			
	Total(1)	14,160/-	20,355/-	34,515/-
2.	<b>Other Non-executive Directors</b>			
	– Fee for attending board committee meetings			
	– Commission			
	– Others, please specify			
	Total (2)			
	<b>Total (B) = (1+2)</b>	14,160/-	20,355/-	34,515/-
	<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>				
(a)	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	–	23,53,809/-	35,45,257/-	58,99,066/-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	–	24,950/-	29,080/-	54,030/-
(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)	–	1,73,782/-	2,46,742/-	4,20,524/-
	<b>Total</b>		25,52,541/-	38,21,079/-	63,73,620/-

\*w.e.f. 09.08.2018.

**VII. 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, 2020**

**(a) Employed throughout the financial year under review and were in receipt of remuneration for the financial year in aggregate of not less than ₹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 ₹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, 1961 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.

**ANNEXURE-X****(See Para 8)****(Page 1 of 5)****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 K. Narayan Chairman-cum-Managing Director, NSFDC	Chairman
(ii)	Shri S.M. Awale, Chief General Manager (Audit) IDBI Bank.	Member
(iii)	Shri Bhaskar Pant (upto 15.05.2020), General Manager, NABARD,	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, DGM (Finance, Audit & Company Secretary)	Member
(iii)	Shri David Hrangate, DGM	Member
(iv)	Shri Sapan Barua, DGM	Member
(v)	Shri Thota Satish, AGM	Member

**ANNEXURE-X**

**(See Para 8)**

**(Page 1 of 4)**

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

(i)	Excess of Income Over Expenditure (EOIOE)	Amount 2019-20 (Rs/lakh)	Amount 2018-19 (Rs/lakh)
	2015-16	–	4405.48
	2016-17	4900.92	4900.92
	2017-18	4747.52	4747.52
	2018-19	5126.67	–
(ii)	<b>Total (EOIOE)</b>	<b>14775.11</b>	<b>14058.01</b>
(iii)	Less adjustment for sale of fixed assets	–	0.32
(iv)	Net Profit	14775.11	14053.60
(v)	Average (iv / 3)	4925.04	4684.53
(vi)	Prescribed CSR Expenditure i.e. 2% of (v)	98.50	93.69
(vii)	Un-spent amount as at Beginning of the Year	105.29	53.37
(viii)	Amount Spent during the year	97.57	41.77
(ix)	Un-spent amount as at Year End (ii + iii – iv)	106.22	105.29

**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 2019-20 for undertaking CSR was School Education, Health and Nutrition for focussed intervention. Therefore, during 2019-20 for want of specialized implementing agencies for theme based programmes, the amount has remained unspent.



# ANNEXURE-X

(See Para 8)

(Page 2 of 4)

4. The overview of thematic projects/programmes undertaken / ongoing during the financial year are given here under: (Amount in Rs.)

1	2	3	4	5	6		7	8
Sl. No.	CSR Project or Activity Identified	Sector in which the project is covered	Project or programs 1. Local area or Other 2. Specify the State and Districts where projects or programs was undertaken#	Amount outlay (Budget) project or program-wise*	Amount spent on the projects or programmes		Cumulative expenditure upto the reporting period (6A + 6B)	Amount spent : Direct or through Implementing Agencies
					Direct expenditure on projects or programme (A)	Over-heads (B)		
1.	Distribution of specialised footwear for Leprosy effected	Health Care (Theme of Health)	Delhi	55000	55000	0	55000	Implementing Agency
2.	Social Entrepreneurship through promotion of Hirda Cultivation.	Social Entrepreneurship (Non-theme activity)	Bhimashankar Sanctuary, Pune, Maharashtra	561000	280500	0	280500	Implementing Agency
3.	Construction of Class rooms (02 class rooms) and Swacch Bharat Campaign	School Education (Theme of School Education – Aspirational district).	Gatti Rajo Ke Village, Ferozepur district, Punjab	640000	640000	0	640000	Implementing Agency
4.	Provision of Ambulance and snacks distribution programme	Health Care (Theme of Health)	Gurugram district, Haryana	1350243	1350243	0	1350243	Implementing Agency
5.	Provision of Multiutility Phototherapy Unit	Health Care (Theme of Health)	Delhi	95200	95200	0	95200	Implementing Agency
6.	Surgical Equipments' for Eye Hospital	Health Care (Theme of Health)	Siddipet district, Telangana	2000133	2000133	0	2000133	Implementing Agency
7.	Competitions for school children on Swacch Bharat Campaign	Swacch Bharat Campaign/School Education (Theme of School Education – Aspirational District)	Gatti Rajo Ke Village, Ferozepur district, Punjab	16350	16350	0	16350	Implementing Agency

## ANNEXURE-X

(See Para 8)

(Page 3 of 4)

(Amount in Rs.)

1	2	3	4	5	6		7	8
Sl. No.	CSR Project or Activity Identified	Sector in which the project is covered	Project or programs 1. Local area or Other 2. Specify the State and Districts where projects or programs was undertaken#	Amount outlay (Budget) project or program-wise*	Amount spent on the projects or programmes		Cumulative expenditure upto the reporting period (6A + 6B)	Amount spent : Direct or through Implementing Agencies
					Direct expenditure on projects or programme (A)	Over-heads (B)		
8.	Swacchatha Pakwada	Swacch Bharat Campaign/ School Education (Theme of School Education)	JJ clusters, Delhi	18369	18369	0	18369	Direct
9.	Psychometric Testing for School students	School Education (Theme of school Education)	W.B., Jharkhand and Uttar Pradesh	1250000	875000		875000	Implementing Agency
10.	Health camp	Health Care(Theme of Health)	West Sikkim, Sikkim (Aspirational District)	65000	65000	0	65000	Implementing Agency
11.	Recovery Shelter for Homeless	Nutrition (Theme of Nutrition)	Delhi	660000	330000	0	330000	Implementing Agency
12.	Development of Micro Carpet Cluster	Skill and Entrepreneurship Development (Non- theme activity)	Bandipora District, Kashmir Division	994000	904465	0	904465	Implementing Agency
13.	Health camp	Health Care (Theme of Health)	Delhi, Rajasthan, Uttarakhand, and Telangana (Aspirational Districts)	407850	407850	0	407850	Implementing Agency
14.	Equipments for Scheduled Caste Hostel	School Education (Theme of School Education)	Bhupalpally, Telangana (Aspirational district)	1073074	536537	0	536537	Implementing Agency
15.	Armed Forces Flag Day Fund	Armed Forces Welfare (Non-theme activity)	PAN India	153000	153000	0	153000	Implementing Agency
16.	International Yoga Day - Yoga Training for Skill Training candidates of Tata Strive	Health Care (Theme of Health)	Tata Strive, SCOPE Minar, Laxmi Nagar, Delhi.	27905	27905	0	27905	Direct

**ANNEXURE-X**
**(See Para 8)**
**(Page 4 of 4)**
**(Amount in Rs.)**

1	2	3	4	5	6		7	8
Sl. No.	CSR Project or Activity Identified	Sector in which the project is covered	Project or programs 1. Local area or Other 2. Specify the State and Districts where projects or programs was undertaken#	Amount outlay (Budget) project or program-wise*	Amount spent on the projects or programmes		Cumulative expenditure upto the reporting period (6A + 6B)	Amount spent : Direct or through Implementing Agencies
					Direct expenditure on projects or programme (A)	Over-heads (B)		
17.	Utensils for feeding Shelter less particularly during Covid Lockdown (1.0 to 4.0)	Nutrition (Theme of Nutrition)	Delhi	964500	675150	0	675150	Implementing Agency
18.	Livelihood through Goat rearing	Skill and Entrepreneurship Development (Non theme activity)	Lucknow, Uttar Pradesh	1793250	896625	0	896625	Implementing Agency
19.	Sanitary Pad vending Machine and Incinerator	College Education (Non Theme activity)	Haridwar, Uttarakhand	101224	101224	0	101224	Direct
20.	Delhi Riots ration kit relief	Nutrition (Theme of Nutrition)	Delhi	470000	329000	0	329000	Implementing Agency
			<b>Total</b>	<b>12748748</b>	<b>9757551</b>	<b>0</b>	<b>9757551</b>	
21.	Health Camp	Health care	Janakpuri, Delhi	50300	2800	0	2800	Remarks Provision of ₹2800 may be made for the year 2020-21
22.	Health Camp	Health care	Noida sector 135, U.P.	49850	49850	0	49850	Provision of ₹49850 may be made for the year 2020-21
23.	Delhi Riots ration kit relief	Nutrition (Theme of Nutrition)	Delhi	470000	141000	0	141000	Provision of Rs. 141000 may be made for the year 2020-21
			<b>Total including provision for 2020-21</b>	<b>13318898</b>	<b>9951201</b>	<b>0</b>	<b>9951201</b>	

**ANNEXURE-XI**

**(See Para 10)  
(Page 1 of 7)**

**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.

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 support capacity development initiatives of State channelizing Agencies for promoting good governance and improving delivery of services. NSFDC also aspire 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 9 members as on 31.03.2020.

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 (upto August, 2019)	Ex-Chairman-cum-Managing Director
	Shri K. Narayan (w.e.f. September, 2019)	Chairman-cum-Managing Director
<b>Government Directors*:</b>		
<b>Representing MOSJ&amp;E</b>	Shri Sanjay Pandey	JS & FA, MOSJ&E
<b>Representing other Ministries</b>	Shri Piyush Srivastava	Representative of MSME
<b>Representing other agencies</b>	Shri S.M. Awale	Representative of IDBI
	Shri Bhaskar Pant	Representative of NABARD
<b>Representing SCAs</b>	Shri K.C. Lama	Representing SCA of Sikkim
	Shri Lachiram Bhukya	Representing SCA of Telangana
<b>Non-Official Director</b>	Ms. Vishakha Shailani	Independent Director
	Dr. K. Ramalingam	Independent Director

\*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.

**ANNEXURE-XI**

(See Para 10)  
(Page 2 of 7)

**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 dates:**

Three Board meetings 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
151 <sup>st</sup>	26.08.2019	09	07
152 <sup>nd</sup>	15.11.2019	09	07
153 <sup>rd</sup>	20.03.2020	09	04

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".

**2.4 Attendance of Directors at Board Meetings**

Name of Directors	From	To	No. of Meetings held during tenure (2019-20)	No. of meetings attended during tenure (2019-20)
Shri Shyam Kapoor, Ex-CMD	29.07.2016	30.08.2019	1	1
Shri K. Narayan	01.09.2019	Till Date	2	2
Shri Sanjay Pandey	18.07.2019	Till date	3	3
Shri Shalil M. Awale	04.06.2015	Till date	3	1
Shri Lachiram Bhukiya	23.03.2018	Till Date	3	1
Shri Kayzang Chhophel Lama	17.04.2017	30.04.2020	3	2
Shri Bhaskar Pant	23.03.2018	Till Date	3	1
Shri Piyush Srivastava	23.03.2018	Till Date	3	-
Ms. Vishakha Shailani	17.04.2017	17.04.2020	3	3
Shri K. Ramalingam	20.03.2019	Till Date	3	3

**2.5 Appointments & Cessation of Directors**

During the year the following change took place in the Board of Directors:

Sl. No.	Name of Director	From	To	Reason for change
1.	Shri Shyam Kapoor, Ex-CMD	29.07.2016	30.08.2019	Retirement
2.	Shri K. Narayan, CMD	01.09.2019	Till Date	Additional charge as CMD

**ANNEXURE-XI**

**(See Para 10)**

**(Page 3 of 7)**

**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.

**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 150<sup>th</sup> Board Meeting held on 20.03.2019 approved and fixed the rate of sitting fees at ₹4000/- per day for attending the Board Meetings/Committee Meetings to the Independent Directors.



**ANNEXURE-XI**

**(See Para 10)**

**(Page 4 of 7)**

The sitting fees paid to Independent Directors during the year is given in the table below:-

Date of Board Meeting	No. of Board Meeting/AGM	Sitting Fees Paid (in Rs.)	
		Ms. Vishakha Shailani	Dr. K. Ramalingam
26.08.2019	151 <sup>st</sup> Board Meeting	4000/-	4000/-
11.11.2019	30 <sup>th</sup> AGM	4000/-	—
15.11.2019	152 <sup>nd</sup> Board Meeting	4000/-	4000/-
27.02.2020	9 <sup>th</sup> Remuneration Committee Meeting	—	4000/-
20.03.2020	153 <sup>rd</sup> Board Meeting	4000/-	4000/-
	<b>Total</b>	<b>16,000/-</b>	<b>16,000/-</b>

**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, 6<sup>th</sup> 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:-

AGM	Year	Date	Time	Special Resolution Passed
28 <sup>th</sup>	2016-17	29.09.2017	12.00 Noon	NIL
29 <sup>th</sup>	2017-18	25.09.2018	2.30 P.M.	NIL
30 <sup>th</sup>	2018-19	11.11.2019	11.30 A.M.	NIL

**ANNEXURE-XI**

**(See Para 10)**

**(Page 5 of 7)**

**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 Exchange. 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 three times on 26.08.2019, 15.11.2019 and 20.03.2020 during the financial year 2019-20.

**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 K. Narayan (Chairman), Shri S.M. Awale (Member) and Shri Bhaskar Pant (Member).

The Committee met twice during the year under review on 26.08.2019 & 27.02.2020. 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

**ANNEXURE-XI**

**(See Para 10)**

**(Page 6 of 7)**

**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.

**ANNEXURE-XI**

**(See Para 10)**

**(Page 7 of 7)**

**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.

**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-XII**.

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.

ANNEXURE-XII



**MNK AND ASSOCIATES LLP**

Company Secretaries, LLPIN: AAM-9113

Regd office: G-41, Ground Floor, West Patel Nagar, New Delhi –110008

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

**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, 2020 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 thereunder.

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. As per DPE Guidelines, Audit Committee shall meet atleast four times during the last 12 months and also not more than four months shall elapse between two meetings. However, on perusal of the records of the Company, we observed that the Audit Committee has met 3 times during the last 12 months as against mandated four by DPE Guidelines and there was gap of more than 4 months between two meetings of Audit Committee.

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**

Sd/-

Mohd Nazim Khan

Designated Partner

CP 8245 (FCS: 6529)

UDIN:F006529B000620560

Place: New Delhi

Date: August 26, 2020

## BALANCE SHEET AS AT 31st MARCH 2020

(INR in Lakhs)

Particulars		Note No.	As at 31st March 2020	As at 31st March 2019
<b>I.</b>	<b>ASSETS</b>			
<b>1.</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	3	436.44	455.89
	(b) Investment Property	4	12.84	13.49
	(c) Other intangible assets	5	6.98	11.39
	(d) Intangible assets under development	6	-	-
	(e) Financial assets			
	(i) Loans	7	110,491.55	102,756.66
	(ii) Others	8	105.29	96.60
	(f) Other Non Current Assets	9	61.18	62.02
			<b>111,114.28</b>	<b>103,396.05</b>
<b>2.</b>	<b>Current assets</b>			
	(a) Financial assets			
	(i) Cash and cash equivalents	10	9,921.19	6,532.76
	(ii) Bank balances other than (i) above	11	7,938.38	17,698.07
	(iii) Loans	7	79,198.61	72,972.25
	(iv) Others	12	5,694.62	5,239.59
	(b) Current Tax Asset(net)	13	15.68	12.00
	(c) Other Current Assets	14	38.35	85.56
			<b>102,806.83</b>	<b>102,540.23</b>
	<b>Total Assets</b>		<b>213,921.11</b>	<b>205,936.28</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1.</b>	<b>Equity</b>			
	(a) Equity share capital	15	150,000.00	148,540.00
	(b) Other equity	16	58,866.14	52,813.82
			<b>208,866.14</b>	<b>201,353.82</b>
<b>2.</b>	<b>Liabilities</b>			
<b>(i)</b>	<b>Non-current liabilities</b>			
	(a) Provisions	17	392.18	326.74
			<b>392.18</b>	<b>326.74</b>
<b>(ii)</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Others	18	3,784.77	3,625.78
	(b) Other current liabilities	19	59.99	47.45
	(c) Provisions	17	818.03	582.49
			4,662.79	4,255.72
	<b>Total Equity and Liabilities</b>		<b>213,921.11</b>	<b>205,936.28</b>
<b>III.</b>	See accompanying notes to the financial statements 1-48			

### As per our Report of even date attached

**For M/s. V. Sahai Tripathi & Co.**

Chartered Accountants  
FRN: 0000262N

Sd/-  
(Manjeet Singh  
Chhatwal)  
AGM (Finance)

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

Sd/-  
(Devanand)  
Chief General  
Manager

Sd/-  
(Annu Bhogal)  
DGM (Fin. & CS)

Sd/-  
C.A. Vishwas Tripathi  
Partner  
M. No. 086897  
Place : New Delhi  
Date : 09 Sep., 2020

### For and on behalf of the Board of Directors

Sd/-  
Sanjay Pandey  
Director  
DIN-08453230

Sd/-  
K. Narayan  
Chairman- Cum-Managing Director  
DIN-03561648



# Statement of Income & Expenditure for year ended 31st March 2020

(INR in Lakhs)

Particulars		Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>I</b>	Revenue from operations	<b>20</b>	6,888.81	5,704.84
<b>II</b>	Other Income	<b>21</b>	1,475.99	1,673.57
<b>III</b>	<b>Total Revenue (I+II)</b>		<b>8,364.80</b>	<b>7,378.41</b>
<b>IV</b>	<b>Expenses</b>			
	Employee Benefits Expenses	<b>22</b>	1,655.34	1,503.99
	Finance Cost	<b>23</b>	1.01	23.56
	Depreciation & Amortization Expenses	<b>24</b>	42.52	43.90
	Incentives to SCA	<b>25</b>	88.89	73.39
	Training Exp - Beneficiaries		10.27	6.77
	CSR Expenses	<b>38</b>	99.51	41.77
	Other Expenses	<b>26</b>	369.36	291.30
	<b>Total Expenses (IV)</b>		<b>2,266.90</b>	<b>1,984.68</b>
<b>V</b>	Excess of Income over expenditure before Exceptional Items and Tax (III - IV)		6,097.90	5,393.74
<b>VI</b>	Exceptional Items	<b>27</b>	—	—
<b>VII</b>	<b>Excess of Income over expenditure before Tax (V - VI)</b>		<b>6,097.90</b>	<b>5,393.74</b>
<b>VIII</b>	Tax expense:		—	—
	(1) Current tax			
	(2) Deferred tax			
<b>IX</b>	Excess of Income over expenditure for the period from continuing operations (VII-VIII)		6,097.90	5,393.74
<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 discontinued operations (X - XI)		—	—
<b>XIII</b>	Excess of Income over expenditure for the period (IX + XII)		<b>6,097.90</b>	<b>5,393.74</b>
<b>XIV</b>	<b>Other Comprehensive Income</b>			
	A. (i) Items that will not be reclassified to Income & Expenditure Account	<b>28</b>	(45.57)	0.38
	(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>	Total Comprehensive Income for the period (XIII+XIV) (Comprising Excess of Income over expenditure and Other Comprehensive Income for the period)		<b>6,052.33</b>	<b>5,394.12</b>
<b>XVI</b>	<b>Earning per equity share:</b> (For continuing Operation)			
	(1) Basic (in ₹)	<b>29</b>	<b>40.75</b>	<b>36.96</b>
	(2) Diluted (in ₹)	<b>29</b>	<b>40.75</b>	<b>36.96</b>
<b>XVII</b>	<b>Earnings Per Equity Share:</b> (For discontinuing Operation)			
	(1) Basic (in ₹)			
	(2) Diluted (in ₹)			

<b>XVIII</b>	<b>Earnings Per Equity Share:</b> (For discontinued and continuing Operation)			
	(1) Basic (in ₹)	<b>29</b>	<b>40.75</b>	<b>36.96</b>
	(2) Diluted (in ₹)	<b>29</b>	<b>40.75</b>	<b>36.96</b>
<b>XIX</b>	See accompanying notes to the financial statements			

Sd/-  
(Manjeet Singh  
Chhatwal)  
AGM (Finance)

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

Sd/-  
(Devanand)  
Chief General  
Manager

Sd/-  
(Annu Bhogal)  
DGM (Fin.& CS)

*For and on behalf of the Board of Directors*

Sd/-  
Sanjay Pandey  
Director  
DIN-08453230

Sd/-  
K. Narayan  
Chairman- Cum-Managing Director  
DIN-03561648

**As per our Report of even date attached  
For M/s. V. Sahai Tripathi & Co.**

Chartered Accountants  
FRN: 0000262N

Sd/-  
C.A. Vishwas Tripathi  
Partner  
M. No. 086897

Place : New Delhi  
Date : 09 Sep., 2020

## Statement of Cash Flow for the year ended 31st March, 2020

(INR in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>A. Cash Flow from Operating Activities</b>		
Excess of income over expenditures before exceptional items and tax	<b>6,097.90</b>	<b>5,393.74</b>
<i>Adjustments to reconcile net profit to net cash provided by operating activities:</i>		
Depreciation	42.52	43.90
Interest on lease liability	1.01	-
Other comprehensive income on remeasurement of defined benefit plans	(45.57)	0.38
Loss /(Profit) on sale/impairment/exchange of assets	-	-
<b>Operating profit before changes in operating Assets &amp; liabilities</b>	<b>(1) 6,095.86</b>	<b>5,438.02</b>
<i>Adjustments for:</i>		
Decrease / (Increase) in non-current loans	(7,734.89)	(12,913.03)
Decrease / (Increase) in other non-current financial assets	(8.68)	-
Decrease / (Increase) in other non-current assets	0.84	(11.98)
Decrease / (Increase) in current loans	(6,226.35)	(12,009.52)
Decrease / (Increase) in other current financial assets	(455.03)	(152.68)
Decrease / (Increase) in other current assets	47.21	21.30
Decrease/ (Increase) in Other Bank Balance	9,759.68	14,353.80
(Decrease) / Increase in other current financial liability	152.70	1,133.05
(Decrease) / Increase in other current liability	12.54	0.75
(Decrease)/ Increase in non current provisions	65.44	43.18
(Decrease)/ Increase in current provisions	235.54	198.53
	<b>(2) (4,151.01)</b>	<b>(9,336.61)</b>
<b>Cash generated from operation</b>	<b>(1+2) 1,944.84</b>	<b>(3,898.58)</b>
Income Tax Paid	(3.68)	(0.35)
<b>Net Cash Outflow from Operating Activities</b>	<b>1,941.17</b>	<b>(3,898.94)</b>
<b>B. Cash Flow From Investing Activities</b>		
Sale/Disposal of Property, Plant and Equipments	0.69	-
Intangible Assets under Development	-	10.35
Purchase of Property, Plant and Equipments	(5.92)	(9.85)
Purchase of Intangible Assets	(1.29)	(15.61)
Interest on Special Reserve Fund investment	-	-
<b>Net Cash Inflow from Investing Activities</b>	<b>(6.52)</b>	<b>(15.11)</b>

<b>C. Cash Flow From Financing Activities</b>		
Issue of Share Capital	1,460.00	13,739.00
Share application money pending allotment	–	–
Proceeds from Borrowings	–	(4,747.17)
Interest on lease liability	(1.01)	
Lease Payment	(5.21)	
<b>Net Cash Inflow from Financing Activities</b>	<b>1,453.78</b>	<b>8,991.83</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3,388.43</b>	<b>5,077.78</b>
Cash & Cash Equivalents at the beginning of the year (Refer note :-10)	6,532.76	1,454.97
<b>Closing Cash &amp; Cash Equivalents</b>	<b>9,921.19</b>	<b>6,532.76</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash & Cash Equivalents at the end of the year (Refer note :-10)	<b>9,921.19</b>	<b>6,532.76</b>

**Notes:-**

- 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.
- The company adopted the amendment to Ind-AS 7 effective from April 1, 2017, 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.
- Disclosure pursuant to Ind AS 7 “Statement of Cash Flows” - Changes in liabilities arising from financing activities:

Sd/-	Sd/-	Sd/-	Sd/-
(Manjeet Singh Chhatwal)	(Rajesh Bihari) General Manager	(Devanand) Chief General Manager	(Annu Bhogal) DGM (Fin.& CS)
AGM (Finance)	(Finance)		

**For and on behalf of the Board of Directors**

Sd/-	Sd/-
Sanjay Pandey	K. Narayan
Director	Chairman- Cum-Managing Director
DIN-08453230	DIN-03561648

**As per our Report of even date attached  
For M/s. V. Sahai Tripathi & Co.**

Chartered Accountants  
FRN: 0000262N

Sd/-  
C.A. Vishwas Tripathi  
Partner  
M. No. 086897

Place : New Delhi  
Date : 09 Sep., 2020

**Statement of Cash Flow for the year ended 31st March, 2020**

(INR in Lakhs)

**Reconciliation of Liabilities arising from financing activities**

Particulars	Lease Liabilities
<b>Balance at 1st April, 2019</b>	–
Adoption of Ind AS-116	11.50
Restated Balance at 1st April, 2019	<b>11.50</b>
Cash flows:-	
– Repayment	6.22
– Proceeds	–
Non-Cash:-	
– Fair Value	1.01
– Additions to right of use assets in exchange for increased lease liabilities	–
<b>Balance at 31st March, 2020</b>	<b>6.29</b>

(iv) Previous year's figures are reclassified/regrouped to confirm and make them comparable with those of the current year.

Sd/-  
(Manjeet Singh  
Chhatwal)  
AGM (Finance)

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

Sd/-  
(Devanand)  
Chief General  
Manager

Sd/-  
(Annu Bhogal)  
DGM (Fin.& CS)

*For and on behalf of the Board of Directors*

Sd/-  
Sanjay Pandey  
Director  
DIN-08453230

Sd/-  
K. Narayan  
Chairman- Cum-Managing Director  
DIN-03561648

**As per our Report of even date attached  
For M/s. V. Sahai Tripathi & Co.**

Chartered Accountants  
FRN: 0000262N

Sd/-  
C.A. Vishwas Tripathi  
Partner  
M. No. 086897

Place : New Delhi  
Date : 09 Sep., 2020

## Statement of Changes in Equity (SOCE) for the period ended 31st March 2020

### A. Equity share capital

(INR in Lakhs)

Particulars	Number of shares (in lakhs)	Amount
Balance at April 1, 2019	148.54	148,540.00
Changes in equity share capital during the year		
Issue of equity shares capital during the year	1.46	1,460.00
<b>Balance at March 31, 2020</b>	<b>150.00</b>	<b>150,000.00</b>

### B. Other Equity

(INR in Lakhs)

Particulars	Share application money pending allotment	Reserves & Surplus			Total
		Special Reserve	General Reserve	Retained Earnings	
Balance at the beginning of the year	–	4,738.57	48,075.25	–	52,813.82
Prior period Adjustments (Refer Note :- 34)	–	–	–	–	–
<b>Restated balance at the beginning of the year</b>	<b>–</b>	<b>4,738.57</b>	<b>48,075.25</b>	<b>–</b>	<b>52,813.81</b>
Profit for the year				6,097.90	6,097.90
Other Comprehensive Income for the year				(45.57)	(45.57)
<b>Total Comprehensive Income for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6,052.33</b>	<b>6,052.33</b>
Transfer to Special reserve	–	578.36	–	(578.36)	–
Transfer of Interest on Special Reserve Fund Investment	–	314.32	–	(314.32)	–
Transfer to General Reserve	–	–	5,159.65	(5,159.65)	–
Share application money received during the year	–	–	–	–	–
Issue of share capital	–	–	–	–	–
<b>Balance at the end of the year</b>	<b>–</b>	<b>5,631.24</b>	<b>53,234.90</b>	<b>–</b>	<b>58,866.14</b>

Sd/-  
(Manjeet Singh  
Chhatwal)  
AGM (Finance)

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

Sd/-  
(Devanand)  
Chief General  
Manager

Sd/-  
(Annu Bhogal)  
DGM (Fin. & CS)

*For and on behalf of the Board of Directors*

Sd/-  
Sanjay Pandey  
Director  
DIN-08453230

Sd/-  
K. Narayan  
Chairman- Cum-Managing Director  
DIN-03561648

**As per our Report of even date attached  
For M/s. V. Sahai Tripathi & Co.**

Chartered Accountants  
FRN: 0000262N

Sd/-  
C.A. Vishwas Tripathi  
Partner  
M. No. 086897

Place : New Delhi  
Date : 09 Sep., 2020



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

### A. Equity share capital

(INR in Lakhs)

Particulars	Number of shares (in lakhs)	Amount
Balance at April 1, 2018	134.80	<b>134,801.00</b>
Changes in equity share capital during the year		
Issue of equity shares capital during the year	13.74	13,739.00
<b>Balance at March 31, 2019</b>	<b>148.54</b>	<b>148,540.00</b>

### B. Other Equity

(INR in Lakhs)

Particulars	Share application money pending allotment	Reserves & Surplus			Total
		Special Reserve	General Reserve	Retained Earnings	
Balance at the beginning of the year		3,964.11	43,440.93		47,405.04
Prior period Adjustments (Refer Note :- 34)			14.66		14.66
<b>Restated balance at the beginning of the year</b>	<b>–</b>	<b>3,964.11</b>	<b>43,455.59</b>	<b>–</b>	<b>47,419.70</b>
Profit for the year				5,393.74	5,393.74
Other Comprehensive Income for the year				0.38	0.38
<b>Total Comprehensive Income for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,394.12</b>	<b>5,394.12</b>
Transfer to Special reserve		512.28		(512.28)	
Transfer of Interest on Special Reserve		262.18		(262.18)	
Fund Investment					
Transfer to General Reserve			4,619.66	(4,619.66)	
Share application money received during the year					
Issue of share capital					
<b>Balance at the end of the year</b>	<b>–</b>	<b>4,738.57</b>	<b>48,075.25</b>	<b>-</b>	<b>52,813.82</b>

Sd/-  
(Manjeet Singh  
Chhatwal)  
AGM (Finance)

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

Sd/-  
(Devanand)  
Chief General  
Manager

Sd/-  
(Annu Bhogal)  
DGM (Fin. & CS)

*For and on behalf of the Board of Directors*

Sd/-  
Sanjay Pandey  
Director  
DIN-08453230

Sd/-  
K. Narayan  
Chairman- Cum-Managing Director  
DIN-03561648

**As per our Report of even date attached  
For M/s. V. Sahai Tripathi & Co.**

Chartered Accountants  
FRN: 0000262N

Sd/-  
C.A. Vishwas Tripathi  
Partner  
M. No. 086897

Place : New Delhi  
Date : 09 Sep., 2020

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

**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.

**2. Accounting Policies**

**2.1 Statement of Compliance**

The financial statements as at and for year ended March 31, 2020 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

**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 ₹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.

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

Particulars	Estimated Useful Life (years)
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 schedule II of the Companies Act 2013.(Refer note:2.7)
- (iv) Investment properties are derecognized either when they have been disposed off 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 recognise 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 defaults in the repayments is recognized on realization due to uncertainty of its collectability.
- (c) Penal interest is charged on unutilized amount of loans refunded, subject to management policy (refer note- 20.1) and is accounted for on accrual basis.

**II. Other Revenue Recognition:**

- (a) Interest income on bank deposits are recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- (b) Interest income on Staff loans given is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable, using Effective Interest Rate method.

**2.12. Revenue Grants from Government/Other Organisations as permitted under IndAS 20**

- (i) Grants are recognised in Income and expenditure Account on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.
- (ii) A Government grant may become receivable by an entity as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in Income and expenditure Account of the period in which it becomes receivable.
- (iii) Grants related to income are deducted in reporting the related expenses.

**2.13 LEASES**

**As A Lessee**

- (i) The Company Recognizes a right-of- use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date , plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by



impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Property plant and equipment" and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets. The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **As A Lessor**

- (i) When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.
- (ii) If an arrangement contains lease and non-lease components, the Company applies Ind AS-115 "Revenue from contract with customers" to allocate the consideration in the contract.
- (iii) The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

#### **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.
- (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 and 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 OM dated 21.05.2014.

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

The Corporation has a “Defined Contributory Pension Scheme for Employees of NSFDC” as per DPE Guidelines. The employer contribute 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.

#### **(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 contribute 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****(i) Gratuity**

The employees Gratuity Fund Scheme is funded by the Corporation 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 of the defined benefit obligations less fair value of plan assets less any past service cost not yet recognized, at the balance sheet date.

**(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, *before considering income on special Reserve fund* for meeting investments in buildings and for contingencies/eventualities.

**2.17 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.

**2.18 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.

**2.19 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.

## 2.20 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 reassessed 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.

## **2.21 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**

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 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 assets, 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.

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 ECL's 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.

## **2.22 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 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.



## Notes to the Financial Statements for the year ended 31st March,2020

### 3 Property, Plant and Equipment

(INR in Lakhs)

Particulars	Buildings Freehold	Buildings Leasehold	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
<b>Cost or Deemed Cost</b>							
<b>At 1st April 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>
Adjustment on transition of Ind AS-116*	—	11.50	—	—	—	—	11.50
Additions	—	—	1.60	—	2.62	1.70	5.92
Disposals/Adjustments	—	—	—	—	(1.16)	(2.20)	(3.35)
<b>At 31 March 2020</b>	<b>22.48</b>	<b>646.89</b>	<b>109.86</b>	<b>15.41</b>	<b>40.90</b>	<b>94.44</b>	<b>930.00</b>
<b>Depreciation and Impairment</b>							
<b>At 1st April 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>12.86</b>	<b>32.28</b>	<b>84.40</b>	<b>460.04</b>
Depreciation charge for the year	0.27	24.10	1.36	0.91	3.47	6.07	36.17
Impairment	—	—	—	—	—	—	—
Disposals/Adjustments	—	—	—	—	(0.66)	(2.00)	(2.66)
<b>At 31 March 2020</b>	<b>17.04</b>	<b>239.35</b>	<b>99.83</b>	<b>13.77</b>	<b>35.09</b>	<b>88.46</b>	<b>493.56</b>
<b>Net book value</b>							
<b>At 31 March 2020</b>	<b>5.43</b>	<b>407.54</b>	<b>10.04</b>	<b>1.64</b>	<b>5.81</b>	<b>5.98</b>	<b>436.44</b>
<b>At 31 March 2019</b>	<b>5.71</b>	<b>420.13</b>	<b>9.79</b>	<b>2.55</b>	<b>7.16</b>	<b>10.54</b>	<b>455.88</b>

**Note :- 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.

**Note :- 3.2** Buildings includes both leasehold and freehold buildings. Leasehold buildings premises at SCOPE Minar under right of use for 89 years from DDA/Scope is purchased on sub-lease pending transfer of title/sub-lease. Two flats purchased in Mumbai are under right of use for 90 years is yet to be executed between MHADA & Housing Society.

**Note :- 3.3\*** The Company has adopted Ind-AS 116 - “Leases” w.e.f. April 1, 2019 as notified by the Ministry of Corporate Affairs in the Companies (India Accounting Standards) Amendment Rules, 2019, using modified retrospective method which requires lease arrangement to be recognized in the Balance Sheet of the lessee as a ‘right of use’ asset with a corresponding lease liability. For detail refer note no. 42.

## Notes to the Financial Statements for the year ended 31st March,2020

### 4 Investment Property

(INR in Lakhs)

Particulars	Freehold Buildings	Total
<b>Cost or Deemed Cost</b>		
<b>At 1st April 2018</b>	<b>46.50</b>	<b>46.50</b>
Additions	—	—
Disposals/Adjustments	—	—
<b>At 31 March 2019</b>	<b>46.50</b>	<b>46.50</b>
Additions	—	—
Disposals/Adjustments	—	—
<b>At 31 March 2020</b>	<b>46.50</b>	<b>46.50</b>
<b>Depreciation and Impairment</b>		
<b>At 1st April 2018</b>	<b>32.33</b>	<b>32.33</b>
Depreciation charge for the year	0.68	0.68
Impairment	—	—
Disposals/Adjustments	—	—
<b>At 31 March 2019</b>	<b>33.01</b>	<b>33.01</b>
Depreciation charge for the year	0.65	0.65
Impairment	—	—
Disposals/Adjustments	—	—
<b>At 31 March 2020</b>	<b>33.66</b>	<b>33.66</b>
Net book value		
<b>At 31 March 2020</b>	<b>12.84</b>	<b>12.84</b>
<b>At 31 March 2019</b>	<b>13.49</b>	<b>13.49</b>

**Note :- 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.

**Note:- 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	₹77000/Sq.Mt.
Value of office space portion A @Rs.77000	25,286,030.00
It is on 4th floor and on main road it is facing Flyover hence deduction @ 30%	7,585,809.00
<b>Fair Market Value of Portion A</b>	<b>17,700,221.00</b>
	177.00 Lakhs

## **VALUATION OF PORTION “B”**

Carpet Area	57.704 Sq.Mt.
Circle Rate for office space W.e.f. 15-12-2015	₹77000/Sq.Mt.
Value of office space portion A @Rs.77000	4,443,208.00
It is on 4th floor and on main road it is facing Flyover hence deduction @ 30%	1,332,962.40
	3,110,245.60
Add for Wooden Partition Wall and other Wood work after adjusting depreciation	150,000.00
	<b>3,260,245.60</b>
<b>Fair Market Value of Portion B</b>	<b>32.6 Lakhs</b>
<b>Fair Market Value of Portion A+B</b>	<b>209.60</b>

## **5 Intangible Assets**

(INR in Lakhs)

Particulars	Computer Software	Total
<b><u>Cost or Deemed Cost</u></b>		
<b>At 1st April 2018</b>	14.88	14.88
Addition during the year	15.61	15.61
Adjustment	-	-
<b>At 31 March 2019</b>	<b>30.49</b>	<b>30.49</b>
Addition during the year	1.29	1.29
Adjustment	-	-
<b>At 31st March 2020</b>	<b>31.78</b>	<b>31.78</b>
<b><u>Amortization and Impairment</u></b>		
<b>At 1st April 2018</b>	<b>13.59</b>	<b>13.59</b>
Amortization during the year	5.51	5.51
Impairment during the year	-	-
<b>At 31 March 2019</b>	<b>19.10</b>	<b>19.10</b>
Amortization during the year	5.70	5.70
Impairment during the year	-	-
<b>At 31st March 2020</b>	<b>24.80</b>	<b>24.80</b>
<b><u>Net Carrying Value</u></b>		
<b>As at 31 March 2020</b>	<b>6.98</b>	<b>6.98</b>
<b>As at 31 March 2019</b>	<b>11.39</b>	<b>11.39</b>

## 6 Intangible Assets under development

(INR in Lakhs)

Particulars	Amount
<b>Cost or Deemed Cost</b>	
At 1st April 2018	10.35
Addition during the year	—
Adjustment	10.35
At 31 March 2019	—
Addition during the year	—
Adjustment	—
<b>At 31st March 2020</b>	—
<b>Net Balance</b>	—
<b>As at 31 March 2020</b>	—
<b>As at 31 March 2019</b>	—

## 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’.**

(INR in Lakhs)

Particulars	As at 31st March 2020		Total	As at 31st March 2019		Total
	Non-Current	Current		Non-Current	Current	
I A. Loans (Considered good-Unsecured)						
(i) <b>Term Loan Disbursement (Refer note:7.1)</b>	436,200.74		436,200.74	374,478.15		374,478.15
Less: Refund / Recall	(66,507.34)		(66,507.34)	(54,802.44)		(54,802.44)
Less: Re-payments	(211,022.29)		(211,022.29)	(181,721.05)		(181,721.05)
Less Current part	—56,775.79	56,775.79	0.00	(49,641.91)	49,641.91	—
	<b>101,895.32</b>	<b>56,775.79</b>	<b>158,671.11</b>	<b>88,312.75</b>	<b>49,641.91</b>	<b>137,954.66</b>
(ii) <b>M.C.F. Disbursement</b>	65,581.29		65,581.29	65,830.41		65,830.41
Less: Refund / Recall	(11,519.14)		(11,519.14)	(10,688.87)		(10,688.87)
Less: Re-payments	(42,472.68)		(42,472.68)	(34,903.63)		(34,903.63)
Less Current part	—9,794.83	9,794.83		(12,095.55)	12,095.55	—
	<b>1,794.64</b>	<b>9,794.83</b>	<b>11,589.47</b>	<b>8,142.36</b>	<b>12,095.55</b>	<b>20,237.91</b>
(iii) <b>M.S.Y. Disbursement</b>	71,968.39		71,968.39	67,316.03		67,316.03
Less: Refund / Recall	(11,845.88)		(11,845.88)	(11,809.52)		(11,809.52)
Less: Re-payments	(46,119.78)		(46,119.78)	(41,969.52)		(41,969.52)
Less Current part	—10,493.12	10,493.12		(9,734.30)	9,734.30	—
	<b>3,509.61</b>	<b>10,493.12</b>	<b>14,002.74</b>	<b>3,802.70</b>	<b>9,734.30</b>	<b>13,537.00</b>
(iv) <b>M.K.Y. Disbursement</b>	1,326.70		1,326.70	1,246.70		1,246.70
Less: Refund / Recall	(547.97)		(547.97)	(545.57)		(545.57)
Less: Re-payments	(608.18)		(608.18)	(591.20)		(591.20)
Less Current part	—80.42	80.42		(73.56)	73.56	—
	<b>90.13</b>	<b>80.42</b>	<b>170.55</b>	<b>36.38</b>	<b>73.56</b>	<b>109.93</b>
(v) <b>S.S.Y. Disbursement</b>	440.65		440.65	400.65		400.65
Less: Refund / Recall	(251.74)		(251.74)	(250.94)		(250.94)
Less: Re-payments	(149.71)		(149.71)	(143.98)		(143.98)
Less Current part	—8.89	8.89		(5.74)	5.74	—
	<b>30.31</b>	<b>8.89</b>	<b>39.20</b>	<b>(0.00)</b>	<b>5.74</b>	<b>5.73</b>
(vi) <b>E.L.S. Disbursement</b>	5,795.78		5,795.78	4,636.58		4,636.58
Less: Refund / Recall	(250.09)		(250.09)	(238.09)		(238.09)

Particulars	As at 31st March 2020		Total	As at 31st March 2019		Total
	Non-Current	Current		Non-Current	Current	
Less: Re-payments	(1,566.74)		(1,566.74)	(1,141.10)		(1,141.10)
Less Current part	-1,602.90	1,602.90		(1,208.39)	1,208.39	-
	<b>2,376.04</b>	<b>1,602.90</b>	<b>3,978.95</b>	<b>2,049.00</b>	<b>1,208.39</b>	<b>3,257.39</b>
(vii) VTLES	118.27		118.27	28.27		28.27
Less: Refund / Recall						-
Less: Re-payments	(11.31)		(11.31)	(5.65)		(5.65)
Less Current part	-28.15	28.15		(5.65)	5.65	-
	<b>78.81</b>	<b>28.15</b>	<b>106.96</b>	<b>16.96</b>	<b>5.65</b>	<b>22.61</b>
(viii) AMY DISBURSEMENT	165.81		165.81	132.65		132.65
Less: Refund / Recall						-
Less: Re-payments	-103.33		(103.33)	(55.50)		(55.50)
Less Current part	-30.59	30.59		(55.59)	55.59	-
	<b>31.89</b>	<b>30.59</b>	<b>62.48</b>	<b>21.56</b>	<b>55.59</b>	<b>77.15</b>
(ix) UNY. Disbursement	589.04		589.04	-	-	-
Less: Refund / Recall	-	-	-	-	-	-
Less: Re-payments	-49.09		(49.09)	-	-	-
Less Current part	-245.43	245.43	-	-	-	-
	294.52	245.43	539.95	-	-	-
<b>TOTAL : I A</b>	<b>110,101.27</b>	<b>79,060.14</b>	<b>189,161.41</b>	<b>102,381.70</b>	<b>72,820.68</b>	<b>175,202.38</b>
<b>I B. Loans (Considered good-Secured)</b>						
(i) AMY	175.71		175.71	142.55		142.55
Less: Refund / Recall						-
Less: Re-payments	-113.23		-113.23	(65.40)		-65.40
Less Current part	-30.59	30.59	0.00	(55.59)	55.59	-
	<b>31.89</b>	<b>30.59</b>	<b>62.48</b>	<b>21.56</b>	<b>55.59</b>	<b>77.15</b>
(ii) Staff Advances	358.39	107.88	466.27	353.39	95.98	449.37
<b>TOTAL : I B</b>	<b>390.28</b>	<b>138.47</b>	<b>528.75</b>	<b>374.95</b>	<b>151.57</b>	<b>526.52</b>

\* Against Lien of FDR'S ,PDC's

## I C. Loans Receivables which have Significant increase in credit risk

	As at 31st March 2020		Total	As at 31st March 2019		Total
	Non-Current	Current		Current	Current	
(i) Term Loan Disbursement	666.27		666.27	666.27		666.27
Less: Refund / Recall						
Less: Re-payments						
Less Current part						
	666.27		666.27	666.27		666.27
(ii) M.C.F. Disbursement	16.00		16.00	16.00		16.00
Less: Refund / Recall						
Less: Re-payments						
Less Current part						
	16.00		16.00	16.00		16.00
(iii) M.S.Y. Disbursement	95.00		95.00	95.00		95.00
Less: Refund / Recall						
Less: Re-payments						
Less Current part						
	95.00		95.00	95.00		95.00
<b>TOTAL : I C</b>	<b>777.27</b>		<b>777.27</b>	<b>777.27</b>		<b>777.27</b>
Less: Allowance for Bad& Doubtful Loans (refer note:32)	(777.27)		(777.27)	(777.27)		(777.27)
<b>Total (1A+1B)</b>	<b>110,491.55</b>	<b>79,198.61</b>	<b>189,690.15</b>	<b>102,756.66</b>	<b>72,972.25</b>	<b>175,728.90</b>

### 7.1. Details for the Year

Particulars	Op Balance 01.04.19	Disbursements 2019-20	Repayments 2019-20	Refund / Re- call 2019-20	Cl. Balance 31.03.20
Term Loan (TL)	138,620.93	58,722.44	28,634.54	11,704.89	159,337.38
Micro Credit Finance (MCF)*	20,253.91	2,751.03	8,235.75	830.28	11,605.47
Mahila Samridhi Yojna (MSY)	13,632.00	4,652.36	4,150.26	36.36	14,097.74
Mahila Kisan Yojna (MKY)	109.93	80.00	16.99	2.40	170.55
Shilpi Samridhi Yojna (SSY)	5.73	40.00	5.74	0.80	39.20
Education Loan Scheme (ELS)	3,257.39	1,159.19	425.63	12.00	3,978.95
VTLES	22.61	90.00	5.65		106.96
AMY	154.29	66.33	95.67		124.95
UNY		589.04	49.09		539.95
Total	<b>176,056.80</b>	<b>68,150.39</b>	<b>41,619.31</b>	<b>12,586.73</b>	<b>190,001.15</b>

\* Opening Balance includes an adjustment of ₹2333.45 lakhs from MCF to term loans.

**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 120 days under the prevalent lending policy is eligible for refund. However, as the same is indeterminable due to various factor such as delay in completion of documentation by the beneficiaries with the SCA's, coverage of beneficiaries in remote rural areas, utilization certificates remaining in the pipeline etc 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 Corporation 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 - ₹671.42 lakh, (ii) Tamil Nadu - ₹184.18 lakh, (iii) Manipur - ₹116.25 lakh, (iv) J&K - ₹304.09 lakh and (v) Orissa - ₹108.17 lakh.

**7.1(D):** Outstanding Loan amounting to ₹2,685.47 lakhs (2018-19 ₹3,285.48 lakhs) is backed by Government Assurances as against total available Government Assurance of ₹21,151.15 lakhs (previous year ₹21,151.15 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.

**7.1(E):** As on 31.03.2011, the cumulative provision of BSCDC was ₹1,113.62 lakh. Although, Bihar Scheduled Castes Development Corporation (BSCDC) extended Assurance to the extent of ₹2,500.00 Lakhs to NSFDC in the year 2009-10, renewed in the year 2010-11. As per note no. 32.3 the accumulated provision was required to be written back however, as a matter of financial prudence, writing back of the cumulative provision of ₹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 no repayment has been received from BSCDC, therefore, an additional provision of ₹53.14 lakh has been made. Accordingly, the cumulative provision of BSCDC as on 31.03.2020 is amounting to ₹1,467.64 lakh (previous year ₹1,414.50 lakh). This includes cumulative principal provision as on 31.03.2020 for ₹777.27 lakh (previous year ₹777.27 lakh).

## 8 Other financial assets - Non Current

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Considered good-Unsecured</b>		
Security Deposit (refer note:8.1)	4.34	4.34
Interest Receivables	100.94706	92.26493
<b>Receivables which have Significant increase in credit risk</b>		
Deposit recoverable (Doubtful)	1,539.99	1,539.99
Less: Allowance for Bad & Doubtful Loans (refer note:32)	(1,539.99)	(1,539.99)
<b>Total</b>	<b>105.29</b>	<b>96.60</b>

**8.1** Security Deposits includes Telephone & Telex Security.

**8.2** Deposit recoverable includes amount recoverable from Punwire Rs. 1,539.99/- Lakhs (Refer Note 32.4).

## 9 Other Non Current Assets

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Prepaid Expenses-Staff Cost (refer note:9.1)	61.18	62.02
	<b>61.18</b>	<b>62.02</b>

**9.1** Prepaid expenses includes ₹61.18 lakhs (for 2018-19 ₹62.02 lakhs) towards unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets at initial recognition & loans given.

## 10 Cash and cash equivalent

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Cash and Bank Balances</b>		
Saving Bank Account	9,921.19	6,532.76
<b>Total</b>	<b>9,921.19</b>	<b>6,532.76</b>



## 11 Bank Balance Other than Cash & Cash Equivalent

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Other bank balance</b>		
FDR's	–	10,777.00
Special Reserve Fund FDR's	4,738.57	3,964.11
Other (refer note: 11.1)	3,199.82	2,956.96
<b>Total</b>	<b>7,938.38</b>	<b>17,698.07</b>

**11.1** Other bank balances: It represent Grant Funds meant for utilization for training of target group.

## 12 Other Financial Assets

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>(i) Interest Receivables</b>	5,715.26	5,622.40
Less: Allowance for Bad & Doubtful Interest (Refer note:7.1(E ),12.1 & 32)	(690.37)	(637.23)
	<b>5,024.89</b>	<b>4,985.17</b>
<b>(ii) Others</b>		
Interest receivable on savings bank	12.70	4.80
Interest receivable but not due on deposits	–	10.51
Interest Receivable but Not Due on Special Reserve Fund	187.63	190.56
Rent Receivable	0.00	1.63
Amount recoverable	33.27	46.91
Grant Receivable	436.13	–
<b>Total</b>	<b>5,694.62</b>	<b>5,239.59</b>

Although Interest of ₹53.14 lakhs (2018-19: ₹52.75 lakh) in respect of overdues from BSCDC has been booked in terms of Accounting Policy 2.11 (i)(a).

**12.1** During the year no repayment has been received from BSCDC, therefore, an additional provision to the extent of ₹53.14 lakh has been made. Accordingly, the cumulative provision of BSCDC as on 31.03.2020 is amounting to ₹1,467.64 lakh (previous year ₹1,414.50 lakh). This includes cumulative interest provision as on 31.03.2020 for ₹690.37 lakh (previous year ₹637.23 lakh).

## 13. Current Tax Assets

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
(i) TDS receivable	15.68	12.00
<b>Total</b>	<b>15.68</b>	<b>12.00</b>

## 14. Other Current Assets

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Advances other than Capital Advances</b>		
Advance to Staff	8.25	3.91
Advances to parties	20.76	19.69
<b>Others</b>		
Prepaid expenses	9.34	11.13
Gratuity Plan Assets		50.83
<b>Total</b>	<b>38.35</b>	<b>85.56</b>

- 14.1** Prepaid expenses includes ₹8.51 lakhs (2018-19: ₹7.45 lakhs) towards unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets at initial recognition & loans given.

## 15. Share Capital

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Authorized Share Capital</b>		
1,50,00,000 Equity Share of ₹1,000 each (as at 31-03-2019 : 1,50,00,000) Equity Share of ₹1,000 each	150,000	150,000.00
<b>Issued/Subscribed and Paid up Capital</b>		
1,50,00,000 Equity Share of ₹1,000 each (as at 31-03-2019 : 1,48,54,000) Equity Share of ₹1,000 each	150,000	148,540.00
	<b>150,000</b>	<b>148,540.00</b>

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

Particulars	As at 31st March 2020		As at 31st March 2019	
	(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	148.54	148,540.00	134.80	134,801.00
Add: Shares Issued during the year	1.46	1,460.00	13.74	13,739.00
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<b>150.00</b>	<b>150,000.00</b>	<b>148.54</b>	<b>148,540.00</b>

#### **Terms & Rights attached to Equity Shares**

The Corporation has only one class of equity shares having par value of ₹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 2020		As at 31st March 2019	
	(No's of Shares in Lakhs)	% of holding	(No's of Shares in Lakhs)	% of holding
<b>Equity shares</b>				
President of India	150.00	100%	148.54	100.00%
	<b>150.00</b>	<b>100.00%</b>	<b>148.54</b>	<b>100.00%</b>

## 16. Other Equity (INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Other Reserves</b>		
Special Reserve	5,631.25	4,738.57
General Reserve	53,234.88	48,075.25
Retained Earnings	—	—
	<b>58,866.14</b>	<b>52,813.82</b>

## 16.1 Special Reserve (INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance as at the beginning of the year	4,738.57	3,964.11
Add: Interest on Special Reserve Fund Investment	314.32	262.18
Add : Transferred from Retained Earnings	578.36	512.28
<b>Closing Balance</b>	<b>5,631.25</b>	<b>4,738.57</b>

## 16.2 General Reserve (INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance as at the beginning of the year	48,075.25	43,440.93
Less: Prior period errors	—	14.66
Restated Balance as at the beginning of the year	48,075.25	43,455.59
Add : Transferred from Retained Earnings	5,159.65	4,619.66
<b>Closing Balance</b>	<b>53,234.88</b>	<b>48,075.25</b>

## 16.3 Retained Earnings (INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Opening Balance</b>	6,097.90	5,393.74
Add : Transfer from Income & Expenditure a/c		
Less:-Interest on Special Reserve Fund Investment	(314.32)	—262.18
Trf to Special Reserve		
Income & Expenditure before considering the interest income from Special Reserve Fund Investment	5,783.57	5,131.56
Less : 10% Transferred to Special Reserve Fund	578.36	513.16
Less: 10% Amount pertain to the prior year exp. reverse from amount t/f to Special Reserve Fund	—	0.88
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	(45.57)	0.38
Balance Transferred to General Reserve	5,159.65	4,619.66
<b>Closing Balance</b>	<b>—</b>	<b>—</b>

## 17 Current & Non current provisions

(INR in Lakhs)

Particulars	As at 31st March 2020		Total	As at 31st March 2019		Total
	Non-Current	Current		Non-Current	Current	
<b>(i) Provision for Employee Benefits</b>						
– Leave Benefits	392.18	21.12	413.30	326.74	8.50	335.24
– Provision for Foreign Service Contribution	–	–	–	–	–	–
– Provision for Performance Related Pay		622.10	622.10		430.45	430.45
– Gratuity (Net)		0.65	0.65	–	–	–
<b>(ii) Other Provisions</b>			–			
– Provision for incentive to SCA		133.89	133.89		137.58	137.58
– Provision for Interest subvention (NMFC-MFI)	–	5.50	5.50		5.96	5.96
– Provision for Interest on Refund		32.84	32.84	–	–	–
– Provision for CSR		1.9365	1.94			
<b>Total</b>	<b>392.18</b>	<b>818.03</b>	<b>1,210.21</b>	<b>326.74</b>	<b>582.49</b>	<b>909.23</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.

## 17.2 Details of provisions:

(INR in Lakhs)

Particulars	As at 1st April 2019	Additions during the year 2019-20	Utilized/payments during the year 2019-20	Written back during 2019-20	As at 31st March 2020
Leave Benefits	335.24	100.20	22.14		413.30
Provision for PRP	445.85	244.14	67.90		622.10
Provision for incentive to SCA	147.44	88.90		102.45	133.89
Provision for Interest subvention (NMFC-MFI)	5.96		0.46		5.50
Provision for Interest on Refund		32.84			32.84
Provision for CSR		1.94			1.94
<b>Total</b>	<b>934.49</b>	<b>468.01</b>	<b>90.50</b>	<b>102.45</b>	<b>1,209.56</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:

(INR in Lakhs)

Particulars	As at 31st March 2020		As at 31st March 2019	
	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 years	3%	3%	3%	3.0%
31 to 44 years	2%	2%	2%	2.0%
above 44 years	1%	1%	1%	1.0%
Discount Rate	7.61%	7.61%	7.61%	7.61%
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	13.31 Years	13.31 Years
<b>(II) Changes in the present value of obligations</b>				
Present value of obligations at the beginning of the period	521.39	335.24	492.52	301.46
Interest cost	39.68	25.51	37.58	23.00
Current service cost	26.50	19.35	20.86	16.57
Past service cost	—	—	—	—
Benefit paid (if any)	—	(22.14)	(27.18)	(26.88)
Actuarial (gain)/loss	43.36	55.34	(2.39)	21.09
Present value of the obligation at the end of the period	<b>630.92</b>	<b>413.30</b>	<b>521.39</b>	<b>335.24</b>
<b>(III) The amount to be recognized in the Balance Sheet:</b>				
Fair value of plan assets at the end of the year	630.27	—	572.22	—
Present value of obligation as at the end of the year	<u>630.92</u>	<u>413.30</u>	<u>521.39</u>	<u>335.24</u>
Net Asset/(Liability) recognized in the Balance Sheet	<b>(0.65)</b>	<b>(413.30)</b>	<b>50.83</b>	<b>(335.24)</b>

Particulars	As at 31st March 2020		As at 31st March 2019	
	Gratuity (Funded)	Leave encashment (Unfunded)	Gratuity (Funded)	Leave encashment (Unfunded)
<b>(IV) Expenses recognized in the income and expenditure statement</b>				
Current service cost	26.50	19.35	20.86	16.57
Past service cost	—	—	—	—
Net Interest cost	(3.87)	25.51	(5.06)	23.00
Actuarial (gain)/ loss		55.34		21.09
Net cost recognized in the Income & Expenditure Statement	<b>22.63</b>	<b>100.20</b>	<b>15.81</b>	<b>60.66</b>

<b>(V) Changes in the Fair Value of Planned Assets:</b>				
Fair Value of Plan Assets at the beginning of the period	572.22	—	558.78	—
Expected Return on Plan Assets	41.33	—	38.14	—
Contributions	16.72	—	2.48	—
Benefits paid	—	—	(27.18)	—
Actuarial gain/(loss) on plan assets	—	—	—	—
Fair Value of Plan Assets at the end of the Period	<b>630.27</b>	<b>—</b>	<b>572.22</b>	<b>—</b>
<b>(VI) Actuarial Gain/(Loss) to be recognised in Other Comprehensive Income:</b>	(45.57)		0.38	
	<b>(45.57)</b>		<b>0.38</b>	

## Sensitivity analysis:

For the year ended 31st March 2020

(INR in Lakhs)

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	630.92	413.30
	impact due to increase of 0.50%	(21.62)	(14.69)
	impact due to decrease of 0.50%	22.73	15.40
<b>Salary Growth Rate</b>	Present value of obligation as at the end of the year	630.92	413.30
	impact due to increase of 0.50%	22.80	15.46
	impact due to decrease of 0.50%	(21.88)	(14.79)

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

(INR in Lakhs)

Year	Amount	Amount
(i) 0 to 1 year	27.60	21.12
(ii) 1 to 2 year	24.47	17.97
(iii) 2 to 3 year	42.72	31.81
(iv) 3 to 4 year	24.78	18.64
(v) 4 to 5 year	54.32	33.31
(vi) 5 to 6 year	39.89	25.83
(vii) 6 year onwards	417.15	264.62

## 18 Other financial liabilities

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Grant in Aid towards :</b>		
(i) Grant for Skill Training (MOSJ&E) (refer note:18.1)	3,221.69	2,850.41
Grant from Other Organisations	95.22	83.03
Grant from Ministry of Textiles	17.92	0.45
(ii) Security Deposit Received	4.44	4.22
(iii) EMD payable	15.48	16.22
(iv) Sundry Creditors	350.20	125.07
(v) Outstanding Expenses	57.91	53.16
(vi) Other Payable	15.58	493.23
(vii) Lease Liabilities	6.29	
<b>Total</b>	<b>3,784.77</b>	<b>3,625.78</b>

- 18.1** As advised by CAG, the Grants available are recognized as revenue grants and unspent balance is shown as Current Liabilities. The company has followed the Income Approach for the recognition of grant. The expenditure and receipts against the grants are recognized through Income and Expenditure account. The details of training grant and subsidy at the beginning, received, refunded, released during the year, and the balance as on 31.03.20 are as under:

(INR in Lakhs)

S. No.	Particulars	Opening Balance as at 01.04.2019	Receipts/ Receivable during the year 19-20	Interest Income during the year 19-20	Refund	Recognized during the year 19-20 (Releases)	Closing Balance as on 31st March, 2020
1.	Ministry of Social Justice (Training Grant)	2,850.41	2456.13	132.09		2216.93	3,221.70
2.	Resource Linkage Program II	83.03	363.96	3.18		354.94	95.23
3.	Textile Grant	0.45	78.36	2.03		62.92	17.92
	<b>Balance as per 31st March 2020</b>	<b>2,933.89</b>	<b>2,898.45</b>	<b>137.30</b>		<b>2,634.79</b>	<b>3,334.86</b>
	<b>Balance as per 31st March 2019</b>	<b>2,303.30</b>	<b>1,925.73</b>	<b>152.11</b>		<b>1,447.24</b>	<b>2,933.89</b>

## 19 Other current liabilities

(INR in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Statutory Dues	59.99	47.45
<b>Total</b>	<b>59.99</b>	<b>47.45</b>



## 20 Revenue From Operations

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>Interest on Loan to SCAs/others</b>		
Interest on Term Loan (TL)	5,125.88	4,303.66
Interest on Micro Credit Finance (MCF)	314.00	530.00
Interest on Mahila Kisan Yojana (MKY)	2.93	3.54
Interest on Mahila Samridhi Yojana (MSY)	142.28	162.82
Interest on Shilpi Samridhi Yojna (SSY)	0.50	0.28
Interest on Education Loan Scheme (ELS)	44.34	48.93
Interest on VATLES	1.11	0.32
Interest on UNY	14.10	-
Interest on Refund (refer note:20.1)	1,243.67	654.39
HRI Received	-	0.01
<b>Other Operating Revenue</b>		
Reversal of allowance for doubtful loans	-	0.89
<b>Total</b>	<b>6,888.81</b>	<b>5,704.84</b>

**20.1** During the year 2019-20, an Interest on Refund of ₹1,243.67 lakhs (₹101.83 lakhs during the F.Y 2018-19), ₹483.40 lakh (₹552.56 lakhs during the F.Y 2018-19) and ₹NIL (₹NIL during the F.Y 2017-18) was levied on refund from SCAs, RRBs/PSBs and NBFC-MFIs respectively on refunded amount of ₹379.97 lakh (₹10,988.31 lakhs during the F.Y 2018-19).

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

- (i) In case of SCAs, when disbursement amount is refunded in total.
- (ii) In case of Channelizing Agencies:-
  - (a) Interest on funds not utilized within 120 days 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.
  - (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”.

## 21 Other Income

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>(a) Interest Income</b>		
Interest on deposits with Banks	1,027.58	1,271.26
Interest on Saving Bank Accounts	71.98	57.98
Interest on advance to employees & others (Refer note-21.1)	39.69	39.06
Interest on Special Reserve Fund (Refer note -21.2)	314.32	262.18
<b>(b) Other Non-Operating Income</b>		
Miscellaneous Receipts	–	0.34
Rent Received	22.17	16.20
Provision written back	0.25	26.55
<b>Total</b>	<b>1,475.99</b>	<b>1,673.57</b>

**21.1** ₹5.00 lakhs during the F.Y. 2019-20 (₹8.88 lakhs during the F.Y. 2018-19) for amortisation of deferred expenses recognised due to fair valuation of staff loan.

**21.2** As directed by C&AG in (2006-07), the Board in their 101th Board meeting held on 24.01.2008, approved to create a Special Reserve Fund represented by earmarked investment (as per DPE guidelines). The interest earned on SRF remains reinvested in the same fund. Therefore, it is not used for operational purposes as per Accounting Policy 2.16 and is kept separately.

## 22 Employee Benefits Cost

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>(a) Salary, Wages &amp; Benefits : CMD</b>		
Salary & Allowances	14.60	33.66
Medical Reimbursement	0.11	0.12
LTC Exp	0.13	–
Leave Benefit	0.70	–
Foreign Service Contributions	3.53	8.42
	<b>19.07</b>	<b>42.20</b>
<b>(b) Salary, Wages &amp; Benefits : Employees</b>		
Salary & Allowances	1,039.84	986.84
Leave Benefit	100.20	60.66
LTC Encashment	0.10	1.51
LTC Exp	3.51	9.23
Medical Reimbursement	24.69	14.28
Overtime	1.65	1.98
Professional Membership Fees	0.16	0.04
PRP	243.52	195.54
Foreign Service Contributions	0.93	–
	<b>1,414.60</b>	<b>1,270.07</b>

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>(c) Contribution to Provident Fund &amp; Other Funds</b>		
Corpn Cont. to PF/GSLIS	70.46	63.34
Corpn Cont to Pension	11.30	11.64
PF Admin Exp	3.44	3.86
Gratuity	22.63	15.81
Medical (Retiral)	20.42	18.72
Pension (Retiral)	68.07	62.42
	<b>196.32</b>	<b>175.79</b>
<b>(d) Staff welfare expenses</b>	20.35	7.05
	<b>20.35</b>	<b>7.05</b>
<b>(e) Employee benefit expense on loans and advances</b>	5.00	8.88
<b>Total</b>	<b>1,655.34</b>	<b>1,503.99</b>

## 23 Finance Costs (INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>Interest</b>		
Interest on Loan against FDR	—	23.56
Interest Cost on Lease Liability	1.01	—
<b>Total</b>	<b>1.01</b>	<b>23.56</b>

## 24 Depreciation & Amortization Costs (INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Depreciation on Tangible Assets (refer note: 3 & 4)	31.07	38.39
Depreciation on Right of use assets (refer note:3)	5.75	0.00
Amortization of Intangible assets (refer note:5)	5.70	5.51
<b>Total</b>	<b>42.52</b>	<b>43.90</b>

## 25 Incentive to SCA (INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Incentive to SCA for Recovery	43.89	28.39
Incentive to SCA- NAPE	45.00	45.00
<b>Total</b>	<b>88.89</b>	<b>73.39</b>

## 26 Other Expenses

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Advertisement Expenses	0.72	0.20
Business Promotion Expenses	—	4.44
Computer and Website Exp	3.08	1.99
Corporation Membership fees	1.46	1.36
Directors/Board Meeting Expenses	2.49	1.33
Electricity Charges	17.15	22.16
Insurance Charges	4.17	2.89
Legal & Professional Expenses/Consultancy	19.12	21.66
Media Audio Visual Publ.Eva/Conf/Seminar	71.72	55.61
Office Building Exp	65.37	49.25
Office Expenses	53.07	44.16
Office Rent	0.37	6.40
Payments to Auditor (refer note: 26.1)	1.63	2.00
Postage, Telegram	1.46	1.53
Printing and Stationery	9.48	8.34
Staff Recruitment Exp	—	—
Telephone & Telex	5.26	5.87
Training Exp - Staff	4.85	6.36
Traning Exp - Directors	1.42	7.72
Conveyance Expenses	1.58	0.60
Travelling Exp - Directors	9.63	9.31
Travelling Exp - Staff	27.00	19.95
Vehicle Expenses	7.71	10.53
Rates & Taxes	4.93	7.26
Parliamentary Comittee Exp	1.85	—
Newspapers, Books & Periodicals	0.69	0.39
Allowance for Doubtful loans	53.14	—
<b>Grant Expenses</b>	2,634.79	1,447.24
Less Grant Income	-2,634.79	-1,447.24
<b>Total</b>	<b>369.36</b>	<b>291.30</b>

### 26.1 Auditors Remuneration

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
For Audit Fee for previous year	—	—
For Statutory Audit	1.63	1.85
For taxation matters	—	—
For company law matters	—	—
For other services	—	—
For reimbursement of expenses	—	—
<b>Total</b>	<b>1.63</b>	<b>1.85</b>

## 27 Exceptional Items

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
(Profit)/ Loss on sale of assets (Net)	—	—
<b>Total</b>	<b>—</b>	<b>—</b>

## 28 Components of Other Comprehensive Income (OCI)

(INR in Lakhs)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:-

Particulars	FVTOCI	
	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Remeasurement of Defined benefit plans		
– Gratuity	(45.57)	0.38
<b>Total</b>	<b>(45.57)</b>	<b>0.38</b>

## 29 Earnings per share (EPS)

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>Basic EPS</b>		
From continuing operation	40.75	36.96
<b>Diluted EPS</b>		
From continuing operation	40.75	36.96

### 29.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Profit attributable to equity holders of the company:	6,097.90	5,393.74
<b>Continuing operations</b>		
Earnings used in calculation of Basic Earning Per Share	6,097.90	5,393.74
Weighted average number of shares for the purpose of basic earnings per share	149.65	145.95

### 29.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Profit attributable to equity holders of the company:	6,097.90	5,393.74
Continuing operations		
Earnings used in calculation of diluted Earning Per Share from continuing operations	6,097.90	5,393.74

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:

(INR in Lakhs)

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Weighted average number of shares for the purpose of basic earnings per share	149.65	145.95
Effect of Dilution :		
Shares pending allotment	—	—
Weighted average number of shares for the purpose of Diluted earnings per share	<b>149.65</b>	<b>145.95</b>

### 30 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 2020.

### 31 Fair Value measurements

(i) The Carrying Value of Financial Instruments by categories are as follow:

(INR in Lakhs)

Particulars	As at 31st March 2020			As at 31st March 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
(i) Cash and Cash Equivalents	—	—	9,921.19	—	—	6,532.76
(ii) Other Bank balances	—	—	7,938.38	—	—	17,698.07
(iv) Other Financial Assets	—	—	5,799.90	—	—	5,336.19
(vi) Loan to SCA's & CA's	—	—	189,223.88	—	—	175,279.53
(vii) Loan to employees	—	—	466.27	—	—	449.37
<b>Total Financial Assets</b>	<b>—</b>	<b>—</b>	<b>213,349.63</b>	<b>—</b>	<b>—</b>	<b>205,295.92</b>
<b>Financial Liabilities</b>						
(i) Security Deposits and EMD payable	—	—	19.93	—	—	20.43
(ii) Other financial liabilities	—	—	3,764.84	—	—	3,605.35
<b>Total Financial Liabilities</b>	<b>—</b>	<b>—</b>	<b>3,784.77</b>	<b>—</b>	<b>—</b>	<b>3,625.78</b>

(ii) Fair value of financial assets and liabilities that are measured at fair value:

(INR in Lakhs)

Particulars	As at 31st March 2020		As at 31st March 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>	189,223.88	189,223.88	175,279.53	175,279.53
(i) Loan to SCA's and CA's				
(ii) Staff loans and Advances	466.27	448.75	449.37	461.04
<b>Total Financial Assets</b>	<b>189,690.15</b>	<b>189,672.63</b>	<b>175,728.90</b>	<b>175,740.57</b>
<b>Financial Liabilities</b>				
(i) Security Deposits and EMD payable	19.93	19.93	20.43	20.43
<b>Total Financial Liabilities</b>	<b>19.93</b>	<b>19.93</b>	<b>20.43</b>	<b>20.43</b>

- (i) The carrying amounts of cash and cash equivalents, other bank balances, EMD, other financial liabilities and loan to SCA's are considered to be the same as their fair values, due to short term nature.
- (ii) 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.

## 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 from 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 31-03-2020

(INR 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 2020	—	—	448.75	448.75
<b>Total Financial Assets</b>		—	—	<b>448.75</b>	<b>448.75</b>

### Fair Value hierarchy as on 31-03-2019

(INR 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>



**(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 counterparty 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 companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

### (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.

## 32 Provisions

### 32.1 Provision for Expected Credit Losses of Loans and advances for the year ended 31st March, 2020

(INR 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*	Loans	189,223.88	0%	–	189,223.88
		Interest on Loans	5,024.89	0%	–	5,024.89
	Financial Asset for which credit risk has increased significantly and not creditly impaired	Loans	777.27	100%	777.27	–
		Interest on Loans	690.37	100%	690.37	–
		Advance	1,539.99	100%	1,539.99	–
			<b>197,256.41</b>		<b>3,007.64</b>	<b>194,248.77</b>

### 32.2 Provision for Expected Credit Losses of Loans and advances for the year ended 31st March, 2019

(INR 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 lifetime expected credit losses	Financial Asset for which credit risk has not increased significantly since initial recognition*	Loans	175,279.53	0%	–	175,279.53
		Interest on Loans	4,985.17	0%	–	4,985.17
	Financial Asset for which credit risk has increased significantly and not creditly impaired	Loans	777.27	100%	777.27	–
		Interest on Loans	637.23	100%	637.23	–
		Advance	1,539.99	100%	1,539.99	–
			<b>183,219.20</b>		<b>2,954.49</b>	<b>180,264.70</b>

\*In the Loans and Interest Income on Loans no provision is recognized since there is no doubt about their recoverability, however in some cases it take substantial time. The Guarantee Deed include the principal amount and all types interests thereon are covered by the Guarantor (State Government). The above amounts outstanding since substantial period of time are eligible for revoking Guarantee.

- 32.3** 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 than 3 years.
- (c) 25% provision on the amount due for payment but outstanding for the period of 1 year and above but less than 2 years.
- (d) No provision on the amount due for payment but outstanding for the period less than 1 year.

**32.4 Provision for Bad and Doubtful Deposits**

Provision for bad and doubtful deposits for ₹1,539.99/- Lakhs (2018-19 ₹1,539.99/- Lakhs) [being the principal amount ₹1,485.00/- Lakhs (2018-19 ₹1,485.00/- Lakhs) and interest receivable & due ₹54.99/- Lakhs (2018-19 ₹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.

**33 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 31** for further disclosures.

**(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.

## 34 Prior Period Errors

(INR in Lakhs)

Particulars	Amount
<b>Opening General Reserve as on 01.04.2018</b>	43,440.93
Prior Period Adjustments	(14.66)
<b>Restated Opening General Reserve as on 01.04.2018</b>	<b>43,455.59</b>
Restated Excess of Income over expenditure for the period from continuing operations for year ended 2018-19	5,393.74
Transfer to Special Reserve during 2018-19	(512.28)
Other Comprehensive Income during 2018-19	0.38
<b>Restated Opening General Reserve as on 31.3.2019</b>	<b>48,337.43</b>

### Impact of Prior period errors on equity, statement of Income and Expenditure and EPS

(INR in Lakhs)

Particulars	For Year ended 31st March 2020	For Year ended 31st March 2019
<b>Impact on equity (increase/(decrease) in equity)</b>		
Other payable	—	(0.01)
Amount Recoverable	—	0.43
Outstanding Expenses	—	(0.15)
Sundry Creditors	—	11.30
Provision for incentive to SCA	—	9.86
Interest receivable on Refund	—	(16.54)
<b>Net Impact on Equity</b>	<b>—</b>	<b>4.89</b>

(INR in Lakhs)

Particulars	For Year ended 31st March 2020	For Year ended 31st March 2019
<b>Impact on statement in Income &amp; Expenditure (increase/(decrease) in profit)</b>		
Other Expenses	—	11.57
Interest on Term Loan (TL)	—	(16.54)
Incentive to SCA for Recovery	—	9.86
<b>Total Impact</b>	<b>—</b>	<b>4.89</b>
Attributable to Equity Holders	—	4.89

**Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)**

(INR in Lakhs)

Particulars	For Year ended 31st March 2020	For Year ended 31st March 2019
<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

**35 Related Party Disclosures**

**35.1 Key Managerial personnel of the company**

Name	Position
Sh K.Narayan	CMD (Addl. Charge)
Sh Shyam Kapoor	Ex-CMD
Smt Annu Bhogal	Company Secretary
Sh Rajesh Bihari	General Manager (finance)
Ms Vishakha Shailani	Independent Director
Dr K.Ramalingam	Independent Director

**35.2 Transaction with key management personnel:**

Nature & volume of transactions with key management personnel during the year:

(INR in Lakhs)

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Short Term Benefits	83.15	85.94
Sitting Fees to Independent Director	0.35	0.32
Post Employment Benefits	144.31	43.26
Other Long Term Benefits	—	—
Termination Benefits	—	—
Shared Based Payment	—	—
	<b>227.81</b>	<b>129.52</b>

Short term benefits includes remuneration paid to KMP's.

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
<b>Loan To related party</b>		
<b>(i) Sh Rajesh Bihari (General Manager-Finance)</b>		
Amount owed by related parties at beginning of the year	4.51	5.42
Loan Given during the year	0.00	0.00
Interest	0.03	0.09
Repayment during the year	(1.78)	(1.00)
Closing Balance	<b>2.77</b>	<b>4.51</b>
<b>(ii) Mrs. Annu Bhogal (Company Secretary)</b>		
Amount owed by related parties at beginning of the year	12.63	14.94
Loan Given during the year	—	—
Interest	0.65	0.90
Repayment during the year	(2.63)	(3.21)
Closing Balance	<b>10.66</b>	<b>12.63</b>
<b>Total amount owed by related parties at end of the year</b>	<b>13.42</b>	<b>17.14</b>

## 35.3 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:-**

(INR in Lakhs)			
Party	Nature of Transactions	Year ended 31st March 2020	Year ended 31st March 2019
Ministry of Social Justice and Empowerment	Capital Contribution	1,460.00	13,739.00
Ministry of Social Justice and Empowerment	Grant for Skill Training	2,020.00	1,750.00
Ministry of Social Justice and Empowerment	Other Schemes	0.08	20.21
National Safai Karamcharis Finance and Development	Awareness Programmes	32.71	—
		<b>3,512.79</b>	<b>15,509.21</b>

### 36 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(INR in Lakhs)

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.51	3.09
(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.

### 37 On account of transaction entered into with national level corporation and MOSJ&E the total amount recoverable after setting off receivable/payable comes to ₹19.53 Lakhs (31.03.2019 ₹8.53 Lakhs) towards events held commonly/on their behalf.

### 38 Corporate Social Responsibility

(INR in Lakhs)

CSR Expenditure	Financial Year	
	2019-20	2018-19
Yoga Camp for Senior Citizen	0.28	—
Contribution to Swachh Bharat Kosh/National Mission for Clean Ganga	—	30.00
Installation of Bio-Methanation Plant cum Organic Waste Processor	—	—
Sanitation (Swachhta Phakwada)	0.18	1.30
Installation of Sanitary Napkin Vending Machine	0.37	1.33
Skill upgradation	4.25	9.14
Medical Camp	70.15	—
DPE CSR Theme activities of Health Care, Nutrition and School Education.	22.34	—
Non theme CSR activities under skill development entrepreneurship, college education and support to Armed Forces welfare.		
<b>Total</b>	<b>97.57</b>	<b>41.77</b>



## 38.1 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

(INR in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(i) EOIOE		
2015-16	–	4,405.48
2016-17	4,900.92	4,900.92
2017-18	4,747.53	4,747.53
2018-19	5,126.67	–
(ii) Total (EOIOE)	<b>14,775.12</b>	<b>14,053.93</b>
(iii) Less adjustment for sale of assets	–	0.32
(iv) Net Profit	14,775.12	14,053.61
(v) Average (iv/3)	4,925.04	4,684.54
(vi) 2% of (v)	<b>98.50</b>	<b>93.69</b>
(vii) Un-Spent amount as at beginning of the year	<b>105.29</b>	<b>53.37</b>
(viii) Amount Spent during the year	<b>97.57</b>	<b>41.77</b>
(vii) Un-Spent amount as at Year End (vi+vii-viii)	<b>106.22</b>	<b>105.29</b>

(b) During the year ₹99.51 lakh has been booked under CSR.

(c) Provision has been made for CSR expenditure unspent balance of amounting ₹1.94 lakhs as at the year ending 31st March, 2020 ( Previous year Nil)

“Madhya Pradesh State Co-op. Scheduled Castes Finance & Development Corporation 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 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.

39 Pending decision by the Court, the loan liability of ₹210.09 Lakhs along with due interest has been accepted and repaid by CSASFDC. For loan liability of ₹835.93 Lakhs (previous year ₹835.93 Lakhs) towards principal and ₹1036.39 Lakhs (previous year ₹961.30 Lakhs) towards interest as on 31.03.2020 not accepted by CSASFDC, the same continues to be shown against MPSCFDC and demand for its repayment is being raised on them.”

40 The total overdues of loans as on 31.03.2020 ₹35,651.24 Lakhs (as at 31.03.2019 ₹35,743.97 lakhs) including interest of ₹4,056.70 Lakhs (as at 31.03.2019 ₹4,733.78 Lakhs).

**40.1 “SCAs/CAs” having overdues more than three years are as below:**

S. No.	Agency	State	Total Overdues ( in lakhs)
			(As on 31.03.2020)
1.	ASDC	Assam	622.88
2.	BSCDC	Bihar	1,467.64
3.	MPSCFDC	Madhya Pradesh	1,872.32
4.	LASDC	Maharashtra	8,801.50
5.	OSFDC	Odisha	6.37
6.	PSLDFC	Punjab	1,200.00
7.	PUDCO	Puducherry	1,717.31
8.	UPSCFDC	Uttar Pradesh	1,531.53
9.	MSTCB	Manipur	136.39
10.	GMBCDC	Gujarat	1,450.53
<b>Total (A)</b>			<b>18,806.47</b>

**40.2 “SCAs/CAs” having overdues for less than three years are as below:**

S. No.	Agency	State	Total Overdues ( in lakhs)
			(As on 31.03.2020)
1.	GSCDC	Gujarat	3,210.19
2.	TSCDC	Tripura	2,904.79
3.	APSCDC	Andhra Pradesh	2,000.06
4.	CTSCDC	Chattisgarh	1,775.83
5.	MPBCDC	Maharashtra	1,695.14
6.	RSCDC	Rajasthan	1,327.62
7.	WBSCDC	West Bengal	1,287.85
8.	KVGB	Karnataka	472.19
9.	JSCDC	Jharkhand	415.84
10.	Remaining SCAs/CAs		1755.26
<b>Total (B)</b>			<b>16,844.77</b>
<b>Gross Total (A+B)</b>			<b>35,651.24</b>

**40.2.1** The above amounts outstanding since substantial period of time are eligible for revoking Guarantee. To continue as a going concern and business environment in social sector, instead legal notices have been issued in case of SCAs of Gujarat, Maharashtra, Madhya Pradesh, Assam and Bihar.

**40.3** The utilization certificates for ₹75,848.69 lakhs (as on 31.03.2019 ₹63,964.64 lakhs) are pending as on 31.03.2020. The SCAs/CAs wise details of unutilized funds are as follows:-

S. No.	State	Agency	Unutilized Funds in lakhs)	
			2019-20	2018-19
1.	Andhra Pradesh	APSCCFC	19,269.92	8,610.33
2.	West Bengal	WBSCSTDFC	10,835.75	5,938.00
3.	Rajasthan	RSCDC	8,029.07	2,045.29
4.	Karnataka	DBRADC	7,442.69	7,442.69
5.	Gujarat	GSCDC	3,964.50	3,122.31
6.	Maharashtra	MPBCDC	3,469.07	4,156.70
7.	Tripura	TSCDC	2,129.78	3,438.98
8.	Maharashtra	LASDC	1,862.34	1,862.34
9.	Chhattisgarh	CGSCFDC	1,600.26	897.16
10.	Kerala	KSDC	1,511.86	1,119.40
11.	Maharashtra	LIDCOM	1,453.61	1,453.61
12.	Kerala	KSWDC	961.18	655.48
13.	Delhi	DSFDC	848.54	964.69
14.	Jharkhand	JSCDC	636.65	636.65
15.	Himachal Pradesh	HPSCSTDC	495.75	412.71
16.	Gujarat	GSCMBCDC	305.71	305.71
17.	Assam	ASCDC	304.75	304.75
18.	Uttarakhand	UBVEVN	268.75	237.55
19.	Punjab	PSCLDFC	251.43	251.43
20.	Jharkhand	JHARCRAFT	250.00	250.00
21.	Haryana	HSCDC	181.80	-
22.	Jammu & Kashmir	JKSCSTBCDC	171.56	330.26
23.	Sikkim	SSCSTBCDC	167.35	131.35
24.	Madhya Pradesh	MPSCFDC	166.23	166.23
25.	Uttar Pradesh	UPSCFDC	160.82	160.82
26.	Chandigarh	CSCFDC	117.14	87.14
27.	Odisha	OSFDC	110.79	110.79
28.	Manipur	NEDFI-MAN	100.00	100.00
29.	Remaining Channel Partners		8,781.39	18,772.27
<b>Total</b>			<b>75,848.69</b>	<b>63,964.64</b>

## 41. 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.

## 42 Leases Disclosures

## (i) Disclosure as required by Ind AS 1 “Presentation of Financial Statements”

**Changes in significant accounting policies:**

Policy of ‘Leases’ has been modified in the significant accounting policies due to the applicability of Ind AS 116 “Leases”.

Ind AS 116 was notified with effect from April 1, 2019 which replaces Ind AS 17. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. **The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at April 01, 2019.** Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

**The effect of adoption Ind AS 116 as at April 01 2019 (increase/(decrease)) is as follows:**

(INR in Lakhs)	
Assets	Amount
Property, plant and equipment	11.50
<b>Total assets</b>	<b>11.50</b>
Liabilities	
Financial liabilities - Lease liabilities	11.50
<b>Total liabilities</b>	<b>11.50</b>

The Company has lease contracts for Building . Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

**Leases previously classified as finance leases**

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases. The requirements of Ind AS 116 were applied to these leases from April 01, 2019.

**Leases previously accounted for as operating leases**

The Company recognised lease assets under the property, plant and equipment and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The lessee recognizes a lease liability measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application and correspondingly measured the lease assets at an amount equal to the lease liability, adjusted for previously recognized prepaid or accrued lease payments.

The Company also applied the available practical expedients wherein it:

- (i) Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- (ii) Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application and the total lease term is less than 12 months
- (iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- (iv) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

The weighted average incremental borrowings rate applied to lease liabilities is 8.75%.

**(ii) Leases Disclosures as per Ind As-116****(a) Company as a Lessee**

Company has taken the Bangalore office on the lease for the Period of 5 Years w.e.f “5th April, 2016 to 4th April, 2021” which is recorded under the PPE as per the requirements of the Ind AS-116. The adoption of this Standard has resulted in “recognition of lease liability” and ‘right of use’ assets amounting to ₹11.50 lakhs and ₹11.50 lakhs respectively as on April 1, 2019. However, it did not have any material impact on the profit of the year ended March 31, 2020.

**Lease Assets**

The carrying amounts of Lease assets recognised and the movements during the year are disclosed below:

	<b>Building</b>
<b>Balance at April 1, 2019</b>	–
Addition during the year	11.50
Depreciation charge during the year	5.75
<b>Balance at March 31, 2020</b>	<b>5.75</b>

## Lease Liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

Particulars	As at 31st March, 2020
<b>Balance at April 1, 2019</b>	–
Addition	11.50
Accredition of interest	1.01
Payments	6.22
<b>Balance at March 31, 2020</b>	<b>6.29</b>
<b>Current</b>	6.29
<b>Non-current</b>	–

The maturity analysis of the lease liability on an undiscounted basis as on 31st March 2020 are as follows :-

(INR in Lakhs)			
Particulars	Less than 1 year	1-2 years	2 year and above
Lease liabilities	6.29	–	–
	6.29	–	–

## Amounts recognised in Statement of Profit and Loss

(INR in Lakhs)	
Particulars	For Year ended 31st March 2020
Depreciation expense of lease assets	5.75
Interest expense on lease liabilities	1.01
	<b>6.76</b>

## (b) Company as a Lessor

Details of the Assets given on the lease are given under the Note-4 Investment Property.

### 43. 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.

### 44. Application of IndAS on material items

The Prior Period Items and changes in accounting polices are applied retrospectively on account of materiality only in line with the provisions of Indian Accounting Standards.

### 45. Impact of COVID-19

On March 11, 2020, the World Health Organization declared the novel corona virus (COVID-19) as a pandemic. The Ministry of Home Affairs, Govt. of India, vide Order No.40-3/2020 dated March 24, 2020 declared national lockdown. Besides the toll that this outbreak has had on human life, it has also disrupted the social, economic and financial structure resulting in significant reduction in global and local economic activities.

However, the operations of the Company have not been disrupted. Considering the fact that the situation is exceptional, the Corporation has responded to the changed business environment. In order to continue as a going concern the Corporation has granted Extension in Moratorium Period for installment falling due for quarter ending June, 2020. Further as per RBI Circular dated 23.05.2020 permitting to extend the moratorium period along with repayment schedule, the company also decided to defer, the repayment schedule due on 30.06.2020, for a period of three months i.e. till 30.09.2020 without levy of penal interest. It does not have financial impact but this may defer cash flows in next financial year.

### 46. Segment Reporting

#### (a) Operating Segments

The Company is engaged in a single segment i.e. the business of indirect financing of income generating project for target groups from where it is earning its income and incurring expenditure. The operating results of the single segment are regularly reviewed and performance is assessed by Chairman cum Managing Director who can be treated as a Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

#### (b) Geographical Information

Since the company's activities/operations are within the country and considering the nature of services it deals in, the risks and returns are the same and as such, there is only one geographical segment.

#### (c) Information about major customers

Revenue from 10 customers represents approximately INR ₹41,04,08,264 (ie. 59.7%) of the company's total revenue arising from Operation indirect financing of income generating project for target groups.

47. 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.

### 48. Approval of financial statement

The financial statements were approved for issue by the Board of Directors on 04.09.2020.



## ADDENDUM-A

(See Para 18.1 of the Directors Report)

### **V SAHAI TRIPATHI & Co** **CHARTERED ACCOUNTANTS**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
NATIONAL SCHEDULED CASTE FINANCE AND DEVELOPMENT CORPORATION

### **Report on the Audit of the Ind AS Financial Statements**

#### **Qualified Opinion**

We have audited the Financial Statements of **NATIONAL SCHEDULED CASTE FINANCE AND DEVELOPMENT CORPORATION** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Income and Expenditure and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the **Basis for Qualified Opinion paragraph and Emphasis of Matter paragraph**, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, its income and total comprehensive income and its changes in equity for the year ended on that date.

#### **Basis for Qualified Opinion**

1. Company is providing financial and other assistance to beneficiaries belonging to scheduled castes through SCAs and CAs. The lending policy entails that utilization certificates have to be provided by SCAs and CAs within 120 days in case of fresh disbursement from the date of disbursement. Further, in case of overall disbursements, utilization certificates have to be obtained from all SCAs and CAs on quarterly basis. However, in many cases utilization certificates were not received post the expiry of specified period because of which:
  - (a) As at 31<sup>st</sup> March 2020, utilization certificates for outstanding loans amounting to Rs 75,848.69 lacs have not been received by the company. (Refer Note 40.3).
  - (b) The Company is unable to determine the interest on refund on unutilized amount of loans, calculated in Note 20.1 which leads to incorrect recognition of interest income on refund.

We are unable to quantify the amount of above qualifications due to non-availability of requisite information.



2. The Lending Policy of NSCFDC provides for Liquidity Damages on Defaulted Payments (LDDP) of dues (Principal as well as Interest) beyond the stipulated / agreed dates of repayment @ 2% per annum over and above the normal rate of interest applicable on the dues. LDDP is recognized on realization due to uncertainty of its collectability. It is however, noticed that no demand has been issued to SCAs for LDDP despite the defaults in payments, which has resulted in no collection of LDDP in FY 2019-2020.

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 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

## Emphasis of Matter

1. On March 11, 2020, the World Health Organization declared the novel corona virus (COVID-19) as a pandemic. The Ministry of Home Affairs, Govt. of India, vide Order No.40-3/2020 dated March 24, 2020 declared national lockdown, restricting the movement of the entire population of the country as a preventive measure against the spread of COVID-19. Besides the toll that this outbreak has had on human life, it has also disrupted the social, economic and financial structure resulting in significant reduction in global and local economic activities.

However, the operations of the Company have not been disrupted. Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty the future impact on its operations. The Company will continue to closely monitor any material changes to future economic conditions and the impact on the company's business in future will depend on the overall developments arising out of COVID-19 pandemic that cannot be reliably predicted at this stage.

The Company is hopeful about adapting to the changing business environment and does not anticipate any major challenge in meeting its financial obligations. Hence, the Company believes that the ability to continue as a going concern and meeting its liabilities is not impacted. (Refer note no 45)

2. The Company has booked interest income of Rs. 53.14 lakhs during the year in respect of doubtful overdue from Bihar Scheduled caste Development Corporation (BSCDC). As per Note 7.1(e), the Company does not have a guarantee for the said loan and in turn has government assurance. The recording of revenue has the effect of overstatement of revenue from operation to the extent of 53.14 lakhs. However, there





is no impact on excess of income over expenditure to the extent due to creation of provision for Bad and Doubtful debts of the same amount.

3. It was observed that many SCAs have defaulted in repayments which have resulted in overdue more than three years amounting to Rs. 111.13 Crores including the interest component. Although these loans are secured by State Government guarantees, these guarantees are never invoked which result in blockage of funds.
4. Attention drawn to **Note 7.1(d)** regarding loans amounting to Rs. 2,685.47 lacs in respect of which company has obtained Government assurance which does not tantamount to Government deed/order. However, same can be enforced in disputed cases by way of arbitration. In the view of management, company is adequately covered in cases where the outstanding loan amount is backed by Government guarantee.
5. Attention is drawn to **Note 7.1(c)** regarding SCA guarantee disclosure wherein the company has bifurcated government guarantee available with National Scheduled Castes and Scheduled Tribes Finance and Development Corporation ("erstwhile entity") as on 10.04.2001 in the agreed ratio between the company and National scheduled tribe 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 are still stands in the name of erstwhile entity and not in the name of Company.
6. Attention is drawn to the responsibility of the Company to arrange balance confirmations in respect of Loans and advances, creditor etc. balance confirmation has not been received in case of some of the SCAs, PSBs/RRBs, NBFC-MFIs and creditors. The impact, if any of the same on Ind AS financial statements is uncertain.
7. Attention is drawn to **Note 18**. The company has a closing balance of Rs. 3,239.61 lacs for Government Grants and Rs. 95.23 lacs for grants from other PSUs toward unspent Grant Liability which is shown as 'Other financial liabilities' in the financials. During the year the company has incurred expenditure of Rs 436.13lacs against which the grant is receivable (**Refer Note 12**). Further the accounting for grant is done on cumulative basis rather than individually.

Our Opinion is not qualified/modified in respect of these matters.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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 during the course of our 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 Charged with Governance for the Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the 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.

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

- Identify and assess the risks of material misstatement of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the Magnitude of misstatements in the Ind AS Financial statements that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the Ind AS financial statement 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 unidentified 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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, CARO 2016 ("the Order") is not applicable to the company. Hence, the Annexure on the matters specified in paragraphs 3 and 4 of the Order, are not given.



2. As required by the Comptroller and Auditor General(C&AG) of India through direction 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 Companies Act 2013, we report that:
  - a) Except for the matter described in the Basis for Qualified Opinion and Emphasis of matter paragraphs, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion and Emphasis of matter paragraphs above, 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion and Emphasis of matter paragraphs above, the Balance Sheet, the Statement of Income and Expenditure and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion and Emphasis of matter paragraphs above, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed 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 term 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 Government Companies.
  - f) The matter described in the Basis of Qualified opinion paragraph above, in our opinion, does not have any adverse effect on the functioning of the Company.
  - g) The Qualification and other observations relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for qualified opinion and Emphasis of Matter paragraph.
  - 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**".
  - i) With the respect to the matter 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 June 5<sup>th</sup> 2015, issued by ministry of corporate Affairs.
  - 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, 2016, 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 positions in the 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 amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**V Sahai Tripathi & Co.**

Chartered Accountant

Firm's Registration Number: 000262N

Place: New Delhi

Date: 09 SEP 2020



**Vishwas Tripathi**

Partner

M.N.- 086897

UDIN: 20086897 AAAA BA 1248



**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF NATIONAL SCHEDULED  
CASTES FINANCE AND DEVELOPMENT CORPORATION**

Below are the replies to the directions issued by the Comptroller and Auditors 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 2020.

(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 management, the manual ledgers are reconciled with 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 loans or waiver/write off of debts/loans/Interest made by a lender to the company due to the company's inability to repay the loans
(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 possible effects of the matter described in the Basis for Qualified Opinion and Emphasis of matter paragraphs above, Funds received/receivable for specific schemes from central/state agencies have been properly accounted for/ utilized.

**V Sahai Tripathi & Co.**  
Chartered Accountant

Firm's Registration Number: 000262N



*Vishwas Tripathi*

**Vishwas Tripathi**  
Partner  
M. N. 086897

Place: New Delhi

Date: **09 SEP 2020**



**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF NATIONAL SCHEDULED  
CASTES FINANCE AND DEVELOPMENT CORPORATION****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143  
of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION ("the Company") as at March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention and timely detection of unauthorized 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 Company has , in all material respects, except matter stated in clause 1 to 3 below, an adequate Internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, 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. The Internal controls and systems designed by the management to verify the end use of the funds sanctioned and disbursed to SCA's & CA's are not reasonable enough considering the size of the company and the nature of its operations. The management has been asked to update the procedures commensurate with the size of the company and the nature of its operations. Further, we have been informed by the management that the release of funds to eligible beneficiaries is the sole responsibilities of SCAs. Company must devise some audit system through which it can be ensured that the funds are properly disbursed to the eligible beneficiaries.



2. Company is providing financial and other assistance to beneficiaries belonging to scheduled castes through SCAs and CAs. However, utilization Certificates for Rs. 75,848.69 lacs are pending as at 31<sup>st</sup> March 2020. Internal Control system should be strengthened to obtain utilization Certificates as earliest.
3. Matters referred to in clause 1 to 2 of our basis of qualified opinion and clause 6 of Emphasis of matter paragraph point to lapses in Internal Control over financial reporting system. The company should monitor and strengthen internal control System in respect of such issues.

**V Sahai Tripathi & Co.**

Chartered Accountant

Firm's Registration Number: 000262N



**Vishwas Tripathi**

Partner

M. N. 086897

Place: New Delhi

Date: **09 SEP 2020**

**ADDENDUM 'B'**

(See Para 18.1 of the Directors Report)

**MANAGEMENT REPLY TO THE STATUTORY AUDITORS'**  
**REPORT ON THE ANNUAL ACCOUNTS 2019-20**

<b>Para No.</b>	<b>Audit Para</b>	<b>Management's Reply</b>
1.	Company is providing financial and other assistance to beneficiaries belonging to scheduled castes through SCAs and CAs. The lending policy entails that utilization certificates have to be provided by SCAs and CAs within 120 days in case of fresh disbursement from the date of disbursement. Further, in case of overall disbursements utilization certificates have to be obtained from all SCAs and CAs on a quarterly basis. However, in many cases utilization certificates were not received post the expiry of specified period because of which:	<p>NSFDC implements various credit based schemes for the target group through a network of Channelizing Agencies spread across the country. One of the norms for disbursement of funds is minimum of 80% cumulative utilization level of funds.</p> <p>As per Lending Policy of NSFDC, the funds disbursed are to be utilized by SCAs within 120 days from the date of disbursement. Utilization of funds under various schemes is a continuous process and sometimes it spills over to next financial year as well.</p> <p>After the expiry of allowed time i.e. 120 days, the matter is followed up with concerned SCAs/CAs. Further, in the channel finance system, utilization of 15-20% of the funds always remains in the pipeline and hence relaxation to this extent is given to the SCAs for considering fresh disbursements.</p>
(a)	As at 31st March 2020, ₹75,848.69 lacs of loans are pending outstanding on which no utilization certificates have been received (Refer Note 40.3).	Presently, fund utilization is 85.31% as on 31.03.2020. Therefore, ₹75,848.69 lakh of pending utilization certificate tantamount only to 14.69% only.
(b)	<p>The Company is unable to determine the interest on refund on unutilized amount of loans calculated as per Note 20.1 which leads to incorrect recognition of interest income on refund.</p> <p>We are unable to quantify the amount of above qualifications due to non-availability of requisite information.</p>	<p>Further as per lending policy, interest on refund is levied on fund unutilized beyond 120 days and also on fund refunded.</p> <p>Therefore, interest on refund is levied in the event of information/receipt of the refund i.e. when both the above conditions are fulfilled.</p> <p>Further, in case of RRBs during the year 2019-20, out of total amount released to Banking Partners of ₹404.60 crore, an amount of ₹75.16 crore only was released to 5 RRBs under Project Finance mode (advance fund for on lending required to be utilized within 120 days from the date of release), which is only 18.58% of total disbursement.</p>

2.	<p>The Lending Policy of NSCFDC provides for Liquidity Damages on Defaulted Payments (LDDP) of dues (Principal as well as Interest) beyond the stipulated / agreed dates of repayment @ 2% per annum over and above the normal rate of interest applicable on the dues. Further, LDDP is recognized on realization due to uncertainty of its collectability. It is however, noticed that no demand has been issued to SCAs for LDDP despite the defaults in payments, which has resulted in no collection of LDDP in FY 2019-2020.</p>	<p>The Liquidity Damages on Defaulted Payments (LDDP) levied on accrual basis till 31.03.2013 is included in the quarterly demands sent to SCAs regularly.</p> <p>Subsequently, since 2013-14, LDDP is recognized on realization due to uncertainty of its collectability due to which the quantum of LDDP has no impact on the financial statements.</p> <p>It has been observed that subsequent upon LDDP demand the regular recovery is either adversely affected or all together stopped by Channelizing Agencies. Due to this fact the demand for LDDP is sometimes delayed.</p> <p>During the financial year 2019-20 NSFDC issued legal notices for overdue amount including principal plus interest and LDDP to DBRDC, OSFDC and MSTDC (Manipur). Further, legal notices were also issues to BSCDC, DAADC, LASDC, ASCDC and MPSCFDC.</p> <p>In view of above, approximately 81% of the LDDP dues has been conveyed to the concerned SCAs during the financial year 2019-20.</p>
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**ADDENDUM 'C'**

(See Para 18.2 of the Directors Report)

**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 SCHEDULE CASTES FINANCE AND DEVELOPMENT CORPORATION FOR THE YEAR ENDED 31 MARCH 2020.**

The preparation of financial statements of National Schedule Castes Finance and Development Corporation for the year ended 31 March 2020 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 09.09.2020.

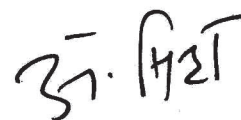
I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of National Schedule Castes Finance and Development Corporation for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried 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**

**Date: 24.12.2020**



**(Ashok Sinha)  
Principal Director of Audit  
Health, Welfare and Rural Development**

## **Address of 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 : 011-22054391, 22054392, 22054396 Fax : 011-22054395**

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## **NSFDC – LIAISON CENTRES**

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