

**Draft Fund-Raising Document**

Dated February 28, 2025

*(Please read Section 26 of The Companies Act, 2013)**(This Draft Fund-Raising Document will be updated upon filing with the RoC)***NATIONAL BACKWARD CLASSES FINANCE AND DEVELOPMENT CORPORATION**

CIN: U74899DL1992NPL047146

National Backward Classes Finance and Development Corporation (“Company” or “Issuer”) was registered and incorporated on January 13, 1992, as a private company limited by shares under Section 25 of the Companies Act, 1956, (validly existing under Section 8 of the Companies Act, 2013) pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi (“RoC”). For more information about our Company, please refer chapter titled “Our Business” and “History and Certain Co-operate matters” on pages 43 and 60, respectively of this Draft Fund-Raising Document.

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
5 th floor, NCUI Building, 3, Siri Institutional area, August Kranti Marg, New Delhi, India, 110001	5 th floor, NCUI Building, 3, Siri Institutional area, August Kranti Marg, New Delhi, India, 110001	Mr. Ajit Kumar Samal <i>Company Secretary</i>	E-mail: cs@nbcfdc.gov.in Telephone: +91 97176 99911	https://nbcfdc.gov.in/nbcfdc/web/
PAN: AABCN8953B				
REGISTRATION ON SOCIAL STOCK EXCHANGE SEGMENT OF BSE LIMITED “BSE SSE” AND SOCIAL STOCK EXCHANGE SEGMENT OF NSE “NSE SSE”: Our Company has been registered as Not for Profit Organisation on BSE SSE under the registration number BSESSENPO0065 with effect from November 19, 2024 and on NSE SSE under the registration number NSESSENPO0073 with effect from July 24, 2024 subject to compliance with all the Rules, Bye-laws and Regulations of the BSE SSE, NSE SSE and applicable laws, as amended from time to time				
DETAILS OF THE ISSUE				
PUBLIC ISSUE BY OUR COMPANY OF ZERO COUPON ZERO PRINCIPAL INSTRUMENTS OF FACE VALUE ₹ 1/- EACH (“ZCZP INSTRUMENTS”), AGGREGATING UP TO ₹ 2.00/- CRORE (“ISSUE SIZE” AND SUCH PUBLIC ISSUE HEREINAFTER REFERRED TO AS THE “ISSUE”) THROUGH THIS DRAFT FUND-RAISING DOCUMENT AND THE FINAL FUND-RAISING DOCUMENT. THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (“SEBI ICDR REGULATIONS”), READ WITH THE SEBI CIRCULAR DATED SEPTEMBER 19, 2022, BEARING REFERENCE NO. SEBI/HO/CFD/POD-1/P/CIR/2022/120 (“SSE FRAMEWORK CIRCULAR”) AND CIRCULAR DATED DECEMBER 28, 2023, BEARING REFERENCE NO. SEBI/HO/CFD/POD-1/P/CIR/2023/196 (“SSE FRAMEWORK CIRCULAR”), THE GUIDELINES ISSUED BY THE BSE LIMITED (“BSE”) NOTIFYING THE NORMS FOR REGISTRATION, ISSUE AND LISTING OF ZCZP INSTRUMENTS BY NPOs ON BSE SOCIAL STOCK EXCHANGE, THE GUIDELINES ISSUED BY THE NSE NOTIFYING THE NORMS FOR REGISTRATION, ISSUE AND LISTING OF ZCZP INSTRUMENTS BY NPOs ON NSE SOCIAL STOCK EXCHANGE AND CONTENTS OF THE DRAFT FUND-RAISING DOCUMENT/ FINAL FUND-RAISING DOCUMENT (COLLECTIVELY, “BSE NORMS”), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED TO THE EXTENT NOTIFIED AND APPLICABLE				
AS PER THE SEBI REGULATIONS, MINIMUM ISSUE SIZE SHALL BE ₹ 50.00/- LAKHS, MINIMUM				

APPLICATION SIZE SHALL BE ₹ 10,000/- AND MINIMUM SUBSCRIPTION FOR THIS ISSUE SHALL BE 75% OF THE ISSUE SIZE I.E.; ₹ 200.00/- LAKHS. OUR COMPANY IS IN AND SHALL BE IN COMPLIANCE WITH THE AFOREMENTIONED MENTIONED REGULATIONS.

GENERAL RISK

Investment in zero coupon zero principal instrument is risky, and investors should not subscribe to such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before subscribe to a public issuance of ZCZP Instruments. For taking an investment decision, investors must rely on their examination of the Issue, including the risks involved in it. Specific attention of investors is invited to the chapters "Risk Factors" page 16 of this Draft Fund-Raising Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the ZCZP Instruments or investor's decision to purchase such securities.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Fund-Raising Document contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Fund-Raising Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Fund-Raising Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The ZCZP Instruments offered through this Draft Fund-Raising Document and the Final Fund-Raising Document are proposed to be listed on the social stock exchange segment of Bombay Stock Exchange ("BSE") Limited and social stock exchange segment of National Stock Exchange ("NSE"), Our Company has received 'in-principle' approval dated [●] from BSE for using its name in the Draft Fund-Raising Document for listing of our ZCZP Instruments on the **Social Stock Exchange segment of BSE** and 'in-principle' approval dated [●] from NSE for using its name in the Draft Fund-Raising Document for listing of our ZCZP Instruments on the **Social Stock Exchange segment of NSE**. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Limited.

PUBLIC COMMENTS

The Draft Fund-Raising Document dated [●] has been filed with the Stock Exchanges, pursuant to the provisions of the SEBI ICDR Regulations, 2018 and is open for public comments for a period of 21 days from the date of filing of this Draft Fund-Raising Document with the Stock Exchanges. All comments on this Draft Fund-Raising Document are to be forwarded to the attention of our Company. All comments received on this Draft Fund-Raising Document will be suitably addressed prior to filing of the Final Fund-Raising Document with the Stock Exchange and the Registrar of Companies, Delhi.

REGISTRAR TO THE ISSUE



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Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221
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ADVISOR TO THE ISSUE



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STATUTORY AUDITOR

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 1/4969, Balbir Nagar Extn., Shahadra, Delhi-110032
Phone: 011-22320558
Contact Person: Sandeep Garg
Firm's Registration No.: 500035N
Website: <https://www.dcgargco.com/>

ISSUE PROGRAMME

Issue opens on:	[●]
Issue closes on:	[●]

***The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the Final Fund-Raising Document, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company, subject to relevant approvals. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time). For further details please refer to chapter titled "General Information" on page 28 of this Draft Fund-Raising Document.*

A copy of the Final Fund-Raising Document shall be filed with the Registrar of Companies RoC in terms of Section 26 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please see "Material Contracts and Documents for Inspection" on page 267 of this Draft Fund-Raising Document.

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SECTION I

DEFINITIONS AND ABBREVIATIONS

This Draft Fund-Raising Document uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Draft Fund-Raising Document, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Draft Fund-Raising Document but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, NSE Norms, BSE Norms and the rules and regulations notified thereunder

GENERAL TERMS

Term	Description
“Company”, “the Issuer”, “our Company”, “the Company” or “NPO”, “NBCFDC”, “Corporation”	National Backward Classes Finance and Development Corporation, a company incorporated under Section 25 of the Companies Act, 1956 (validly existing under Section 8 of the Companies Act, 2013) and having its registered office at 5 th floor, NCUI Building, 3, Siri Institutional area, August Kranti Marg, New Delhi, India, 110001
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your”, or “yours”	Prospective Investor in this issue.

COMPANY RELATED TERMS

Term	Description
“Articles”, “Articles of Association” or “AoA”	The Articles of Association of our Company, as amended from time to time.
“Audited Financial Statements”	The Audited Financial Statements of our Company for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, along with the audit reports, dated July 11 2024, June 30 2023 and June 28 th 2022, respectively issued by our Statutory Auditors.
“Auditors” or “Statutory Auditor”	The current Statutory Auditor of our Company being, D.C. Garg & Co, Chartered Accountants
“Board of Directors”, “our Board” or “Directors”	The Board of Directors of our Company, as constituted from time to time. For details of our Board of Directors, please refer page 63 of chapter “Our Management” of this Draft Fund-Raising Document.
“Company Secretary / CS”	The company Secretary of our Company, namely, Shri Ajit Kumar Samal. For details, please refer chapter “Our Management” as described on page 63 of this Draft Fund-Raising Document.
“Corporate Social Responsibility” or “CSR”	Corporate Social Responsibility as defined under Section 135 of the Companies Act, 2013.
“Corporate Office”	5 th Floor, NCUI building 3 Siri institutional area August Kranti Marg, New Delhi, Delhi, India, 110016
“Group Companies”	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Audited Financial Information as covered under the applicable accounting standards, and as disclosed in “Our Group Company” on page 70 of this Draft Fund-Raising Document.
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter “Our Management” on page no. 63 of this Draft Fund-Raising Document.
“Materiality Policy”	The materiality policy of our Company approved by the competent authority for identification of the material events and information pursuant to Regulation 91D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Term	Description
“Members” or “the members”	Members means entities/individuals whose name has been entered in the Register of Member maintained by the Company at its registered office as on the date of this Draft Fund-Raising Document.
“MoA” or “Memorandum of Association”	The Memorandum of Association of our Company, as amended from time to time.
“Promoter”	The Promoter of our Company being, the President of India. For details, please refer to the section titled “ <i>Our Promoters</i> ” on page 69.
“Registered Office”	5 th floor, NCUI Building, 3, Siri Institutional area, August Kranti Marg, New Delhi, India, 110001
“RoC” or “Registrar of Companies”	Registrar of Companies, Delhi.

ISSUE RELATED TERMS

Term	Description
“Advisor to the Issue”	The Advisor to the Issue, namely Galactico Corporate Services Limited.
“Allotment Advice”	The communication sent to the Allottees conveying the details of ZCZP Instruments allotted to the Allottees in accordance with the Basis of Allotment.
“Allotment”, “Allot” or “Allotted”	Unless the context otherwise requires, the allotment of ZCZP Instruments to the successful Applicants pursuant to the Issue.
“Allottee(s)”	The successful Applicant to whom the ZCZP Instruments are being / have been allotted either in full or part, pursuant to the Issue.
“Applicant” or “Investor”	Institutional Investors, Non-institutional Investors and retail investors who apply for issuance and Allotment of ZCZP Instruments pursuant to the terms of this Draft Fund-Raising Document, the Final Fund-Raising Document, and the Application Form. For details of ineligible investors, please see “ <i>Issue Procedure</i> ” on page 228 of this Draft Fund-Raising Document.
“Application”	An application (whether physical or electronic) to subscribe to the ZCZP Instruments offered pursuant to the Issue by (a) submission of a Physical Application Form, or (b) submission of a valid ASBA Application Form and authorizing an SCSB to block the Application Amount in the ASBA Account, or (c) blocking the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of up to ₹500,000; which will be considered as the application for Allotment in terms of this Final Fund Raising Document.
“Application”	An application to subscribe to the ZCZP Instruments offered pursuant to the Issue by submission of a valid Application Form. For further details, please see “ <i>Issue Procedure – Method of Application</i> ” on page 233.
“Application Amount”	The aggregate value of the ZCZP Instruments applied for, as indicated in the Application Form for the Issue, which shall not be lesser than ₹ 10,000.
“Physical Application Form”	Form in terms of which an Applicant shall make an offer to subscribe to ZCZP Instruments through the physical process which will be considered as the Application for Allotment of ZCZP Instruments in terms of this Draft Fund-Raising Document.
ASBA Application Form	a) form in terms of which an Applicant shall make an offer to subscribe to ZCZP Instruments through the online ASBA process in terms of the NSE April 2024 Circular, which will be considered as the Application for Allotment of ZCZP Instruments in terms of this Final Fund Raising Document, or (a) form in terms of which an Applicant shall make an offer to subscribe to ZCZP Instruments through the UPI Mechanism in terms of the NSE February 2025 Circular, which will be considered as the Application for Allotment of ZCZP Instruments in terms of this Draft Fund-Raising Document.
Application Form(s)	The Physical Application Form and / or the ASBA Application Form
ASBA Account	An account maintained with a SCSB and specified in the ASBA Application Form which will be blocked by such SCSB to the extent of the Application Amount mentioned in the Application Form by an Applicant and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to ₹500,000
“Banker(s) to the Issue”	The Escrow Collection Bank(s) as mentioned in this Draft Fund-Raising Document.
“Basis of Allotment”	The basis on which ZCZP Instruments will be allotted to the successful applicants as described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 248 of this Draft Fund-Raising Document.

<p>Category I Investors</p>	<ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in ZCZP Instruments ; • Provident funds and pension funds each with a minimum corpus of ₹250 million, superannuation funds and gratuity funds, which are authorised to invest in the ZCZP Instruments; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, which are authorised to invest in the ZCZP Instruments; • Resident Venture Capital Funds registered with SEBI, which are authorised to invest in the ZCZP Instruments; • Insurance companies registered with the IRDAI, which are authorised to invest in the ZCZP Instruments; • State industrial development corporations, which are authorised to invest in the ZCZP Instruments; • Insurance funds set up and managed by the army, navy, or air force of the Union of India, which are authorised to invest in the ZCZP Instruments; • Insurance funds set up and managed by the Department of Posts, the Union of India, which are authorised to invest in the ZCZP Instruments; • Systemically important non-banking financial companies, which are authorised to invest in the ZCZP Instruments; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, which are authorised to invest in the ZCZP Instruments; and • Mutual funds registered with SEBI, which are authorised to invest in the ZCZP Instruments. <p>This shall not include investors who are not eligible to invest in ZCZP Instruments. For further details, see “<i>Issue Procedure</i>” on page 228 of this Final Fund Raising Document</p>
<p>Category II Investors</p>	<ul style="list-style-type: none"> • Companies within the meaning of Section 2(20) of the Companies Act, 2013, which are authorised to invest in the ZCZP Instruments; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the ZCZP Instruments; • Co-operative banks and regional rural banks, which are authorised to invest in the ZCZP Instruments; • Trusts including public/private charitable/religious trusts which are authorised to invest in the ZCZP Instruments; • Scientific and/or industrial research organisations, which are authorised to invest in the ZCZP Instruments; • Partnership firms in the name of the partners, which are authorised to invest in the ZCZP Instruments; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), which are authorised to invest in the ZCZP Instruments; • Association of Persons, which are authorised to invest in the ZCZP Instruments; and • Any other incorporated and/ or unincorporated body of persons, which are authorised to invest in the ZCZP Instruments. <p>• This shall not include investors who are not eligible to invest in ZCZP Instruments. For further details, see “<i>Issue Procedure</i>” on page 228 of this Final Fund Raising Document</p>
<p>Category III Investors</p>	<p>Resident Indian individuals or hindu undivided families through the karta applying for an amount aggregating to above ₹10,00,000 across all ZCZP Instruments, which are authorised to invest in the ZCZP Instruments.</p> <ul style="list-style-type: none"> • This shall not include investors who are not eligible to invest in ZCZP Instruments. For further details, see “<i>Issue Procedure</i>” on page 228 of this Final Fund Raising Document.
<p>Category IV Investors</p>	<p>Resident Indian individuals resident Indian individuals or hindu undivided families through the karta applying for an amount aggregating up to and including ₹10,00,000 across all ZCZP Instruments in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their karta and does not include NRIs), which are authorised to invest in the ZCZP Instruments though UPI Mechanism.</p> <p>This shall not include investors who are not eligible to invest in ZCZP Instruments. For further details, see “<i>Issue Procedure</i>” on page 228 of this Final Fund Raising Document.</p>

“Client ID”	Client identification number maintained with one of the Depositories in relation to the demat account.
“Deemed Date of Allotment”	The date on which the Board of Directors, approves the Allotment of the ZCZP Instruments for the Issue or such date as may be determined by the Board of Director. The actual Allotment of ZCZP Instruments may take place on a date other than the Deemed Date of Allotment.
“DNT”	De-Notified, Nomadic & Semi Nomadic Tribes
“Demographic Details”	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code and bank account detail.
“Designated Stock Exchange”	SSE Segment of National Stock Exchange (“NSE SSE”)
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time.
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of ZCZP instruments with an online payment facility
“Draft Fund-Raising Document”, “DFRD”	This Draft Fund-Raising Document dated [●] issued in accordance with the SEBI ICDR Regulations, 2018 as amended, the Companies Act, 2013.
“Escrow Account”	Account to be opened with the Escrow Collection Bank.
“Escrow Agreement”	Agreement dated [●] to be entered into between the Issuer, the Registrar and the Escrow Collection Bank.

Term	Description
“Escrow Collection Bank”	The bank which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account, in relation to the Issue, will be opened, in this case being [●].
“Fugitive Economic Offender”	A fugitive economic offender as defined under Section 12 of the Fugitive Economic Offenders Act, 2018 and Regulation 2(1)(p) of the SEBI ICDR Regulations
“Final Fund-Raising Document” “FFRD”	The Final Fund-Raising Document dated [●] to be issued in accordance with the SEBI ICDR Regulations, the Companies Act, 2013, the NSE Norms and will be filed with the RoC.
Government’s Equity	Government’s Equity means the Budgetary support which is received from Govt. of India periodically.
“Issue”	Public Issue by our Company of zero coupon zero principal instruments of face value ₹ 1 each, aggregating up to ₹ 2,00,00,000/- crore.
“Issue Closing Date”	As specified in the Final Fund-Raising Document.
“Issue Opening Date”	As specified in the Final Fund-Raising Document.
“Issue Period”	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms.
“Issue Size”	Up to ₹ 2,00,00,000/- crore.
“Mutual Fund”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“MoSJE”	Ministry of Social Justice and Empowerment
“Not for Profit Organisation” or “NPO”	Not for Profit Organisation shall have the same meaning as prescribed under Regulation 292A(e) of the SEBI ICDR Regulations, 2018 as amended.
NSE April 2024 Circular	Circular dated April 30, 2024, bearing reference no. 06/2024 issued by NSE in relation to providing a facility for bidding of ZCZP Instrument on its existing web-based e-IPO Platform for SSE.
NSE February 2025 Circular	Circular dated February 19, 2025, bearing reference no. NSE/IPO/66749 issued by NSE in relation to introduction of UPI in Zero Coupon Zero Principal (ZCZP) instrument under e-IPO module for SSE.
“Objects”	Objects of this Issue as set out in the section titled “ <i>Objects of the Issue</i> ” on page 35 of this Draft Fund-Raising Document.
“Offer Document”	This Draft Fund-Raising Document, the Final Fund-Raising Document and Application Form.
“Prospectus”	The Final Fund-Raising Document to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, the Issue opening and closing dates and other information.
“Register of ZCZP Instrument holders”	The register of ZCZP Instrument holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of ZCZP Instrument held in dematerialized form, and/or the register of ZCZP Instrument Holders maintained by the

	Registrar.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulation, 1992 and the stock exchange having nationwide terminals and eligible to procure Applications from Applicants.
“Registered Post”	Registered post with acknowledgement due.
Registrar Agreement	Agreement dated [●] to be entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue.
“Registrar to the Issue “	The Registrar to the Issue, namely KFin Technologies Limited.
“SSE Framework Circular”	SEBI Circular dated September 19, 2022, bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2022/120 on framework on social stock exchange.
“Self-Certified Syndicate Banks” or “SCSBs”	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	A Banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the stock exchanges and National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of NSE with a facility to block funds through UPI Mechanism for application value up to ₹500,000. The Sponsor Bank for the Issue is Kotak Mahindra Bank .
“Tripartite Agreements”	Tripartite Agreement dated [●] to be entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated [●] to be entered into between our Company, the Registrar to the Issue and CDSL for offering demat option to the ZCZP Instrument Holders.
“UPI” or “UPI Mechanism”	Unified Payments Interface mechanism in accordance with NSE February 2025 Circular to block funds for application value up to ₹5,00,000 submitted through the Designated Intermediaries.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
“UPI Mandate Request” or “Mandate Request”	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment
“Under-subscription”	Subscription of the ZCZP Instruments less than 75% of the Issue Size.

Term	Description
“Wilful Defaulter(s)”	Wilful defaulter shall have the same meaning as under regulation (2)(1) (III) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
“Working Days”	Working days means all days on which commercial banks in Mumbai are open for business. In respect of announcement or issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the issue closing date and the listing of the ZCZP Instruments on the Stock Exchanges, working day shall mean all trading days of the Stock Exchanges for ZCZP Instruments, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.
“ZCZP Instruments”	Zero coupon zero principal instruments as notified in terms of the notification dated July 15, 2022 issued by the Ministry of Finance.
“ZCZP Instrument Holder(s)”	The holders of the ZCZP Instruments whose name appears in the database of the Depository and/or the register of ZCZP Instrument Holders (if any) maintained by our Company if required under applicable law.

CONVENTIONAL TERMS AND ABBREVIATIONS

Term	Description
“₹”, “Rupees”, “INR” or “Indian Rupees”	Indian Rupees.
“AGM”	Annual General Meeting held by our Company.
“AIF”	An alternative investment fund as defined in and registered with SEBI under the Securities

	and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time.
ASBA	Application supported by blocked amount
“Audit Report”	The Audit Report means report issued by Statutory Auditor of our Company being, D.C. Garg & Co, Chartered Accountants.
“BSE SSE”	Social Stock Exchange platform of BSE
“BGG”	Block Government Guarantee
“CDSL”	Central Depository Services (India) Limited.
“Depositories”	CDSL and NSDL.
“Depositories Act”	Depositories Act, 1996, read with the rules, regulations, amendments and modifications notified thereunder.
“DIN”	Director Identification Number.
“DP ID”	Depository Participant’s Identification.
“DP” or “Depository Participant”	Depository Participant as defined under the Depositories Act, 1996.
“Financial Year”, “Fiscal” or “FY” or “Fiscal Year”	Unless stated otherwise, the period of 12 months commencing on April 1 of the immediately preceding calendar year and ending March 31 of that particular calendar year.
“GoI” or “Government” or “Central Government”	Government of India.
“HUF”	Hindu Undivided Family.
“India”	Republic of India.
“Indian GAAP” or “IGAAP”	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.
“NACH”	National Automated Clearing House.
“N/A” or “NA”	Not applicable.
“NEFT”	National Electronic Fund Transfer.
“NSE”	National Stock Exchange of India Limited.
“NSE Norms”	Norms for issue and listing of ZCZP Instruments by NPOs on NSE Social Stock Exchange and BSE Social Stock Exchange contents of the draft fund-raising document/final Fund-Raising document.
“NSE SSE”	Social Stock Exchange platform of NSE.
“PAN”	Permanent Account Number.
“RTGS”	Real Time Gross Settlement.
“SCRA”	Securities Contracts Regulation Act, 1956, as amended.
“SCRR”	Securities Contracts (Regulation) Rules, 1957, as amended.
“SEBI”	Securities and Exchange Board of India.
“SEBI Act”	Securities and Exchange Board of India Act, 1992, as amended.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
“SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
“Social Enterprise”	As per Chapter X-A as inserted by the SEBI (ICDR) (Third Amendment) Regulations, 2022 w.e.f. July 25, 2022. “Social Enterprise” means either a Not-for-Profit Organization or a For-Profit Social Enterprise that meets the eligibility criteria specified under Chapter X-A of the SEBI(ICDR) Regulations.
“SSE”	Social Stock Exchange.
“State Government”	The government of a state in India.
“Year” or “Calendar Year”	Unless the context otherwise requires, shall mean the 12-month period commencing from January 1 and ending on December 31.

INDUSTRY RELATED TERMS AND ABBREVIATIONS

Term	Description
“MOU” or “Memorandum of understanding”	The corporation has entered into Memorandum of understanding with government of India.
“CPs” or “Channelizing Partners”	Means the organizations or agencies that act as intermediaries between NBCFDC and the beneficiaries in implementing its various financial and development programs. These partners typically help in channelizing financial support.
“AAP” or “Annual Action	Means a detailed document or framework that outlines the specific goals, objectives,

Plan”	activities, and strategies for the implementation of various schemes and programs for the upcoming year. It serves as a roadmap for NBCFDC's initiatives.
“N-E” or “North Eastern States”	Means North Eastern states of India.
“SACs” or “State Channelizing Agencies “	Means state-level organizations or agencies that work in close collaboration with NBCFDC to implement its various financial and developmental schemes at the state level. They act as intermediaries between NBCFDC and the beneficiaries.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL, INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

All references to “India” contained in this Draft Fund-Raising Document are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

PAGE NUMBERS

Unless indicated otherwise, all references to page numbers in this Draft Fund-Raising Document are to the page numbers of this Draft Fund-Raising Document.

FINANCIAL DATA

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, unless the context requires otherwise, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year and all references to a year in this Draft Fund-Raising Document are to a calendar year.

Unless stated otherwise or the context requires otherwise, the financial information in this Draft Fund-Raising Document is derived from our Audited Financial Statement. The Audited Financial Statement of the Company which comprise of the audited balance sheet as at March 31, 2024, March 31, 2023 and March 31, 2022, the audited Statement of income & expenditure for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the audited cash flow statement for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, and the notes forming part of the financial statements for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and other explanatory information relating to such financial periods prepared in accordance with Indian GAAP and have been audited by D.C. Garg & Co. Chartered Accountants for the FY 2023-24, FY 2022-23 and MAP & Associates Chartered Accountants for the FY 2021-22 respectively and are included in the section titled “Financial Information” on page 72 of this Draft Fund-Raising Document.

CURRENCY AND UNIT OF PRESENTATION

All references to “Rupees” or “₹” or “INR” or “Rs.” Are to Indian Rupee, the official currency of the Republic of India.

Except stated otherwise, Our Company has presented certain numerical information in this Draft Fund-Raising Document in ‘lakh’ and ‘crores’ units or in whole numbers as derived from the data provided in the Audit Reports. One lakh represents 100,000 and one crore represents 10,000,000.

Certain figures contained in this Draft Fund-Raising Document, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

TIME

Unless indicated otherwise, any time mentioned in this Draft Fund-Raising Document is in Indian Standard Time (“IST”).

USE OF INDUSTRY & MARKET DATA

Unless stated otherwise, industry and market data and forecast used throughout the Draft Fund-Raising Document was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Fund-Raising Document is reliable, it has not been independently verified by us or the Advisor to the Issue or any of their affiliates. Similarly, internal Company reports and data, while believed by

us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our operations, methodologies, and assumptions may vary widely among different market and industry sources.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Fund-Raising Document that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, result of operations, social impacts, number of beneficiaries and prospects may be akin to forward-looking statements. These forward-looking statements include statements as to matters discussed in this Draft Fund-Raising Document that are not historical facts. However, these are not the exclusive means of identifying forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Reduction or discontinuation in the donations or grants received by us;
- Changes in applicable law governing Civil Societies; and
- Impact of the COVID-19 pandemic or the outbreak of any new pandemic on our business and operations. For further discussion of factors that could cause our actual results to differ, see “*Risk Factors*” on page 16 of this Draft Fund-Raising Document.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Fund-Raising Document and are not a guarantee of future performance. These statements are based on the management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Neither our Company, our Directors, our Promoters, our Key Managerial Personnel, the Advisor to the Issue, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

SECTION II - SUMMARY OF THE DRAFT FUND-RAISING DOCUMENT

A. Primary Operations of Our Company & Incorporation Details

Our Company 'National Backward Classes Finance and Development Corporation' was incorporated on January 13, 1992, as a private limited company, under Section 25 of the Companies Act, 1956, (validly existing under Section 8 of the Companies Act, 2013) pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi ("RoC"). The corporate identification number of the Company is U74899DL1992NPL047146.

NBCFDC provides financial assistance through State Channelizing Agencies (SCAs) nominated by the State Governments/UTs and Banks (PSBs & RRBs).

NBCFDC adopts a comprehensive approach that includes foundational efforts like skills training, concessional lending, marketing assistance, and Corporate Social Responsibility (CSR) endeavours for its target group. Ministry of Social Justice & Empowerment (MoSJE) plays a pivotal role in implementing various programmes/schemes for social, educational, and economic development of its target groups.

For further details please see chapter titled "Our Business" beginning on page 43 of this Draft Fund-Raising Document.

B. Name of the Promoters of Our Company

- The President of India
- Additional Secretary, Backward Classes

For further details please see chapter titled "Our Promoters" beginning on page 69 of this Draft Fund-Raising Document.

C. Issue size

Issue of 2.00 Crore ZCZP instrument having face value of ₹1.00 each for cash at a price of ₹ 1/- per ZCZP Instrument aggregating to ₹ 2.00 Crore.

For further details, please see chapter titled "The Issue" and "Terms of the Issue" beginning on page 24 and 221 respectively of this Draft Fund-Raising Document.

D. Object of the Issue

Gram Lakshmi Project:

The project emphasizes the development of technology and learning modules for 48,000 rural women across 8 states in India. Key components include community cadre honorarium, incentives, training, and the provision of devices. Travel arrangements, along with monitoring and evaluation, will ensure effective implementation and progress tracking.

For further details, please see chapter titled "Objects of the issue" beginning on page 35 of this Draft Fund-Raising Document.

E. Summary of Financial Statements

Particulars	<i>(Rs. in Lakhs)</i>		
	For year ended 31 st March 2024	For year ended 31 st March 2023	For year ended 31 st March 2022
Total Equity	2,14,543.00	2,09,927.52	2,06,864.55
Property, plant and equipment	112.77	72.54	76.96
Revenue from Operations	5,491.03	5,312.74	5,321.53
Excess of Income over Expenditure	3,070.27	2,993.11	2,914.62

For detailed information of Financial Statements of our Company, please refer chapter titled "Financial Information" beginning on page 72 of this Draft Fund-Raising Document.

F. Summary of Outstanding Litigation

Except as stated in the chapter ‘*Outstanding Litigation*’, none of our Company, Director and Promoters are party to any pending litigation whose outcome could have a material adverse effect on the financial position of our Company, which may affect the issue or the investor’s decision to invest / continue to invest in the Issue.

For detailed information relating to outstanding litigation, please refer chapter “Outstanding Litigation” beginning on page 212 of this Draft Fund-Raising Document.

G. Risk Factors

The following are the risks envisaged by the management of our Company which relate to our Company, the ZCZP Instruments.

1. As a non-profit organization, a reduction or discontinuation in the donations or grants we receive may have an adverse impact on the operations of our Company.
2. We are exposed to various operational risks including the risk of fraud and other misconduct by employees or outsiders.
3. Failure to comply with the applicable laws and regulations by us may materially and adversely impact our reputation and our ability to conduct our programmes.

For detailed information relating to risk factors, please refer section titled “Risk Factors” beginning on page 16 of this Draft Fund-Raising Document.

H. Summary of Contingent Liabilities of our Company:

Our Company do not have any contingent liabilities as on March 31, 2024

For further details please refer to the section titled “Financial Information” beginning on page 72 of this Draft Fund-Raising Document.

I. Exemption from Complying with Any Provisions of Securities Laws, If Any, Granted by SEBI

Our Company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

SECTION III – RISK FACTORS

The following are the risks envisaged by the management of our Company which relate to our Company and the ZCZP Instruments. Potential investors should carefully consider all the risk factors stated in this Draft Fund-raising document in relation to the ZCZP Instruments for evaluating our Company and the ZCZP Instruments before making any investment decision. Our Company believes that the factors described below represent the principal risks inherent in investing in the ZCZP Instruments but such risks are not exhaustive. Potential investors should also read the detailed information set out elsewhere in this Draft Fund-raising document and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, our business, financial conditions and results of operations could suffer. These risks and uncertainties are not the only issues that our Company faces. Additional risks and uncertainties not presently known to our Company or that our Company currently believes to be immaterial may also have a material adverse effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, our Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

Further, our company has also mentioned in this chapter, that if any of the following stated risks actually occurs, how the Company would manage to mitigate such risks.

INTERNAL RISK FACTORS

1. We are exposed to various operational risks including the risk of fraud and other misconduct by employees or outsiders.

Potential Risk: We are exposed to various operational risks which include the risk of fraud or misconduct by our employees or even an outsider, unauthorized transactions by employees or third parties, misreporting and non-compliance of various statutory and legal requirements and operational errors. It may not be always possible to deter employees from the misconduct or the precautions we take to detect and prevent these activities may not be effective in all cases. Any such instances of employee misconduct or fraud, the improper use or disclosure of confidential information, could result in regulatory and legal proceedings and may harm our reputation and also our operations.

Mitigation Plan: To proactively address potential risks, we are dedicated to cultivating a culture anchored in ethics and accountability throughout our organization. Our commitment to transparency, diligence, and core values serves as a robust shield against the likelihood of fraud and misconduct, ultimately preserving the integrity of our operations and earning the trust of our stakeholders.

2. As a non-profit organization, a reduction or discontinuation in the grants we receive may have an adverse impact on the operations of our Company.

Potential Risk: We are a non-profit organization registered under Section 25 of the Companies Act, 1956 (Currently, Section 8, Companies Act, 2013). Accordingly, the operations of our Company are highly dependent on the receipt of grants from Ministry of Social Justice and Empowerment (MoSJE). The grants and other income recognized by our Company for the Financial Years ended March 31, 2024, 2023 and 2022 were ₹ 57.771 crore, ₹ 55.523 crores and ₹ 55.179 crores, respectively. In the event that grants we receive reduce or are discontinued it may have an impact on the business, operations, financial condition, and cash flows of our Company. financial instability may impact smooth operations, and uncertainties associated with managing organizational growth and the success of new initiatives. These risks pose a threat to the timely execution and effectiveness of our programs, potentially hindering our organization's goals and future prospects.

Mitigation Plan: To address the risk of reduced or discontinued grants from the Ministry of Social Justice and Empowerment (MoSJE), our Company has devised a plan to ensure financial stability and operational continuity. In such circumstances, we will rely on internal accruals, particularly the interest income generated from concessional loans disbursed, to fund our programs and initiatives. This strategy allows us to maintain a steady cash flow and sustain our operations, ensuring the timely execution of our projects. By leveraging internal resources, we aim to minimize dependency on external grants while continuing to fulfil our organizational objectives effectively.

3. Failure to comply with the applicable laws and regulations by us may materially and adversely impact our reputation and our ability to conduct our programmes.

Potential Risk: The regulatory environment in which we operate, is evolving and subject to change. The relevant Indian authorities may implement new laws or other regulations that could lead to new compliance requirements or impose additional restrictions on our operations or tighten the enforcement of existing or new laws or regulations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. As a private limited company under Section 25 of the Companies Act, 1956 (currently Section 8, Companies Act

2013), we are required to comply with the provisions of the Companies Act, 2013 and the Income Tax Act, 1961. Further, we are required to comply with the SEBI ICDR Regulations, SEBI Listing Regulations and NSE Norms and BSE Norms [●].

Though, in the past, we have not been subject to any such violations or non-compliance of applicable laws and regulations which have had a material adverse impact on our operations, in the future, if we fail to meet the requirements, we may be subject to administrative, civil and criminal proceedings by the relevant government entities, as well as civil proceedings by aggrieved parties, which could result in substantial fines and penalties against us as well as revocation of our registration that could limit or halt our operations. In addition, responding to any action or litigation may result in a diversion of members of the governing body's attention and resources and an increase in professional fees and compliance costs. Our Board of Directors and key managerial staff reviews the compliance of applicable law periodically to ensure that our Company and our programmes are not in breach of any applicable law.

Mitigation Plan: Our Board of Directors and key managerial staff reviews the compliance of applicable law periodically to ensure that our Company and our programmes are not in breach of any applicable law. We consistently engage in the thorough review of our practices and policies. This includes regular assessments to identify and address any potential areas of non-compliance.

4. *There is no assurance that our Company will not be involved in any litigation in the future, including any civil or tax related proceedings.*

Potential Risk : While our Company is currently not involved in any civil or tax litigation, or scrutiny, there can be no assurance that we will not be involved in any litigations in the future, including any tax-scrutiny related proceedings. Any involvement in such scrutiny or proceedings could have an adverse impact on our operations, financial condition, cash flows and the social impact of our programmes. For details in relation to the litigation proceedings involving our Company, see "Legal and Other Outstanding Litigation" on page 212.

Mitigation Plan: We have established a comprehensive compliance framework. This involves continuous monitoring of legislative changes and ensuring that all activities align with current laws and regulations taking into consideration all the amendments in the legal and regulatory requirements

5. *Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, which Applicants may be more familiar with and may consider material to their assessment of our financial condition.*

Potential Risk: Our Audited Financial Statements for Fiscals 2022, 2023 and 2024 have been prepared and presented in conformity with Ind AS. Indian GAAP differs in certain significant respects from Ind AS. If our financial statements were to be prepared in accordance with Indian GAAP, our results of operations, cash flows and financial position may be different. Prospective Applicants should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

Any reliance by Applicants on the Audited Financial Statements should accordingly consider the foregoing factors.

Mitigation Plan: We address potential differences between Ind AS and Indian GAAP through detailed disclosures, including reconciliations where applicable, and comprehensive notes explaining key accounting policies. Prospective applicants are encouraged to consult professional advisors to interpret these differences, ensuring informed decision-making.

6. *Aligned with the government's focus on the northeastern states, our Company has consistently directed funds towards these regions to promote economic activities and foster growth among the targeted groups.*

Potential Risk: In line with the government's emphasis on the development of northeastern states, our Company has been actively deploying resources in the region to stimulate economic activities and support the identified beneficiaries. To carry out these initiatives effectively, additional approvals may be required. Moreover, the region's political and climatic uncertainties could impact the smooth execution of our plans.

Mitigation Plan: To mitigate this risk, we will implement a robust monitoring and evaluation system to track the allocation and impact of the funds, ensuring they are being used effectively. Also, we will establish transparent reporting and communication channels to ensure accountability and maintain stakeholder trust and maintain compliance with all applicable laws and conduct regular audits to check any legal or operational issues.

7. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our results of operations.*

Potential Risk: The Company outlines that the funds received will be allocated according to the specific objectives mentioned in the “Objects of the Issue” section of this Draft Fund-Raising Document. This section typically details the intended uses of the funds, which are towards Gram Lakshmi Project which includes National and State Resource Deployment, Technology Development & Learning Modules, Community Cadre Honorarium, Incentives, Training & Devices.

It’s important to highlight that the proposed schedule of implementation for these objectives is based on management’s estimates. These estimates are essential for planning and forecasting, guiding the company in the execution of its strategic goals. However, the key concern is the potential for delays in the implementation schedule, which can arise from a variety of factors, including issues related to the completion of the Issue itself.

If there are delays in the schedule of implementation for any reason, it can have several adverse consequences for our Company. These revisions may involve adjustments to the allocation of funds, timelines, and resource planning. Such changes can result in financial mismatch and unpredictability, as our Company may need to reallocate resources, secure additional funding, or adjust its strategies to accommodate the delays. Financial mismatch and unexpected adjustments can have significant ramifications for our Company’s financial health. They can impact the company's operations, potentially leading to lower-than-expected income. Delays in implementing strategic objectives can also hinder our Company’s ability to seize growth opportunities, respond to market changes, or meet its financial obligations.

Mitigation Plan: To mitigate the risk of potential delays in the completion of the Issue impacting our schedule and results of operations, our Company will implement a robust project management approach. We will establish clear project timelines, milestone tracking, and contingency plans to address any unforeseen delays.

8. Changes in applicable law governing corporate social responsibility policies could have an adverse impact on our operations.

Potential Risk: In accordance with the Companies Act, 2013, companies meeting specific criteria are required to allocate a portion of their profits towards activities that align with their corporate social responsibility (CSR) policies. Some of the contribution received by our Company is provided by entities as part of their compliance with these CSR obligations. In the event of any changes to the law that reduce the mandatory CSR spending requirements for companies or alter the scope of activities eligible for CSR funding, the financial support provided to our Company may decrease accordingly.

Mitigation Plan: The Company has constituted a CSR Policy and a CSR Committee in line with compliance with CSR Regulations. The CSR Committee shall ensure to carry out CSR projects/programmes in line with activities prescribed under Schedule VII of the Companies Act, 2013 as amendment from time to time that would avoid any non-compliances for the said rules.

9. The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Fund-Raising Document would be subject to certain compliance requirements.

Potential Risk: We intend to use the Net Proceeds of the Issue for the purpose as described in “Objects of the Issue” on page 35 of this Draft Fund-Raising Document. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control. Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions, and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or strategies. We operate in an industry which is dependent on donors and grants, and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. For details, see “Objects of the Issue” on page 35 of this Draft Fund-Raising Document. Additionally, various risks and uncertainties, including those set forth in this “Risk Factors” section, may limit or delay our efforts to use the Net Proceeds to achieve growth.

Mitigation Plan: To mitigate the risk of non-compliance due to variations in Net Proceeds utilization, the Company will establish clear and robust internal controls and reporting mechanisms to ensure that deviations are properly documented, approved, and in line with regulatory requirements.

10. In the event of non-payment by a borrower of one of loans, we may be unable to collect the unpaid balance. we may be unable to collect in part or at all in the event of non-payment by a borrower.

Potential Risk: Our business focuses on extending loans at concessional rates to eligible individuals, self-help groups, and women under special schemes to promote financial inclusion and empowerment. While we employ robust credit assessment processes to minimize risk, there remains a possibility of default by borrowers due to unforeseen circumstances such as economic downturns, natural disasters, personal financial hardships, or other external factors. In cases of non-payment, recovering the outstanding amounts may become challenging despite our best efforts through legal and recovery mechanisms. Such defaults could result in a partial or total inability to recover the loan amount, potentially impacting our financial position, liquidity, and overall operations.

Mitigation Plan: To address the risk of non-payment, we have implemented a robust credit appraisal process to assess borrower's repayment capacity and ensure prudent loan disbursement. Additionally, we maintain a diversified loan portfolio to mitigate concentration risk and regularly monitor the performance of loans to identify potential defaults early. For at-risk borrowers, we employ proactive measures such as restructuring repayment terms, providing financial counselling, and initiating recovery actions promptly. We also maintain a loan loss reserve to absorb potential defaults and reduce financial impact. Furthermore, fostering strong relationships with borrowers and conducting financial literacy programs help improve repayment behaviour and mitigate this risk effectively.

11. The requirements of being a listed company may strain our resources and impose additional regulatory & disclosure requirements.

Potential risk: Listing of our ZCZP Instruments on NSE SSE and BSE SSE, necessitates increased compliance with legal, accounting, corporate governance, and reporting standards, which, in turn, results in higher expenses that the company did not incur as an unlisted entity. Moreover, listed Social Enterprises are subject to the provisions of the listing agreements they sign with the stock exchange, further amplifying their compliance responsibilities.

Further, meeting reporting obligations is a critical aspect of being a listed Social Enterprise. The company is required to regularly disclose its financial results and other material information to stakeholders and the public. This expanded regulatory and reporting requirements can divert management's attention from other core concerns, potentially affecting the company's activities and operational efficiency.

Mitigation Plan: To mitigate the potential resource strain and additional requirements associated with being a listed Social Enterprise, our company will adopt a proactive approach to compliance and resource management. We will prioritize efficient resource allocation, including financial and human resources, to meet regulatory obligations while minimizing any strain.

12. The impact of the COVID-19 pandemic or the outbreak of any new pandemic on our operations is uncertain and cannot be predicted.

Potential risk: The COVID-19 pandemic and the potential for future outbreaks of new infectious diseases had an unpredictable and material impact on our business operations. The pandemic caused significant disruptions to global and domestic economies, supply chains, and workforce availability, which affected our ability to operate efficiently. As a government organization under the National Backward Classes Finance and Development Corporation (NBCFDC), we were dependent on smooth functioning across multiple channels, including the disbursement of financial assistance, implementation of development programs, and interaction with beneficiaries.

Despite measures taken by the government and relevant authorities to mitigate the economic impact, the scale, duration, and long-term effects of the pandemic remained uncertain. Restrictions such as lockdowns and social distancing measures impacted our ability to carry out field operations, conduct meetings, and interact with our stakeholders, including beneficiaries and government bodies. Additionally, our financial and operational performance was influenced by changes in government policies or funding allocations in response to the evolving situation.

Mitigation Plan: Our Corporation functions through the State Channelizing Agencies designated by the respective State Governments, ensuring effective outreach and implementation of its programs. During the Covid-19 pandemic, the corporation demonstrated resilience and adaptability by shifting its operations to an online system. This transition allowed the corporation to continue its activities without interruption, with all meetings being held promptly via video conferencing and monitoring conducted virtually. As a result, despite the challenging circumstances, the corporation successfully achieved its targets, drawing upon its established expertise and efficient management practices. Moving forward, should any unpredictable situations arise, the corporation is committed to adopting alternative strategies, similar to the measures implemented during the pandemic, to ensure smooth operations and the continued success of its initiatives, thereby safeguarding its objectives and service delivery in any future crises.

13. *The successful achievement of our project, Gram Lakshmi, relies heavily on the timely mobilization and training of cadres; any delays in this process create significant uncertainty and may hinder the overall execution of the project.*

Potential risk: The risk of delay in cadre mobilization or training refers to the potential postponement or disruption of the process through which personnel are deployed and trained for specific roles. The delay can arise from several factors such as logistical issues, insufficient resources, poor planning, or unforeseen events (e.g., health crises, natural disasters). Such delays can have a significant impact on operations, causing a shortage of trained personnel, affecting project timelines, and potentially leading to inefficiencies in program execution. This risk could hinder the ability to meet targets and adversely affect service delivery, particularly in time-sensitive environments.

Mitigation Plan: The mitigation plan for the risk of delay in cadre mobilization or training involves leveraging NBCFDC's established network and its partnerships with State Rural Missions. By utilizing these existing relationships, the plan ensures faster mobilization and training of personnel. NBCFDC's network offers access to local resources, communities, and logistical support, which can help minimize delays. Collaborating with State Rural Missions allows for better coordination, shared resources, and efficient use of regional infrastructure, ensuring that the cadre mobilization and training processes are streamlined and carried out on time, even in the face of potential challenges.

14. *Given that our project primarily targets rural and underdeveloped areas, limited technology adoption by community cadres could pose a significant hurdle to its successful implementation.*

Potential risk: This risk highlights the challenges community cadres may face when adopting new technologies. These barriers can include limited digital literacy, lack of access to devices, or resistance to change, which can impede the effective implementation of tech-driven initiatives. Such delays or failures in adoption can result in inefficiencies, lower productivity, and reduced effectiveness in program delivery, ultimately affecting the overall success of the initiative.

Mitigation Plan: To address limited tech adoption, we will offer on-ground support to assist cadres in using new technologies, ensuring they receive real-time guidance. User training will equip them with the skills to effectively use digital tools. Additionally, providing tablets as incentives will increase accessibility and motivation, encouraging adoption and improving overall engagement with the technology.

15. *Cadre attrition poses a critical challenge to the continuity and effectiveness of the project, as the loss of trained personnel can disrupt operations and delay progress.*

Potential risk: This risk refers to the potential loss of community cadres due to factors such as job dissatisfaction, lack of motivation, or better opportunities elsewhere. High attrition rates can disrupt program continuity, increase recruitment and training costs, and lead to a shortage of experienced personnel, negatively impacting the effectiveness and stability of the initiative.

Mitigation Plan: To mitigate cadre attrition, the plan includes offering performance-linked incentives, such as tablets and recognition, to motivate and retain cadres. Tablets can serve as a valuable tool, improving work efficiency and providing tangible benefits. Recognition through awards, public acknowledgment, or career growth opportunities can enhance job satisfaction and a sense of accomplishment. By linking incentives to performance, cadres are encouraged to stay motivated, leading to improved retention and overall program success.

16. *The lack of post-training financial linkages limits cadres' access to essential resources, hindering long-term project implementation.*

Potential risk: This risk refers to the challenge of trainees being unable to access financial resources after completing their training, which can hinder their ability to start or scale businesses. Without access to funding or financial support, trained individuals may struggle to apply their skills effectively, limiting the impact of the training programs.

Mitigation Plan: To mitigate this risk, we will integrate MSME (Micro, Small, and Medium Enterprises) schemes and banking support into the "Ask Gram Lakshmi" platform. This will provide trainees with easy access to relevant financial resources, including loans, subsidies, and guidance on government schemes. By offering a one-stop platform for both training and financial linkages, we can ensure that trainees have the necessary support to turn their skills into sustainable economic activities.

17. *Delays in the Certification Process Pose Significant Risks to Timely Project Implementation and Operational Efficiency*

Potential risk: Delays in the certification process pose a significant risk, impacting project timelines, compliance, and overall operational efficiency. The delays may arise from lengthy approval processes, misalignment with certification requirements, or

inefficiencies in certification bodies' operations.

Mitigation Plan: To address the delays and mitigate the associated risks, a strategic partnership with established Sector Skill Councils (SSCs) is recommended. These councils are well-recognized and have strong ties with industry and regulatory authorities, which can accelerate the certification process.

18. The Audit Report on our Financial Statements for the last contains certain qualifications.

Potential risk: The Audit report on our Financial Statements contains qualification as stated below:

FY 2022-23

Loan disbursed to “Tripura OBC Co-operative Development Corporation having an outstanding amount of ₹1,546.65 Lacs has been sanctioned in violation of the loan policy of the corporation. No General Loan Agreement has been executed with the state Channelizing Agency (SCAs). The loan has been rescheduled in the previous year and amount should be considered unsecured. No application provision in the books amounting to ₹ 230.87 lacs. This has overstated the income and understated the current liability by a similar amount.

Mitigation Plan:

This qualification was identified in FY 2022-23 but has been successfully resolved. Moving forward, we are committed to implementing comprehensive measures to proactively prevent any similar qualifications from arising. Currently, there is no qualification for FY 2023-24.

19. The Certificate on Compliance of Corporate Governance Norms contains certain Qualifications.

Potential risk: The Certificate on Compliance of Corporate Governance Norms contains qualification as stated below:

FY 2023-24

- 1) The composition of the Board and its Committees was not in compliance with the DPE Guidelines. One third of the Board did not consist of Independent Directors. Two-thirds of the Audit Committee members must be Independent Directors, and the Chairman of the Audit Committee must be an Independent Director. All members of the Remuneration Committee shall be part-time Directors, specifically Nominee Directors or Independent Directors. The Remuneration Committee shall be chaired by an Independent Director.
- 2) The Board shall convene at least once every three months, ensuring that the interval between any two Board Meetings does not exceed three months. However, upon examination of the Company’s records, it was observed that the intervals between the Board Meetings held on 30.06.2023, 27.10.2023, and 28.03.2024 exceeded the stipulated three-month period.
- 3) The time gap between two Audit Committee meetings should not exceed four months. However, upon reviewing the Company’s records, we observed that the interval between the meetings held on 27.10.2023 and 28.03.2024 exceeded this four-month limit.

Mitigation Plan:

Every company is required to hold a minimum of four board meetings each year, ensuring that the gap between two consecutive meetings does not exceed 120 days. However, for Section Eight companies that have complied with the filing of their financial statements and annual returns without any defaults, the board of directors must hold at least one meeting every six calendar months, in accordance with the applicable provisions. Also, the appointment of the Board of Directors (BoD) is not within the purview of NBCFDC, as it is the prerogative of the government in accordance with Clause 53 of the Memorandum of Association. The administrative ministry has yet to appoint or extend the tenure of the independent directors beyond November 2024. We are committed to implementing proactive measures to prevent the emergence of similar qualifications in the future. This will involve regular monitoring, clear guidelines, and early identification of potential issues.

Risks related to ZCZP Instruments

20. The tenure of the ZCZP Instruments will be the date on which the Objects of the Issue have been met or 12 months from the Deemed Date of Allotment, being the timeline for completion of the Objects of the Issue. No amount is repayable on expiry of such tenure of the ZCZP Instruments.

Potential Risk: The tenure of the ZCZP Instruments will be the date on which the Objects of the Issue have been met or [●] months from the Deemed Date of Allotment, being the timeline for completion of the Objects of the Issue. ZCZP Instruments are instruments which by their nature do not carry any interest and no amount is repayable to investors even at the expiry of the tenure of the instruments. Potential investors should be aware that even at maturity, the principal amount on investments in ZCZP

Instruments are not repayable. Such non-redemption feature of the ZCZP Instruments is likely to limit their market value. It's important to note that investments in ZCZP instruments typically do not come with an expectation of future financial returns. Thus, informing potential investors about this characteristic of the instrument should be sufficient to mitigate the associated risk.

Mitigation Plan: It's important to note that investments in ZCZP instruments typically do not come with an expectation of future financial returns. Thus, informing potential investors about this characteristic of the instrument should be sufficient to mitigate the associated risk.

21. *There is no guarantee that the Issue will be successful and we will be able to achieve the Objects or the ZCZP Instruments will be listed on the Stock Exchanges in a timely manner or at all, or that such listing that they will remain listed on the Stock Exchanges.*

Potential Risk: If our Company does not receive 75% subscription in the Issue, the Issue would be deemed to be unsuccessful, and we will have to refund the entire subscription amount, in accordance with applicable law, within 8 working days of Issue Closing Date. In case the subscription is above 75% of the Issue Size but below 100% of the Issue Size is not arranged, the balance fund shall be sourced from the other unrestricted fund available to the organisation to facilitate the achievement of the object of the issue.

Mitigation Plan: Acknowledging the unpredictability of a successful Issue and listing of ZCZP Instruments on Stock Exchanges, we will enhance our approach through meticulous due diligence and tailored market research. Collaborating with experienced advisors and ensuring transparent communication with stakeholders, we aim to align our initiatives with donor expectations and regulatory requirements. By maintaining a commitment to compliance, consistent organizational performance, and proactive adjustments based on evolving dynamics, we strive to increase the likelihood of achieving our fundraising goals and securing sustained recognition on Stock Exchanges.

For details, see "Terms of the Issue" beginning on page 221 of this Draft Fund-Raising Document.

22. *Any leakage or misuse of the data might lead to consequences affecting the smooth functioning of the Company.*

Potential Risk: Throughout our operations, the Company naturally gathers and oversees a substantial amount of data related to our beneficiaries and various stakeholders involved in our projects. This data includes personal information, financial records, and sensitive details crucial to project implementation and evaluation. However, similar to any organization, Our Company faces potential risks associated with data breaches and unauthorized access to this information. Improper handling or misuse of this data can have wide-ranging effects, extending beyond operational disruptions. Adherence to data privacy and protection laws is essential, as non-compliance may result in fines and impact our reputation. A data breach could lead to challenges, diverting attention from our core mission and potentially compromising trust with our beneficiaries and stakeholders.

Mitigation Plan: To address these concerns, we commit to establishing clear data usage policies and ensuring compliance with relevant data protection laws. By actively safeguarding our data assets and fostering a culture of responsible data management, we aim to minimize potential issues and maintain seamless operations in pursuit of our mission.

External Risk Factors

23. *We are subject to regulatory and legal risk which may adversely affect our business.*

Potential Risk: As a non-profit organization registered under Section 8 of the Companies Act, 2013 our operations are subject to applicable law in India. There can be no assurance that the laws governing us will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not affect our business and future financial performance.

Mitigation Plan: We have established a comprehensive compliance framework. This involves continuous monitoring of legislative changes and ensuring that all activities align with current laws and regulations taking into consideration all the amendments in the legal and regulatory requirements. We have experts on retainer basis who guide us on compliance matters.

24. *Civil unrest, terrorist attacks and war could affect our business.*

Potential Risk: Terrorist attacks and other acts of violence, war, or conflicts, particularly those involving India, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect our operations, including the donations and grants that are made to our Company. India has from time to time experienced, and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighbouring countries. The consequences

of any armed conflicts are unpredictable, and we may not be able to foresee events that could have an adverse effect on our business and operations.

Mitigation Plan: To mitigate the risk of terrorist attacks, violence, or conflicts involving India, we will implement a multi-faceted strategy. This includes monitoring geopolitical developments, diversifying funding sources to reduce reliance on any single region, and strengthening business continuity and crisis management plans. Additionally, we'll focus on regional diversification, conduct scenario planning, and invest in digital infrastructure to ensure operations can continue during disruptions. These measures will help protect our operations and donor contributions during periods of instability.

SECTION IV – INTRODUCTION

THE ISSUE

Following table summarizes the Present Issue in terms of this Draft Fund-Raising Document:

Particulars	Details of ZCZP Instruments
ZCZP Instrument: ⁽¹⁾ Present Issue of ZCZP by our Company:	Issue of 2,00,00,000 ZCZP instrument having face value of ₹1.00 each at a price of ₹ 1/- per ZCZP Instrument aggregating to ₹ 2.00/- crores.
Use of Net Proceeds	Please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page no. 35 of this Draft Fund-Raising Document.

- a. The Issue is being made in terms of Chapter X-A of the SEBI (ICDR) Regulations, 2018 as amended from time to time, read with The SEBI Circular dated September 19, 2022, bearing Reference No. SEBI/HO/CFD/POD-1/P/CIR/2022/120 (“SSE Framework Circular”).
- b. The ZCZP instruments are without any coupon/ interest payment and no principal amount is repayable at its maturity.
- c. At the meeting of the Board of Directors of our Company held on [●], the Board of Directors approved the issuance of ZCZP Instruments to the public.
- d. In the event of oversubscription, the allotment shall be made on a proportionate basis in marketable lots of 1 ZCZP Instrument subject to minimum application size being Rs. 10,000/-.
- e. In case of undersubscription, the balance fund shall be sourced from the surplus generated from the financial year to facilitate the achievement of the object of the issue, provided that the funds shall be refunded in case the subscription is less than 75% of the issue size.

For more details regarding the issue, please refer chapter ‘*Objects of the Issue*’ on page no. 35 of this Draft Fund-Raising Document.

SUMMARY OF FINANCIAL INFORMATION

**NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
SUMMARY OF BALANCE SHEET**

(₹ In Lakhs)

Particulars		For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
I	ASSETS			
1.	Non-current assets			
	(a) Property, plant and equipment	112.77	72.54	76.96
	(b) Other intangible assets	4.29	7.79	11.84
	(c) Intangible asset under development	4.72	-	-
	(d) Right of Use Assets	37.61	38.20	38.78
	(e) Financial assets			
	(i) Loans	1,50,978.78	1,50,641.56	1,50,032.34
	(ii) Others	615.47	618.07	655.47
	(f) Other non-current assets	98.51	65.51	68.55
		1,51,852.15	1,51,443.66	1,50,883.94
2.	Current assets			
	(a) Financial assets			
	(i) Trade Receivable/Debtors	-	-	1.68
	(ii) Cash and cash equivalents	1,097.78	3,410.28	4,037.62
	(iii) Grant Fund	3,481.83	1,374.87	5,312.33
	(iv) Loans	60,328.66	53,746.29	50,682.14
	(v) Others	1,397.02	1,377.77	1,623.10
	(b) Current tax asset (Net)	1.21	0.59	29.72
	(c) Other current assets	17.15	10.96	24.83
		66,323.65	59,920.76	61,711.41
	Total	2,18,175.80	2,11,364.43	2,12,595.36
II	EQUITY AND LIABILITIES			
1.	Equity			
	(a) Equity share capital	1,51,440.00	1,49,940.00	1,49,940.00
	(b) Other equity	63,103.00	59,987.15	56,924.55
		2,14,543.00	2,09,927.52	2,06,864.55
2.	Liabilities			
	(i) Non-current liabilities			
	(a) Borrowings	-	-	-
	(b) Provisions	50.91	38.99	26.29
		50.91	38.99	26.29
2.	Current Liabilities			
	(a). Financial Liabilities			
	(i) Others	-	-	-
	-Total outstanding dues of Grants & Creditors other than micro enterprises and small enterprises	3,387.21	1,266.29	5,178.47
	-Total outstanding dues of micro enterprises and small enterprises	-	-	4.07
	(b) Other Current Liabilities	81.78	5.07	72.71
	(c) Provisions	112.89	126.56	449.27
		3,581.88	1,397.92	5,704.52
	Total	2,18,175.80	2,11,364.43	2,12,595.36

STATEMENT OF INCOME AND EXPENDITURE

(₹ In Lakhs)

	Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
I.	Revenue from Operations	5,491.03	5,312.74	5,321.53
II	Other Income	286.08	239.60	196.42
III	Total Revenue (I+II)	5,777.11	5,552.35	5,517.95
IV	Expenses			
	Allowance/Reversal for Loans & advances	460.91	511.85	526.09
	Penal Interest waived off and others	-	63.65	48.23
	Employee Benefit Expense	1,360.73	1,241.15	1,120.09
	Finance Cost	25.07	-	-
	Depreciation and Amortization Expense	38.49	27.51	36.89
	Training & Development Expenses	132.17	192.95	430.34
	Rebate on Interest on Loans & Advances	33.50	25.96	17.52
	Other Expenses	590.94	470.39	379.53
	Corporate Social Responsibility Expenses	65.04	25.42	44.64
	Total Expenses (IV)	2,706.84	2,558.87	2,603.33
V	Excess of Income over expenditure before Exceptional Items and Tax (III - IV)	3,070.27	2,993.48	2,914.62
VI	Exceptional Items	(11.52)	(42.16)	(141.15)
VII	Excess of Income over expenditure before Tax (V - VI)	3,081.79	3,035.64	3,055.77
VIII	Tax expense:			
	(1) Current tax	-	-	
	(2) Deferred tax	-	-	
IX	Excess of Income over expenditure for the period from continuing operations (VII-VIII)	3,081.79	3,035.64	3,055.77
X	Excess of Income over expenditure from discontinued operations	-	-	-
XI	Tax expense of discontinued operations	-	-	-
XII	Excess of Income over expenditure discontinued operations (X - XI)	-	-	-
XIII	Excess of Income over expenditure for the period (IX + XII)	3,081.79	3,035.64	3,055.77
XIV	Other Comprehensive Income / (Expenses)			
	A.	1.27	2.15	8.93
	i. Items that will not be reclassified to Income & Expenditure Account			
	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			
	Income Tax relating to Items that will be reclassified to Income & Expenditure Account	-	-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Excess of Income over expenditure and Other Comprehensive Income for the period)	3,083.06	3,037.79	3,064.70
XVI	Earning Per Equity share:			
	(1) Basic (₹)	20.55	20.25	20.38
	(2) Diluted (₹)	20.54	20.25	20.38
XVII	Earnings Per Equity Share:			
	(For discontinuing Operation)			
	(1) Basic (₹)	-	-	-
	(2) Diluted (₹)	-	-	-
XVIII	Earnings Per Equity Share:			

(For discontinued and continuing Operation)				
(1) Basic (₹)		20.55	20.25	20.38
(2) Diluted (₹)		20.54	20.25	20.38

GENERAL INFORMATION

Our Company is registered and incorporated in New Delhi on January 13, 1992, under Section 25 of the Companies Act, 1956, (validly existing under Section 8 of the Companies Act, 2013) pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi (“RoC”). For more information about our Company, please refer “*History and Certain Corporate Matters*” on page 60 of this Draft Fund-Raising Document.

For details of the business of our Company, see “*Our Business*” beginning on page 40 of this Draft Fund-Raising Document.

BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details
Name of Issuer	National Backward Classes Finance and Development Corporation
Registered Office	<p>Address: NBCFDC, 5th Floor, NCUI Building, 3 Siri Institutional Area, August Kranti Marg, New Delhi-110016</p> <p>Tel No.: +91-11-45854400</p> <p>Email ID: nbcfdc@nbcfdc.gov.in</p> <p>Website: https://nbcfdc.gov.in/nbcfdc/web/</p> <p>For further details regarding changes to our Registered Office, see “<i>History and Certain Corporate Matters</i>” on page 60 of this Draft Fund-Raising Document.</p>
Head Office	NBCFDC, 5th Floor, NCUI Building, 3 Siri Institutional Area, August Kranti Marg, New Delhi-110016
Date of Incorporation	January 13, 1992
Company Registration Number	55-47146
Company Identification Number	U74899DL1992NPL047146
Company Category	Company Limited by Shares
Permanent Account Number	AABCN8953B
Registrar of Company	RoC – Delhi
Address of Registrar of Companies	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, Delhi Tel No.: 011-26235707
Issue Programme	Issue Opens on: [●] Issue Closes on: [●]
Designated Stock Exchange	NSE SSE
Company Secretary & Compliance officer (Contact Person)	<p>Shri Ajit Kumar Samal</p> <p>Tel: +91 97176 99911</p> <p>Email: cs@nbcfdc.gov.in</p>

BOARD OF DIRECTORS

The following table sets out the brief details of our Board of Directors as on the date of filing of this Draft Fund-Raising Document:

Name	Designation	DIN	Address
Shri Rajan Sehgal	Managing Director	03633935	NBCFDC, 5 th Floor, NCUI Building, 3 Siri Institutional Area, August Kranti Marg, New Delhi-110016
Shri Ajit Kumar Samal	Company Secretary	-	Flat No.-C 4-31, Sector-E, Pocket-1, Cluster-5, Vasant Kunj, New Delhi
Shri S S Vaseeharan	Nominee Director	09662775	320, Chandgi Ram block, Khel goan, Asiad village, VTC, Sadiq Nagar, PO, Andrewsganj, Defence colony, South Delhi, Delhi- 110016
Shri Amit Ghosh	Director	01092172	A7, Tyagi Vihar AWHO Colony, Sharda Nagar, Lucknow-226002

For further details of our Board of Directors, see “*Our Management*” on page 63 of this Draft Fund-Raising Document.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY:

BANKER TO THE COMPANY	ADVISOR TO THE ISSUE	REGISTRAR TO THE ISSUE
 KOTAK MAHINDRA BANK 21, Community Centre, Yusuf Sarai, Gulmohar Park, New Delhi, Delhi 110049 Tel: 1860 266 2666 Email: preeti.talwar@kotak.com Website: www.kotak.com Contact Person: Ms. Preeti Arora Talwar SEBI Registration No.: INBI00000927 CIN: L65110MH1985PLC038137	 GALACTICO CORPORATE SERVICES LIMITED Office No. 68, Business Bay Premises Co-Op HSG SOC, Nashik – 422002, Maharashtra, India. Tel: +91 25 3295 2456 Email: info@galacticocorp.com Website: www.galacticocorp.com Contact Person: CA Vishal Sancheti CIN: L74110MH2015PLC265578	 KFIN TECHNOLOGIES LIMITED Selenium Building, Tower-B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel: +91 40 67162222 Toll Free No.: 1800 309 4001 Email: [●] Investor Grievance Email: einward.ris@kfintech.com Website: https://www.kfintech.com/ Contact Person: [●] SEBI Registration No.: INR000000221 CIN: L72400TG2017PLC117649
STATUTORY AUDITOR OF THE COMPANY		
D C GARG & CO. 1/6949, Balbir Nagar Extention, Shahdara, New Delhi-110032 Tel: +91 98 1110 1273 Fax: +91 98 1110 1273 Website: https://www.dcgargco.com/		

STOCK EXCHANGE

The ZCZP Instruments offered through this Draft Fund-Raising Document and Final Fund-Raising Document are proposed to be listed on the Social Stock Exchange segment of BSE and NSE Limited. Our Company has received ‘in-principle’ approval dated [●] from BSE and NSE for using its name in the Draft Fund-Raising Document for listing of our ZCZP Instruments on the Social Stock Exchange segment of BSE and NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE SSE.

OPERATIONS

Our Company has a physical existence, is operational and is accessible for visits at our Registered Office.

UNDERWRITING

The Issue is not underwritten.

GUARANTOR TO THE ISSUE

There are no guarantors to the Issue.

FILING OF PROSPECTUS/FINAL FUND-RAISING DOCUMENT TO THE REGISTRAR OF COMPANIES

The copy of the Prospectus/ Final Fund-Raising Document shall be filed online to Roc, Delhi as per Section-26 of the Companies Act, 2013.

MINIMUM SUBSCRIPTION

In terms of the SEBI ICDR Regulations, for an issuer undertaking a public issue of zero coupon zero principal instruments the minimum subscription for such public issue of zero coupon zero principal instruments shall be 75% of the Issue Size.

In terms of the SEBI ICDR Regulations, if the issuer does not receive the minimum subscription of 75% of Issue Size, prior to the Issue Closing Date, the entire Application Amount shall be refunded to the Applicants or shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight working days from the Issue Closing Date.

In the event of under subscription i.e., subscription of 75% or more of the issue size but less than 100% of the issue size, the balance fund shall be sourced from the surplus generated for the respective financial year.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Fund-Raising Document and Allotment of Securities) Rules, 2014, if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or the Registrar, refunds will be made to the account prescribed. However, where our Company and/or the Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

Designated Intermediaries

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process and UPI Mechanism process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the Members of the Syndicate is available on the website of SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

In relation to Applications submitted under the ASBA process to, the list of branches of the SCSBs at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms and Application Forms where investors have opted for payment via the UPI Mechanism, on the website of SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

UTILISATION OF ISSUE PROCEEDS

For details on utilisation of Issue proceeds see, “*Objects of the Issue*” beginning on page 35 of this Draft Fund-Raising Document.

ISSUE PROGRAMME*

ISSUE OPENS ON	As specified in the Final Fund-Raising Document
ISSUE CLOSES ON	As specified in the Final Fund-Raising Document
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors approves the Allotment of the ZCZP Instruments for the Issue or such date as may be determined by the Board of Directors and notified to the Designated Stock Exchange. The actual Allotment of ZCZP Instruments may take place on a date other than the Deemed Date of Allotment.

* The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company and receipt of relevant approvals. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges.

Further, pending mandate requests for applications placed on the Issue Closing Date will be validated by 5 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please see “Issue Procedure” and “Terms of the Issue” on page 228 and 221 respectively of this Draft Fund-Raising Document..

Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) by the Registrar. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (Indian Standard Time).

For details in relation the Basis of Allotment, please see section “Issue Procedure – Basis of Allotment” on page 248 of this Draft Fund-Raising Document.

CAPITAL STRUCTURE

Details of share capital and securities premium account

The share capital of our Company, as on the date of this Draft Fund-Raising Document, is set forth below

(₹ in Lakhs)

	Particulars	Amount
A	AUTHORISED SHARE CAPITAL	
	1,72,50,000 Equity Shares of ₹ 1,000 each (As at 31st March 2024, 1,72,50,000 Equity shares of ₹1,000/- each)	1,72,500
	Total Authorized Share Capital	1,72,500
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
	1,51,44,000 Equity Shares of ₹ 1,000 each (As at 31st March 2024, 1,51,44,000 Equity shares of ₹1,000/- each,)	1,51,440
	Total Issued Subscribed and Paid-Up Capital	1,51,440
C	SECURITIES PREMIUM AMOUNT	NA

Details of change in authorized share capital of our Company for the last three financial years and till the date of this Draft Fund-Raising Document:

There have been changes to the authorised share capital of our Company in the FY 2023-24. The details of the change in authorised share capital are mentioned below:

(₹ in Lakhs except the number of shares and per share value)

Particulars	Previous Share Capital	Revised Share Capital	Difference (Addition)
Authorized Share Capital	1,50,000	1,72,500	22,500
Number of Shares	1,50,00,000	1,72,50,000	22,50,000
Face Value of Shares	1000/- per share	1000/- per share	
Breakdown of Authorized Share Capital			
Equity Shares	1,50,00,000	1,72,50,000	22,50,000
Preference Shares	-	-	-
Total Authorized Share Capital	1,50,000	1,72,500	22,500

Details of Equity Share Capital History of our Company for the last three financial years and till the date of this Draft Fund-Raising Document:

(₹ in Lakhs except the number of shares and per share value)

Particulars	Previous Issued Share Capital	Revised Issued Share Capital	Difference (Addition)
Issued Share Capital	1,49,940	1,51,440	1,500
Number of Equity Shares	1,49,94,000	1,51,44,000	1,50,000
Face Value of Equity Shares	1000/- per share	1000/- per share	

Details of Preference Share Capital History of our Company for the last three financial years as on March 31, 2024 and till the date of this Draft Fund-Raising Document:

Our Company has not allotted any preference shares for the last three financial years, as on March 31, 2024 and till the date of this Draft Fund-Raising Document.

Shareholding pattern of our Company as on the date of this Draft Fund-Raising Document

The following table sets forth the details regarding the equity shareholding pattern of our Company as on the date of this Draft Fund-Raising Document:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	Number (a)	As a % of total Shares held (b)	Number (a)		As a % of total Shares held (b)
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoter and Promoter Group	2	1,51,44,000	-	-	1,51,44,000	100%	1,51,44,000	-	-	1,51,44,000	-	100%	-	-	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total		1,51,44,000	-	-	1,51,44,000	100%	1,51,44,000	-	-	1,51,44,000	-	-	-	-	-	-	-

*As of the date of this draft fundraising document, the shares are not in dematerialized form.

List of top 10 holders of Equity Shares of our Company as on the date of this Draft Fund-Raising Document

Sr. No.	Name of the Shareholders	Total Number of Equity Shares	Number of Equity Shares held in dematerialized form	Total Shareholding as % of total number of Equity shares
1.	President of India represented by Mrs. Amit Yadav, Secretary to Government of India, Ministry of Social Justice & Empowerment.	1,51,43,999	-	99.99%
2.	Sh. Amit Kumar Ghosh Additional Secretary to Government of India, Ministry of Social Justice & Empowerment.	1	-	0.01%
	Total	1,51,44,000	-	100%

Statement of capitalization (Debt/ Equity Ratio) of our Company, as on March 31, 2024

Particulars	Prior to the Issue
Borrowing / Debt	
Debt Securities	NA
Borrowings (other than debt securities)	NA
Total Borrowing / Total Debt (A)	NA
Equity	
Equity Share Capital	1,51,440
Other Equity	63,103
Total Equity (B)	2,14,543
Debt / Equity (A/B)*	NA

**The securities to be issued under the Issue are zero coupon zero principal instruments of face value of ₹1.*

OBJECTS OF THE ISSUE

The Issue comprises of 2,00,00,000 ZCZP Instruments of face value of ₹ 1/- each aggregating to ₹ 2/- crore. The details of the proceeds of the Issue are summarized below.

The Issue is being made pursuant to the provisions of the Chapter X-A of the SEBI ICDR Regulations, 2018 read with the SSE Framework, and the Companies Act and the rules made thereunder, as applicable. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company (“**Net Proceeds**”) towards funding the objects listed under this section.

REQUIREMENTS OF FUNDS

The Issue Proceeds, after deducting Issue related expenses, are estimated to be ₹ [●] Lakhs (the “**Net Proceeds**”).

The following table summarizes the requirement of funds:

Particulars	Estimated amount (in ₹ crore)
Gross Proceeds of the Issue	Up to 2.00
Less: Issue related expenses*	[●]
Net Proceeds*	[●]

**To be finalised and updated, prior to filing of the Final Fund-Raising Document with the RoC*

UTILIZATION OF NET PROCEEDS & MEANS OF FINANCE

Project Information: The following table details the Objects of the Issue and the amount proposed to be financed from Net Proceeds:

Particulars	Details
Title of the Project	Gram Lakshmi Project
Purpose of the Project*	The project emphasizes the development of technology and learning modules to support the initiative. Key components include community cadre honorarium, incentives, training, and the provision of devices. Travel arrangements, along with monitoring and evaluation, will ensure effective implementation and progress tracking.
Duration of the Project	12 months from the closure of the issue
Total Cost of The Project (In INR)	Rs 2,00,00,000/-
Number of Direct Beneficiaries	48,000 rural women across 8 states in India.
Means of Finance	100% from the Net Proceeds

(hereinafter referred to as “Object of the Issue**”)*

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

DETAILS OF THE PROJECT

Rationale for the Project

Despite progress in financial inclusion, many rural women in India remain excluded from the formal financial system, hindering their economic empowerment. The World Bank's Global Findex Database 2021 reveals that only 10% of women borrowed formally, highlighting limited access to credit. Social barriers, such as caste, low literacy, and limited mobility, further restrict their engagement with financial systems. Additionally, many rural women lack entrepreneurial skills, with most rural enterprises operating at a subsistence level. The National Rural Livelihoods Mission (NRLM) and the Reserve Bank of India's National Strategy for Financial Inclusion (NSFI) emphasize the need for targeted interventions.

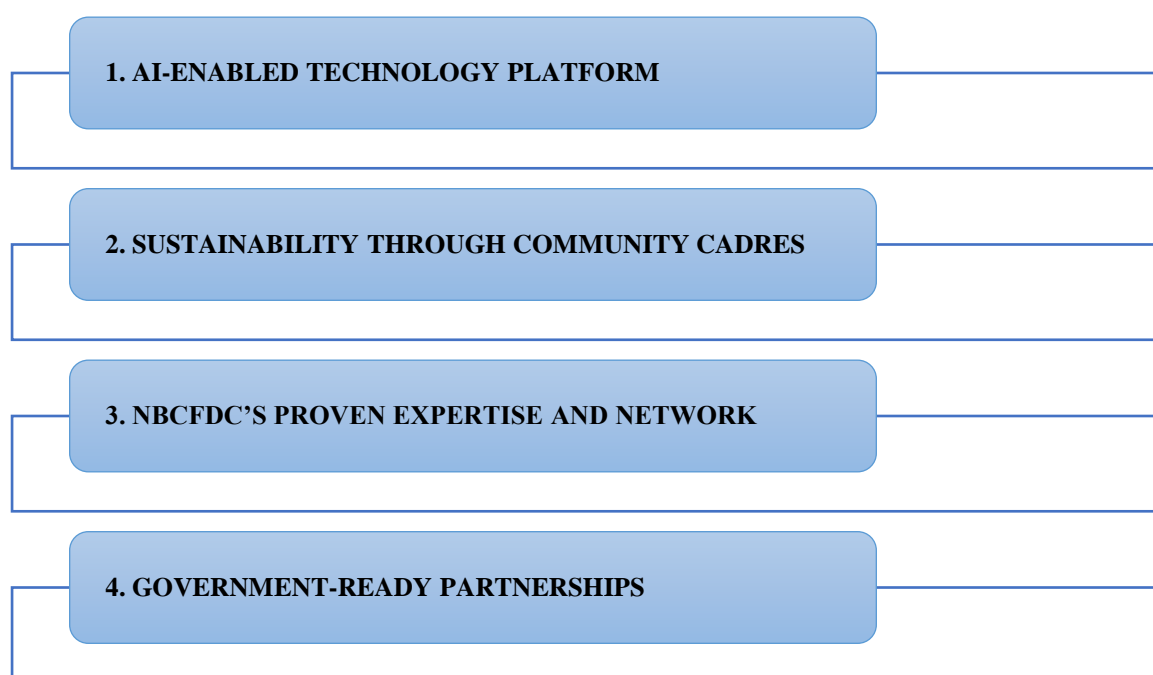
The Gram Lakshmi initiative addresses these challenges by providing scalable, tech-enabled financial literacy and entrepreneurship training. It empowers rural women through strategic interventions aligned with NRLM and NSFI and utilizes the NBCFDC's government network for efficient implementation, aiming to foster financial independence and entrepreneurship.

We will achieve this objective with the support of content partners and by mapping relevant government and non-government stakeholders. As a government-backed PSU, NBCFDC is uniquely positioned to swiftly form partnerships with key ministries and other stakeholders, overcoming the typical resource constraints faced by non-governmental organizations, ensuring efficient and impactful implementation of the project.

Gram Lakshmi: A Step Toward Financial Independence for 48,000 Rural Women

The Gram Lakshmi initiative is a financial literacy and entrepreneurship empowerment program aimed at training and certifying 48,000 rural women across eight states in India. With a budget of ₹2 crores, the program ensures a cost of ₹ 401 per woman for delivering structured financial literacy, entrepreneurship skills, and certifications. Leveraging technology and community-driven approaches, the initiative creates an inclusive learning environment. Additionally, partnerships with NBCFDC and government support play a crucial role in achieving the program's goals, ensuring sustainable empowerment for rural women.

Unique features and Strengths of the Project



This can be explained in detail as follows:

- 1. AI-Enabled Technology Platform:**
 - WhatsApp-Based Certification: Given the widespread use of smartphones, training and certification will be effectively delivered through WhatsApp.
 - AI-Powered Modules: Interactive, AI-driven question-and-answer support for all modules guarantees high-quality learning and broad accessibility for women at scale.
 - Project Tracking and Management: The platform allows real-time tracking of training progress, project management, and certification issuance.
 - “Ask Gram Lakshmi” Feature: The app will serve as a one-stop knowledge hub, providing scheme-related information, MSME-specific opportunities, banking linkages, loans, and financial resources for women.
- 2. Sustainability Through Community Cadres:**
 - The program engages 160 cadres as grassroots trainers. Each cadre will train 300 women, and the provision of tablets serves as both an operational tool and an incentive for the cadres.
 - Future Possibilities: Trained cadres can be scaled up to roles like banking correspondents, creating long-term economic opportunities while extending financial services to underserved women.

3. **NBCFDC’s Proven Expertise and Network:**

- NBCFDC, a Government PSU under MoSJE, has a robust track record in financial linkages and program implementation across states.
- Leveraging NBCFDC’s existing network of State Channelizing Agencies (SCAs) ensures effective outreach and delivery of the program.

4. **Government-Ready Partnerships:**

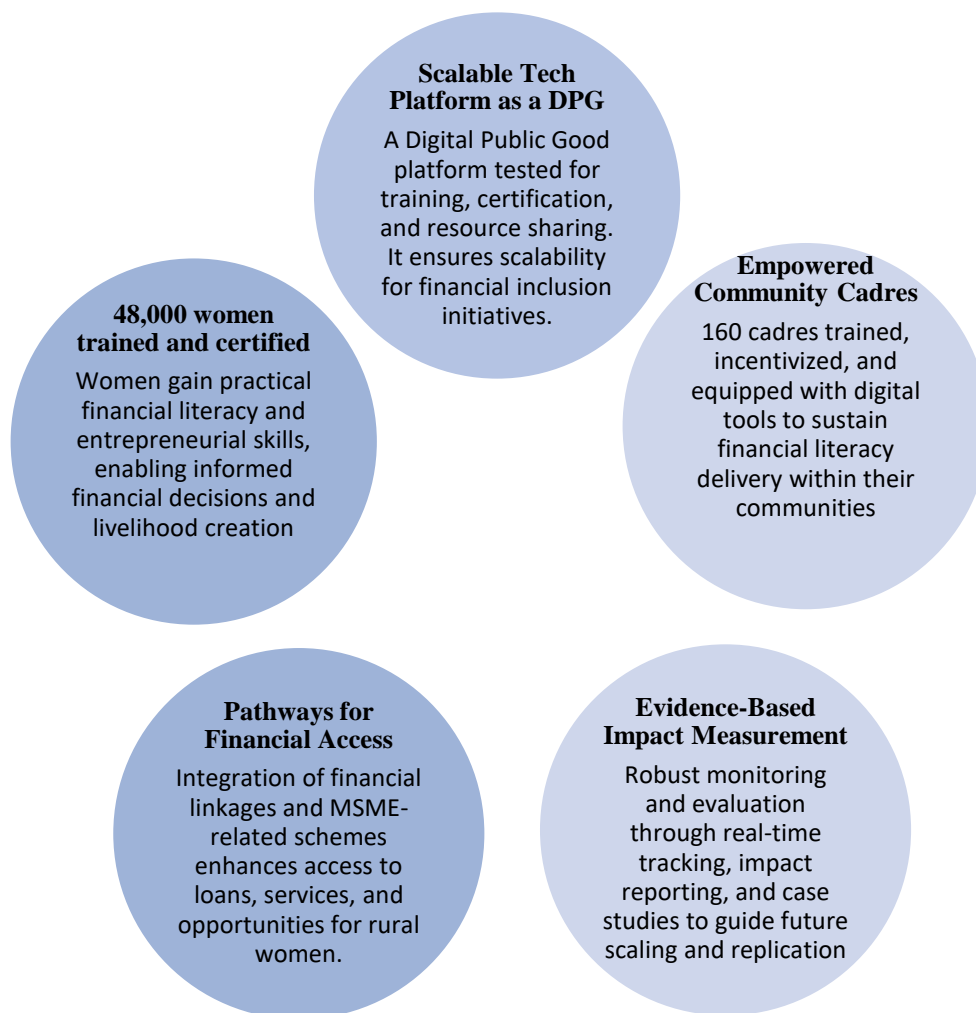
- As a government-backed PSU, NBCFDC is well-positioned to quickly form partnerships with relevant ministries and stakeholders, overcoming typical resource constraints faced by other organizations.
- The availability of ₹2 crores provides the financial impetus needed to kickstart collaborations and ensure seamless implementation.

PROJECT IMPLEMENTATION PLAN

Phase	Duration	Key Activities
Phase 1: Mobilization and Planning	Q1	<ul style="list-style-type: none"> - Finalization of 8 states for implementation. - Mapping of community cadres through State Rural Livelihood Missions (SRLMs) and NBCFDC networks. - Procurement of tablets and insurance finalization. - Onboarding of content partner and mapping of relevant government/non-government partners. - Special tie-up with the Sector Skill Council for certification. - Finalization of tech vendor.
Phase 2: Content, Tech, and Procurement	Q2	<ul style="list-style-type: none"> - Finalization of financial literacy and entrepreneurship content modules. - Certification process finalization with relevant bodies. - Development and testing of the technology platform for training delivery, record-keeping, and certification issuance. - Procurement and deployment of devices for community cadres.
Phase 3: Training and Certification	Q3-Q4 (6 months)	<ul style="list-style-type: none"> - Training delivery by 160 cadres, each targeting 300 women (totalling 48,000 women). - Certification of participants via WhatsApp. - Regular field visits, progress monitoring, and communications. - Real-time tracking via the technology platform.
Phase 4: Reporting and Integration	Q4	<ul style="list-style-type: none"> - Finalization of impact report and case studies showcasing program achievements. - Listing the technology platform as a Digital Public Good (DPG) for broader use. - Submission of key learnings for scaling and policy advocacy.

Expected Outcomes and Impact

The Gram Lakshmi program drives measurable outcomes in financial inclusion, capacity-building, and sustainability through innovative technology and community-driven implementation.



Performance Tracking and Evaluation System

- **Real-Time Monitoring:** Using the technology platform to track training progress, cadre performance, and certification.
- **Field Validation:** Regular field visits for data verification.
- **Progress Reporting:** Quarterly reports covering milestones, outputs, and financial utilization.
- **Impact Assessment:** Endline evaluation to measure training outcomes, financial inclusion, and program sustainability.
- **Case Studies:** Documenting individual success stories and lessons learned.

Sustainability Plan

Shows how the program will generate long-term impact and ensure sustainability beyond the project's duration.

Community Ownership:

Cadres will remain in their communities to sustain financial literacy delivery.

Technology as DPG:

The tech platform will be accessible for scaling similar initiatives nationwide.

Financial Linkages:

Trained women will continue to benefit from financial inclusion through MSME schemes and banking partnerships.

Government Partnerships:

NBCFDC's alignment with relevant ministries ensures long-term institutional support.

MONITORING OF UTILIZATION OF FUNDS

There is no requirement for appointment of a monitoring agency in terms of the SEBI ICDR Regulations. The Board of Directors our Company shall monitor the utilisation of the proceeds of the Issue. Our Company shall submit to the Stock Exchanges a statement in respect of utilisation of the Net Proceeds, on a quarterly basis, containing (a) category-wise amount of monies raised, (b) category-wise amount of monies utilized, (c) balance amount remaining unutilized, until the utilization of the Net Proceeds in accordance with this Draft Fund-Raising Document.

INTERIM USE OF PROCEEDS

Our Company confirms that the unutilized amounts from the Net Proceeds shall be kept in a separate bank account and shall not be co-mingled with other funds.

ISSUE RELATED EXPENSES BREAK-UP

The expenses for this Issue include, *inter alia*, advisor fees, fees payable to the Registrar to the Issue, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue.

The Issue expenses and listing fees will be paid by our Company. The estimated breakdown of the total expenses for this Issue is as follows*:

Particulars	Amount (in ₹ crore)	As percentage of Issue proceeds (in %)	As percentage of total expenses of the Issue (in %)
Fee payable to intermediaries (Registrar to the Issue, legal and other advisors, etc.)	[●]	[●]	[●]
Fees payable to the regulators including stock exchanges	[●]	[●]	[●]
Advertising and marketing, printing and stationery costs	[●]	[●]	[●]
Other miscellaneous expenses	[●]	[●]	[●]
Grand Total	[●]	[●]	[●]

* To be finalised and updated, prior to filing of the Final Fund-Raising Document with the RoC. The expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of Allottees, market conditions and other relevant factors.

VARIATION IN TERMS OF CONTRACT OR OBJECTS IN THIS DRAFT FUND-RAISING DOCUMENT

Our Company shall not, at any time, vary the terms of the objects for which this Draft Fund-Raising Document is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act, 2013. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the Objects of the Issue, the same shall be indicated in the format as specified by SEBI from time to time.

BENEFIT / INTEREST ACCRUING TO FOUNDER/DIRECTORS OUT OF THE OBJECT OF THE ISSUE

Neither our Founder nor the Directors of our Company are interested in the Objects of the Issue.

COST BREAKUP & EXPENSES DETAILS

Budget of the Project				
Particulars	Quantity	Rate	Months	Cost
National Coordinator	1	75,000	12	9,00,000
Subject Matter Expert	1	55,000	12	6,60,000
State Head	8	45,000	12	43,20,000
State Coordinator	16	25,000	12	48,00,000
M&E Manager	1	45,000	12	5,40,000
Community Cadre	160	1,500	6	14,40,000
Incentive	8000	20	6	9,60,000
Technology	1	18,00,000	1	18,00,000
Learning Modules	3	4,00,000	1	12,00,000
Travel (State Coordinator)	16	2,500	6	2,40,000
Travel (National Coordinator)	8	30,000	1	2,40,000
Travel (State Head)	1	3,000	6	18,000
Training of Comm Cadre	8	40,000	1	3,20,000
Tablet	160	10,000	1	16,00,000
Laptop	3	40,000	1	1,20,000
Misc.	1	42,000	1	92,000
Total				1,92,50,000

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS, IN INDIA

Date: December 12, 2024

To,
The Board of Directors
National Backward Classes Finance & Development Corporation,
5th Floor, NCUI Building,
3, Siri Institutional Area,
August Kranti Marg,
New Delhi, India, 110001.

Dear Sirs,

Subject: Statement of possible special tax benefits ("the statement") available to National Backward Classes Finance & Development Corporation ("the Company") prepared in accordance with the requirements under Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations").

We M/s D.C. Garg & Company ("the Firm"), have been requested by the Company to certify Statement of Special Tax benefits available to the Company under the applicable laws of India.

1. The accompanying statement of possible special tax benefits available to the Company (hereinafter referred to as the "Statement" and provided in Annexure 1 to this certificate) under Income-tax Act, 1961 ('IT Act') presently in force in India viz., the Income-tax Rules, 1962, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, possible special tax benefits under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 applicable State Goods and Services Tax Act, 2017, applicable Union Territory Goods and Services Tax, 2017 ("GST Acts"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (together with IT Act, GST Acts and Customs Act "Taxation Laws"), as amended by the Finance Act 2023 including the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2023-24, available to the Company. Several of these benefits are dependent on the Company as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives of the Company face in the future, the Company may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the Statement are considered to be general tax benefits and therefore not covered within the ambit of the Statement Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Statement, have not been examined and covered by this Statement.
3. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company and do not cover any general tax benefits available to them.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility

of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any investor or subscriber for placing reliance upon the contents of this statement

Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency

6. We do not express any opinion or provide any assurance whether:
 - (i) The Company will continue to obtain these benefits in future;
 - (ii) The conditions prescribed for availing the benefits have been/would be met;
 - (iii) The revenue authorities/courts will concur with the views expressed herein.
7. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents provided by the executives and Management of the Company being true, correct, and complete and have conducted the statutory audit of the books of accounts. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.
8. This Statement is addressed to Board of Directors and issued at the specific request of the Company for submission to the to assist them in conducting their due- diligence and documenting their investigations of the affairs of the company in connection with the proposed Offer. This report may be delivered to SEBI, the stock exchanges, to the Registrar of Companies, New Delhi or to any other regulatory and statutory authorities only when called upon by SEBI or the stock exchanges in connection with any inspection, enquiry or investigation, as the case may be, to evidence due diligence obligations pertaining to the subject matter of this report. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Limitations

9. Our views expressed herein are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the limited use of National Backward Classes Finance & Development Corporation in connection with its initial public offer referred to herein above and shall not, without our prior written consent, be disclosed to any other person. This statement has been prepared solely in connection with the offering of ZCZP Instruments by the Company under the SEBI ICDR Regulations.

SECTION V - ABOUT THE COMPANY

OUR BUSINESS

Some of the information contained herein, including information with respect to our vision, our target segment, strategy and operations contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled “Forward-Looking Statements”, “Risk Factors” and “Financial Information” on pages 13, 16 and 72 respectively, of this Draft Fund-Raising Document.

In this section any reference to “we”, “us” or “our”, “The Company” refers to National Backward Classes Finance and Development Corporation. Unless otherwise indicated, or unless the context otherwise requires, the financial information included herein is based on our Audited Financial Statements. For further information, see “Financial Information” on page 72 of this Draft Fund-Raising Document.

OVERVIEW



National Backward Classes Finance & Development Corporation (NBCFDC) is a Govt. of India undertaking under the aegis of Ministry of Social Justice and Empowerment (MoSJE). The Corporation was incorporated under Section 25 of the Companies Act 1956 (Currently under Section 8 of the Companies Act, 2013) on 13th January 1992.

Ministry of Social Justice & Empowerment plays a pivotal role in implementing various programmes/schemes for social, educational, and economic development of its target groups.

The primary target groups served by MoSJE include:

- Scheduled Castes (SC)
- Other Backward Classes (OBC)
- Senior Citizens
- Victims of Substance Abuse
- Transgenders
- Beggars

NBCFDC provides financial assistance through State Channelizing Agencies (SCAs) nominated by the State Governments/UTs and Banks (PSBs & RRBs).

NBCFDC adopts a comprehensive approach that includes foundational efforts like skills training, concessional lending, marketing assistance, and Corporate Social Responsibility (CSR) endeavours for its target group.

NBCFDC through concessional lending has been able to reach out to its beneficiaries spread in 35 State/UTs spread across India. While State-nominated agencies and Regional Rural Banks (RRBs) facilitate credit uptake for the target communities within specific States/UTs, Public Sector Banks operate nationwide. These loans are provided at concessional rates (6% to 8% per annum) to both Individual and Groups for their various economic activities only. The Company conducts financial literacy and counselling sessions prior to disbursements to spread awareness and encourage individuals and groups to repay their loans in a timely manner inculcating financial discipline.

In addition, NBCFDC supports marketing linkages for beneficiaries who have received concessional loans, which helps them achieve higher sales, increased income, and improved economic stability. Artisans from the target groups participate in prominent national exhibitions like the India International Trade Fair (IITF), Dilli Haat, Surajkund International Crafts Mela, and Shilp Samagams, providing them with valuable opportunities to showcase their products and reach broader markets.

TARGET SEGMENT

As part of its mandate to address the diverse needs of its target group, the Ministry of Social Justice and Empowerment (MoSJE) has established NBCFDC with a purpose to serve the OBC (estimated at 43% of the overall population) segment with annual family income upto ₹ 3.00 lakhs. The target segment of the Company primarily includes Socially and Educationally Backward Classes & Economically Backward Classes (EBCs) within the prescribed income ceiling, as defined by the Government from time to time. Moreover, with the passage of time and as per the needs of community members of the various other target groups, NBCFDC has also implemented the various initiatives of the Ministry for Beggars, Economically Weaker Sections, Transgenders and DNT. This measure has been taken to ensure that the benefits of government schemes aimed at enhancing the socio-economic conditions of different target groups are effectively delivered. Leveraging the extensive network of established channel partners for lending, skill development, and other developmental activities, NBCFDC has delivered various such schemes to the intended beneficiaries efficiently & effectively.

By utilizing a robust network of established partners in lending, skill development, and other developmental activities, NBCFDC has been able to implement these schemes efficiently, reaching the intended beneficiaries.



Vision

The Corporation has been established to play a leading role in upliftment of the economic condition of the target group of backward classes.



Mission

To provide concessional financial assistance to the eligible members of the Backward Classes for self-employment ventures and Skill Development Training.

OUR REACH & KEY INSIGHTS

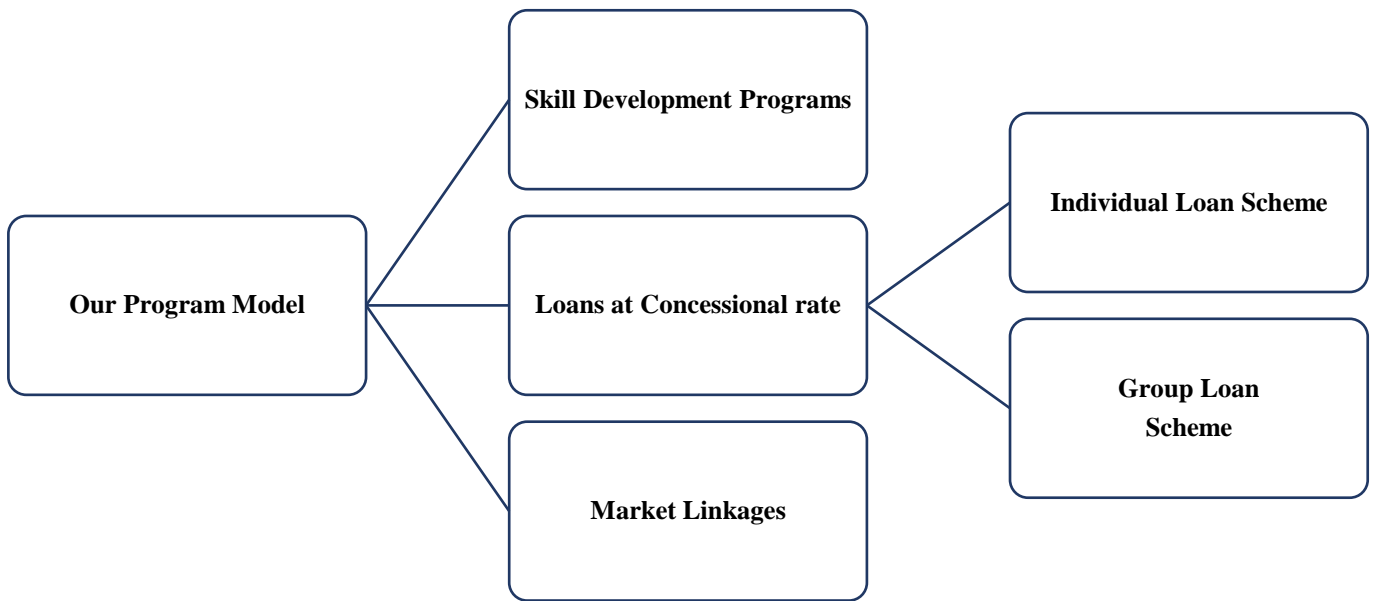
In its 32 years of existence, NBCFDC has extended support to approximately Thirty-two lakh beneficiaries from backward communities across all States and Union Territories in India. By the end of the financial year 2023-24, the Company disbursed concessional loans amounting to ₹ 7,14,677.55 Lakhs for 3245012 beneficiaries comprising of General Loans, Micro Finance Loans and Loans to Employees.

The Corporation has also been doing its efforts in skilling and entrepreneurship of the backward communities through skilling schemes of the Ministry of Social Justice & Empowerment and through its own grants received from various PSUs under their respective CSR initiatives. Under skilling and training (trained by the utilisation of grants from both MoSJE and CSR initiatives total 39,405 beneficiaries were covered in FY 2023-24.

OUR PROGRAM MODEL

NBCFDC primarily operates through three key channels:

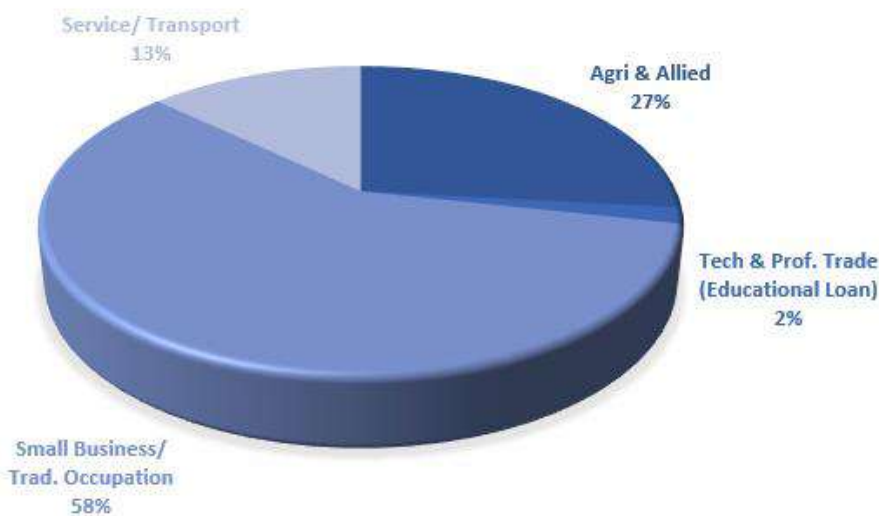
- (A). *Disbursement of Loans at Concessional Rates* – Providing financial assistance to individuals and groups from backward classes to promote entrepreneurship and self-employment.
- (B). *Skill Development Programs*- Enhancing the employability of beneficiaries by imparting industry-relevant training and vocational skills.
- (C). *Market Linkages* – Facilitating access to markets for products and services created by beneficiaries, enabling sustainable income generation.



(A). Disbursement of Loans at Concessional Rates-

NBCFDC provides loans at concessional rate of interest to the poorer section of Backward Classes and assists them in skill development and self-employment ventures. The Company operates within the economic and other criteria fixed by the Govt. of India from time to time. The financial assistance is provided to the members of Backward Classes, as notified by the Central and State Governments living below double the poverty line in the following sectors.

- Agriculture and Allied Activities
- Small Business and traditional Occupation
- Service and Transport Service
- Technical and Professional Trades



NBCFDC provides loans through State Channelizing Agencies that have signed a General Loan Agreement (GLA) with NBCFDC and through Banks (including Public Sector Banks, Regional Rural Banks, Scheduled Private Banks, Small Finance Banks, and Cooperative Banks) that have signed a Memorandum of Agreement (MoA) with NBCFDC. NBCFDC communicates notional allocations to all Channel Partners at the start of the financial year. However, the release of allocated funds is subject to the submission of the Annual Action Plan (AAP) by the Channel Partners, its appraisal by NBCFDC, acceptance by

the Channel Partners, and compliance with various prudential norms. The notional allocation is based on the population and past performance of CPs, with 10% allocated to North Eastern (N-E) States. The allocation ensures that disbursements to N-E States are at least 10% of the government's equity.

Funds are advanced to CPs as per the approved AAP under different schemes and are converted into loan accounts upon receipt of utilization certificates.

Some key points regarding Disbursement of Loans at Concessional Rates:

i). Eligibility:

The eligibility criteria for availing loans under NBCFDC schemes are as follows:

- a) **Caste Requirement:** The applicant must belong to a caste listed under the Other Backward Classes (OBC) category, as notified by the State/Central Government from time to time. A valid caste certificate issued by the relevant district authority is required.
- b) **Income Limit:**
Family annual income should not exceed ₹3,00,000, regardless of rural or urban location.

To establish the income criteria for availing loans under NBCFDC schemes, the following certifications can be used:

- a) **Income Certification:**
Certificate of income issued by the Competent Authority of State Government/District Administration.
Possession of Antyodaya Anna Yojana (AAY) Card or Below Poverty Line (BPL) Card.
- b) **Self-Certification with Endorsement:**
Annual family income can be self-certified by the beneficiary and endorsed by a Gazetted Officer notified by the State/Central Government.
- c) **Bank Endorsement:**
When applying through a bank (Channel Partner), self-certification assessed and endorsed by the Branch Manager is acceptable.
- d) **Special Consideration for Agricultural Workers and Farmers:**
 - Landless agricultural labourers and marginalized farmers (land holding up to 1 hectare) are automatically considered to have an annual family income of up to ₹1.50 lakh.
 - Small farmers (land holding between 1–2 hectares) are deemed to have an annual family income of up to ₹3.00 lakh.
 - These assessments are based on the standard processes of banks and apply to individuals belonging to the Backward Classes.

This ensures flexibility in establishing income criteria while targeting the intended beneficiaries.

ii). Loan Scheme Details:

Channel Partners are encouraged to receive loan applications through the Pradhanmantri Samajik Utthan Evam Rozgar Adharit Janakalyan (PM-SURAJ) portal at <https://pmsuraj.dosje.gov.in>.

iii). Annual Action Plan:

NBCFDC provides loans through State Channelizing Agencies that have signed a General Loan Agreement (GLA) with NBCFDC and through Banks that have signed a Memorandum of Agreement (MoA) with NBCFDC. NBCFDC communicates notional allocations to all Channel Partners at the start of the financial year. However, the release of allocated funds is subject to the submission of the Annual Action Plan (AAP) by the Channel Partners.

The Annual Action Plan (AAP) should be prepared to ensure the effective utilization of funds for technically feasible and financially viable schemes, considering both backward and forward linkages. Channel Partners (CPs) are advised to enter data into the LEAP Software for submitting the Annual Action Plan, drawal requests, and Utilization Certificates. While formulating the AAP, the economic activities being carried out in specific areas by Banks and other financial institutions should also be considered. It is recommended that the Managing Director or Senior Officers of the State Channelizing Agency (SCA) or Bank attend State Level Bankers Committee (SLBC) meetings to highlight NBCFDC schemes at the highest forum within the respective State.

Priority should be given to coverage of women under various NBCFDC schemes, with preference for action plans and demands that include at least 50% women participation. Institutional linkages with other financial institutions and developmental agencies should be explored to ensure the convergence of Central and State Government programs, avoiding duplication of procedures at the

grassroots level. Efforts should also be made to align with training programs and subsidies available under other developmental schemes of the Central and State Governments to maximize benefits for the target group, alongside NBCFDC concessional loans.

The approval of the Annual Action Plan (AAP) and disbursement of loans as per the approved AAP will depend on the availability of funds and the completion of necessary formalities by the CP. CPs are expected to draw funds within the approved AAP, and approval for additional AAPs may be considered based on the CP's fund drawing capacity.

iv). Drawal of Loan by CPs as per Annual Action Plan:

CPs are required to submit the signed and stamped copy of Letter of Intent (LOI) issued to them on receipt of their AAP.

a) Drawal of loans by SCAs:

Here are the key pointers for the disbursement of loans by NBCFDC to the SCAs:

- Availability of adequate Block Government Guarantee (BGG) covering the full loan amount for the entire loan duration, with executed BGG from the State/UT Government (BGG format available on NBCFDC website).
- Submission of an accepted copy of the Letter of Intent (LOI) for AAP, duly signed and stamped by an authorized signatory of the SCA.
- Satisfactory utilization of previously released funds and timely repayment of NBCFDC dues, with data uploaded on the LEAP portal.
- Completion of beneficiary identification by SCAs and submission of applications in the PM-SURAT portal.
- Assurance that payments/disbursements to beneficiaries are made through Direct Benefit Transfer (DBT) in compliance with Government of India guidelines.
- Submission of loan demand via LEAP Software.
- Provision of bank account details for fund transfer, along with a fund request letter from the SCA.

b) Drawal of Loans by Banks:

Funds for the sanctioned projects/schemes will be disbursed by NBCFDC upon fulfillment of the following conditions:

- Submission of the accepted copy of the Letter of Intent (LOI) for AAP, duly signed and stamped by an authorized signatory of the Bank on all pages, confirming acceptance of all terms and conditions specified in the LOI.
- Satisfactory utilization of previously released funds and timely repayment of NBCFDC dues. Data related to the utilization of previously released funds must be uploaded on the LEAP portal before making the disbursement request.
- The loan demand must be accompanied by data of beneficiaries for whom refinance is sought and must be submitted via LEAP Software.
- Bank account details for fund transfer by NBCFDC, along with a fund request letter from the Bank.
- Additionally, Public Sector Banks/Regional Rural Banks must fulfill the following conditions based on their audited annual accounts for the preceding financial years:

For Public Sector Banks:

1. The Net Non-Performing Assets (NPA) of the Bank should be less than 10% in at least three years out of the last six years.
2. The Bank should have reported a net profit in at least three years out of the last six years.
3. In case of amalgamation or merger, the financial results of the dominant partner/anchor bank, which retains the same name, may be considered.
4. The Bank should not be a defaulter to any regulatory body.
5. The cumulative utilization of previously disbursed funds should be 100%.
6. There should be no overdue payments against the demand of earlier disbursements.

For Regional Rural Banks:

1. The Net Non-Performing Assets (NPA) of the Bank should be less than 15% in at least three years out of the last six years preceding the year of disbursement.
2. The Bank should have reported net profit in at least three years out of the last six years.
3. In the case of amalgamation or merger, the financial results of the dominant partner/anchor bank, which retains the same name, may be considered.

4. The Bank should not be a defaulter to any regulatory body.
5. The cumulative utilization level of earlier disbursements should be 90%.
6. There should be no overdue payments against the demand of earlier disbursements.

For Private sector Banks, Small Finance Banks and Cooperative Banks in India:

1. The Net Non-Performing Assets (NPA) of the Bank should be less than 10% in at least three years out of the last six years.
2. The Bank should have reported net profit in at least three years out of the last six years.
3. In the case of amalgamation or merger, the financial results of the dominant partner/anchor bank, which retains the same name, may be considered.
4. The Bank should not be a defaulter to any regulatory body.
5. The cumulative utilization level of earlier disbursements should be 100%, and there should be no overdue payments against the demand of earlier disbursements.

v). Utilization of Loan-

To ensure prompt utilization, the Corporation communicates regularly with SCAs/CPs through written communications, regional meetings, and discussions with State Govt. Officials. As of now, the cumulative loan utilization by SCAs is 99.33%. Unutilized Advance Funds carry interest rate as per the details given below for CPs:

Utilization(days)	Rate of Interest(p.a.)
1-90 days	3%
91-180 days	6%
Above 180 days	8%

To expedite the utilization process, Channel Partners (CPs) are advised to identify beneficiaries in advance and complete the required documentation and formalities before requesting loans from NBCFDC. This will help avoid delays in the utilization of released funds. A Utilization Certificate (UC), along with beneficiary details in the prescribed format, must be uploaded to the LEAP portal after the actual disbursement to the beneficiaries. This ensures early conversion of advances into loans on the LEAP platform. The UC format is readily available on the LEAP portal. It is recommended to conduct both pre- and post-disbursement counselling for beneficiaries. This ensures proper utilization of the loan and promotes timely repayment.

Banks shall utilize the funds disbursed in accordance with the NBCFDC's Lending Policy, which may be amended from time to time. In cases of refinancing or reimbursement, banks are required to transfer the individual loan accounts of the beneficiaries under NBCFDC schemes within 10 days from the date of disbursement by NBCFDC. Furthermore, banks must promptly inform NBCFDC of the transfer. The amount refinanced by NBCFDC will be considered as funds utilized for the purpose of these schemes.

vi). Recovery of Loan-

Recovery of Loan from State Channelizing Agencies (SCAs) is receiving adequate attention of the Corporation. SCAs have been asked to strengthen the recovery mechanism, establish separate recovery cell at their Headquarters as well as District level and the responsibility be fixed at every level for timely recovery from the beneficiaries.

As a result of continuous follow-up, the Corporation was able to recover Rs. 5514.71 Cr. as against cumulative dues of the Rs. 5623.71 Cr. as on March 31, 2024. This includes Rs. 76.99 crores of long outstanding. The cumulative amount of recoveries of Rs. 5514.71 Cr. comprises of Rs. 4785.87 Cr. as principal and Rs. 728.84 interest. Cumulative recoveries against cumulative demands on SCAs stand at 98.06 % as on 31st March, 2024 as against 98.49 % on 31.03.2023 with recovery of old over dues being nearly Rs.19.22 Crore

The Corporation provides concessional loans for income-generating activities through CPs under following schemes:

a) Individual Loan scheme:

Under this scheme, loans are provided covering up to 85% of the project cost, subject to a maximum of ₹15.00 lakh per beneficiary. Loans up to ₹1.25 lakh are offered at an interest rate of 7% per annum for a tenure of 4 years, with a moratorium period of 1 quarter.

For loans above ₹1.25 lakh and up to ₹15.00 lakh, the interest rate is 8% per annum for a tenure of 7 years, with a moratorium period of 1 quarter.

Additionally, educational loans are also offered under the individual loan scheme, as detailed below.

Educational Loans:

The objective of educational loan is to extend Loan to the deserving, meritorious students of Backward Classes for pursuing professional/technical education at graduate and higher level.

➤ Eligibility:

- (1) Members of Backward Classes, as notified periodically by the Central or State Government.
- (2) The annual family income of the applicant must not exceed ₹3.00 lakh. Channel Partners (State Channelizing Agencies/Banks) are required to allocate at least 50% of total funding to individuals with an annual family income of up to ₹1.50 lakh.
- (3) The applicant must have secured admission to any professional or technical course approved by a recognized authority, such as AICTE, the Medical Council of India, or UGC, in an accredited institute. Additionally, the applicant should have scored a minimum of 50% marks in the qualifying examination, which serves as the prerequisite for the course.
- (4) The applicant must have obtained admission to professional or technical courses in India or abroad through an entrance test or merit-based selection process. An admission or offer letter from the respective institution is mandatory.
- (5) For courses pursued abroad, the applicant must have secured admission in institutions that accept standardized test scores, such as SAT, GMAT, GRE, or other relevant scores required for admission to the course.

➤ Courses Covered:

All professional and technical courses at the graduate and higher levels, approved by the appropriate authority, are eligible. Channel Partners must conduct due diligence on various aspects, including admission criteria (entrance or merit-based, subject-specific standardized tests like SAT, GMAT, or GRE, but not solely language proficiency tests like IELTS or TOEFL for studies abroad). They should also assess the institute's reputation, the employability of the applicant after completing the course, and the strength of the institute's alumni network.

➤ Expenses Covered:

The loan covers admission and tuition fees, costs for books, stationery, and other course-related materials, as well as examination, laboratory, and library fees. It also includes expenses for boarding and lodging and the insurance premium for the loan period. The loan amount will be disbursed periodically based on fee demands raised by the institute (e.g., semester-wise or half-yearly). The student's academic performance in previous terms will be considered for the subsequent release of fee instalments.

➤ Terms of the loan:

Quantum of finance is 85% of the course subject to maximum loan limit of Rs 15 lakhs per student. Rate of interest for beneficiary is 8%. The moratorium period for recoveries is five years irrespective of the type and duration of the course for which loan is provided. The maximum recovery period may be 10 years including the moratorium period of 5 years. The borrower may repay the loan at any time after the repayment period begins. No pre-closure charges will be applied in case of early loan repayment.

b) Group Loan Scheme:

Under this scheme, loan assistance is available to Self-Help Groups (SHGs) to provide credit facilities to the target group. Loans cover up to 90% of the project cost, with a maximum loan limit of ₹15.00 lakh per group and ₹1.25 lakh per beneficiary within the SHG. These loans are provided at an interest rate of 6% per annum for a tenure of 3 years, including a moratorium period of 1 quarter.

All schemes include a timely payment rebate of 1% annually, which is equally shared between Channel Partners and Beneficiaries.

Formation of SHGs under NBCFDC's Group Loan Scheme:

NBCFDC recognizes Self-Help Groups (SHGs) where at least 60% of the members belong to the Backward Classes. The remaining members may belong to other weaker sections as per the criteria prescribed by the Central/State Government from time to time, including but not limited to Scheduled Castes, Scheduled Tribes, Minorities, and Persons with Disabilities (PwDs).

NBFC-MFI

Under this scheme loan assistance can be channelized to SHGs through Micro Finance Institutions providing bank Guarantee or similar financial instrument as security.

➤ Eligibility Criteria for NBFC-MFI

NBFC-MFI, must meet the following criteria to be eligible for financial assistance from NBCFDC:

- (1) The NBFC-MFI must be registered with the RBI as a Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI).
- (2) It must have a track record of continuous profits for the last three years.
- (3) Its Gross Non-Performing Assets (NPA) should be less than 2%, and Net NPA below 0.5%, as per the annual accounts of the preceding financial year.
- (4) The NBFC-MFI must be a member of a Credit Bureau.
- (5) It should have a minimum Capacity Assessment Rating of mfr5 by CRISIL or an equivalent rating agency.
- (6) The NBFC-MFI must not have defaulted on repayment of external borrowings in the last three years or undergone corporate debt restructuring.
- (7) It should have robust systems in place for internal accounting, risk management, internal audits, GIS, cash management, etc., with audited annual accounts for the last three years.
- (8) Ideally, the NBFC-MFI should have undergone a Code of Conduct Assessment (COCA) with a minimum score of 60 or an equivalent rating.

Shortlisted NBFC-MFIs that meet the eligibility criteria of NBCFDC may be appointed as Channelizing Agencies (CAs) in the designated State/UT. The relationship between NBCFDC and the NBFC-MFI will be governed by a contractual agreement, executed in strict accordance with the NBCFDC Lending Policy and the terms and conditions outlined in the agreement.

While seeking disbursement from NBCFDC, the NBFC-MFI shall provide a Bank Guarantee and/or Fixed Deposits, issued by Scheduled Commercial Banks in the name of "NBFC-MFI account NBCFDC," equivalent to the amount to be disbursed as security. The validity period of the Bank Guarantee/Fixed Deposit shall continue until all dues to NBCFDC are paid in full or otherwise fully discharged by the NBFC-MFI. In case the NBFC-MFI provides a Fixed Deposit, the interest earned shall be payable to the NBFC-MFI. In the event of default by the NBFC-MFI, either in whole or part of the amount advanced under this Agreement, the Bank Guarantee will be invoked or the Fixed Deposits will be encashed by NBCFDC.

➤ Terms of the Loan

NBCFDC provides loan upto 90% of the project cost subject to maximum loan limit of Rs 15 lakhs per student. The balance 10% share shall be contributed by the NBFC-MFI or beneficiaries. The pattern of charging interest under the scheme shall be as under:

NBCFDC to NBFC-MFI	Interest Spread to NBFC-MFI	NBFC-MFI to Beneficiaries
6% p.a	10% p.a	Upto 16% p.a

Higher rate of interest

In case of non-utilization of funds within stipulated period, the rate of interest limit on NBFC-MFI will be as under:

Upto 90 Days	6% p.a
91 days- 180 days	8% p.a
After 180 days refund @8% p.a on entire unutilized amount.	

The loan amount shall be repaid in quarterly installments within a maximum period of three years from the date of each disbursement including the moratorium period of three months. There shall not be any moratorium period for payment of interest. Defaults in the repayment of NBCFDC dues beyond the agreed dates of repayment shall attract further interest @1% per annum over and above normal rate of interest applicable on the dues as per the lending Policy of the NBCFDC.

All schemes include a timely payment rebate of 1% annually, which is equally shared between Channel Partners and Beneficiaries.

For banks, and to streamline the refinancing process, NBCFDC loans under these schemes can cover up to 100% of the outstanding dues for regular accounts. However, disbursement will be made only upon receiving a specific demand from the bank, along with complete beneficiary details.

(B). Skill Development Programs:

NBCFDC facilitates skill development training programmes in broad conformance to the Common Norms for upgradation of Technical and Entrepreneurial Skills, so that eligible members of target group may engage in developmental activities by way of self-employment or wage employment. Ministry of Social Justice and Empowerment launched Pradhan Mantri Dakshta Aur Kushalta Sampann Hitgrahi (PM-DAKSH) Yojna during the year 2020-21. The target group of NBCFDC for skill training programme under PM-DAKSH is as under:

- Other Backward Classes (OBCs) having annual family income below Rs. 3.00 lakh.
- Economically Backward Classes (EBCs) having annual family income below Rs. 1.00 lakh.
- De-notified Nomadic and Semi-Nomadic Tribes (DNTs) without any income criteria

As per the guidelines of PM-DAKSH, following four categories of training programmes were facilitated by NBCFDC:

- Long Term Training Programmes, normally 6 Months to 1 Year
- Short Term Training Programmes, normally 2 to 5 Months or as stipulated in National Occupation Standard (NOS)
- Upskilling programmes, up to 1 Month
- Entrepreneurship Development Programmes, normally 10-15 days

The training programmes are conducted primarily through Govt. Training Institutes and other credible Training Institutes identified by the Ministry of Social Justice and Empowerment with 100% Grant-in-aid from Govt. of India. To achieve the targets, partnerships were established by NBCFDC with Training Institutes having training centers/partners at various locations in the country.

Years	2023-24	2023-22	2022-21
No. of Trainees Placed	*1,560	11,420	13,038

* Till date 1,560 trainees are placed. Also, the placement for FY 2023-24 is still in progress.

Below are images showcasing various skill development programs successfully conducted by NBCFDC in the past, highlighting the commitment to empowering the target groups:



Bee Keeping Cluster at Changlang, Arunachal Pradesh. NBCFDC has provided Entrepreneurship Development Programme & Modern Equipment's/ Tools to beneficiaries of this cluster through North Eastern Regional Agricultural Marketing Corporation Ltd.



Pottery Cluster at District- Kasargod, Kerala. NBCFDC has provided Entrepreneurship Development Programme, Modern Machinery / Tools and Dev. of artisans of this pottery cluster through Kerala State Backward Classes Finance Development Corporation.



Training Programme in Fire Fighter job role conducted by MSME Technology Center, Bhiwadi, Rajasthan.



Training Programme in plastic Extrusion conducted by Central Institute for Petrochemical Engineering and Technology at Guwahati, Assam.

(C). Market Linkages:

In addition to its developmental initiatives, NBCFDC is dedicated to empowering artisans from the target group by promoting and facilitating marketing opportunities. The Corporation provides these artisans with the chance to showcase their craftsmanship at some of the nation’s premier fairs and exhibitions, such as the India International Trade Fair at Pragati Maidan, New Delhi; Dilli Haat at INA, New Delhi; the Surajkund International Crafts Mela in Faridabad, Haryana; and the vibrant Lokotsav, among others. Additionally, artisans are encouraged to participate in exhibitions and fairs held in their respective states.

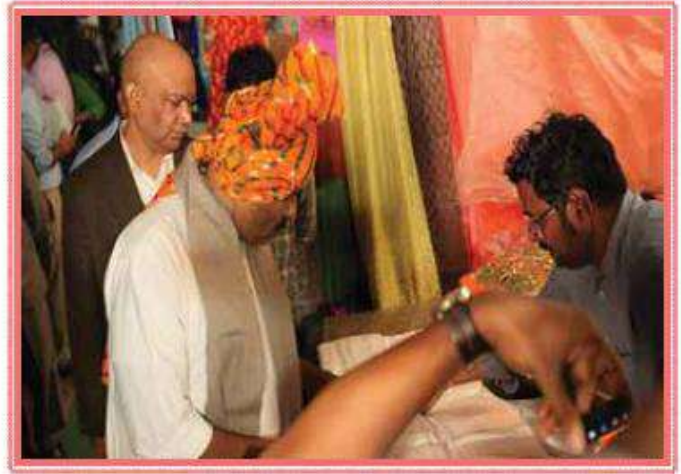
These prestigious platforms serve as a gateway for artisans to gain invaluable marketing exposure and present their unique creations to a wider audience. Such opportunities enable them to not only secure better prices for their products but also deepen their understanding of market dynamics. They learn about the significance of quality, finishing, and packaging—factors that often remain elusive in their local environments. Through these interactions, artisans grow more attuned to the expectations of competitive markets, fostering their ability to evolve and thrive in their crafts with a renewed sense of confidence and creativity.

NBCFDC supports traditional Backward Class (BC) artisans by providing platforms to exhibit their products at exhibitions, fostering marketing linkages. SCAs are encouraged to organize or participate in such exhibitions to showcase NBCFDC schemes and the products/services created by BC beneficiaries with financial assistance. These exhibitions aim to raise awareness of NBCFDC's initiatives and give artisans exposure to larger markets. Beneficiaries are also supported with travel expenses, daily allowances, and other necessary arrangements to ensure their active participation.

Union Minister Dr. Virendra Kumar inaugurated the "TULIP" brand, a digital platform aimed at fostering craft and community empowerment, during the inauguration of the Shilp Samagam Mela 2024 on November 5, 2024. TULIP serves as an e-marketplace to promote economic self-reliance and provide global exposure for artisans. The Shilp Samagam Melas, organized with support from the Ministry of Social Justice and Empowerment, showcased diverse artisan crafts across India, including events in Gwalior (September 22–30, 2023), Lucknow (October 7–15, 2023), Amritsar and Bengaluru (January 12–21, 2024), and Jodhpur (February 29–March 8, 2024). These melas featured products by 186 artisans from 15 states, including silk sarees, terracotta items, handloom textiles, organic foods, pottery, embroidered garments, brassware, and more, exemplifying India's rich cultural heritage and craftsmanship.

Following is the statement of the fairs, Exhibitions organized/ sponsored by NBCFDC during the year 2023-24:

Sr No.	Events	Date
1.	Indian International Trade Fair (IITF)	14 th November 2023 to 27 th November 2023
2.	Goa Lokosav Mela	9 th January 2024 to 17 th January 2024
3.	37th Surajkund International Craft Mela	2 nd February 2024 to 18 th February 2024
4.	13th East Himalayan Trade Fair	1 st October 2024 to 8 th October 2024
5.	Atmanirbhar Bharat Exhibition	3 rd January 2024 to 10 th January 2024



Hon'ble Minister Dr. Virendra Kumar, MoSJE, State Minister Shri Ramdas Athawale has inaugurated the Shilp Samagam-2022 along with the other dignitaries of the Ministry and also visited the stalls of beneficiaries at Shilp Samagam-2022, Dilli Haat and appreciated the efforts of all the participants.



NBCFDC beneficiaries displaying/ selling their handicraft product at 12th Edition of East Himalayan Trade Expo at Guwahati, Assam.



NBCFDC beneficiaries displaying /selling their handicraft products at Surajkund International Craft Mela Faridabad, Haryana

(D). New Initiatives

NBCFDC has introduced several forward-looking initiatives to empower its target groups and enhance their livelihoods. These initiatives reflect NBCFDC's commitment to innovation and its drive to create a future-ready framework for empowering backward class communities across the country.

i). Information Technology Integration:

NBCFDC is improving its web-based software, LEAP (Loan and Enterprise Advancement Platform), to make it easier for channel partners to work with the Corporation. This user-friendly platform simplifies processes and ensures smooth operations for all stakeholders.

Additionally, NBCFDC is providing training to its channel partners on using the Social Benefit Management System (SBMS). This software, developed by NeGD, MeitY, for the Ministry of Social Justice and Empowerment, helps beneficiaries from target groups apply online for loans. The system makes the loan application process faster, more transparent, and easily accessible for those in need. These efforts reflect NBCFDC's commitment to leveraging technology for better service delivery, making its schemes more effective and easier to use. Through these initiatives, the Corporation aims to empower beneficiaries and improve their access to financial assistance.

ii). Technology Upgradation of Clusters:

To support technological advancement and capacity building among clusters of target groups, NBCFDC has introduced the Technology Upgradation Scheme. This initiative aims to enhance productivity, improve product quality, and equip traditional clusters with modern tools and techniques to remain competitive in evolving markets.

During the financial year 2023-24, the Corporation disbursed Rs. 22.48 lakh to various organizations, including the Indian Institute of Carpet Technology, Tripura OBC Cooperative Development Corporation Ltd., and North Eastern Regional Agriculture Marketing Corporation Ltd.

Cumulatively, up to March 31, 2024, NBCFDC has sanctioned Rs. 4,29,78,907/- under this scheme and released Rs. 3,46,70,001/-. This significant financial support underscores the Corporation's commitment to empowering backward class communities by enabling them to adopt modern technologies and achieve sustainable growth. Through this initiative, NBCFDC is fostering innovation and ensuring long-term development for its target groups.

iii). Performance-Linked Grant Aid:

To strengthen the infrastructure of its Channel Partners, NBCFDC has implemented the Performance Linked Grant-in-Aid (PLGIA) scheme. This initiative provides financial support to State Channelizing Agencies (SCAs) to enhance their operational capabilities and efficiency in delivering NBCFDC schemes. Assistance is capped at 1% of funds released annually, up to a maximum of Rs. 10.00 lakhs per year.

❖ Publicity and Awareness of NBCFDC Scheme

NBCFDC has taken proactive steps to raise awareness about its schemes among the target groups across the country. In collaboration with its Channel Partners, the Corporation has sponsored and organized Awareness Camps aimed at educating the target community about the financial support and opportunities available through its various schemes.

These camps provide a platform for beneficiaries to register and access financial assistance in a timely manner. The goal is to ensure that the target group is well-informed and can take advantage of the resources provided by NBCFDC.

In the year under review, NBCFDC and its Channel Partners successfully organized 43 Awareness Camps and publicity initiatives in key States and Union Territories, including Kerala, Tripura, Uttar Pradesh, Madhya Pradesh, Rajasthan, Uttarakhand, Punjab, Gujarat, and the UT of Jammu & Kashmir. These camps have played a vital role in reaching out to potential beneficiaries, facilitating easy access to NBCFDC's schemes, and ensuring greater participation in the Corporation's developmental activities.



Awareness Programme organized by Kerala State Backward Classes Finance & Development Corporation at Ernakulam Dist. Of Kerala.



Awareness Programme organized by Rajasthan OBC Finance and Development Coop. Nigam at Paali Dist. Of Rajasthan



Awareness Programme organized by Jammu and Kashmir Women Development Corporation at Shopian District, Jammu & Kashmir.



Awareness Programme organized by Kerala Backward Classes Finance & Development Corporation at Kottayam District of Kerala.


❖ Manpower

Sr. No.	Work Allotted	No. of Employees
1.	MD Secretariat	2
2.	Project related work	9
3.	Finance related work	8
4.	Grants related work	8
5.	CSR related work	1
6.	Company Sect. related work	1
7.	Driving	4
8.	Monitoring & Evaluation	1
9.	Administration related work	6
10.	Human Resource related work	3
11.	IT related work	2
12.	Monitoring & Evaluation	1

❖ Our Properties

Property Details	State	Rented/Lease Hold/Owned
National Backward Classes Finance & Development Corporation 5th Floor, NCUI Building, 3, Siri, Institutional Area, August Kranti Marg, New Delhi-110016	Delhi	Rented
FLAT NO X-29 Hauz Khas New Delhi 110016	Delhi (Hauz Khas)	Owned
Flat No. 002 Plot 51, Building No. 16 & Flat No. 001 Plot No. 53, Building No. 18	Mumbai	Leased

❖ Our Trademarks

Trademark Details	Class	Validity
NBCFDC Logo 	45	July 22, 2026

❖ **Data on Number of Beneficiaries to Channel Partners Over the Last Three Years**

FY 2023-24

Sr. No.	Name of States	Name of SCAs	Physical (No.)
1	Tamil Nadu	Tamil Nadu (BC)	20062
2	Kerala	Kerala (BC)	11214
3	Uttar Pradesh	Aryavart Gramin Bank	3462
4	Puducherry	Puduvai Bharathiar Grama Bank	8868
5	Uttar Pradesh	U.P Sahkari Gram Vikas Bank	1719
6	Kerala	Kerala (Fisheries)	7604
7	Kerala	Kerala (Women)	3590
8	Andra Pradesh	Saptagiri Gramin Bank	1364
9	Karnataka	Karnataka Vikas Grameena Bank	2169
10	Punjab	Punjab Gramin Bank	1352

FY 2022-23

Sr. No.	Name of States	Name of SCAs	Physical (No.)
1	Kerala	Kerala (BC)	42945
2	Tamil Nadu	Tamil Nadu (BC)	28400
3	Kerala	Kerala (Fisheries)	15200
4	Kerala	Kerala (Women)	11000
5	Uttar Pradesh	Aryavart Gramin Bank	3753
6	Pan India	Bank of Baroda	2732
7	Pan India	Punjab National Bank	2182
8	Puducherry	Puduval Bharathiar Grama Bank	2449
9	Punjab	Punjab Gramin Bank	3100
10	Pan India	Union Bank of India	3226

FY 2021-22

Sr. No.	Name of States	Name of SCAs	Physical (No.)
1	Kerala	Kerala (BC)	49507
2	Tamil Nadu	Tamil Nadu (BC)	38700
3	Kerala	Kerala (Women)	20660
4	Kerala	Kerala (Fisheries)	15650
5	Pan India	Punjab National Bank	2447
6	Madhya Pradesh	Madhya Pradesh Gramin Bank	1620
7	Pan India	Union Bank of India	2808
8	Punjab	Punjab Gramin Bank	3815
9	Uttar Pradesh	Aryavart Gramin Bank	2189
10	Pan India	Bank of Baroda	1181

KEY INDUSTRIAL REGULATION AND POLICIES IN INDIA

The following description is an indicative summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.

Our Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer "Government and Other Approvals" on page 213. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

INDUSTRY-SPECIFIC REGULATIONS & POLICIES

National Commission for Backward Classes (NCBC) Regulations:

The **National Commission for Backward Classes (NCBC)** is a constitutional body in India, established to address the concerns of backward classes (Other Backward Classes or OBCs) in the country. Its regulations focus on promoting social justice, ensuring educational and employment opportunities, and monitoring the implementation of affirmative action policies. By investigating complaints, advising the government, and recommending legal and policy changes, the NCBC aims to create a more equitable society for OBCs.

Ministry of Social Justice and Empowerment (MSJE) Policies:

The Ministry of Social Justice and Empowerment (MSJE) is a key ministry of the Government of India, responsible for promoting and ensuring the social, educational, and economic empowerment of marginalized and disadvantaged sections of Indian society. These groups include Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Minorities, Persons with Disabilities (PwDs), Senior Citizens, and Other Vulnerable Groups.

Public Procurement Policy for MSEs Order, 2012:

The Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012 was introduced by the Government of India to promote the growth and sustainability of MSEs by ensuring their inclusion in government procurement processes. It mandates that at least 20% of the total procurement value from central ministries, departments, and public sector undertakings (PSUs) should be reserved for MSEs. Additionally, 4% of this 20% should be earmarked for procurement from MSEs owned by Scheduled Caste (SC) or Scheduled Tribes (ST) entrepreneurs. This Policy ensures the participation of MSEs in the public procurement process and provides a boost to small businesses, especially those owned by marginalized communities.

Right to Information Act, 2005:

An Act to provide for setting out the practical regime of right to information for citizens to secure access to information under the control of public authorities, in order to promote transparency and accountability in the working of every public authority, the constitution of a Central Information Commission and State Information Commissions and for matters connected therewith or incidental thereto.

The Corporation has taken action for implementation of RTI Act 2005. Nominations/ Appointments of PIOs as well as Appellate Authority have been made in compliance of the provisions of RTI Act, 2005 and requests for information are being attended. NBCFDC website has been updated and contains information on all 17 items as required under clause 4.1(b) of RTI Act 2005. The Corporation also submitted quarterly/annual returns regularly online on the website of Central Information Commission (CIC). During the financial year 2023-24 all complaints/ applications have been disposed off within the specified time limits.

GENERAL LAW

The Companies Act, 2013, as amended:

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The 2013 Act is divided into 29 chapters containing 470 sections as against 658 Sections in the Companies Act, 1956 and has 7 schedules. A new term of "one-person company" is included in this act that will be a private company. Further, the Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and

vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. The Ministry of Corporate Affairs has issued the rules and new improved e-forms complementary to the Act establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Act.

Indian Contract Act, 1872, as amended:

Indian Contract Act governs the conditions for validity of contracts formed through electronic means; communication and acceptance of proposals; competency of people to contract, additionally, revocation, and contract formation between consumers, sellers, and intermediaries. The terms of service, privacy policy, and return policies of any online platform are legally binding agreements and often governed by provisions of the Indian Contract Act, 1872. However, the law is not updated yet to deal with electronic contracts, where there is absence of online signatures.

Prevention of Money Laundering Act (PMLA), 2002:

The Prevention of Money Laundering Act (PMLA), 2002, is a legislation enacted by the Government of India to combat money laundering and to provide for the confiscation of property derived from money laundering. The Act aims to prevent money laundering, strengthen the enforcement of anti-money laundering (AML) laws, and ensure that the financial systems and institutions are not used for illegal or criminal activities, such as terrorism financing, organized crime, and corruption. It empowers authorities like the Enforcement Directorate to investigate and attach properties linked to money laundering, while also facilitating international cooperation to combat financial crimes. While the law has been effective in several cases, its implementation and impact continue to evolve as new challenges emerge in the global fight against money laundering.

The Income Tax Act, 1961, as amended:

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Government of India.

Further, under Section 12A of the Income Tax Act, 1961, non-profit organisations like charitable trusts, welfare societies, NGOs, religious institutions, Section – Companies etc. are entitled to tax exemptions. This tax relief was introduced, keeping in consideration that non-profit entities work for social welfare and not for generating profit. Owing to their selfless contribution towards the society, they are exempted from taxes that come under the purview of Section 11 and Section 12 of the Income Tax Act, 1961. Nevertheless, to claim such tax benefits individuals need to get registered as per the norms of Section 12A of the Income Tax Act, 1961.

The Trademarks Act, 1999 (“Trademarks Act”), as amended:

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

EMPLOYEE RELATED LAW

Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended (the ‘EPF Act’)

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. In accordance with the provisions of the EPF Act, the employers are required to contribute to the Employees' Provident Fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employees shall also be required to make an equal contribution to the fund. The Central Government under Section 5 of the EPF Act framed the Employees Provident Scheme, 1952.

Employees' State Insurance Act, 1948, as amended (the ‘ESIC Act’)

The ESIC Act, is a significant social security legislation in India designed to provide health and medical benefits to employees. Applicable to establishments with a specified number of employees, the Act mandates the creation of a fund called the Employees' State Insurance (ESI) Fund. Both employers and employees contribute to this fund, and in return, employees become eligible for

various benefits, including medical care, maternity benefits, disability benefits, and sickness benefits. The Act is overseen by the Employees' State Insurance Corporation (ESIC), a statutory body under the Ministry of Labour and Employment, Government of India. The primary objective is to ensure that employees have access to adequate healthcare facilities, reducing the financial burden of medical expenses. Compliance with the Employees' State Insurance Act is essential for employers, as non-compliance can lead to penalties and legal consequences.

Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)

The Gratuity Act applies, *inter alia* to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months. The Gratuity Act may also apply in case of such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government may notify. A shop or establishment to which the Gratuity Act becomes applicable shall be continued to be governed by it irrespective of the number of persons employed in such shop or establishment falling below ten at any time thereafter. The Gratuity Act provides for gratuity to be payable to an employee on termination of his/her employment after he/she has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as amended:

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) provides for the protection of women and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favor or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or nonverbal conduct of sexual nature. The POSH Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e., a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the POSH Act shall be punishable with a fine extending to Rs. 50,000.

HISTORY AND CERTAIN CORPORATE MATTERS

National Backward Classes Finance & Development Corporation (NBCFDC) was established on January 13, 1992 with an objective to promote economic and developmental activities for the benefit of Backward Classes. NBCFDC operates under the aegis of the Ministry of Social Justice and Empowerment (MSJE). Since its inception, the organization has evolved to meet the changing needs of its target group (estimated to be roughly 7.8 crores) and the community at large, at times widening its scope of activities and target group.

Over the years, NBCFDC has been actively involved in various activities and initiatives to fulfil its mission. Some of the key activities include concessional lending, skilling, and implementation of various schemes of the MSJE. Each of these activities has been tailored to address specific needs identified within the target group and the community. NBCFDC is focused on creating a holistic support environment for members of the disadvantaged group as mandated by MSJE from time to time. This reflects the evolving needs of the community and the organization's commitment to addressing them in a meaningful way. By providing skill development training, members from disadvantaged groups can gain valuable knowledge and expertise, empowering them to improve their employment prospects and income-earning potential, this support for entrepreneurship and access to concessional lending, enables members of the target group to create their own sources of income and improve their living standards. Since its establishment.

Moreover, NBCFDC facilitates access to diverse markets by establishing marketing linkages with prominent exhibitions and fairs nationwide. Furthermore, NBCFDC engages in various impactful activities through its CSR funding for disadvantaged communities at large. These engagements supplement the efforts in the field of health & nutrition, hygiene, sanitation etc.

Hence, NBCFDC adopts a comprehensive approach that includes foundation at efforts like skills training, concessional lending, marketing assistance, and Corporate Social Responsibility (CSR) endeavours. By providing these avenues and supporting community-led initiatives, our goal is to establish a sustainable route toward economic empowerment and social integration. Through these diverse initiatives, we strive to ignite positive transformations, enhance resilience, and promote the holistic well-being and prosperity of the communities we serve.

MAIN OBJECTS OF OUR COMPANY

- To promote economic and developmental activities for the benefit of Backward Classes and other such categories as may be defined from time to time.
- To assist in the up-gradation of technical and entrepreneurial skills of backward classes for proper and efficient management of production units.
- To assist in the up-gradation of technical, artisanal, entrepreneurial and managerial skills for products/ services of socially & educationally Backward Classes including all forms of skill development & up-gradation and other categories as may be defined from time to time.
- To assist, subject to such income and /or economic criteria as may be prescribed by the Government from time to time, individuals or groups of individuals belonging to Backward Classes by way of loans and advances for economically and financially viable schemes and projects.
- To promote self-employment and other ventures for the benefit of backward classes.
- To grant concessional finance in selected cases for persons belonging to backward classes as per annual family income criteria defined from time to time (presently it is upto ₹ 3.00 Lakhs)
- To extend loans to the backward classes for pursuing general/professional/technical/ vocational education or training at graduate and higher level.

MAJOR EVENTS AND MILESTONES

Financial year	Milestone
1991-92	Incorporated as a private company under Section 25 of the Companies Act, 1956, (validly existing under Section 8 of the Companies Act, 2013).
1998-99	Introduced revised lending policy, Delhi Haat Exhibition, Suraj Kund International Crafts Mela, Social Development Fair
2005-06	IITF, Suraj Kund Mela, miloan mela-Kolkata, Crafts Mela Haryana, North India international trade fair Chandigarh, Sulkuchi Vastra Utsav-Assam, Omkareswar Kumbh Mela-Madhya Pradesh, National Handloom Expo-Guwahati Assam, Uttaranchal International Trade fair –Dehradun and Utsav-O-Bipuan Mela –West Bengal
2008-09	Shilpotsav- 2008, IITF-2008, IIGF- 2008, Suraj kund International Crafts Mela and Participated in Cairo International Fair at Cairo (Egypt)
2009-10	Shilpotsav- 2009, IITF-2009, IIGF- 2009, Suraj kund International Crafts Mela
2012-13	Shilpotsav- 2012, IITF-2012, Suraj Kund International Craft Mela 2013
2013-14	Shilpotsav- 2013, IITF-2013, 5 th East Himalayan Expo- 2013, Suraj Kund International Craft Mela 2014
2014-15	Shilpotsav- 2014, IITF-2014, 6 th East Himalayan Expo- 2014, Suraj Kund International Craft Mela 2015

2015-16	Shilpotsav- 2015, IITF-2015, 7 th East Himalayan Expo- 2015, Suraj Kund International Craft Mela 2016
2016-17	Shilpotsav- 2016, IITF-2016, Silver Jubilee Expo Handloom Art, 8 th East Himalayan Expo- 2016, Suraj Kund International Craft Mela 2017
2017-18	Shilpotsav- 2017, IITF-2017, 9 th East Himalayan Expo- 2017, Suraj Kund International Craft Mela 2018
2018-19	Review Meetings, Shilpotsav- 2018, IITF-2018, Lokotsav 2019, 10 th East Himalayan Expo- 2018, Suraj Kund International Craft Mela 2019
2019-20	Shilpotsav- 2019, IITF-2019, Lokotsav- 2020, Suraj Kund International Craft Mela 2020, Silver Jubilee Expo- 2020
2020-21	Regional Review Meetings, Raising Day Celebrations
2021-22	Regional Review Meetings, IITF-2021, Suraj Kund International Craft Mela 2022
2022-23	Regional Review Meetings, Malwa Utsav- 2022, Shilp Samagam- 2022, IITF- 2022, 36 th Suraj Kund Craft Mela 2023, 12 th East Himalayan Trade Fair.
2023-24	Shilpotsav- 2023, IITF-2023, Goa-Lokotsav Mela -2023, Suraj kund International Crafts Mela ,13 th East Himalayan Trade Fair, Atmanirbhar Bharat Exhibition, Shilp Samagam Mela

REGISTERED OFFICE

The Registered Office of the Company was initially located at **8, Balaji Estate, Guru Ravi Dass Marg, Kalkaji, New Delhi.**

Subsequently, the Registered Office was shifted to the **Mezzanine Floor, ARA Centre, E-2 Jhandewalan Extension, New Delhi - 110055**, effective from **20th April 1993**.

Currently, the Registered Office is situated at the **NCUI Building, 5th Floor, 3, Siri Institutional Area, August Kranti Marg, New Delhi - 110016**, and the Company continues to operate from this address.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Following are the changes in the Memorandum of Association (MoA) of the Company since its incorporation up to the date of filing of this Draft Fund-Raising Document.

1. Modifications/ amendments in the object clause of MOA

- a) Financial Year 2000-2001
- b) Financial Year 2017-2018
- c) Financial Year 2018-2019

2. Amendments in the Share Capital clause of MOA

- a) Financial Year 1997-1998
- b) Financial Year 2013-2014
- c) Financial Year 2023-2024

DETAILS OF ANY ACQUISITION OR AMALGAMATION IN THE LAST ONE YEAR

Our Company has not entered into any acquisitions or amalgamation with any entity in the one year preceding the date of this Draft Fund-Raising Document.

DETAILS OF ANY REORGANISATION OR RECONSTRUCTION IN THE LAST ONE YEAR

Our Company has not undergone any reorganization or reconstruction in the one year preceding the date of this Draft Fund-Raising Document.

KEY TERMS OF MATERIAL AGREEMENTS AND MATERIAL CONTRACTS

Our Company has not entered into any other material agreements and material contracts which are not in the ordinary course of business, in the three years preceding the date of this Draft Fund-Raising Document.

HOLDING COMPANY, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on the date of this Draft Fund-Raising Document, our Company does not have any holding company, subsidiaries, associates or joint ventures.

OUR CSR PARTNERS

Our Company partners with certain Public Sector Undertakings for the fulfilment of their CSR initiatives. Under their CSR initiative, we complete the training programs of the trainees as per the sanctioned amount by the PSUs. In the past 10 years, we have completed the training of around 13,824 trainees in return of the sanction amount of total ₹ 27.28 Crores cumulatively PSUs.

The List of the PSUs who has partnered with us under their respective CSR Initiative is as under:

Sr.No.	Public Sector Undertakings (PSUs)
1.	Power Finance Corporation
2.	Rural Electrification Corporation Ltd. (RECL)
3.	India Trade Promotion Organisation (ITPO), New Delhi
4.	IRCON International Limited
5.	Container Corporation of India Ltd (CONCOR)
6.	Central Warehousing Corporation (CWC)
7.	Industrial Finance Corporation of India (IFCI)
8.	Central Railside Warehouse Corporation
9.	Engineers India Limited
10.	Indian Railway Finance Corporation
11.	Concor Air Limited

OUR MANAGEMENT

As on the date of this Draft Fund-Raising Document, our Board consists of 3 Directors.

The details of Directors are as mentioned in the below table:

Sr. No.	Details of Directors		Other Directorships/ Designated Partners
1.	Name	Shri Rajan Sehgal	<i>Companies:</i> <ul style="list-style-type: none"> • National Scheduled Castes Finance and Development Corporation <i>LLP: NIL</i>
	Designation	Managing Director	
	DIN	3633935	
	Father's Name	Sudarshan Lal Sehgal	
	Address:	W-10/2, DLF Phase - III, Sector-24, Gurgaon- 122010 (Near Ravindranath World School)	
	Date of Birth:	March 31, 1967	
	Age:	57 Years	
	Occupation:	Employment	
	Date of Appointment:	January 2, 2023	
	Tenure of Association:	March 31, 2027	
	Nationality:	Indian	
2.	Name	Stanley Samuel Vaseeharan	<i>Companies:</i> <ul style="list-style-type: none"> • National Scheduled Tribes Finance and Development Corporation. • Nabkisan Finance Limited <i>LLP: NIL</i>
	Designation	Nominee Director	
	DIN	09662775	
	Father's Name	B.P. Stanley Samuel	
	Address:	320, Chandgi Ram Block, Khel Gaon, Asiad Village, VTC. Sadiq Nagar, South Delhi -110049	
	Date of Birth:	January 13, 1972	
	Age:	52 Year	
	Occupation:	Employment	
	Date of Appointment:	October 27, 2023	
	Tenure of Association:	Till the Government Nominates	
	Nationality:	Indian	
3.	Name	Amit Kumar Ghosh	<i>Companies:</i> <ul style="list-style-type: none"> • NIL <i>LLP: NIL</i>
	Designation	Nominee Director	
	DIN	01092172	
	Father's Name	Mani Mohan Ghosh	
	Address:	A7, Tyagi Vihar AWHO Colony, Sharda Nagar, Lucknow-226002	
	Date of Birth:	December 29, 1966	
	Age:	58 Years	
	Occupation:	Additional Secretary (SJ & E)	
	Date of Appointment:	March 28, 2024	

	Tenure of Association:	Till the Government Nominates	
	Nationality:	Indian	
4.	Name	Debolina Thakur	<i>Companies:</i> <ul style="list-style-type: none"> • National Divyangjan Finance And Development Corporation • Artificial Limbs Manufacturing Corporation Of India • National Scheduled Castes Finance And Development Corporation <i>LLP:</i> <i>NIL</i>
	Designation	Nominee Director	
	DIN	10781506	
	Father's Name	Pronobeswar Barua	
	Address:	C-3 IAS Colony, near Assam Administrative Staff College, Khanapara, kampur metro Assam	
	Date of Birth:	July 31, 1970	
	Age:	65 Years	
	Occupation:	The Joint Secretary and Financial Adviser in the Department of Social Justice and Empowerment	
	Date of Appointment:	January 31, 2025	
	Tenure of Association:	Till the Government Nominates	
	Nationality:	Indian	




DEPARTMENTAL HEADS


As on the date of the Draft Fund-Raising Document, we have 3 departmental heads:

Sr. No.	Particulars		Other Directorships/ Designated Partners
1.	Name	Shri Suresh Kumar	<i>Companies:</i> NIL <i>LLP:</i> NIL
	Designation	General Manager (HR & Admin)	
	Father's Name	Sh. Suraj Mal	
	Address:	H. No. 118, Sector-21-D, Faridabad, Haryana	
	Date of Birth:	February 25, 1970	
	Age:	54 Years	
	Occupation:	Employment	
	Date of Appointment:	February 4, 1997	
	Tenure of Association:	17 Years	
		Nationality:	
2.	Name	Smt. Anupama Sood	<i>Companies:</i> NIL <i>LLP:</i> NIL
	Designation	Chief General Manager (Project)	
	Father's Name	Sh. Raj Kumar Sood	
	Address:	79, Priya Apprt. Sect-14, Rohni, New Delhi	
	Date of Birth:	October 28, 1967	
	Age:	56 Years	
	Occupation:	Employment	
	Date of Appointment:	March 5, 1993	

	Tenure of Association:	21 Years	
	Nationality:	Indian	
3.	Name	Shri Sujay P John	<i>Companies: NIL</i> <i>LLP: NIL</i>
	Designation	Deputy General Manager (Grants)	
	Father's Name	Sh. P M John	
	Address:	Flat No.-F5-64 Pocket, Cluster-1,6th Floor Vasant Kunj, New Delhi'	
	Date of Birth:	February 25, 1982	
	Age:	42 Years	
	Occupation:	Employment	
	Date of Appointment:	May 22, 2020	
	Tenure of Association:	4 Years	
	Nationality	Indian	

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Sr. No.	Director	Details
1.	 <p>Shri Rajan Sehgal</p>	<p>Shri Rajan Sehgal serves as the Managing Director of the National Backward Classes Finance and Development Corporation (NBCFDC). With a background in the Indian Foreign Service (IFS), he brings a wealth of experience in public service and administration.</p> <p>His role involves overseeing NBCFDC's mission to support the economic empowerment of backward classes in India. He is responsible for guiding the corporation's strategic direction, ensuring alignment with government objectives.</p>
2.	 <p>Stanley Samuel Vaseeharan</p>	<p>S S Vaseeharan holds the position of Nominee Director on the board of the National Backward Classes Finance and Development Corporation (NBCFDC).</p>
3.		<p>Amit Kumar Ghosh serves as the Additional Secretary (Backward Classes) in the Ministry of Social Justice and Empowerment (SJ&E), Government of India (GOI) He also holds a director position on the board of the National Backward Classes Finance and Development Corporation (NBCFDC).</p>

	Amit Kumar Ghosh	
4.		Ms. Debolina Thakur, Nominee Director, a 1998 batch Indian Audit and Accounts Service (IA&AS) officer, has been appointed as the Joint Secretary and Financial Adviser (JS & FA) in the Department of Social Justice and Empowerment, Government of India. In this capacity, she oversees financial management and policy implementation within the department, which focuses on the welfare and empowerment of marginalized communities in India.
	Debolina Thakur	

REMUNERATION OF DIRECTORS/ SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Set forth below are the details of the remuneration which has been paid or was payable to the Directors by our Company.

Name of Director	FY 2023-24	FY 2022-23	FY 2021-22
Shri Rajan Sehgal	63,07,119	16,81,604	-
Stanley Samuel Vaseeharan	-	-	-
Amit Kumar Ghosh	-	-	-

INTEREST OF THE DIRECTORS

- None of the directors are interested in the promotion of our Company.
- Except as stated in ‘– Shareholding of Directors in our Company’, none of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them to become, or to help them qualify as a director, or otherwise for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.
- No contribution has been made by the Directors as part of the Issue or separately in furtherance of the objects of the Issue.
- None of our Directors’ relatives have been appointed to an office or place of profit.
- Our directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years of filing this Fund-Raising Document. No benefit/interest will accrue to our Founder/Directors out of the objects of the Issue.
- None of our Directors have any financial or material interest in the Issue.

OTHER UNDERSTANDING AND CONFIRMATIONS

Our Company confirms that the permanent account number of our directors will be submitted to the Stock Exchanges at the time of filing the Final Fund-Raising Document.

MEETINGS OF OUR BOARD OF DIRECTORS:

Set forth below are the details of the meeting held of our Board of Directors in FY 2023-24:


Sr. No.	Date of Meeting	Key Items Covered in the Meeting
1.	January 30, 2023	To Confirm the Minutes of 130 th Meeting of Board of Directors of NBCFDC. Action Taken Report on the Minutes of the 130 th Meeting of the Board of Directors of NBCFDC. To confirm the Minutes of the 13 th Remuneration Committee Meeting. Disclosure of Interest by Directors under Section 184 of the Companies Act, 2013. To rename the Micro Finance Scheme of NBCFDC under Micro Finance Loans. To consider and approve the Extension of the “Norms for One Time Settlement (OTS) of Overdue by the Borrowers FY2023-24. To fix Remuneration of the Statutory Auditors of the Corporation for the Financial Year 2022-23. To confirm the minutes of 13 th Board level CSR Committee Meeting To consider and approve

		<p>revision of NBCFDC Housing Building Advance (HBA)) Rules. Progress Report To note Chronological events in respect of Award of Evaluation Studies through Dr Ambedkar Chairs.</p>
2.	May 3, 2023	<p>To confirm the minutes of 131st meeting of the Board of Directors of NBCFDC. Action Taken Report on the Minutes of the 131st Meeting of the Board of Directors of NBCFDC. To confirm the minutes of 23rd Audit Committee Meeting. To confirm the minutes of 13th Board level CSR Committee Meeting. To consider and approve Financial Statements for the Financial Year 2022-23. To note status of Achievement against targets for 2022-23 and uploading to the Dashboard and submission of the same to DPE. To consider and approve revision and rationalization of lending schemes of the Corporation. To note, consider and approve New Interest Subvention Scheme for the target group. To consider and approve the updating to House Building Advance (HBA) Rules. Draft notice of 29th Annual general meeting. Progress Report.</p>
3.	June 30, 2023	<p>To confirm the minutes of 132nd meeting of the Board of Directors of NBCFDC. Action Taken Report on the Minutes of the 132nd Meeting of the Board of Directors of NBCFDC. To confirm the minutes of 24th Audit Committee Meeting. To confirm the minutes of 14th Board level CSR Committee Meeting. To take note of the appointment of Statutory Auditor of the Corporation for the FY 2023-24. To consider and approve the engagement of the Internal Auditor of the Corporation for the FY 2023-24. To consider and approve CSR proposal for Construction Sports facilities at Tikamgarh, Madhya Pradesh. To consider and approve Provisional Achievement up to 30/09/2023 along with revised budget estimate foe FY 2023-24. To Consider and Approve amendment of Article of Association and Disposal of unutilized properties of the corporation. To consider and approve Annual Ceiling of medical expense of the Superannuated Employees. To consider and approve Gratuity contribution to Board level Executives. To note the status of manpower and approve Redeployment of Posts and modification in Recruitment, Seniority & Promotional Rules. Proposal for upgradation of NBCFDC from Schedule 'C' to 'B'. Progress Report.</p>
4.	October 27, 2023	<p>To confirm the minutes of 133rd meeting of the Board of Directors of NBCFDC. Action Taken Report on the Minutes of the 133rd Meeting of the Board of Directors of NBCFDC. To confirm the minutes of 25th Audit Committee Meeting. To confirm the Minutes of the 14th Remuneration Committee Meeting held on 18/03/2024. To note and confirm resolutions passed by circulation of papers. To consider and approve allotment of equity shares for Rs 15.00 Crores in favour of the President of India and Issue of Share certificates. To note and approve lending guidelines under NBCFDC's schemes from FY 2024-25. To consider and approve registration of NBCFDC on Social Stock Exchange Platform for raising of funds through Social Impact Fund (SIF). To consider and approve Corpus towards medical benefits for Un-covered retirees of NBCFDC. To note and ratify marketing policy for participations in exhibitions. To note and ratify the sanction of CSR policy for construction of Three Sports facilities in place of Four at Tikamgarh, Madhya Pradesh. Progress Report.</p>
	March 28,2024	<p>To note the change in composition of board of directors. To confirm the minutes of the 133rd meeting of board of directors of NBCFDC held on 27.10.2023. Action taken report on the minutes of the 133rd meeting of board of directors of NBCFDC held on 27.10.2023. To confirm the minutes of the 25th audit committee meeting held on 27.10.2023. To confirm the minutes of the 14th remuneration committee meeting held on 18.03.2024. To note and confirm resolutions passed by circulation of papers. To note and approve the transfer of one equity shares of the corporation dated 08.01.2024. To consider and approve draft notice for holding extra ordinary general meeting (egm) dated 09.01.2024</p>

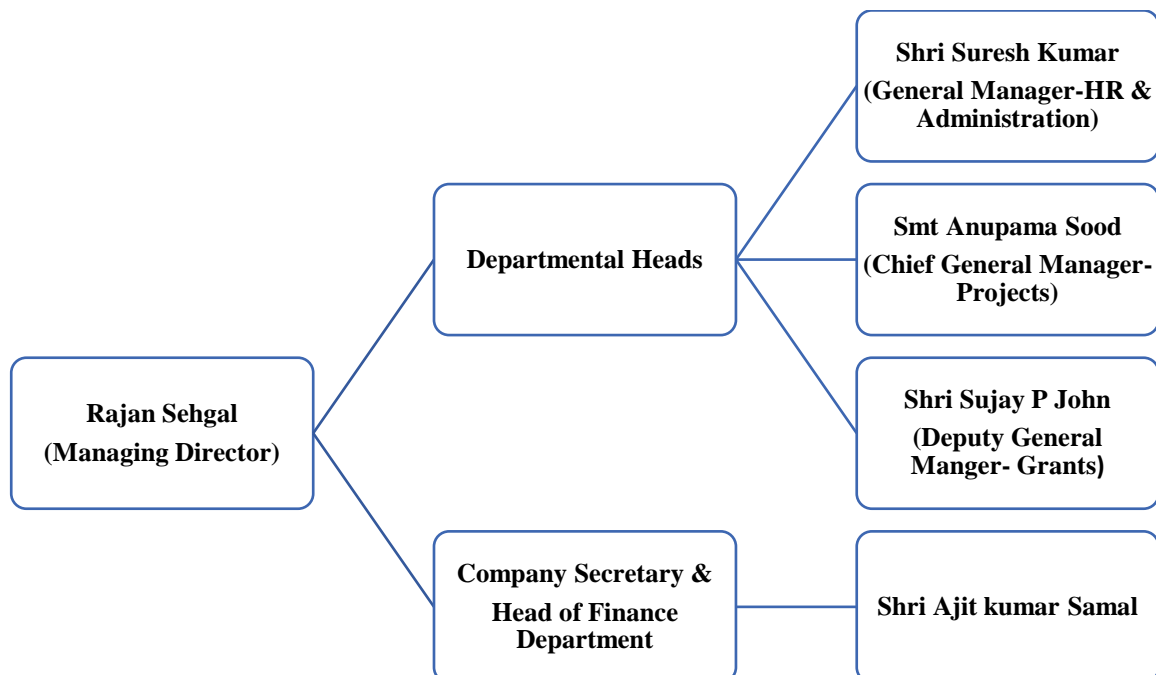
		<p>To consider and approve obtaining credit/over draft facility from schedule commercial bank dated 04.03.2024.</p> <p>To consider and approve the budget of rs.1.00 crore under the budget head of "awareness camps & publicity grant scheme" - for the outreach programme for disadvantage section of the society (loan mela) dated 06.03.2024.</p> <p>To consider & approve allotment of equity shares for Rs. 15.00 crore (rupees Fifteen crores only) in favour of the president of India and issue of share certificates.</p> <p>To note and approve lending guidelines under NBCFDC's schemes from fy 2024-25.</p>
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KEY MANAGERIAL STAFF OF OUR COMPANY

Set forth below are the details of the Key managerial staff:

Sr. No.	Key Managerial Staff	Details
1.	 Shri Ajit Kumar Samal (Company Secretary)	<p>Ajit Kumar Samal is the Company Secretary of our Company. He is responsible for supervision and achievement of the desired results and targets fixed from time to time. Statutory & Company Law matters as per applicable provisions of Companies Act, 2013, organizing of AGM & Board meetings, filing of requisite returns with ROC, legal work, Implementation of Internal Audit Programme and submit internal audit report. Audit Coordination with statutory auditors and audit team of CAG, Preparation of Directors Report and supervision of affairs of the Division and other work as assigned from time to time.</p>

ORGANIZATIONAL STRUCTURE



OUR PROMOTER

The entire shareholding of National Backward Classes Finance and Development Corporation is jointly held by the Government of India through The President of India and the Ministry of Social Justice and Empowerment through Additional Secretary Backward Classes.

Shares held by the Promoter:

Shares held by promoters at the end of the year	Shares held by Promoters at the end of the Year			% Change during the year
	Promoter Name	No. of Shares	% of total shares	
Equity Shares	President of India	1,51,43,999	99.99	Nil
	Additional Secretary Backward Classes	1	0.01	Nil
Total		1,51,44,000	100	Nil

For detailed shareholding of our Promoters in the Company. Please refer Chapter '*Capital Structure*' on Page no. 32.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, 2018, as amended, Group Companies of our Company shall include:

- (i) companies (other than our Subsidiaries and Promoters) with which there were related party transactions, for the period for which financial information is disclosed, as per the Audited Financial Information of our Company, as covered under applicable accounting standards; and
- (ii) such other companies as considered material by our Board.

Accordingly, based on the parameters outlined above, as on the date of this Draft Fund-Raising Document, we do not have any Group Companies.

RELATED PARTY TRANSACTIONS

For details of related party transactions of our Company as per the requirements under Accounting Standard 18 “Related Party Disclosures” issued by the Institute of Chartered Accountants of India and as reported in the Audited Financial Statements for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 please refer to “*Note 30.1 – Related Party Disclosure*” under “*Financial Statements*” on page 109, 156 and 203 of the Draft Fund-Raising Document.

SECTION VI - FINANCIAL INFORMATION
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Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

Report on the audit of the standalone financial statements

Opinion.

We have audited the accompanying standalone IND AS standalone financial statements of **National Backward Classes Finance and Development Corporation** ("the Corporation"), which comprise the Balance Sheet as at **March 31, 2024**, the Statement of Income and Expenditure (including Comprehensive Income), Statement of changes in Equity, Statement of cash flows for the year ended, and notes to the standalone financial statements, including a summary of 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, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ('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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2024**, its surplus, changes in equity and its statement of cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 opinion.





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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting standards specified under section 133 of the Act. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

The boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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





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Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that economic decisions of a reasonably knowledgeable user of the standalone 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 identified misstatement in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The provisions of the **Companies (Auditor's Report) Order, 2020** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company as the company licensed to operate under section 8 of the Companies Act, 2013.

1. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

(c) The balance sheet, the statement of Income and Expenditure including other comprehensive income, statement of changes in equity and the statement of cash flow dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;





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(f) With respect to the adequacy of internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act,

In our opinion and according to the information and explanation given to us, Government companies vide MCA's notification published in Gazette Dt. 5th June, 2015 are exempts from the applicability of provisions of section 197 read with schedule V to the companies Act regarding managerial remuneration.

(h) 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, 2020**, as amended, in our opinion and to the best of our information and according to the explanations given to us;

- i. The Company does not have any pending litigations which would impact its financial position in its standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. Regarding this clause which deals with the delay, if any, in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company is not applicable being section 8 of the Companies Act, 2013 company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, to the Standalone Financial Statements, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties), with the understanding, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.





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- v. The company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, which includes test checks, the company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2020 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

2. As required under Section 143(5) of the Companies Act 2013, we enclose herewith, as per **Annexure-B**, our report for the Company on the directions issued by the Comptroller and Auditor General of India.

For D.C. Garg & Company
Chartered Accountants
FRN: 500035N
FRN :- 500035N
CA Santdeep Garg
Partner
M.No:075312
UDIN: 24075312BKKEQTT224

Place: New Delhi
Date: 11th July, 2024



D.C. Garg & Co.
Chartered Accountants

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ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATIONAL BACKWARD CLASSES 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 Backward Classes Finance And Development Corporation** (“the Corporation”) as of **March 31, 2024** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

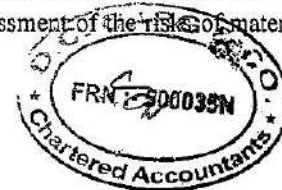
Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India. 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 Act.

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 and the Standards on Auditing 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 the guidance notes on audit of internal financial control over financial reporting, 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 risk of material misstatement of the financial statements, whether due to fraud or error.





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We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the 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 or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, to the best of our information and according to the explanations given to us, the company has, in all material respects has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

Place: Ghaziabad
Date: 11th July, 2024

D.C. Garg & Company
Chartered Accountants
FRN.: 500035N
CA Sandeep Garg
Partner
M.No:075312
UDIN:24075312BKEQTT224



D.C. Garg & Co.
Chartered Accountants

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ANNEXURE – “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF NATIONAL BACKWARD CLASSES FINANCE AND DEVELOPMENT CORPORATION

Report on direction issued under section 143(5) of the Companies Act, 2013 by the Comptroller & Auditor General of India

S.No.	Directions	Reply
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of the accounting transactions outside IT system on the integrity of their accounts along with the financial implications, if any, may be stated.	Yes, the corporation has system in place to process all accounting transaction through IT system. The corporation is using Tally ERP 9 and LEAP software for accounting. No accounting transaction have been processed/ carried outside IT system.
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 company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of Lender Company.)	There is no case of any loan/ credit facility being waived/ written off by any lender. Moreover, as a Lender Company, the corporation had not restructured, waived/ write off any loan/ debts during the financial year 2023-24.
3	Whether funds (grants/subsidy) 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.	As per information and explanation given to us and based on the examination of records of funds (grant/subsidy) received/ receivable for specific scheme from state/ central agencies are utilised as per the respective terms and conditions. Also refer para no. 15.1 of Notes to account regarding unutilized grants as on 31.03.24

For D.C. Garg & Company
Chartered Accountants
FRN/500035N
CA Anoop Garg
Partner
M.No:075312
UDIN: 24075312BKEQTT224

Date: 11th July, 2024

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

(CIN NO. U74899DL1992NPL047146)

BALANCE SHEET as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	112.77	72.54
(b) Other intangible assets		4.29	7.79
(i) Intangible asset under development	4	4.72	-
(c) Right of Use Assets	3.1	37.61	38.20
(d) Financial assets			
(i) Loans	6	1,50,978.78	1,50,541.56
(ii) Others	7	615.47	618.07
(e) Other non-current assets	8	98.51	65.51
		1,51,852.15	1,51,443.66
2 Current assets			
(a) Financial assets			
(i) Trade Receivable/Debtors	5	-	-
(ii) Cash and cash equivalents	9	1,097.78	3,410.28
(iii) Grant Fund	10	3,481.83	1,374.87
(iv) Loans	6	60,328.66	53,746.29
(v) Others	7	1,397.02	1,377.77
(b) Current tax asset (Net)	11	1.21	0.59
(c) Other current assets	8	17.15	10.96
		66,323.65	59,920.76
Total Assets		2,18,175.80	2,11,364.43
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	1,51,440.00	1,49,940.00
(b) Other equity	13	63,103.00	59,987.15
		2,14,543.00	2,09,927.15
2 Liabilities			
(i) Non-current liabilities			
(a) Borrowings	13.9	-	-
(b) Provisions	14	50.91	38.99
		50.91	38.99
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Others			
- Total outstanding dues of Grants & Creditors other than micro enterprises and small enterprises	15	3,387.21	1,266.65
- Total outstanding dues of micro enterprises and small enterprises	16	81.78	6.05
(b) Other Current Liabilities			
(c) Provisions	14	112.89	125.58
		3,581.88	1,398.30
Total Equity and Liabilities		2,18,175.80	2,11,364.43
III. See Accounting Policies and accompanying notes to the financial statements	1 - 51		

For and on behalf of the Board of Directors

Director
(DIN No. 09403132)

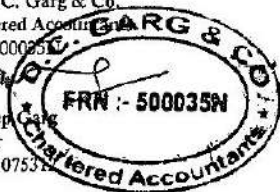
(Signature)

Managing Director
(DIN No. 03633935)

(Signature)

As per our Report of even date attached
For D.C. Garg & Co.
Chartered Accountants
FRN 500035N

Sandeep Garg
Partner
M.No. 07531



Place: New Delhi
11th July, 2024

Ajit Kumar Samal
S.G.M. (Finance) & Company Secretary

(Signature)

UDIN: 24075312 BKEATT24

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)

Income & Expenditure Statement for year ended 31st March, 2024

		(₹ in Lakhs)		
	Particulars	Note No.	For the Year ended 31st March 2024	For the Year ended 31st March 2023
I.	Revenue from operations	17	5,491.03	5,312.74
II	Other Income	18	286.08	239.60
III	Total Revenue (I+II)		5,777.11	5,552.35
IV	Expenses			
	Allowance/Reversal for Loans & advances	19	460.91	511.85
	Penal Interest waived off and others	20	-	63.65
	Employee Benefit Expense	21	1,360.73	1,241.15
	Finance Cost	21.1	25.07	-
	Depreciation and Amortization Expense	22	38.49	27.51
	Training & Development Expenses	23	132.17	192.95
	Rebate on Interest on Loans & Advances	24	33.50	25.96
	Other Expenses	25	590.94	470.77
	Corporate Social Responsibility Expenses	25	65.04	25.42
	Total Expenses (IV)		2,706.84	2,559.24
V	Excess of Income over expenditure before Exceptional Items and Tax (III - IV)		3,070.27	2,993.11
VI	Exceptional Items	27	(11.52)	(42.16)
VII	Excess of Income over expenditure before Tax (V - VI)		3,081.79	3,035.27
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Excess of Income over expenditure for the period from continuing operations (VII-VIII)		3,081.79	3,035.27
X	Excess of Income over expenditure from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Excess of Income over expenditure discontinued operations (X - XI)		-	-
XIII	Excess of Income over expenditure for the period (IX + XII)		3,081.79	3,035.27
XIV	Other Comprehensive Income / (Expenses)			
	A. (i) Items that will not be reclassified to Income & Expenditure Account	26	1.27	2.15
	(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		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Excess of Income over expenditure and Other Comprehensive Income for the period)		3,083.06	3,037.42
XVI	Earning Per Equity share:			
	(1) Basic (₹)	(b)	20.55	20.24
	(2) Diluted (₹)		20.54	20.24
XVII	Earnings Per Equity Share: (For discontinuing Operation)			
	(1) Basic (₹)		-	-
	(2) Diluted (₹)		-	-
XVIII	Earnings Per Equity Share: (For discontinued and continuing Operation)			
	(1) Basic (₹)	20	20.55	20.24
	(2) Diluted (₹)		20.54	20.24
XIX	See Accounting Policies and accompanying notes to the financial statements	1 - 51		

For and on behalf of the Board of Directors

Director
(DIN No. 09403132)

Pujan Sehgal
Managing Director
(DIN No. 03633935)

As per our Report of even date attached
For D.C. Garg & Co.
Chartered Accountants
FRN 500035N

Sanjeep
Partner
M.No. 075312



Ajit Kumar Samal
S.G.M. (Finance) & Company Secretary

Place : New Delhi
11th July, 2024

UDIN: 24075312BKEQTT224

National Backward Classes Finance and Development Corporation
Cash Flow Statement for the Year Ended March 31, 2024

Particulars	For the Year Ended March 31, 2024		For the Year ended March 31, 2023	
A. Cash flow from Operating Activities				
Net Profit before Extraordinary Items and Tax		3,070.27		2,993.11
<i>Adjustments for:</i>				
Exceptional Items	11.52		42.16	
Depreciation & Amortization	38.49		27.51	
Other Comprehensive Income/(Expense)	1.27		2.15	
Adjustment for General Reserve	(0.01)		(0.99)	
Interest- Other Income	(252.67)		(223.01)	
Operating Profit Before Working Capital Changes		(201.40)		(152.18)
<i>Changes in working capital:</i>		2,868.87		2,840.93
Decrease / (Increase) in Current Trade receivable	-		1.68	
Decrease / (Increase) in Non-Current loans	(337.23)		(609.22)	
Decrease / (Increase) in Other Non-Current financial assets	2.60		37.41	
Decrease / (Increase) in Current loans	(6,582.36)		(3,064.15)	
Decrease / (Increase) in other current financial assets-others	(19.25)		245.32	
Decrease / (Increase) in other non current assets	(33.00)		3.64	
Decrease / (Increase) in current tax assets	(0.61)		29.13	
Decrease / (Increase) in other current assets	(6.19)		13.87	
(Decrease) / Increase in other current financial liability	2,120.55		(3,915.80)	
(Decrease) / Increase in other current liability	75.73		(67.64)	
(Decrease) / Increase in non current Financial Liability	11.92		12.70	
Changes in Other Bank Balances				
(Decrease) / Increase in Current provisions	(12.69)	(4,780.54)	(322.71)	(7,636.42)
Cash generated from operations		(1,911.67)		(4,795.49)
Net Income Tax (Paid) net of Refunds		-		-
Net Cash Flow from / (used in) Operating Activities (A)		(1,911.67)		(4,795.49)
B. Cash Flow from Investing Activities				
Sale/Disposal of Property, Plant and Equipments	0.03		0.42	
Purchase of Property, Plant and Equipments	(79.33)		(18.90)	
Interest Income	252.67		223.01	
Net Cash Flow from/(used in) Investing Activities (B)		173.32		204.54
C. Cash Flow from Financing Activities				
Issue of Share Capital	1,500.00			
Adjustment in Other Equity	32.89		26.16	
Increase in share application money pending allotment	-			
Net Cash Flow from/(used in) Financing Activities (C)		1,532.89		26.16
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(205.55)		(4,564.80)
Cash & Cash Equivalents at the beginning of the year (Refer note : 9&9.1)		4,785.15		9,349.95
Cash and Cash Equivalents at the End of the Year		4,579.61		4,785.15

Particulars	For the Year Ended March 31, 2024		For the Year ended March 31, 2023	
Cash - in - hand				
Saving Bank Accounts		1,097.78		3,410.28
Other Bank Balance (Grant Funds)-Saving Bank		3,481.83		1,374.87
Share Application Money Pending allotment				
Less : Deposits having maturity of more than 3 Months				
Cash & Bank Balances		4,579.61		4,785.15
Less : Deposits having maturity of more than 3 Months				
Cash & Cash Equivalent at the end of the year		4,579.61		4,785.15

Notes:

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2. Amendment to Ind-As 7
Effective April 1, 2017, 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.

3. Previous year's figures are reclassified/re-grouped to confirm and make them comparable with those of the current year.

For and on behalf of the Board of Directors

Director
(DIN No. 09403132)

Managing Director
(DIN No. 03635933)

As per our Report of even date attached
For D.C. Garg & Co.
Chartered Accountants
FIRN 500035N



Place : New Delhi
11th July, 2024

UDIN: 24075312BKE&TT224

Ajit Kumar Samal
S.G.M. (Finance) & Company Secretary

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)
Statement of Changes in Equity (SOCE) for the Year ended 31st March, 2024

A. Equity share capital

Particulars	₹ in Lakhs	
	Number of shares	Amount
Balance at the beginning of the year	1,49,94,000.00	1,49,940.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the current year	1,50,000.00	1,500.00
Balance at the end of the year	1,51,44,000.00	1,51,440.00

B. Other Equity

Particulars	₹ in Lakhs					
	Share Application money pending allotment	Special Reserve	Post Retirement Medical Fund	General Reserve	Retained Earnings	Total
Balance at the beginning of the year	-	1,000.00	193.75	58,796.40	-	59,987.15
Prior period Adjustments/Change in Accounting Policy (Refer note no. 36)	-	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-	-
Restated balance at the beginning of the year	-	1,000.00	193.75	58,796.40	-	59,987.15
Profit for the year	-	-	-	-	3,081.78	3,081.78
Other Comprehensive Income for the year	-	-	-	-	1.27	1.27
Total Comprehensive Income for the year	-	-	-	-	3,083.05	3,083.05
Transfer to general reserve	-	-	-	3,083.05	(3,083.05)	-
Others	-	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-	-
- Addition During The Year (See Note 13.5)	1,500.00	-	33.80	-	-	1,532.80
- Share Capital issued during the year	1,500.00	-	-	-	-	1,500.00
Balance at the end of the year	-	1,000.00	227.55	61,879.48	-	63,107.03

Statement of Changes in Equity (SOCE) for the year ended 31st March 2023

A. Equity share capital

Particulars	₹ in Lakhs	
	Number of shares	Amount
Balance at April 1, 2022	1,49,94,000.00	1,49,940.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the current year		
Balance at March 31, 2023	1,49,94,000.00	1,49,940.00

B. Other Equity

Particulars	₹ in Lakhs					
	Share Application money pending allotment	Special Reserve	Post Retirement Medical Fund	General Reserve	Retained Earnings	Total
Balance at the beginning of the year	-	1,000.00	164.58	55,759.97	-	56,924.56
Prior period Adjustments (Refer Note :- 36)	-	-	-	-	-	-
Adjustment of Depreciation	-	-	-	-	-	-
Restated balance at the beginning of the year	-	1,000.00	164.58	55,759.97	-	56,924.56
Profit for the year restated	-	-	-	-	3,034.29	3,034.29
Other Comprehensive Income for the year	-	-	-	-	2.15	2.15
Total Comprehensive Income for the year	-	-	-	-	3,036.43	3,036.43
Others	-	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	3,036.43	(3,036.43)	-
Addition During The Year	-	-	-	-	-	-
- Addition During The Year (See Note 13.5)	-	-	26.16	-	-	26.16
- Share Capital issued during the year	-	-	-	-	-	-
Balance at the end of the year	-	1,000.00	190.75	58,796.40	-	59,987.15

For and on behalf of the Board of Directors

Director
(DIN No.

[Signature]
09403132)

Rajesh Arora
Managing Director
(DIN No. 03031933)

As per our Report of even date attached

For D.C. Garg & Co.
Chartered Accountants
Firm No. 500035N

[Stamp: D.C. GARG & CO. CHARTERED ACCOUNTANTS FIRM NO. 500035N]

Place : New Delhi
11th July, 2024

[Signature]

Ajit Kumar Samal
S.G.M.(Finance) & Company Secretary

UDIN: 24075312BKEATT224

Note :- 1 Corporate Information

National Backward Classes Finance and Development Corporation is a not for profit company domiciled in India and was incorporated on 13th January 1992 under Section 25 of the Companies Act 1956 (now section 8 of Companies Act 2013). Company provides concessional finance assistance to the person belonging to Other Backward Classes (OBC's) for the socio-economic development and to upgrade the technological and entrepreneurial skills of individuals or groups through state channelizing agents, financial institutions and skill sector councils training partners. The registered office of the company is located at 5th floor, NCUJ Building, 3, Sici Institutional Area, August Kranti Marg, New Delhi-110016.

Note :- 2 Accounting Policies

a) Statement of Compliance

The financial statements as at and for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 as companies (Indian Accounting Standards) Rules, 2015, 2016 and Companies (Indian accounting standards) Amendment Rules 2017 & 2018.

b) 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.

- (a) Defined benefit Plan and other long term employee benefits
- (b) Certain financial assets and liabilities

c) Use of estimates

The preparation of financial statements in conformity with Ind AS which 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 estimated useful life of property, plant and equipment, intangible assets and future obligation under employee benefit plan. 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 recognized in the period in which the results are known /materialize.

d) All financial information presented in Indian rupees and all values are rounded to the nearest lakhs upto two decimals except where otherwise stated.

e) Statement of Cash Flow

Cash flows are reported using the indirect method, whereby "excess of income over expenditures before exceptional items and 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.

The Corporation has 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 flow and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosures requirement. The adoption of amendment did not have any material effect on the financial statements.

f) Functional and Presentation 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 functional as well as presentation currency of company.

- Transactions in foreign currency are recorded at the rate of exchange prevailing at the time the transactions are affected. Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Income and Expenditure.
- Monetary items denominated in foreign currency are restated and converted into Indian rupees using the exchange rate prevailing at the date of the Balance Sheet and the resulting exchange difference is recognized in the Statement of Income and Expenditure.

g) Revenue recognition

a) Corporation recognizes revenue from contracts with customers based on a five-steps as set out in Ind As-115 :-

(i) Identify contracts with a customer :- A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

(ii) Identify performance obligations in the contract : A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the corporation expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract : For a contract that has more than one performance obligation , the Corporation allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the corporation expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognise revenue when or as the Corporation satisfies a performance obligation by transferring promised goods or services to a customer. An asset is transferred when the customer obtains control of the asset.



If Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation 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 recognized as an expense rather than as an adjustment of the amount of revenue already recognized.

- b) Interest on unfutilized funds lying with the borrowing agencies is recognized on accrual basis at effective rate of interest.
- c) Interest on funds re-appropriated by SCAs in the other sanctioned schemes is recognized in the year of its determination after receipt of scheme wise details of utilization at effective rate of interest.
- d) The Corporation provides Loans through State Channelizing Agencies (SCAs), Rural Banks and other financial bodies is accounted on accrual basis at effective rate of interest.
- e) Penal Interest on delay in repayments is recognized on realization as per Ind AS-115 as its collectability is uncertain.
- f) Rebate on account of timely payment by borrowing agencies accounted for, on receipt of entire amount due on time.
- g) Payment of grants to SCAs/institutions for expenditure on developmental & promotional activities is accounted for on disbursement.

h) Other Revenue Recognition :

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

i) Revenue Grant from Government

Grants sanctioned by the Government (whether received or not) for programmes undertaken during the year for the development of the target group, are recognized and deducted from related expenses for reporting in Statement of Income & expenditure.

• Unspent grants & interest accrued in respect of Government grant are deferred & taken to current liabilities. Upon fully utilization and after audit of annual accounts of grant earning of interest shall be deposited in consolidated account of Government.

Interest accrued from other i.e CPSE etc , if any are recognised and taken in to as other income to meet out administrative /evaluation expenses.

• Grants receivable from Government as compensation for expenses incurred in a previous accounting period are recognized in the Statement of Income & Expenditure of the period during which the sanction for grant is received

j) Corporate Social Responsibility (CSR) expenses , as per company act,2013 and any other grant are recognized on disbursement basis for reporting in Statement of Income and Expenditure

k) Income taxes

In view of the exemption available to the Corporation under section 10 (26B) of the Income Tax Act, 1961, the provision for income tax liability is not considered necessary. Consequently the provisions of the Indian Accounting Standard 12 (Ind AS-12) on Income tax, deferred taxes and income tax computation and disclosures standards issued by CBDT are not applicable to the Company.

l) Impact on any change/modification in accounting policy shall be recognised in the year of its occurrence. In terms of Ind- AS 8

m) Property, plant and equipment

(a) 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.

(b) Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.

(c) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Income and Expenditure.

Depreciation on Property, plant and Equipment is provided on written down value method over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

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 estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Category of Assets Useful Life (years)

Particulars	Useful Life (years)
Building	60
Furniture & Fixtures	10
Office Equipment's	5
Vehicles (Car/Scooter)	8/10
Air Conditioners & Coolers	10
EPABX	5
Data Processing Equipment's	3

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

Residual values and useful lives are reviewed , and adjusted , if appropriate, for each reporting period



On tangible fixed assets added/disposed of during the year, depreciation is charged on pro-rata basis from the date of addition /till the date of disposal.

n) 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 acquisition cost less accumulated amortization and impairment loss, if any.

Amortization of Intangible assets is done under straight line method equally over a period of five years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

o) Impairment

(i) Impairment of Financial Assets

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.

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 incurred significantly since its initial recognition.

ECL's impairment loss allowance (or reversal) recognised during the period as income/ expense in Statement of Income & Expenditure.

(ii) Impairment of Non-Financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Income & Expenditure.

p) Employee Benefits

a) The liability for gratuity to all employees is recognized as an expense on accrual basis in Statement of Income & Expenditure. The Corporation has formed a trust for administration of the Employees Group Gratuity Scheme with L.I.C.

b) Liability on account of leaves (earned leave and commuted leave) is provided on the basis of actuarial valuation at the year-end. The Corporation has taken a leave encashment scheme from LIC to manage the funds.

c) The liability on account of Leave Travel Concession (LTC) is provided on the basis of actuarial assessment at the year end and charged to Statement of Income & Expenditure.

d) Actuarial gain or loss on defined benefits plans are recognized in other comprehensive income

e) Contribution to recognized Provident Fund and Pension Fund (defined contribution plan) is provided for on accrual basis.

f) The Corporation has a defined contribution pension scheme which is in line with guidelines of Department of Public Enterprise (DPE). The Corporation has formed a trust for administration of the Pension Fund Scheme with L.I.C. Employer contribution to the fund has been contributed on monthly basis. Pension is payable to the employees of the corporation as per the scheme.

g) The Corporation has Post-Retirement Scheme (PRMS), under which retired employees and their dependent family member are provided with medical facilities. They can also avail facility of out-patient treatment; both are subject to ceiling fixed by the corporation.

q) Earnings per Share

The basic earning per share is computed by dividing the net surplus (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share are computed using the weighted average number of equity share outstanding during the year, except where the results would be anti-dilutive.

r) Provisions, Contingent Liabilities and Contingent Assets

a) Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

(i) The Company has a present obligation as a result of a past event.

(ii) Probable outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) The amount of the obligation can be reliably estimated. Provisions are reviewed at each Balance Sheet date.

Discounting of Provisions

Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation.

b) 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

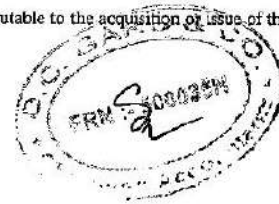
iii. A possible obligation, unless the probability of outflow of resource is remote.

c) Contingent assets are disclosed where an inflow of economic benefits is probable.

r) Financial Instruments:-

a) 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.



b) Subsequent measurement

Financial Assets

Financial assets are classified in following categories:

Financial Asset at Amortized Cost

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

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (ii) 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 amortized cost using effective interest rate method less impairment if any.

The EIR amortization is included in finance income in the Statement of Income & Expenditure.

Financial Assets at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI 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 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 recognized in OCI is reclassified from the equity to Statement of Income & Expenditure. Interest earned is recognized using the EIR method.

Financial Assets 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 income & expenditure account.

Financial Liabilities

Financial Liabilities at Amortised Cost

Financial liabilities initially recognised at fair value, and subsequently carried at amortized cost using the effective interest rate method.

Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

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 derecognised 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.

s) Fair Value Measurement

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

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

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



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

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

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

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

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

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

t) Current and Non- Current classification

The Corporation presents assets and liabilities in the Balance Sheet based on current /non-current classification. Cash or cash equivalent treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- * expected to be realised or intended to be sold or consumed in the normal operating cycle.
 - * expected to be realised within twelve months after the reporting period.
 - * held primarily for the purpose of trading/business
- All other assets are classified as non-current.
- A Liability is treated as current when :
- * it is expected to be settled in normal operating cycle.
 - * it is held for the purpose of trading/business.
 - * it is due to be settled within twelve months after the reporting period .or
 - * there is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.
- all other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The corporation has identified twelve months as its operating cycle.

u) LEASE :

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.

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. In addition, Policy has been drafted as per Ind AS 116, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. 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. 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. The Company presents right-of-use asset that do not meet the definition of investment property in the "Right of Use Assets" and lease liabilities in "other financial liabilities" in the Balance Sheet. 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. A lease is no longer enforceable when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

ii. As A Lessor 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. 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.

Further, 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".



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

Note:- 3

Property, Plant & Equipment's

Particulars	As at March 31, 2023							(₹ In Lakhs)
	Building (Freehold)	Furniture & Fixtures	Office Equipment	Vehicles	Air Conditioners & Coolers	EPABX	Data Processing Equipment's	Total
Cost or Deemed Cost								
At 1 April 2022	47.94	100.33	64.25	8.60	39.70	3.81	88.32	352.95
Additions during the year	-	3.33	4.17	-	-	-	11.40	18.90
Disposals/Adjustments	-	0.19	-	-	-	-	0.23	0.42
At 31st March 2023	47.94	103.46	68.42	8.60	39.70	3.81	99.49	371.42
At 1 April 2023	47.94	103.46	68.42	8.60	39.70	3.81	99.49	371.42
Additions during the year	-	51.64	2.85	-	11.88	-	8.24	74.61
Disposals/Adjustments	-	0.02	-	-	0.01	-	-	0.03
At 31st March 2024	47.94	155.08	71.27	8.60	51.57	3.81	107.73	446.00
Depreciation and Impairment								
At 1 April 2022	35.53	65.12	58.11	7.33	26.73	3.54	79.63	276.00
Depreciation charge for the year (Refer Note-22)	0.62	9.02	3.06	0.39	3.30	0.01	6.48	22.88
Impairment	-	-	-	-	-	-	-	-
Disposals/Adjustments	0.01	-	0.00	-	-	-	-	0.01
At 31 March 2023	36.15	74.14	61.17	7.72	30.04	3.55	86.11	298.87
At 1 April 2023	36.15	74.14	61.17	7.72	30.04	3.55	86.11	298.87
Depreciation charge for the year (Refer Note-22)	0.59	16.69	2.86	0.27	4.34	0.01	9.60	34.35
Impairment	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-	-
At 31st March 2024	36.74	90.83	64.03	7.99	34.38	3.56	95.71	333.22
Net book value								
At 31st March 2024	11.20	64.25	7.24	0.61	17.20	0.25	12.02	112.77
At 31 March 2023	11.79	29.32	7.25	0.88	9.67	0.25	13.38	72.54

Note #-3.1 Depreciation is provided on written down value method (WDV) in accordance with schedule II of the Companies Act, 2013.



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

Note :- 3 (i)

RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Building (Mumbai Flat)	Total
Cost or Deemed Cost		
At 1 April 2022	52.66	52.66
Adjustment of Transition of IND AS 116	-	-
Additions during the year	-	-
Disposals/Adjustments	-	-
At 31 March 2023	52.66	52.66
At 1 April 2023	52.66	52.66
Additions during the year	-	-
Disposals/Adjustments	-	-
At 31st March 2024	52.66	52.66
Depreciation and Impairment		
At 1 April 2022	13.88	13.88
Depreciation charge for the year (Refer Note-22)	0.59	0.59
Impairment	-	-
Disposals/Adjustments	-	-
At 31 March 2023	14.46	14.46
Depreciation charge for the year	0.59	0.59
Impairment (Refer Note-22)	-	-
Disposals/Adjustments	-	-
At 31st March 2024	15.05	15.05
Net book value		
At 31st March 2024	37.61	37.61
At 31 March 2023	38.20	38.20

Note: Flat No. 002 Plot 51, Building No. 16 & Flat No. 001 Plot No. 53, Building No. 18 respectively use as Staff Quarter w.e.f 01/07/1998 at Oshiwara, Andheri West Mumbai 400053



Note :-4

Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software's	Intangible Asset under development	Total
Cost or deemed cost as at 1st April 2022	66.48	-	66.48
Addition during the year	-	-	-
Adjustment/deletions during the year	-	-	-
Closing balance at 31st March 2023	66.48	-	66.48
Addition during the year	0.05	4.72	4.77
Adjustment/deletions during the year	-	-	-
Closing balance at 31st March 2024	66.53	4.72	71.25
Amortization and Impairment			
Opening balance at 1st April 2022	54.64	-	54.64
Amortization during the year (Refer Note-22)	4.05	-	4.05
Impairment during the year	-	-	-
Closing balance at 31st March 2023	58.69	-	58.69
Amortization during the year (Refer Note-22)	3.55	-	3.55
Impairment during the year	-	-	-
Closing balance at 31st March 2024	62.24	-	62.24
Net book value			
As at 31 March 2024	4.29	4.72	9.01
As at 31 March 2023	7.79	-	7.79

Note 4(a) Ageing Intangible Assets under Development

Intangible assets under development ageing schedule FY 2023					(₹ in Lakhs)
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	4.72	-	-	-	4.72
Projects temporarily suspended	4.72	-	-	-	4.72

Intangible assets under development ageing schedule FY 2022					(₹ in Lakhs)
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-



Note No: 5

Non-current portion of the Trade Receivable/Debtors have been classified under 'non-current financial assets' and current portion of the Trade Receivable/Debtors has been classified under 'current financial assets - loans'.

(₹ in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Non - Current	Current	Total	Non - Current	Current	Total
Considered Good-Secured						
Considered Good-UnSecured						
Significant Increase in Credit Risk						
Less : Allowance for loans & advances						
Total	-	-	-	-	-	-

Trade Receivables Ageing FY 2023-24

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good						
(ii) Undisputed Trade Receivables - which have significant increase in credit risk						
(iii) Undisputed Trade Receivables - credit impaired						
(iv) Disputed Trade Receivables-considered good						
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables-credit impaired						
Total	-	-	-	-	-	-

Trade Receivables Ageing FY 2022-23

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good						
(ii) Undisputed Trade Receivables - which have significant increase in credit risk						
(iii) Undisputed Trade Receivables - credit impaired						
(iv) Disputed Trade Receivables-considered good						
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables-credit impaired						
Total	-	-	-	-	-	-

Note :- 6 Financial assets - loans

(b)

(₹ in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Non - Current	Current	Total	Non - Current	Current	Total
(1) General Loan to SCAs/ Other Entities						
Considered Good-Secured						
(a) General loans (By way of Govt. order /Block Govt. Guarantee received)	59,892.91	25,756.56	85,649.47	65,355.56	22,891.49	88,247.05
(b) General loans (Against lien of Fixed Deposit Receipts)	-	-	-	-	-	-
	59,892.91	25,756.56	85,649.47	65,355.56	22,891.49	88,247.05
Considered Good-UnSecured						
General loans	43,854.68	12,066.36	55,921.04	41,431.21	10,296.23	51,727.45
Significant Increase in Credit Risk						
General loans		201.14	201.14	-	181.92	181.92
Less : Allowance for loans & advances #		(196.13)	(196.13)		(181.92)	(181.92)
Sub Total (1)	1,03,747.59	37,827.93	1,41,575.52	1,06,786.77	33,187.73	1,39,974.49
(2) Micro Finance Loan to SCAs/ Other Entities						
Considered Good-Secured						
(a) Micro Finance Loan (By way of Govt. order /Block Govt. Guarantee received)	31,006.58	19,210.37	50,216.94	29,419.10	18,780.02	48,199.13
(b) Micro Finance Loan (Against lien of Fixed Deposit Receipts)	-	685.71	685.71	685.72	685.71	1,371.44
	31,006.58	19,896.08	50,902.66	30,104.83	19,465.74	49,570.56
Considered Good-UnSecured						
Micro Finance Loan (Unsecured considered good)	15,891.36	2,544.72	18,436.08	13,586.91	1,053.17	14,640.08
Significant Increase in Credit Risk						
Micro Finance Loan		1,235.38	1,235.38	-	883.95	883.95
Less : Allowance for loans & advances #		(1,235.38)	(1,235.38)		(883.95)	(883.95)
Sub Total (2)	46,897.93	22,440.81	69,338.74	43,691.73	20,516.91	64,210.64
(3) Loans to Managing Director						
Sub Total (3)						



(4) Loans to Employees						
Loans & Interest accrued						
Considered Good-Secured	247.52	30.04	277.56	87.75	11.26	99.01
Considered Good-UnSecured	85.74	29.88	115.62	75.30	28.40	103.70
Sub Total (4)	333.26	59.93	393.18	163.05	39.66	202.71
Grand Total (1+2+3+4)	1,50,978.78	60,328.66	2,11,307.44	1,50,641.56	53,746.29	2,04,387.84

Allowance for Loan & Advances to respective State Channel Agencies (SCAs)/ Channel Partners (CPs) is made as per the Corporation's policy.

Note 6.1 Current Loans are loan amount which are receivable during the next 12 months after end of the financial year.

Note 6.2 As per Reserve Bank of India, the Corporation is not a Non Banking Finance Company and exempted for following RBI's prudential norms prescribed for making provisions and for income recognition on non-performing assets. As RBI's prudential norms are not applicable to the Corporation, it has made its own norms for making provision duly approved by Board for provisioning on certain overdue loans/interest thereon.

Note 6.3 Out of the total Loans of Rs. 2,14,898.11 Lakhs (as at 31.03.2023, Rs.2,07,655.60 Lakhs) out of which Rs.1,94,450.27 lakh (as at 31.03.2023 Rs.1,98,800.17 Lakhs) have been confirmed from respective parties. The remaining loan amount is subject to confirmation by borrowers.

Note 6.4 The utilization amount of loan beyond 180 days under the prevalent lending policy is eligible for refund. Hence, the same stand in current.

Note 6.5 The disbursement, accumulated over the years with channel Partners for which utilization certificates of Rs.2761.59 lakhs (Rs. 3,925.73 Lakhs as at 31.03.2023) are pending to be received from borrowing institutions, out of which Rs. 2492.02 Lakhs (Rs. 1958.69 lakhs as at 31.03.2023) are more than six months old as at year end.

Note 6.6 In respect of Loans given, Corporation has obtained Government Assurance from channel partners and signed MOU with RRBs/PSEs and others amounting to Rs. 70,933.49 Lakh (Previous year Rs. 65,696.35 Lakh). As per legal opinion, Government assurance and signed MOU do not tantamount to Government Order/ Block Government Guarantee or other financial instrument. However, same can be enforced in disputed cases by way of arbitration. In view of the above, Corporation is adequately covered in cases where the outstanding loan amount is backed by Govt. assurance and signed MOU and disclosed as "Unsecured and considered good" as the repayment is regular.

Note 6.6.1 In the Loans and Interest thereon which are backed by Block government guarantee/ Sanction orders, 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 type of interest thereon are covered by Guarantor (State Government). The above amounts outstanding since substantial period of time are eligible for revoking Guarantee.

Note 6.7 As per Ind AS-109 Staff loans & advances are recognized at amortised cost which includes the principal & interest component both the details of Outstanding undiscounted Loans to Employees as given below:-

Particulars	As at March 31, 2024			As at March 31, 2023		
	Principal	Interest	Total	Principal	Interest	Total
House Building Advance	271.89	56.32	328.20	80.43	47.19	127.62
Vehicle Loan	44.55	5.40	49.94	35.98	2.28	38.26
General Purpose Advance	70.48	-	70.48	68.86	-	68.86
Grand Total (1+2+3+4)	386.91	61.71	448.63	185.27	49.47	234.74

'As per guidelines/norms, recoveries of interest commences after recoveries of principal in respect of House Building Advance and Vehicle advance.

Note 6.8 Loans & advances including simple interest thereon overdue as at end of the year is classified as 'Current' loans, as these are considered good for recovery/adjustment in the subsequent financial year.

Note 6.9 Details of Loan and Advances as on 31.03.2024

Particulars	As at March 31, 2024					
	Opening Balance	Addition	Refunds	Adjustment/rep appropriated	Recovered	Closing Balance
General Loan	1,40,156.41	26,614.88	20.57	(1,330.41)	26,851.76	1,41,729.39
Funded Interest	-	-	-	-	-	-
Micro Finance	65,094.60	25,894.02	119.97	1,830.41	18,421.83	70,616.40
Funded Interest	-	-	-	-	-	-
Total	2,05,251.00	52,508.90	140.54	-	45,273.59	2,12,345.77
Loan Due	5,294.54	3,653.10	-	-	-	8,947.64
Loan Not due(31.03.2023)	1,99,956.46	4,841.67	-	-	-	2,03,998.14
Previous year	2,01,233.91	51,184.60	2,670.94	-	44,496.58	2,05,251.00

Note 6.9.1 Details of Loan and Advances as on 31.03.2023

Particulars	As at March 31, 2023					
	Opening Balance	Addition	Refunds	Adjustment/rep appropriated	Recovered	Closing Balance
General Loan	1,36,781.42	16,818.52	2,030.27	(14,707.58)	26,120.83	1,40,156.41
Funded Interest	-	-	-	-	-	-
Micro Finance	64,452.50	34,366.09	640.66	14,707.58	18,375.75	65,094.60
Funded Interest	-	-	-	-	-	-
Total	2,01,233.91	51,184.60	2,670.94	-	44,496.58	2,05,251.00
Loan Due	4,300.70	993.84	-	-	-	5,294.54
Loan Not due(31.03.2023)	1,96,933.21	3,023.25	-	-	-	1,99,956.46
Previous year	1,97,130.63	47,137.43	782.66	-	42,251.47	2,01,233.91

Note 6.10 Details of Rescheduled Loan & Advances

No Rescheduling of Loan and Advances during the FY 2023-24

Note 6.11 Allowances on Loan and advances to respective channel partners is made as per the Corporation policy (Ref. Note. No.33) Provision is recognised when:

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

In respect of Loans/ dues payable by Channel Partners(CPS) which are adequately covered by State Government Guarantees/other Financial Instruments, no provision is Provision are reviewed at each Balance Sheet Date.

The Corporation as per the policy approved for "rescheduling of overdue loans and advances" had rescheduled the loans in very exceptional cases. Further, the Board of the Directors vide 126th meeting of the board had considered the rescheduling/deferment of overdue of channel partners and approved the policy of expected credit loss on overdue based on unsecured and as per probability of default.



Note 6.11.1 Details of allowance for Loans & advances (non-current/current) as on 31.03.2024

Particulars	Opening Balance	Addition during the year	Recovered/Provision written back during 23-24	Closing Balance
Loans & Advances - General loan	181.92	14.21	0.00	196.13
Loans & Advances - Micro finance	883.95	351.43	0.00	1235.39
Total	1065.87	365.65	0.00	1431.52
Previous year	649.11	416.76	0.00	1065.87

Note 6.11.2 Allowances on Loan and advances to respective channel partners is made as per the Corporation policy (Ref. Note. No.33)

Note :- 7 Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Non - Current	Current	Total	Non - Current	Current	Total
(1) Interest Receivable:						
Secured, considered good						
- Interest on General Loan	-	1,079.98	1,079.98	-	1,080.11	1,080.11
(By way of Govt. order /Block Govt. Guarantee received)						
- Interest on Micro Finance	-	42.34	42.34	-	67.07	67.07
		1,122.33	1,122.33		1,147.19	1,147.19
Unsecured, considered good						
- Interest on General Loan	-	593.54	593.54	-	517.41	517.41
- Interest on Micro Finance	-	52.48	52.48	-	31.94	31.94
		646.02	646.02		549.35	549.35
Doubtful						
- Interest on General Loan	-	593.37	593.37	-	516.82	516.82
- Interest on Micro Finance	-	50.66	50.66	-	31.94	31.94
- Penal Interest on General Loan	241.74	-	241.74	241.74	-	241.74
- Penal Interest on Micro Finance	3.52	-	3.52	3.52	-	3.52
	245.26	644.03	889.28	245.26	548.76	794.03
Less : Allowance for loans & advances	(245.26)	(644.02)	(889.28)	(245.26)	(548.76)	(794.03)
	-	-	-	-	-	-
Sub Total (1)	-	1,124.32	1,124.32	-	1,147.78	1,147.78
(2) Interest accrued but not due						
General Loan	495.22	226.17	721.40	581.20	196.23	777.43
Micro Finance	-	45.87	45.87	-	33.11	33.11
Sub Total (2)	495.22	272.04	767.26	581.20	229.34	810.54
Others						
(i) Interest accrued but not due - Saving Bank	-	0.66	0.66	-	0.65	0.65
(ii) Security Deposits - Unsecured Considered Good	0.30	-	0.30	0.25	-	0.25
(iii) Other Receivables						
(iii)(a) Amount recoverable/adjustable from employees	0.34	-	0.34	-	-	-
(iii)(b) Amount recoverable from parties -considered good - Secured						
(iii)(c) Amount recoverable from parties -considered good - Unsecured	119.61	-	119.61	36.62	-	36.62
(iii)(d) Amount recoverable from parties -significant increase in Credit Risk						
(iii)(e) Amount recoverable from parties - Credit impaired						
(iii)(f) Form banks (others)						
Sub Total (3)	120.25	0.66	120.91	36.87	0.65	37.52
Grand Total (1+2+3)	615.47	1,397.02	2,012.50	618.07	1,377.77	1,995.84

Note 7.1 During the year, additional demand notice for the period 16.02.2024 to 31.03.2024 have not been raised upto 31.03.2024. However, interest for that period amounting to ₹ 105.78 Lakhs (₹ 63.76 Lakhs as at 31.03.2023) has been included in interest accrued but not due.

Note 7.2 Detail of allowance for interest on Loans & Advances (current/non current) as on 31.03.2024.

(₹ in Lakhs)

Particulars	Opening Balance	Addition during the year	Recovered/Provision written back	Closing Balance
Penal Interest	245.26	-	-	245.26
Interest on loan - General Loan	516.82	76.54	-	593.37
Interest on loan - Micro Finance	31.94	18.72	-	50.66
Total	794.03	95.26	-	889.28
Previous Year	698.94	95.54	0.46	794.03

Note 7.3 Allowances on Loan and advances in respective channel partners is made as per the Corporation policy

Note :- 8 Other current & non current assets

(₹ in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Non - Current	Current	Total	Non - Current	Current	Total
Samples						
Net planned Assets for gratuity or leave encashment (Refer Note:14.1)	43.06	-	43.06	33.48	-	33.48
Prepaid Expenses (refer note: 8.1)	55.44	17.03	72.49	32.02	9.83	41.85
Stamps in hand	-	0.10	0.10	-	0.18	0.18
Advance Receivable	-	-	-	-	0.94	0.94
Grand Total	98.51	17.13	115.65	65.51	10.96	76.46

Note 8.1 Prepaid expenses represents unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets and their recognition & loans given.



Note: - 9
Cash and cash equivalent

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Cash and other Bank Balances		
- Cash in hand	-	-
(b) Balance with Banks		
- In Saving Accounts	1,097.78	3,410.28
Total	1,097.78	3,410.28

Note 9.1 Generally recoveries/refunds from borrowing agencies were received last day of the financial year. Therefore, it could not be invested for intended purpose.

Note: - 10
Cash and cash equivalent-Grant Fund

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Other Bank Balance (Grant Funds & Others)		
- Saving Account	3,233.95	1,184.12
Post Retirement Medical Fund for Superannuated Employees	223.55	190.75
Unspent CSR-Fund	24.34	-
Total	3,481.83	1,374.87

Note 10.1 Other bank balances represents funds meant for utilisation for training of the target group only as per the terms of the grant (Interest Subvention Scheme VISVAS, PM Daksh & other CSR Funds) along with Separate Saving Account for Post Retirement-Medical Expenses.

Note: - 11
Current Tax Asset (Net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Income Tax/TDS Receivable	1.21	0.59
Total	1.21	0.59

Note: - 12
Share Capital

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Authorized share capital (1,72,50,000 Equity shares of ₹1,000/- each) (As at 31st March 2024, 1,72,50,000 Equity shares of ₹1,000/- each)	1,72,500.00	1,50,000.00
Issued/Subscribed and Paid up Capital (1,49,94,000 Equity shares of ₹1,000/- each) (As at 31st March 2024, 1,51,44,000 Equity shares of ₹1,000/- each)	1,51,440.00	1,49,940.00
Total	1,51,440.00	1,49,940.00

Note :- 12.1
Reconciliation of the number of equity shares and share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	(No's of Shares)	(Amount in Lakhs)	(No's of Shares)	(Amount in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,49,94,000.00	1,49,940.00	1,49,94,000.00	1,49,940.00
Add: Shares issued during the year	1,50,000.00	1,500.00	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,51,44,000.00	1,51,440.00	1,49,94,000.00	1,49,940.00

Shares held by promoters at the end of the year	Shares held by Promoters at the end of the Year			% Change during the year***
	Promoter Name	No. of Shares	% of total shares	
Equity Shares	President of India	1,51,43,999	100.00	Nil
	Joint Secretary Backward Classes	1	0.00	Nil
Total		1,51,44,000	100.00	

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. In terms of Section 8(1)(c) of the Companies Act 2013, the Corporation does not declare dividend and ploughs back its excess of Income over Expenditure (Surplus) to meet the objectives of the Corporation.

During the FY 2023-24, the Corporation had received Equity Share Capital of Rs.15.00 Crs dated on 05.03.2024 having par value of Rs. 1,000 per share. Further, the Corporation had allotted 1,50,000 equity shares having par value Rs. 1,000 per share vide 134th Meeting of the Board of Directors dated on 28.03.2024 in favour of the President of India, totalling to 1,51,44,000 Nos. of equity shares with par value 1,000 each as on March 31, 2024.



Note: - 13
Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Special Reserve	1,000.00	1,000.00
General Reserve	61,879.45	58,796.40
Retained Earnings	-	-
Share Application Money pending allotment	-	-
Post Retirement Medical Fund	223.55	190.75
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	63,103.00	59,987.15

Note 13.1 Special Reserve

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	1,000.00	1,000.00
Add: Profit during the period transfer from General Reserve	-	-
Less: Transferred to General Reserve	-	-
Closing Balance	1,000.00	1,000.00

Note 13.2 General Reserve

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	58,796.40	55,759.97
Add: Profit during the period transfer from General Reserve	3,083.05	3,036.43
Closing Balance	61,879.45	58,796.40

Note 13.3 Retained Earnings

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	-	-
Add/Less: Depreciation Adjustment (refer note 3.1)	-	-
Add/Less: Other Adjustment (refer Note No. 7.2 & Note 3)	-	(0.01)
Add/Less: Other adjustment	(0.01)	(0.97)
Add: Profit during the period transferred from Statement of Income & Expenditure	3,081.79	3,035.27
Add: Special Reserve	-	-
	3,081.78	3,034.29
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	1.27	2.15
Less: Transferred to General Reserve	3,083.05	3,036.43
Closing Balance	-	-

Other Adjustment (FY 2022-23) pertains to expenditure incurred against unspent donation receipt amounting to Rs. 97,394/- only for FY 2020-21 & FY 2021-22.

Note 13.4 Share application money pending allotment

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	-	-
Add: Received during the year	1,500.00	-
Less: Shares allotted during the year	1,500.00	-
Closing Balance	-	-

Note 13.5 Post Retirement Medical Fund

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	190.75	164.58
Add: Received during the year	32.80	26.16
Closing Balance	223.55	190.75

Note 13.6 Special Reserve of Rs 1000 lakhs kept for meeting capital expenditure on land/building, is not represented by any earmarked

investment. Any capital expenditure out of the Special Reserve shall be subject to the approval of the Administrative Ministry.

Note 13.7 In terms of Section 8(1) (c) of the Companies Act 2013, the Corporation does not declare dividend and ploughs back its excess of Income over Expenditure (Surplus) to make disbursement of loan and meet future expenses including administrative expenses. As such, the Surplus has been transferred to General Reserve.

Note 13.8 The Corporation is a not for profit entity and its activities for development of the target group through their training & capacity exposure are in nature of Corporate Social Responsibility (CSR) activities



Note 13.9 Borrowings
Secured Loans

Particulars	₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	-	-
Closing Balance	-	-

The Corporation had availed Overdraft facility from Canara Bank to the tune of Rs. 100 Crores having Inventory/Account Receivables as charge against the same. During the Year, the Corporation had utilised an amount of Rs.53.50 Crores for disbursement during PM-SURAJ scheme. Further, the same fund had been repaid within the same FY 2023-24 and therefore outstanding balance stands to nil.

Note: - 14

Provisions

Particulars	As at March 31, 2024			As at March 31, 2023		
	Non - Current	Current	Total	Non - Current	Current	Total
Provision for Retirement Benefits to Employees						
-Gratuity						
-Leave Benefits	32.98		32.98	17.68		17.68
-Medical Scheme						
Sub Total (a)	32.98	-	32.98	17.68	-	17.68
Provision for Performance Related Pay :						
- Managing Director		16.36	16.36	-	5.43	5.43
- Other Employees		83.08	83.08	-	107.97	107.97
Sub Total (b)	-	99.44	99.44	-	113.40	113.40
Leave Travel Concession	17.94	13.45	31.39	21.31	12.18	33.49
Performance Linked Incentive Grant to Channel Partners	-	-	-	-	-	-
House Tax	-	-	-	-	-	-
Provision for Expenses	-	-	-	-	-	-
Total	50.91	112.89	163.81	38.99	125.58	164.57

Note 14.1 Details of provisions (FY 2023-24)

Particulars	₹ in Lakhs)				
	As at 1st April 2023	Additions during the year	Utilized/payments during the year 2023-24	Written back during 2023-24	As at 31st March 2024
Gratuity (refer note no. 8)	(33.48)			9.58	(43.06)
Leave Benefits (refer note no. 8)	17.68	64.11	48.81		32.98
House tax	-	-	-	-	-
Performance linked incentive Grant to Channel Partners	-	-	-	-	-
Leave Travel Concession	33.49	2.36	4.45	-	31.39
Performance Related Pay	113.40	99.44	113.40	-	99.44
Provision for Expenses	-	-	-	-	-
Total	131.09	165.91	166.67	9.58	126.74

Note 14.1(a) Details of provisions (FY 2022-23)

Particulars	₹ in Lakhs)				
	As at 1st April 2022	Additions during the year	Utilized/payments during the year 2022-23	Written back during 2022-23	As at 31st March 2023
Gratuity (refer note no. 8)	(43.47)	9.09			(33.48)
Leave Benefits (refer note no. 8)	8.19	45.43	35.93		17.68
House tax	-	-	-	23.14	-
Performance linked incentive Grant to Channel Partners	173.50	-	150.36	-	-
Leave Travel Concession	24.69	16.47	7.68	-	33.49
Performance Related Pay	235.95	113.40	233.79	2.16	113.40
Provision for Expenses	33.23	-	33.23	-	-
Total	432.09	185.29	461.00	25.30	131.09

Note 14.2 Provision for liability towards leave travel concession of ₹ 31.39 Lakhs (₹ 33.49 Lakhs as at 31.03.2023) is made, as per actuarial assessment.

Note 14.3 Provision for performance related pay of ₹ 99.44 Lakh (₹ 113.40 Lakhs as at 31.03.2023) has been made on the basis of 'Excellent' rating of all employees, which is based on calculation of raw score on parameters as defined in MOU, which was signed by "Ministry of Social Justice & Empowerment" and Corporation. However, the applicability of rating i.e. from poor to excellent of the employees is related with their individual performances. Any difference in the actual payment on the basis of rating will be adjusted in the year of payment.

Note 14.4 As per clarification received from Department of Public Enterprises vide OM no. 2(14)/12-DPE (WC) -GL-IV/14 dated 07.02.2014 a maximum of 300 days of earned leave can be accumulated at any point of time during the service. Earned leave is encashable during the service, while half pay leave is not encashable during the service or on superannuation. However, on superannuation earned leave plus half pay leave together can be encashed subject to a maximum of 300 days.

Note 14.5 Disclosures as per Ind AS - 19 Actuarial Valuation (Gratuity, Leave Benefit)

The Corporation has a defined benefit plan for payment of gratuity to all employees, which is funded with Life Insurance Corporation of India. Every employee who has completed five years or more of service receives gratuity on leaving the Corporation at 15 days salary (last drawn salary) for each completed year of service. The present value of obligation determined is based on actuarial valuation using the projected unit credit method. Liability for long term employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS -19 as prescribed by Companies (Ind As) Rule, 2015.



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 (net basis) is as under:

Particulars	(₹ in Lakhs)			
	As at March 31, 2024		As at 31st March 2023	
	Gratuity (Funded)	Leave encashment (Funded)	Gratuity (Funded)	Leave encashment (Funded)
(I) Key Assumption of actuarial Economic Assumptions				
	PUC Method		PUC Method	
Discount Rate	7.09%	7.29%	7.29%	7.29%
Salary rise (p.a) *	6%	6.00%	6.00%	6.00%
Expected rate of return on assets	7.09%	7.09%	7.29%	7.29%
Demographic Assumptions				
Employee Turnover	2%	2%		2%
Retirement Age	60 Years			60 Years
* first 5 year 6% & for 1 Year after 5 year 12% & for 10 years after that 6%				
(II) Amount Recognized in Statement of Financial Position at Period End				
Defined Benefit Obligation	546.57	389.99	484.61	343.06
Fair Value of Plan Assets	589.63	337.02	518.10	325.38
	(43.06)	32.93	(33.48)	17.68
Present Value of Unfunded Defined Benefit Obligation				
Unrecognised Asset due to Asset Ceiling				
Net Defined Benefit (Asset)/Liability Recognized in Statement of Financial Position	(43.06)	32.93	(33.48)	17.68
(III) Net Defined Benefit Cost / (Income) included in statement of Profit & Loss at Period End				
Service Cost	22.14	26.38	20.74	21.67
Net Interest Cost	(2.44)	1.81	(2.87)	1.00
Past Service Cost				
Remeasurements		35.92		22.76
Administration Expenses				
(Gain)/Loss due to Settlements / Curtailments				
Total Defined Benefit Cost / (Income) Included in Profit & Loss	19.70	64.11	17.87	45.43
(IV) Current / Non Current Bifurcation				
Current Benefit Obligation	37.69	26.69	15.90	12.13
Non- Current Benefit Obligation	508.88	363.31	468.71	330.94
(Asset)/Liability Recognized in the Balance Sheet	546.57	389.99	484.61	343.06
(V) Actual return on Plan assets				
Interest Income on Plan Assets	37.77		34.31	
Expected Return on Plan Assets		23.72		21.74
Remeasurements of Plan assets	3.21	1.71	0.24	(0.44)
Actual Return on Plan Assets	40.98	25.43	34.55	21.31
(VI) Analysis of Amounts Recognised in Other Comprehensive (Income)/Loss at Period End				
Amount Recognised in OCI Beginning of Period	(7.01)		(4.87)	
Remeasurements due to :-				
Effect of Change in financial assumptions	4.82		(2.76)	
Effect of Change in demographic assumptions				
Effect of experience adjustments	(0.34)		0.86	
(Gain)/Loss on Curtailments/settlements				
Return on Plan assets(excluding interest)	(3.21)		(0.24)	
Change in asset ceiling				
Total remeasurements recognized in OCI	1.27		(2.15)	
Amount Recognized in OCI	(5.74)		(7.01)	
(VII) Analysis of Amounts Recognised in Remeasurements of the Net Defined Benefit Liability/(Asset) during the Period				
Premeasurements due to :-				
Effect of Change in financial assumptions		3.72		(2.07)
Effect of Change in demographic assumptions				
Effect of experience adjustments		33.91		24.39
(Gain)/Loss on Curtailments/settlements				
Return on Plan assets(excluding interest)		(1.71)		0.44
Change in asset ceiling				
Total remeasurements recognized (gains)/losses		35.92		22.76
(VIII) Changes in defined Benefit Obligation during the Period				
Defined Benefit Obligations Beginning of period	484.61	343.06	434.33	311.01
Interest cost on DBO	35.33	26.38	31.44	21.67
Current service cost	22.14	25.53	20.74	22.74
Benefit paid (if any)				
Benefit paid by the Insurer (if any)	0.00	(42.61)	0.00	(34.68)
Past Service cost				
Actuarial (gain)/loss	4.48	37.63	(1.90)	22.32
Defined Benefit Obligation at the end of the period	546.57	389.99	484.61	343.06
(IX) Change in Fair Value of Plan Assets during the Period				
Fair Value of Plan Assets at the beginning of the period	518.10	325.38	477.80	302.82
Interest Income on Plan assets	37.77	23.72	34.31	21.74
Contributions	30.55	6.90	5.74	1.26



Benefits paid		(0.70)		0.00
Actuarial gain/(loss) on plan assets	3.21	1.71	0.24	(0.44)
Fair Value of Plan Assets at the end of the Period	589.63	357.02	518.10	325.38
(X) Reconciliation of Balance Sheet Amount				
Balance Sheet(Asset)/Liability, beginning of Period	(33.48)	17.68	(43.47)	8.19
Total Charge/(Credit) Recognized in Profit & Loss	19.70	64.11	17.87	45.43
Total Remeasurements Recognized in OC (Income)/Loss	1.27		(2.15)	
Actual Employer Contribution /benefit Directly paid by the Cc	(30.55)	(48.81)	(5.74)	(35.93)
Balance Sheet(asset)/Liability End of Period	(43.06)	32.98	(33.48)	17.68
(XI) Sensitivity Analysis				
Defined Benefit Obligation - Discount Rate + 100 base points	(23.38)	(17.97)	(24.00)	(20.34)
Defined Benefit Obligation - Discount Rate - 100 base points	25.27	19.62	25.03	23.12
Defined Benefit Obligation - Salary Escalation Rate + 100 base	5.35	19.97	7.03	23.85
Defined Benefit Obligation - Salary Escalation Rate - 100 base	(5.63)	(18.63)	(8.15)	(22.57)

(XII) Expected Cash Flows for the Next Ten Years

Year - 2021			
Year - 2022			
Year - 2023			
Year - 2024			16.47
Year - 2025	39.00		36.08
Year - 2026	77.65		71.43
Year - 2027	48.97		45.26
Year - 2028	31.53		28.98
Year - 2029	159.51		
Year 2030-2034	329.60		
Year - 2029- to 2033			417.05

Note: - 14.6 Estimates of future salary increase considered in actuarial valuation taken in to account inflation, seniority, promotion and other relevant factor

Notes - 15

Other financial liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Amount payable/adjustable to SCA & Others	-	42.79
Security deposit & retention money (Unsecured Considered Good)	3.67	0.54
Grant from government/Financial Institutions-1.5.1	3,192.31	1,138.47
Interest on Grant Fund	10.79	32.61
Lease Obligation Adjustable-15.2	7.44	
Sub Total (1)	3,214.21	1,214.41
Other payables :		
Total outstanding dues of creditors other than micro enterprises and small enterprises	173.00	52.26
Total outstanding dues of micro enterprises and small enterprises (refer note - 41)	-	-
Sub Total (2)	173.00	52.26
Total	3,387.21	1,266.66

Note 15.1 The Corporation has earned the Interest on unutilized fund of Rs. 44.15 Lakh FY 2023-24 (previous year FY 2022-23-Rs. 44.66 Lakh) and an amount of Rs. 53.57 Lakh FY 2023-24 (previous year Rs.17.48 Lakh FY 2022-23) has duly been deposited with consolidated fund of Govt. of India and remaining balance will be deposited in Bharat Kosh in the next financial year.

Note 15.2 The Corporation had leased out its two flats to IREL for 3 Years at Rs. 0.40 Lakh per flat. Further, the IREL had incurred direct cost of Rs.8.87 Lakh and as per lease agreement the same need to be adjusted from the lease rental.(Refer Note No. 18)

Trade Payables Ageing FY 2023-24

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-	-
(ii)Others	173.00	-	-	-	-	173.00
(iii)Disputed dues - MSME	-	-	-	-	-	-
(v) Disputed Due others	-	-	-	-	-	-
Total	173.00	-	-	-	-	173.00

Trade Payables Ageing FY 2022-23

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-	-
(ii)Others	33.50	-	18.76	-	-	52.26
(iii)Disputed dues - MSME	-	-	-	-	-	-
(v) Disputed Due others	-	-	-	-	-	-
Total	33.50	-	18.76	-	-	52.26



Note - 15.1 Security Deposit includes deposits received from various vendors/suppliers for services.
 Note - 15.2 Corporation received various grants/funds from administrative ministry for implementing various schemes of ministry as well as other CPSIs for specific purpose. Corporation has maintained separate account for each fund/grant and it has been shown as liability off the fund as utilized for the purpose it was received. After debiting the same has been adjusted from the PIA (Project Implementing Agency) balance.

Note - 15.3 During the year an amount of Rs. 12,285.05 lakhs (previous year: Rs. 2232.99 lakhs) was received from various institutions etc. towards inspiring, training and stipend. Out of total grants available, Rs. 10230.59 lakhs (Previous year Rs. 6414.75 lakhs) was released towards including interest to the training institutions/Administrative ministry and recognized during the financial year as revenue grant. The detail of training grant and subsidy at the beginning, received, returned, released during the year, and the balances as on 31.03.2024, are as under:

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Total	Grant	Interest Income	Total	
Ministry of SARE (Grant-I) of 12-18 (for Beggar)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-II) of 18-19 (Transgender)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-III) of 19-20 (Transgender)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-IV) of 19-20 (NER)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-V) of 19-20 (NER)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-VI) of 19-20 (NER)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-VII) of 20-21 (P.M. Daksh)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-VIII) of 20-21 (P.M. Daksh)-4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-IX) of 21-22 (P.M. Daksh)-1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-X) of 21-22 (P.M. Daksh)-2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ministry of SARE (Grant-XI) of 20-21 (P.M. Daksh)-CAN	614.61	0.00	614.61	0.00	0.00	614.61	614.61	0.00	614.61	614.61	614.61	0.00	0.00	614.61	
Ministry of SARE (Grant-XII) of 21-22 (P.M. Daksh)-CAN	415.01	27.18	442.19	0.00	0.00	442.19	442.19	0.00	442.19	442.19	442.19	0.00	0.00	442.19	
Cooperatives of India Ltd.															
Development Commissioner (Head Office)															
Frederic Railway Finance Corporation Ltd.															
Engineers India Ltd.															
INSIA E GRANT RECEIPT ON NF-OBIC (SHREYAS) ACCOUNT															
INSIA E GRANT RECEIPT ON INTY-SUBSIDY-SHREYAS AC															
Ministry of SARE (Grant-III) of 23-24 (P.M. Daksh)-CAN	46.40	0.34	46.74	0.00	0.00	46.74	46.74	0.00	46.74	46.74	46.74	0.00	0.00	46.74	
Ministry of SARE (Grant-III) of 23-24 (P.M. Daksh)-CAN	750.00	0.00	750.00	0.00	0.00	750.00	750.00	0.00	750.00	750.00	750.00	0.00	0.00	750.00	
Ministry of SARE (Grant-III) of 23-24 (P.M. Daksh)-CAN	981.00	0.00	981.00	0.00	0.00	981.00	981.00	0.00	981.00	981.00	981.00	0.00	0.00	981.00	
Ministry of SARE (Grant-III) of 23-24 (P.M. Daksh)-CAN	8974.28	3.14	8977.42	0.00	0.00	8977.42	8977.42	0.00	8977.42	8977.42	8977.42	0.00	0.00	8977.42	
INSIA E GRANT RECEIPT ON NF-OBIC (SHREYAS) ACCOUNT 2023-24	1138.46	32.61	1171.07	12346.56	41.65	12388.21	13526.77	74.87	13599.64	13526.77	13526.77	68.27	10291.59	3197.31	
Total															
	5,680.22	1.41	5,681.63	2,241.35	162.76	2,404.11	7,421.61	164.29	7,585.90	5,998.17	5,414.26	416.50	11,338.46	32.61	

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Total	Grant	Interest Income	Total	
Ministry of SARE (Grant-I) of 12-18 (for Beggar)	52.49	0.00	52.49	0.00	0.00	52.49	52.49	0.00	52.49	52.49	52.49	0.00	0.00	52.49	
Ministry of SARE (Grant-II) of 18-19 (Transgender)	66.83	0.00	66.83	0.00	0.00	66.83	66.83	0.00	66.83	66.83	66.83	0.00	0.00	66.83	
Ministry of SARE (Grant-III) of 19-20 (NER)	480.00	0.00	480.00	0.00	0.00	480.00	480.00	0.00	480.00	480.00	480.00	0.00	0.00	480.00	
Ministry of SARE (Grant-IV) of 19-20 (NER)	167.79	0.00	167.79	0.00	0.00	167.79	167.79	0.00	167.79	167.79	167.79	0.00	0.00	167.79	
Ministry of SARE (Grant-V) of 19-20 (NER)	776.21	0.00	776.21	0.00	0.00	776.21	776.21	0.00	776.21	776.21	776.21	0.00	0.00	776.21	
Ministry of SARE (Grant-VI) of 19-20 (Transgender)HEALTH	2.70	0.00	2.70	0.00	0.00	2.70	2.70	0.00	2.70	2.70	2.70	0.00	0.00	2.70	
Ministry of SARE (Grant-VII) of 20-21 (P.M. Daksh)-4	570.79	0.00	570.79	0.00	0.00	570.79	570.79	0.00	570.79	570.79	570.79	0.00	0.00	570.79	
Ministry of SARE (Grant-VIII) of 20-21 (P.M. Daksh)-4	699.00	0.00	699.00	0.00	0.00	699.00	699.00	0.00	699.00	699.00	699.00	0.00	0.00	699.00	
Ministry of SARE (Grant-IX) of 21-22 (P.M. Daksh)-1	907.25	0.00	907.25	0.00	0.00	907.25	907.25	0.00	907.25	907.25	907.25	0.00	0.00	907.25	
Ministry of SARE (Grant-X) of 21-22 (P.M. Daksh)-2	1942.00	0.00	1942.00	0.00	0.00	1942.00	1942.00	0.00	1942.00	1942.00	1942.00	0.00	0.00	1942.00	
Ministry of SARE (Grant-XI) of 20-21 (P.M. Daksh)-CAN															
Ministry of SARE (Grant-XII) of 21-22 (P.M. Daksh)-CAN															
Cooperatives of India Ltd.															
Development Commissioner (Head Office)															
Engineers India Ltd.															
INSIA E GRANT RECEIPT ON NF-OBIC (SHREYAS) ACCOUNT	60.82	0.00	60.82	0.00	0.00	60.82	60.82	0.00	60.82	60.82	60.82	0.00	0.00	60.82	
INSIA E GRANT RECEIPT ON INTY-SUBSIDY-SHREYAS AC	46.61	0.00	46.61	0.00	0.00	46.61	46.61	0.00	46.61	46.61	46.61	0.00	0.00	46.61	
INSIA E GRANT RECEIPT ON NF-OBIC (SHREYAS) ACCOUNT	57.60	0.00	57.60	0.00	0.00	57.60	57.60	0.00	57.60	57.60	57.60	0.00	0.00	57.60	
INSIA E GRANT RECEIPT ON INTY-SUBSIDY-SHREYAS AC															
INTY-SEED-GRANT FOR LIVELIHOOD 2023-24 ACCOUNT															
Total	5,680.22	1.41	5,681.63	2,241.35	162.76	2,404.11	7,421.61	164.29	7,585.90	5,998.17	5,414.26	416.50	11,338.46	32.61	

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Total	Grant	Interest Income	Total	
INSIA E GRANT RECEIPT ON NF-OBIC (SHREYAS) ACCOUNT	57.60	0.00	57.60	0.00	0.00	57.60	57.60	0.00	57.60	57.60	57.60	0.00	0.00	57.60	
INSIA E GRANT RECEIPT ON INTY-SUBSIDY-SHREYAS AC	57.60	0.00	57.60	0.00	0.00	57.60	57.60	0.00	57.60	57.60	57.60	0.00	0.00	57.60	
Total	115.20	0.00	115.20	0.00	0.00	115.20	115.20	0.00	115.20	115.20	115.20	0.00	0.00	115.20	



Note: - 16
Other Current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
TDS payable	54.75	0.80
GST payable	3.01	1.46
Provident fund payable	15.29	-
Pension & Post retirement medical fund	1.74	-
Employee Reimbursement & Others Payables	6.10	2.82
Unspent CSR Fund -Interest	0.89	0.98
Total	81.78	6.05

Note: - 17
Revenue From Operations

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
a) RENDERING OF SERVICES:		
Interest on Loan to SCAs/others		
Interest on Loan and advances (General Loan)	4,403.50	4,302.58
Interest on Loan and advances (Micro Finance)	1,074.43	966.92
Penal Interest (General Loan)	0.80	5.60
Penal Interest (Micro Finance)	0.08	0.36
Donation Received	-	0.11
	5,478.81	5,275.57
b) Other Operating Income		
Provision /Allowances on Loans & Advances written back	-	-
Monitoring Cost on CSR Activities	12.22	31.54
Management Fee-Visvas Scheme	-	5.63
	12.22	37.17
Total	5,491.03	5,312.74

Note 17.1 The Corporation has adopted Ind AS -115 (revenue from contract with customers) in accordance with requirement of applicable financial reporting framework, due to adoption of this there is no material impact on financial statement of NBFCFC

Note 17.2 On the basis of annual sanction, Channel Partners can draw required amount of funds as advance which is converted into loan, in full or in part, on the basis of utilization details submitted by the Channel Partner. The advance is required to be converted into loan by the Channel Partners by way of loaning to the eligible beneficiaries under various scheme of the Corporation, the advance is provided to the Channel Partners at applicable interest rate on advances and from the date of its utilization, the interest rate of respective scheme in which funds have been utilized become applicable.

Note 17.3 Interest income on loan advanced/given is recognized on time proportion basis taking into account the amount outstanding and the rate applicable, using Effective Interest Rate method.

Note 17.4 Interest income on unutilized funds lying with the borrowing agencies is recognised as per prevailing rate of interest on advances from the date of advance of funds to a day before to letter date of utilisation of funds by the borrowing agencies

Note 17.5 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.

Note 17.6 Interest income on overdue of Loans is recognised as per prevailing rate of interest from the date of overdue to a day before receipt of repayment

Note 17.7 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised an income of Rs. Nil FY 2023-24, Rs. 0.11 Lakh FY 2022-23, Rs. 1.23 Lakh (FY 21-22) & 28.37 Lakh (FY 20-21) respectively w.e.f 01.04.2021.

17.8 Actual of Revenue & Terms of references are as under:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Term Loan	Micro Finance	Term Loan	Micro Finance
Interest accrued & due as at beginning of the year	1,597.53	99.02	1,310.92	69.98
Add: Interest accrued & due during the year	4,403.50	1,074.43	4,302.58	966.92
Less: Interest Received during the year	4,327.50	1,078.63	4,515.98	937.88
Less: Adjustment, if any	-	-	-	-
Interest accrued & due as at Balance Sheet Date	1,673.52	94.82	1,597.53	99.02
Penal Interest receivable as at beginning of the year	241.74	3.52	242.20	3.32
Add: Recognized during the year	0.80	0.08	5.60	0.36
Less : Received during the year	0.80	0.08	5.60	0.36
Less: Adjustment, if any	-	-	0.46	-0.00
Penal Interest receivable as at Balance Sheet Date	241.74	3.52	241.74	3.52

*Terms of references:

*General Loan includes Education loan ,New Swarnima, Term loan and Micro Finance includes MFS & Mahila Samridhi yojana.

Particulars	General Loan Scheme			Micro Finance Scheme		
	Education Loan	New Swarnima	Term Loan	Micro Finance	Mahila Samridhi/Small Loan Finance	NBFC-MFI-Loan
Rate of Interest *	1.5%/1%	2%	3%, 4% & 5%	2%	1%/3%	4%
Repayment Period	9.5 Year in 20 Quarterly Instt.	8 year in Quarterly Instt.	8 year in Quarterly Instt.	4 year in Quarterly Instt.	4 year in Quarterly Instt. (w.e.f 01.04.2021 for SMP)	4 year in Quarterly Instt.
Moratorium Period	4.5 years inclusive of study period of 4 years	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal

* 0.5% rebate on timely repayment of due

5.4% interest charged in r/o loan above ₹ 5 Lakh to 10 Lakh and 5% on above ₹ 10 Lakh

Penal Interest shall attract @ 1% on default amount.



B. Interest on Advance Fund : Funds are to be utilized within 120 days by SCAs. Banks may claim refinance of outstanding balance under Education loan irrespective of year of loan disbursement. For other schemes refinance can be claimed during current year only. The amount of refinance should be appropriated with in 10 working days of drawl from NBCFDC.

Period	ROI
1-120 days	3%
121-180 days	6%
Above 180 days	8%

Note 18 Other Income

Particulars	₹ in Lakhs	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
a) Interest Income		
Interest on advances to employees	30.94	15.35
Interest subsidy on Education Loan	-	-
Sub Total (a)	30.94	15.35
b) Interest from Banks		
Interest on savings bank	252.67	150.61
Interest on fixed deposits	-	72.40
Sub Total (b)	252.67	223.01
c) Other Non-Operating Income		
Miscellaneous income	1.04	1.24
Sub Total (c)	1.04	1.24
d) Other Non-Operating Income		
Lease Rental	1.43	-
Sub Total (d)	1.43	-
Total (a+b+c+d)	286.08	239.60

Note 18.1 Interest on short term deposit with banks is recognised from the date of short term deposit to date of maturity on accrual basis as per prevailing rate.

Note 18.2 Interest on loan to employees includes fair value adjustment of ₹ 2.63 Lakhs (₹ 3.69 Lakhs as at 31.03.2023)

Note 18.3 The Corporation has obtained 12A exemption certificate from Income tax authority for accepting donation for intend purpose to conduct skill development programme for target group of OBC in the month of July 2017 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised an income of Rs. Nil FY 2023-24, Rs. 0.11 Lakh FY 2022-23, Rs. 1.23 Lakh (FY 21-22) & 28.37 Lakh (FY 20-21) respectively w.e.F.01.04.2021.

Note 18.4 The Corporation had leased out two flats held as ROU(Note-No.3) to IREL for a period of three years at monthly rental income of Rs. 0.40 Lakh per flat with an annual increment of 5%.

Note :- 19

Allowance/Reversal for Loans & advances

Particulars	₹ in Lakhs	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Allowance for Loans & advances	365.65	416.76
Uncollectible interest	95.26	95.09
Total	460.91	511.85

Note :- 20

Penal Interest waived off and others

Particulars	₹ in Lakhs	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Penal Interest waived off	-	44.57
Interest Incentive under One time Settlement (OTS)	-	19.08
Total	-	63.65

Note :- 21

Employee Benefits Cost

Particulars	₹ in Lakhs	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
a) Salary, Wages & Benefits		
- Salary and Allowances	1,095.27	997.03
b) Contribution to Provident Fund & Other Funds		
- Contribution to Provident and Superannuation Funds	197.38	170.66
c) Staff welfare expenses		
- Leave Travel Concession	2.36	16.47
- Medical Reimbursements /Policies	46.27	38.38
- Others	19.44	18.61
Total	1,360.73	1,241.15

Note 21.a 'Others' includes Interest on loan to employees fair value adjustment of ₹ 2.63 Lakhs (₹ 3.69 Lakhs as at 31.03.2023)

Note :- 21.1

Finance Cost

Particulars	₹ in Lakhs	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
a) Interest	25.07	-
Total	25.07	-



Note :- 22

Depreciation & Amortization Costs

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Depreciation on Tangible Assets (refer note no. 3)	34.35	22.87
Amortization of Intangible assets (refer note no. 4)	3.55	4.05
Depreciation Charge for Right of Use Assets (refer note no. 3.1)	0.59	0.59
Total	38.49	27.51

Note :- 23

Training and Other Developmental Expenditure

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Training Expenditure on Beneficiaries & other developmental expenses	10,290.59	6,457.76
Less: Recognised/released during the year (Refer Note. No. 15.3)	10,290.59	6,414.76
Sub Total (a)	-	42.99
Fair, Exhibitions and Awareness Camps	101.55	62.43
Performance linked Grant in aid (SCAs)	-	-
Cluster Development Expenses	22.48	80.42
Publicity Grant to SCAs	8.14	6.99
Donation & Covid 19 Expenses (See Note 23.4)	-	0.11
Sub Total (b)	132.17	149.96
Total	132.17	192.95

Note 23.1 The Corporation has so far disbursed cumulative grant of ₹ 33,142.21 lakhs (Previous year ₹22,851.63 lakhs) including share of administrative ministry to State Channelising Agencies/ other institutions for imparting training to the target group & officials of SCAs, which is charged to revenue on disbursement as per policy. Out of the cumulative grants disbursed, utilization certificate(s) for ₹ 542.65 lakhs (Previous year ₹309.15 lakhs) are awaited as at year end.

Note 23.2 Since there is uncertainty of the amount and time lag in submission of training expenses claims by SSC/Training Institutions and multiple training programmes monitored by them, payments on account of grant from training programmes are charged to expenses in the year of acceptance of claim /year of disbursement.

Note 23.3 The Corporation has so far disbursed cumulative grant of ₹878.63 lakhs (Previous year ₹ 878.63 lakh) to incentivizing the State Channelising Agencies/ other institutions in better delivery mechanism, recoveries of loans and purchase of data processing units etc., which is charged to revenue on disbursement as per policy. Out of the cumulative grants disbursed, utilization certificate(s) for ₹ 0.36 lakhs (Previous year ₹3.04 lakhs) are awaited as at year end.

Note. 23.4 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised expenditure of Rs. Nil & Rs.0.11 Lakh FY2023-24 & 2022-23 respectively.

Note :- 24

Rebate on Interest on Loans & Advances

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Rebate	33.50	25.96
Total	33.50	25.96

Note 24.1 Incentive for Channel Partners as "Rebate on Interest": In order to encourage to channel partners for timely repayment of due, The Corporation has a scheme for them as " Rebate on interest". As per norms, rebate of 0.5% on Education Loan is provided.

Note :- 25

Other Expenses

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
A. Administrative Expenses		
Auditor Remuneration (Refer Note No-25.1)	2.07	2.07
Repair & Maintenance (Equipment & others)	50.22	12.39
Electricity & Water charges	14.65	13.86
Rent	227.85	217.00
Rates & Taxes	0.38	0.42
Insurance	1.20	0.84
Telephone	8.53	7.94
Travelling Expenses -Directors	1.37	2.11
Travelling Expenses -Staffs & others	31.54	10.81
Conveyance	28.73	8.97
Vehicle Running & Maintenance	2.96	1.29
Office Expenses & Maintenance	45.57	46.28
Legal & Professional charges	21.42	7.88
Printing & stationery	8.63	8.12
Advertisement	1.31	8.05
Conference and Meetings	14.25	0.14
Recruitment & Training	1.36	0.75
Monitoring & Evaluation	20.69	26.13
Security & Other Services Charges	70.01	70.13
Other Expenditure	38.11	25.59
Total	590.94	470.77



Note 25.1 Payment to the Auditor

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Statutory Auditor Remuneration	2.07	2.07
For taxation matters (Tax Audit)	0.22	0.22
for company law matters		
for other services (GST & Others) (see note 25.1.1)	0.41	0.41
for reimbursement of expenses		
Total	2.70	2.70

Note 25.1.1 The Corporation had incurred GST & 30G fee of Rs. 0.30 Lakh and Rs. 0.12 Lakh respectively.

Note: - 26

Components of Other Comprehensive Income (OCI)/ (Expenses)

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

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Remeasurement of Defined Benefit plans		
- Gratuity	1.27	2.15
Total	1.27	2.15

Note :- 27 Exceptional Items

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Excess Provision of Performance Incentive written back & other	-	(25.30)
Interest on Income Tax Refund	(0.03)	(0.96)
Loss / (Profit) on sale of assets	(0.07)	(0.18)
Excess Provision/ Expenses written back (Note-27.1)	(9.58)	2.88
Expenses/ Liability written off	-	(18.88)
Other Exceptional Income (See Note No. 27.2)	(1.85)	(0.03)
Assets Written off	-	0.30
Total	(11.52)	(42.16)

Note 27.1 a sum of Rs. 9.58 Lakh on account of Actuarial Valuation for Gratuity FY 2023-24 and an amount of Rs. 2.88 Lakh (reversal of Rs. 2.81 Lakh against Income Tax Refund & 0.06 Lakh for Leave Encashment FY 2022-23 respectively has been provided as exceptional items.

Note 27.2 a sum of Rs. 1.85 Lakh (Rs. 1.35 Lakh for Cluster Dev. Handicraft and Rs. 0.50 Lakh for refund from X-29, association for FY 2008-09) for FY 2023-24 & Rs. 0.03 Lakh FY 2022-23 has been considered as exceptional income.

The Corporation had received an amount of Rs. 0.03 Lakh & Rs. 0.96 Lakh on account of Interest on Income Tax Refund for the FY 2023-24 & FY 2022-23 respectively.

All the provisions written back are considered as Exceptional Items except Provision Written back on Loan & Advances.

Note :- 28 Corporate Social Responsibilities (CSR) Expenses

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Direct Expenses	65.04	25.20
Overheads	-	0.22
Total	65.04	25.42

Note 28.1 Disclosure in respect of CSR Expenses :

Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of The Companies Act, 2013 read with Schedule VII thereof:

a. Detail of amount required to be spent

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Average surplus/ profit of the last three years	3,174.58	3,020.02
Un-spent amount as at Beginning of the Year	(72.23)	(107.21)
Gross Amount required to be spent during the year (2% of above 1)	63.49	60.40
Amount Spent during the year	65.04	25.42
Amount considered during the year		
Un-spent amount as at Year End	(73.78)	(72.23)
Total	(73.78)	(72.23)

b. No provision has been made for CSR Expenses during the year. The income earned, if any incidentally to the CSR projects have been set off from the CSR expenses.



(b) Details of Average of Surplus/Profit of the last three Financial Years as follows: (₹ in Lakhs)

Financial Years	Net Profit	Average Net Profit	Amount to be Spent for CSR Expenditure
2011-12	2410.56		
2012-13	2569.02		
2013-14	1984.83		
2014-15	3734.42	2321.47	46.43
2015-16	2407.64	2762.76	55.26
2016-17	2567.16	2708.96	54.18
2017-18	1960.63	2903.07	58.06
2018-19	2793.68	2311.81	46.24
2019-20	2574.11	2440.49	48.81
2020-21	3421.25	2442.81	48.86
2021-22	3064.70	2929.68	58.59
2022-23	3037.79	3020.02	60.40
2023-24	3083.06	3174.58	63.49

(c) CSR Disclosure as per Section 135 of the Companies Act, 2013

(₹ in Lakhs)

Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
FY 2021-22	12.36	12.84	8.32	4.49	0.03	
FY 2022-23	45.65	47.47	1.41	21.76	24.30	
FY 2023-24	32.68	32.68	0.00	0.00	32.68	

Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any

Total Amount Spent for the Financial Year	Unspent Amount (in Lakh)				
	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)		Amount transferred to a Fund as specified under Schedule VII subsection (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount (in Lakh)	Date of Transfer
65.04	32.68	16-Apr-24	PMNRF	1.41	29-Sep-23
				21.76	29-Sep-23
				3.08	28-Mar-24

(c) CSR Disclosure as per Section 135 of the Companies Act, 2013

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
amount required to be spent by the company during the year	64.22	45.65	11.36
amount of expenditure incurred,	31.54	1.32	8.32
Amount Transfer to PMNRF	0.00	20.80	3.06
shortfall at the end of the year,	32.68	23.53	0.00
total of previous years shortfall		1.80	

reason for shortfall

Delay in submitting the proposal by channel partners.

nature of CSR activities,

Eradicating hunger, poverty and malnutrition; promoting health care including preventing health care and making available safe drinking water.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR Rules, 2014, the Corporation had transferred an unspent balance of Rs. 32.68 Lakh to Specially designated Unspent CSR Fund for the FY 2023-24 with in 30 days from the end of the Financial Year.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR Rules, 2014, the Corporation had transferred an unspent balance of Rs. 26.25 Lakh to Prime Minister National Relief Fund (PMNRF) during FY 2023-24 against unspent fund of previous years. Further, the balance unspent balance of Rs. 22.54 Lakh (0.03 Lakh & Rs. 22.50 Lakh for FY 2021-22 & FY 2022-23) had also been deposited to PMNRF dated on 16.04.2024 having unspent balance for Rs. 1.80 Lakh for ongoing projects (FY 2022-23) only.

Note: - 29

Earnings per share (EPS)

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Basic EPS		
From continuing operation	20.55	20.24
Diluted EPS		
From continuing operation	20.54	20.24



29.1 Basic Earning per Share

Particulars	₹ in Lakhs)	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Profit attributable to equity holders of the company: Continuing operations	3081.79	3035.27
Earnings used in calculation of Basic Earning Per Share	3081.79	3035.27
Weighted average number of shares for the purpose of basic earnings per share	149.96	149.94

29.2 Diluted Earning per Share

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

Particulars	₹ in Lakhs)	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Profit attributable to equity holders of the company: Continuing operations	3081.79	3035.27
Earnings used in calculation of diluted Earning Per Share from continuing	3081.79	3035.27

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity share used in calculation of basic earning per share as follows

Particulars	₹ in Lakhs)	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Weighted average number of shares for the purpose of basic earnings per share	149.96	149.94
Effect of Dilution :	-	-
Share Application money pending allotment	0.08	-
Weighted average number of shares for the purpose of Diluted earnings per share	150.04	149.94



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74699DL1992NP1047140)

Notes - 30

30.1 Related Party Disclosures (Key managerial personnel)

- (a) Mr. Rajan Sehgal, Managing Director
- (b) Mr. Ajit Kumar Samal, S.G.M. (Finance) & Company Secretary
- (c) Mr. V. R. Chary S.G.M. (HR & Personal)
- (d) Ms. Anupama Sood S.G.M.(Project)
- (e) Mr. Suresh Kumar G.M. (Adm.)

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

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Short Term Benefits (Salaries/FRPetc.)	252.49	223.40
Sitting Fees to Independent Directors		0.00
Post Employment Benefits	42.05	31.47
Other Long Term Benefits		
Termination Benefits		
Share Based Payment		
Medical	2.43	1.73
Others (Reimb.)	16.54	5.63
Sub Total (1)	313.55	262.23
Loans to related party:		
Loans given during /at the end of the year	20.50	45.30
Interest	13.83	12.84
Repayment during the year	15.40	25.37
Sub Total (2)	49.73	83.51
Amount owned by related parties at end of the year (1+2)	363.28	345.74

FY 2023-24

Particulars	(₹ in Lakhs)				
	Mr. Rajan Sehgal (Managing Director)	Mr. Ajit Kumar Samal	Mr. V.R.Chary	Ms. Anupama Sood	Mr. Suresh Kumar
Short Term Benefits	63.07	41.40	53.37	52.46	42.19
Post Employment Benefits	13.43	7.03	8.42	8.63	7.37
Medical	0.50	0.43	0.50	0.50	0.50
Others (Reimb.)	13.73	1.50	0.58	0.49	0.29

FY 2022-23

Particulars	(₹ in Lakhs)				
	Mr. Rajan Sehgal (Managing Director)	Mr. Ajit Kumar Samal	Mr. V.R.Chary	Ms. Anupama Sood	Mr. Suresh Kumar
Short Term Benefits	15.82	45.97	54.80	57.46	48.36
Post Employment Benefits	2.52	6.45	7.93	7.79	6.78
Medical	0.13	0.50	0.50	0.50	0.10
Others (Reimb.)	2.74	1.06	0.77	0.35	0.70

Loans or Advances granted to promoters, directors, KMPs and the related parties

Type of Borrower	(₹ in Lakhs)	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters		
Directors		
KMPs	20.50	0.01%
Related Parties		

Total Compensation paid as per the guidelines of Deptt. Of Public Enterprises (DPE)

TA/DA is paid /payable in normal course of business and paid on same terms which are applicable to other employees.

30.3 Transaction with the Government Related Entities

Apart from transactions reported above, the Corporation has transactions with other Government related entities, which Name of Government : Government of India through Ministry of Social Justice and Empowerment

Certain Significant Transactions

Party	Nature of Transaction	(₹ in Lakhs)	
		For the Year Ended March 31, 2024	For the Year ended March 31, 2023
Ministry of Social Justice and Empowerment	Receipt towards Equity Share Capital during the year	1,500.00	
Ministry of Social Justice and Empowerment	Receipt of Grant in Aid towards implementation of Skill Development Programme during the year	12,285.05	
Ministry of Social Justice and Empowerment	Reimbursement of expenses of organizing events		
Total		13,785.05	

30.4 Related Parties held equity of the Corporation

Name of Party	Relationship	For the Year Ended March 31, 2024		For the Year ended March 31, 2023	
		Number of share held	% holding in that class of shares	Number of shares	% holding in that class of shares
President of India	Shareholder	15144300	99.9%	14994000	99.9%



Notes - 31 Capital management

31.1. 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. Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. As on 31st March 2022

31.2 Following changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022:

Note - 32 Fair Value measurements

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

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Cash and Cash Equivalents	-	-	1,097.78	-	-	3,410.28
(ii) Other Bank balances	-	-	-	-	-	-
(iii) Security Deposits	-	-	0.30	-	-	0.25
(iv) Other Financial Assets	-	-	2,012.20	-	-	1,995.59
(v) Loans	-	-	2,10,914.26	-	-	2,04,185.13
(vi) Staff Loans & advances	-	-	393.18	-	-	202.71
(vii) Cash & Cash Equivalents-Grant Fund	-	-	3,481.83	-	-	1,374.87
Total Financial Assets	-	-	2,17,899.55	-	-	2,11,168.94
Financial Liabilities						
(i) Other financial liabilities	-	-	3,387.21	-	-	1,266.66
(ii) Security deposit & retention money	-	-	3.67	-	-	0.54
Total Financial Liabilities	-	-	3,390.88	-	-	1,267.20

(ii) Fair value of financial assets and liabilities that are measured at fair value (but fair value disclosure are required)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
(i) Loans	2,10,914.26	2,10,914.26	2,04,185.13	2,04,185.13
(ii) Staff Loans & advances	393.18	448.63	202.71	234.73
Total Financial Assets	2,11,307.44	2,11,362.88	2,04,387.84	2,04,419.87

- i) The carrying amounts of cash and cash equivalents, other bank balances, security deposits, Other Receivables and payables are considered to be same as their fair values, due to short term.
 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
 iii) For financial assets and Liabilities that are measured at fair value, the carrying amount are equal to the fair values.

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 31-03-2024

Particulars	Date of valuation	Level			Total
		Level 1	Level 2	Level 3	
Financial Assets					
Financial assets at Amortised Cost					
Loans	31st March 2024	-	-	2,10,914.26	2,10,914.26
Loans to employees	31st March 2024	-	-	393.18	393.18
		-	-	2,11,307.44	2,11,307.44

Fair Value hierarchy as on 31-03-2023

Particulars	Date of valuation	Level			Total
		Level 1	Level 2	Level 3	
Financial Assets					
Financial assets at Amortised Cost					
Loans	31st March 2023	-	-	2,04,185.13	2,04,185.13
Loans to employees	31st March 2023	-	-	202.71	202.71
		-	-	2,04,387.84	2,04,387.84

(iii) Financial risk management

The Company's principal financial liabilities comprise Grant 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/other entities that derive directly from its equity.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises interest rate risk, Financial instruments affected by market risk includes loan 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 instruments 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 /RRBs/PSBs and Others. The company is exposed to credit risk from its financial activities of loans given to SCA's /RRBs/PSBs and Others.

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 behaviour of the borrower (SCA's), including changes in the payments status of the borrowers (SCA'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 1 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.



c) 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.

Note - 33

Provision for Expected Credit Losses of Loans for the year ended 31st March, 2024

		(₹ in Lakhs)				
Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount of Net 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	2,10,920.15	0%	-	2,10,920.15
		Interest on Loans	1,122.33	0%	-	1,122.33
	Financial Asset for which credit risk has increased significantly and not credibly impaired	Loans	5.89	15%	0.88	5.01
			-	25%	-	-
			1,430.63	100%	1,430.63	-
		Interest on Loans	2.35	15%	0.35	2.00
	-	25%	-	-		
	888.93	100%	888.93	-		
		2,14,370.28		2,520.80	2,12,049.48	

Provision for Expected Credit Losses of Loans for the year ended 31st March, 2023

		(₹ in Lakhs)				
Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount of Net 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	2,04,185.13	0%	-	2,04,185.13
		Interest on Loans	1,147.78	0%	-	1,147.78
	Financial Asset for which credit risk has increased significantly and not credibly impaired	Loans	-	15%	-	-
			-	25%	-	-
			1,065.87	100%	1,065.87	-
		Interest on Loans	-	15%	-	-
	-	25%	-	-		
	794.03	100%	794.03	-		
		2,07,162.81		1,859.89	2,05,302.91	

a) Provisions for Expected Credit Losses of loans and interest thereon, where the amounts are overdue and are not covered by the State Government's Order/ Guarantee or any other security shall be made as per the Probability of default.

b) Unrealized 'Penal Interest' upto 31/03/2007 has been provided in the financial statement whereas amount pertaining to subsequent period is recognized as and when received due to its uncertainty factor.

c) Overdue interest on Unsecured loans disbursed directly to NGO/Students at the end of financial year provided for.

Period for which overdue	Probability of default
Upto 1 year	15%
1 to 3 year	25%
More than 3 year	100%

Beside above, as a matter of prudence, where even due amount of interest not received during the financial year on Unsecured loans, disbursed without security / Post dated Cheques etc. provided for.

FY 2023-24

		(₹ in Lakhs)			
Name of the SCA	Principal Outstanding	Interest Outstanding	Total	Provision @100%	
Bihar BC		384.91	384.91	384.91	
MP SC	56.87	73.09	129.96	129.96	
MP BC	56.42	97.93	154.35	154.35	
Maharashtra Mahatma Phule	48.62	25.07	73.69	73.69	
Assam Airtel	1262.88	98.76	1321.64	1321.64	
Orissa NGO	5.83	3.92	9.76	9.76	
Penal Interest		245.26	245.26	245.26	
Total	1430.63	888.93	2319.56	2319.56	
Name of the SCA	Principal Outstanding	Interest Outstanding	Total	Provision @015%	
Chandigarh SC/ST/BC	1.17	0.15	1.32	0.20	
Delhi SC/ST	4.73	0.61	5.34	0.80	
Bank of Baroda	0.00	1.58	1.58	0.24	
Total	5.89	2.33	8.24	1.24	
Gross Total	1436.52	891.28	2327.80	2320.80	

The SCA wise detail is as follows:

FY 2022-23

		(₹ in Lakhs)			
Name of the SCA	Principal Outstanding	Interest Outstanding	Total	Provision @100%	
Bihar BC		320.53	320.53	320.53	
MP SC	56.87	70.53	127.40	127.40	
MP BC	56.42	95.36	151.81	151.81	
Maharashtra Mahatma Phule	48.62	22.88	71.50	71.50	
Assam Airtel	898.12	35.41	933.53	933.53	
Orissa NGO	5.83	3.92	9.76	9.76	
Penal Interest		245.26	245.26	245.26	
Bank of Baroda		0.69	0.10	0.10	
Total	1065.87	794.61	1859.89	1859.89	



Balance Confirmation & Unutilised Fund details for the Year Ended March 2024		
NAME OF CHANNEL PARTNER	Balance Confirmation	Unutilised Fund
	Amount (In Lakh)	Amount (In Lakh)
Andhra Pradesh (BC)-I NEW	3887.89	1511.91
Bihar (BC)	3437.37	
Chandigarh SC/ST/BC	13.63	5.00
Chattisgarh Bahudeshiya		23.54
Delhi SC/ST/OBC	12.97	
Gujarat DNT	60.73	21.33
Haryana(BC)		113.25
Himachal Pradesh (BC)		1.68
Jammu & Kashmir SC/ST/BC		133.87
Jammu & Kashmir (WOMEN)	1270.79	0.88
Jharkhand (ST)	1392.83	119.35
Karnataka (Vishkarma)	467.59	19.56
Kerala (BC)		2.35
Kerala (Fisheries)		84.31
Kerala (Palmarah)	100.34	
Kerala Handicraft		41.87
Madhya Pradesh (SC)	169.29	
Madhya Pradesh (BC)	235.70	
Maharashtra (Mahatma Ptule)	80.12	
West Bengal (BC)	1292.43	
Assam (Aardid)	1512.40	50.00
Punjab BC		51.92
Punjab National Bank	6227.37	
Pondicherry BC	760.01	
Rajasthan (BC)		436.72
Sikkim SC/ST		87.00
Streetkidi Credit Cooperative Federation Ltd.	685.71	
Tamilnadu (BC)		0.01
UP sskiki Cream Vikas Bank		52.12
West Bengal (BC)		3.80
NGOS	12.22	
Total	21699.45	2761.59

Note :- 34

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 Intangibles

As described in note 2 (j), 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.

b) 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 judgment is required in establishing fair values. Judgments 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 30 for further disclosures.

Note 35 : Operating Segment reporting

The Corporation has only one Business segment and one Geographical segment, as it is engaged in providing finances at concessional rate of interest to eligible persons belonging to backward classes, through state Channelising agencies and other financial institutions in the country. Hence, segment information as per IndAS is not required to be disclosed.

Note :- 36:

Prior Period Errors

Particulars	As at March 31, 2024	₹ in Lakhs	
			As at March 31, 2023
Impact on equity (increase/(decrease) in equity)			
Trade Payables			
Other current & Non current Provision			
Trade Receivables			
Other Financial Assets (Current)			
Other Financial Liabilities			0.37
Other current & Non - Current liabilities			
Other Receivable (Current)			
Intangible Assets			
Property, Plant & Equipment's			
Right of Use			
Provisions			
Financial Assets-Loan & Advances			
Net Impact on Equity	-	-	0.37

Particulars	As at March 31, 2024	₹ in Lakhs	
			As at March 31, 2023
Impact on statement in Income and Expenditure less (increase/(decrease) in Surplus)			
Other Expenses			0.37
Employees Benefit Cost			
Training & other Developmental Expenditure			
Depreciation & Amortization Costs			
CSR expenses			
Other Developmental Expenses			
Exceptional Items			
Interest Income on Loan to Channel Partners			
	-		0.37
Attributable to Equity Holders	-		0.37



Impact on basic and diluted earnings per share (EPS) (Increase/(Decrease) in EPS)		(Rs. in Lakhs)
Particulars	As at March 31, 2024	As at March 31, 2023
Earnings per share for continuing operation		
Basic, profit from continuing operations attributable to equity holders	-	0.00
Diluted, profit from continuing operations attributable to equity holders	-	0.00

Note :- 37 :
Contingent Liabilities / Asset and commitments

Liabilities:

Particulars	As at March 31, 2024	(₹ in Lakhs) As at March 31, 2023
Contingent Liabilities and commitments (to the extent not provided for)		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances, if any) Nil (Nil as at 31.03.2023)		

Assets:

Particulars	As at March 31, 2024	(₹ in Lakhs) As at March 31, 2023
Contingent Asset and commitments (to the extent not provided for)		
Estimated amount on account of and not provided for		

Note 38:
In accordance with the approval of the Board, surplus undistributed funds available with the Corporation are placed periodically in short term deposits with banks whom transaction are made, taking into account the Government guidelines issued from time to time for the purpose and the income generated by this has been ploughed back into the schemes for the welfare of target groups.

Note 39: Note 39: The Corporation has waived off penal interest and incentive of interest of ₹ Nil (₹ 63.65 lakh as at 31.03.2023), under One time Settlement Scheme (CTS). As per One Time Settlement Scheme (OTS) of the Corporation borrowers (SCAs/ NGOs and others, who have some overdues and ready to settle the overdues within the 3 months of sanction by NBCFDIC. The Corporation will provide waiver of 100% of penal interest receivable as on cut off date. Further, the borrower would be eligible for getting interest incentive @3% on the settlement amount for the period of 6 months separately only after receipt of full repayment of settlement amount. The detail is as under-

During the Financial Year 2022-23		(₹ in Lakhs)		
Name of Channel Partners/ other	For the Year Ended 31st March 2022 ₹ Lakh	Intt./Penal Interest waived off. ₹ Lakh	Interest Incentive ₹ Lakh	Recovery Affected (₹ Lakh)
Karnataka Vishwakarma	14.49	0.05	14.43	655.94
Sikkim SC/St/OBC Dev. Corps.	49.16	44.51	4.65	264.56
G. Total	63.65	44.57	19.08	920.50

Note :- 40

A property situated at no-29, Hauz Khas, New Delhi was purchased for residential purpose of Managing Director during 1994-95, which is lying vacated since 2014-15 and used for storage and other event purpose except one room. The room is used for official guest of the Corporation who belongs to official of Channel partner of the Corporation when they visit Corporation. The Corporation charges nominal charges for staying period. The said income is nominal & incidental nature. The Corporation is also registered under section 12 AA and gets 80 G certificate from Income Tax Authority. Hence the all incidental income and etc. is exempt from tax. In the opinion of the management the said property is still for residential purpose.

Note :- 41

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(iii) The amount of interest paid along with the amount of payment made beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when interest due as above are actually paid.	-	-

Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note :- 42

42.1 The Corporation has filed legal cases against the defaulting Channel Partners/ NGOs and there is no case the Corporation has any obligation of any payments

42.2 The Corporation has initiated legal action against the defaulting Channel Partners / NGOs u/s 138 as well as for civil suits. The cumulative Status of legal cases is as under

Particulars	Criminal Suits	Civil Suit	Civil Suit filed by others	Arbitration	Total
Cases under Process	-	-	2	-	2
Decree Execution in process	-	3	-	-	3
Cases dismissed	-	-	-	-	-
Total	-	3	2	-	5

Note :- 43

The income of the Corporation is exempted from tax under section 10 (26b) of the Income Tax Act, 1961. Thus no provision for Income Tax is Required.

Note :- 44

Provision of 'Non - Banking Finance Companies Acceptance of Public Deposit (Reserve Bank) directions 1998' are not applicable to the Corporation.



Note - 45

In the opinion of Board / Management, the assets, Loans and Advances have a realisable value of at least equal to the amount at which they are stated in the Balance sheet if realised in the ordinary course of business.

Note 46: Consequent to constitutional amendment, there was bifurcation of the state of Madhya Pradesh and out of this state a new state of Chhattisgarh was formed in the year 2000. The loan was given to Madhya Pradesh State Channelising Agencies prior to division of the state and is guaranteed by the State Government of Madhya Pradesh for repayment to NBCFDC. The loan was given to the erstwhile State, however, the successor State has not repaid its liability of ₹ 404.99 lakhs (₹ 391.27 lakhs as at 31.03.2023) to NBCFDC and hence the loan outstanding is accounted for in the name of the erstwhile state.

Note 47: Consequent to constitutional amendment, there was bifurcation of the state of Bihar and out of these states two new states of Jharkhand were formed respectively in the year 2000. Pending the apportionment of Assets and Liabilities between SCAs of successor States, the Corporation has shown the loan outstanding against the SCAs of erstwhile State, which is subject to confirmation.

Note 48: 1. The company has adopted Ind AS 116 (Leases) in accordance with applicable financial reporting framework, due to adoption of this there is no material impact on financial statements of NBCFDC.

2. Expenses relating to the short-term operating leases as per Ind AS 116 are as follows-

Nature of Expenses	Amount ₹ In Lakh
Rent	227.85
Hiring of Vehicle	23.73
Security & Other Services Charges	70.01
Total	326.59

Note No. 49

DISCLOSURE OF RATIOS:	2023-24		2022-23		Increase/Decrease from Previous Year	Remarks
Current Ratio:		165.91		257.66	-55%	
Current Asset	62,841.81		58,545.89			
Current Liabilities	378.78		227.22			
Debt-Equity Ratio:		0.02		0.01	60%	Increase in Other Financial
Total Liabilities	3,632.80		1,427.29			Liability
Total Share Holder Equity	2,14,543.00		2,09,927.15			Financial
Debt Service coverage Ratio						
Operating Income	53.23		5,306.68			
Short term debt & current portion of long term debt	-		-			
Return on Equity Ratio:		0.01		0.01	-1%	
Net Income/surplus	3,083.06		3,037.42			
Share holder Equity	2,14,543.00		2,09,927.15			
Inventory Turnover Ratio:						
cost of Good sold	-		-			
Average Inventory for same period	-		-			
Trade Receivable Ratio:						
Net Sale	-		-			
Average account receivable	-		-			
Trade Payable Ratio:						
Average No. of Days for amount due	-		-			
Average no of days i.e. 365	-		-			
Net Capital Turnover Ratio:		0.03		0.03	1%	
Total sales /Revenue from Operation	5,491.03		5,312.74			
Share Holder Equity	2,14,543.00		2,09,927.15			
Net Profit / Surplus Ratio:		0.56		0.56	-1%	
Revenue-Cost	3,070.27		2,993.11			
Revenue	5,491.03		5,312.74			
Return on Capital Employed Ratio:		0.01		0.01	-1%	
Earning before int. & tax	3,081.79		3,035.27			
Capital Employed/Total Asset- Current Liability	2,14,593.92		2,09,966.14			
Return on Investment:		0.01		0.01	-1%	
Net Income/ Surplus	3,081.79		3,035.27			
Cost of Investment/Total Asset- Current Liability	2,14,593.92		2,09,966.14			

Note 50: Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Note 51: Approval of financial Statement

The Financial Statement were approved for issue by the Board of Directors on .

Signatories to Note 1 to 51

For and on behalf of the Board of Directors

(Signature)
Director
(DIN No. 001403132)

(Signature)
Rajendra Singh
Managing Director
(DIN No. 03353925)

As per our Report of even date attached

For D. C. Garg & Co.
Chartered Accountants
FRN 609636

(Signature)
FRN 500035M

Sandeep Garg
Partner
M.No. 075312

(Signature)
Ajit Kumar Samal
S.G.M (Finance) & Company Secretary

Place: New Delhi
11th July, 2024

UDIN: 24075312BKEATT24



D.C. Garg & Co.
Chartered Accountants

1/4969, Balbir Nagar Extn., Shahadra, Delhi-110032

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**INDEPENDENT AUDITOR'S REPORT
(REVISED)**

Report on the audit of the financial statements

Opinion

With reference to our statutory audit report dated 30.06.2023 on the financial accounts of the corporation for the year ended 31.03.2023, We are issuing this revised audit report in view of certain facts which came to our knowledge after issuing the earlier report. There is no amendment required in the financial statements audited by us.

We have audited the accompanying standalone IND AS financial statements of **National Backward Classes Finance and Development Corporation** ("the Corporation"), which comprise the Balance Sheet as at **March 31, 2023**, the Statement of Income and Expenditure, statement of cash flows for the year ended, and notes to the financial statements, including a summary of 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, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2023**, its surplus and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the separate Ind AS financial statements 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 opinion.





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Qualified Opinion

- 1. Loan disbursed to "Tripura OBC Co-operative Development Corporation having an outstanding amount of Rs. 1546.65Lacs has been sanctioned in violation of the loan policy of the corporation. No General Loan Agreement has been executed with the said State Channelizing Agency (SCA). The loan has been rescheduled in previous year and amount should be considered unsecured. No applicable provision on overdues has been made in the books amounting to Rs. 230.87 lacs. This has overstated the income and understated the current liability by a similar amount.*

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone 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.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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





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frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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





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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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The provisions of the **Companies (Auditor's Report) Order, 2020** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company as the company licensed to operate under section 8 of the Companies Act, 2013.

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of Income and Expenditure, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.





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(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act,

In our opinion and according to the information and explanation given to us, Government companies vide MCA's notification published in Gazette Dt. 5th June, 2015 are exempted from the applicability of provisions of section 197 read with schedule V to the companies Act regarding managerial remuneration.

(h) 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, 2020, as amended, in our opinion and to the best of our information and according to the explanations given to us;

- i. The Company does not have any pending litigations which would impact its financial position in its standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. Regarding this clause which deals with the delay, if any, in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company is not applicable being section 8 of the Companies Act, 2013 company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, to the Standalone Financial Statements, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties), with the understanding, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;





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(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has neither declared nor paid any dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the for the financial year ended March 31, 2023.
2. As required under Section 143(5) of the Companies Act 2013, we enclose herewith, as per **Annexure-B**, our report for the Company on the directions issued by the Comptroller and Auditor General of India.

For D.C Garg & Company
Chartered Accountants

FRN: 500035N

CA Sandeep Garg

M.No: 075312

UDIN: 23075312BGYEAS8899

Place: New Delhi
Date: 13.09.2023



D.C. Garg & Co.
Chartered Accountants

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ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATIONAL BACKWARD CLASSES 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 Backward Classes Finance And Development Corporation** (“the Corporation”) as of **March 31, 2023** 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 (the Guidance Note) 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 Act.

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 and the Standards on Auditing 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 the guidance notes on audit of internal financial control over financial reporting, 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





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Chartered Accountants

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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 my /our audit opinion on the 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 or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects *subject to our observation*, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.





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- *The corporation does not have any Loan Recovery Policy specially in the case of secured lending. Instances of defaults in loans backed by State Government Guarantee were observed where corporation has not invoked the said guarantees.*

For D.C Garg & Company
Chartered Accountants

FRN: 000055

CA Sandeep Garg

Partner
M.No.

UDIN: 23075312BGYEAS8899

Place: New Delhi
Date : 13.09.2023



D.C. Garg & Co.
Chartered Accountants

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ANNEXURE – “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF NATIONAL BACKWARD CLASSES FINANCE AND DEVELOPMENT CORPORATION

Report on direction issued under section 143(5) of the Companies Act, 2013 by the Comptroller & Auditor General of India

With reference letter No. AMG-V/4-13/PSU Appt. of Int. Auditor/2020-21/463 dated 14.10.2022 of the office of the Principal Director of Audit (Central Expenditure), Indraprastha Estate, New Delhi.

S.No.	Directions	Reply
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of the accounting transactions outside IT system on the integrity of their accounts along with the financial implications, if any, may be stated.	Yes, the corporation has system in place to process all accounting transaction through IT system. The corporation is using Tally ERP 9 and LEAP software for accounting. No accounting transaction have been processed/ carried outside IT system.
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 company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of Lender Company.)	The Corporation has not borrowed any sum from any lender, hence not applicable. Further as a Lender Company, the corporation had not restructured, waived/ write off any loan/ debts during the financial year 2022-23. However an amount of Rs. 44.57 Lacs on account of penal interest was waived off (refer note no. 39 of the Financial Statement) as per One Time Settlement Scheme of the corporation.
3	Whether funds (grants/subsidy) 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.	As per information and explanation given to us and based on the examination of records of funds (grant/subsidy) received/ receivable for specific scheme from state/ central agencies are utilised as per the respective terms and conditions.

For D.C Garg & Company
Chartered Accountants

FEN: 5006551

CA Sandeep Garg

M.No:075512

UDIN: 23075312BGYEAS8899

Date: 13.09.2023

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)
BALANCE SHEET as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	72.54	76.96
(b) Other intangible assets	4	7.79	11.84
(i) Intangible asset under development			
(c) Right of Use Assets	3.1	38.20	38.78
(d) Financial assets			
(i) Loans	6	1,50,641.56	1,50,032.34
(ii) Others	7	618.07	655.47
(e) Other non-current assets	8	65.51	68.55
		1,51,443.66	1,50,883.94
2 Current assets			
(a) Financial assets			
(i) Trade Receivable/Debtors	5	-	1.68
(ii) Cash and cash equivalents	9	3,410.28	4,037.62
(iii) Grant Fund	10	1,374.87	5,312.33
(iv) Loans	6	53,746.29	50,682.14
(v) Others	7	1,377.77	1,623.10
(b) Current tax asset (Net)	11	0.59	29.72
(c) Other current assets	8	10.96	24.83
		59,920.76	61,711.41
Total Assets		2,11,364.43	2,12,595.36
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	1,49,940.00	1,49,940.00
(b) Other equity	13	59,987.52	56,924.55
		2,09,927.52	2,06,864.55
2 Liabilities			
(i) Non-current liabilities			
(a) Provisions	14	38.99	26.29
		38.99	26.29
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Others			
Total outstanding dues of Grants & Creditors other than micro enterprises and small enterprises	15	1,266.29	5,178.47
- Total outstanding dues of micro enterprises and small enterprises		-	4.07
(b) Other Current Liabilities	16	5.07	72.71
(c) Provisions	14	126.56	449.27
		1,397.92	5,704.52
Total Equity and Liabilities		2,11,364.43	2,12,595.36
III. See Accounting Policies and accompanying notes to the financial statements	1 - 51		

For and on behalf of the Board of Directors

Director
(DIN No. 06727939)
DR. S. S. ACHARYA

Rojan Sehgal
Managing Director
(DIN No. 03633935)

As per our Report of even date attached
For D. C. Garg & Co.
Chartered Accountants
FRN/500035N
Sandeep Garg
Partner
M.No: 075312

Ajit Kumar Samal
S.G.M. (Finance) & Company Secretary

Place : New Delhi
30/06/2023

UDN: 23075312B6YEAP6909


NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)

Income & Expenditure Statement for year ended 31st March, 2023

(₹ in Lakhs)

	Particulars	Note No.	For the Year ended 31st March 2023	For the Year ended 31st March 2022
I.	Revenue from operations	17	5,312.74	5,321.53
II	Other Income	18	239.60	196.42
III	Total Revenue (I+II)		5,552.35	5,517.95
IV	Expenses			
	Allowance/Reversal for Loans & advances	19	511.85	526.09
	Penal Interest waived off and others	20	63.65	48.23
	Employee Benefit Expense	21	1,241.15	1,120.09
	Depreciation and Amortization Expense	22	27.51	36.89
	Training & Development Expenses	23	192.95	430.34
	Rebate on Interest on Loans & Advances	24	25.96	17.52
	Other Expenses	25	470.39	379.53
	Corporate Social Responsibility Expenses	28	25.42	44.64
	Total Expenses (IV)		2,558.87	2,603.33
V	Excess of Income over expenditure before Exceptional Items and Tax (III - IV)		2,993.48	2,914.62
VI	Exceptional Items	27	(42.16)	(141.15)
VII	Excess of Income over expenditure before Tax (V - VI)		3,035.64	3,055.77
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Excess of Income over expenditure for the period from continuing operations (VII-VIII)		3,035.64	3,055.77
X	Excess of Income over expenditure from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Excess of Income over expenditure discontinued operations (X - XI)		-	-
XIII	Excess of Income over expenditure for the period (IX + XII)		3,035.64	3,055.77
XIV	Other Comprehensive Income / (Expenses)			
	A. (i) Items that will not be reclassified to Income & Expenditure Account	26	2.15	8.93
	(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		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Excess of Income over expenditure and Other Comprehensive Income for the period)		3,037.79	3,064.70
XVI	Earning Per Equity share:			
	(1) Basic (₹)	29	20.25	20.38
	(2) Diluted (₹)		20.25	20.38
XVII	Earnings Per Equity Share: (For discontinuing Operation)			
	(1) Basic (₹)		-	-
	(2) Diluted (₹)		-	-
XVIII	Earnings Per Equity Share: (For discontinued and continuing Operation)			
	(1) Basic (₹)	29	20.25	20.38
	(2) Diluted (₹)		20.25	20.38
XIX	See Accounting Policies and accompanying notes to the financial statements	1 - 51		

For and on behalf of the Board of Directors


Director
(DIN No. 06727939)
DR. S. S. ACHARYA


Managing Director
(DIN No. 03633935)

As per our Report of even date attached
For D.C. Garg & Co.
Chartered Accountants
FRN-50035N



Place : New Delhi
30/06/2023

UDIN: 23075312BG4EAP6909


Ajit Kumar Samal
S.G.M. (Finance) & Company Secretary

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

(CIN NO. U74899DL1992NPL047146)

Cash Flow Statement for the Year Ended March 31, 2023

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023		For the Year ended March 31, 2022	
A. Cash flow from Operating Activities				
Net Profit before Extraordinary Items and Tax		2,993.48		2,914.62
<i>Adjustments for:</i>				
Exceptional Items	42.16		141.14	
Depreciation & Amortization	27.51		36.89	
Other Comprehensive Income/(Expense)	2.15		8.93	
Adjustment for General Reserve	(0.99)		-	
Interest- Other Income	(223.01)		(181.57)	
		(152.18)		5.39
Operating Profit Before Working Capital Changes		2,841.29		2,920.02
<i>Changes in working capital:</i>				
Decrease / (Increase) in Current Trade receivable	1.68		1.29	
Decrease / (Increase) in Non-Current loans	(609.22)		(4,302.40)	
Decrease / (Increase) in Other Non-Current financial assets	37.41		(21.64)	
Decrease / (Increase) in Current loans	(3,064.15)		670.36	
Decrease / (Increase) in other current financial assets-others	245.32		419.74	
Decrease / (Increase) in other non current assets	3.04		17.88	
Decrease / (Increase) in current tax assets	29.13		(1.62)	
Decrease / (Increase) in other current assets	13.87		(10.51)	
(Decrease) / Increase in other current financial liability	(3,916.23)		(1,025.61)	
(Decrease) / Increase in other current liability	(67.64)		(3.65)	
(Decrease) / Increase in non current Financial Liability	12.70		17.49	
Changes in Other Bank Balances				
(Decrease) / Increase in Current provisions	(322.71)	(7,636.80)	87.73	(4,150.94)
Cash generated from operations		(4,795.51)		(1,230.92)
Net Income Tax (Paid) net of Refunds		-		-
Net Cash Flow from / (used in) Operating Activities (A)		(4,795.51)		(1,230.92)
B. Cash Flow from Investing Activities				
Sale/Disposal of Property, Plant and Equipment's	0.42		0.13	
Purchase of Property, Plant and Equipment's	(18.90)		(7.47)	
Interest Income	223.01		181.57	
		204.54		174.23
Net Cash Flow from/(used in) Investing Activities (B)		204.54		174.23
C. Cash Flow from Financing Activities				
Issue of Share Capital				
Adjustment in Other Equity	26.16		164.58	
Increase in share application money pending allotment				
		26.16		164.58
Net Cash Flow from/(used in) Financing Activities (C)		26.16		164.58
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(4,564.80)		(892.11)
Cash & Cash Equivalents at the beginning of the year (Refer note :- 9&9.1)		9,349.95		10,242.06
Cash and Cash Equivalents at the End of the Year		4,785.15		9,349.95

Components of Cash & Cash Equivalents as at the end of the year:				
Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
Cash - in - hand		-		-
Saving Bank Accounts		3,410.28		4,037.62
Other Bank Balance (Grant Funds)-Saving Bank		1,374.87		5,312.33
Share Application Money Pending allotment		-		-
Less : Deposits having maturity of more than 3 Months		-		-
Cash & Bank Balances		4,785.15		9,349.95
Less : Deposits having maturity of more than 3 Months		-		-
Cash & Cash Equivalent at the end of the year		4,785.15		9,349.95

Notes:

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2 Amendment to Ind-As 7

Effective April 1, 2017, 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.

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

For and on behalf of the Board of Directors

Director
(DIN No. 06727939)
DR. S. S. ACHARYA

Rajan Sehgal
Managing Director
(DIN No. 03633955)

Ajit Kumar Samal
S.G.M. (Finance) & Company Secretary

As per our Report of even date attached
For D. C. Garg & Co.
Chartered Accountants
FRN 800035N

Sanjeev Garg
Partner
M.No. 075312

Place : New Delhi
30/05/2023

UDIN : 23075312 BGN EAP 6909

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)
Statement of Changes in Equity (SOCE) for the Year ended 31st March, 2023

A. Equity share capital

Particulars	₹ in Lakhs	
	Number of shares	Amount
Balance at the beginning of the year	1,49,94,000.00	1,49,940.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the current year		
Balance at the end of the year	1,49,94,000.00	1,49,940.00

B. Other Equity

Particulars	₹ in Lakhs					
	Share Application money pending allotment	Special Reserve	Post Retirement Medical Fund	General Reserve	Retained Earnings	Total
Balance at the beginning of the year	-	1,000.00	164.58	55,759.97	-	56,924.55
Prior period Adjustments/Change in Accounting Policy (Refer note no. 36)	-	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-	-
Restated balance at the beginning of the year	-	1,000.00	164.58	55,759.97	-	56,924.56
Profit for the year	-	-	-	-	3,034.65	3,034.65
Other Comprehensive Income for the year	-	-	-	-	2.15	2.15
Total Comprehensive Income for the year	-	-	-	-	3,036.80	3,036.80
Transfer to general reserve	-	-	-	3,036.80	(3,036.80)	-
Others	-	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-	-
- Addition During The Year (See Note 13.1)	-	-	26.16	-	-	26.16
- Share Capital issued during the year	-	-	-	-	-	-
Balance at the end of the year	-	1,000.00	190.75	58,796.77	-	59,987.52

Statement of Changes in Equity (SOCE) for the year ended 31st March 2022

A. Equity share capital

Particulars	₹ in Lakhs	
	Number of shares	Amount
Balance at April 1, 2021	1,49,94,000.00	1,49,940.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the current year		
Balance at March 31, 2022	1,49,94,000.00	1,49,940.00

B. Other Equity

Particulars	₹ in Lakhs					
	Share Application money pending allotment	Special Reserve	Post Retirement Medical Fund	General Reserve	Retained Earnings	Total
Balance at the beginning of the year	-	2,500.00	-	51,195.27	-	53,695.27
Prior period Adjustments (Refer Note :- 36)	-	-	-	-	-	-
Adjustment of Depreciation	-	-	-	-	-	-
Restated balance at the beginning of the year	-	2,500.00	-	51,195.27	-	53,695.27
Profit for the year restated	-	-	-	-	3,055.77	3,055.77
Other Comprehensive Income for the year	-	-	-	-	8.93	8.93
Total Comprehensive Income for the year	-	-	-	-	3,064.70	3,064.70
Others	-	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-	-
Transfer to General Reserve	-	(1,500.00)	-	3,064.70	(3,064.70)	(1,500.00)
Addition During The Year	-	-	-	-	-	-
- Addition During The Year (See Note 13.1)	-	-	164.58	1,500.00	-	1,664.58
Share Capital issued during the year	-	-	-	-	-	-
Balance at the end of the year	-	1,000.00	164.58	55,759.97	-	56,924.55

For and on behalf of the Board of Directors

Director
(DIN No. 06727939)
DR. S. S. ACHARYA

Rajan Sehgal
Managing Director
(DIN No. 05633015)

As per our Report of even date attached
For D. C. Garg & Co.
Chartered Accountants
FRN 300025N

Sanjeev Garg
M.No. 075312

Place : New Delhi
30/06/2023

UDIN: 23075312B6YEAP6909

Ajit Kumar Samal
S.G.M.(Finance) & Company Secretary

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)
Notes to Accounts

Note :- 1 Corporate Information

National Backward Classes Finance and Development Corporation is a not for profit company domiciled in India and was incorporated on 13th January 1992 under Section 25 of the Companies Act 1956 (now section 8 of Companies Act 2013). Company provides concessional finance assistance to the person belonging to Other Backward Classes (OBC's) for the socio-economic development and to upgrade the technological and entrepreneurial skills of individuals or groups through state channelizing agents, financial institutions and skill sector councils training partners. The registered office of the company is located at 5th floor, NCUI Building, 3, Siri Institutional Area, August Kranti Marg, New Delhi-110016.

Note :- 2 Accounting Policies

a) Statement of Compliance

The financial statements as at and for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 as companies (Indian Accounting Standards) Rules, 2015, 2016 and Companies (Indian accounting standards) Amendment Rules 2017 & 2018.

b) 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.

- (a) Defined benefit Plan and other long term employee benefits
- (b) Certain financial assets and liabilities

c) Use of estimates

The preparation of financial statements in conformity with Ind AS which 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 estimated useful life of property, plant and equipment, intangible assets and future obligation under employee benefit plan. 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 recognized in the period in which the results are known /materialize.

d) All financial information presented in Indian rupees and all values are rounded to the nearest lakhs upto two decimals except where otherwise stated.

e) Statement of Cash Flow

Cash flows are reported using the indirect method, whereby "excess of income over expenditures before exceptional items and 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.

The Corporation has 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 flow and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosures requirement. The adoption of amendment did not have any material effect on the financial statements.

f) Functional and Presentation 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 functional as well as presentation currency of company.

• Transactions in foreign currency are recorded at the rate of exchange prevailing at the time the transactions are affected. Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Income and Expenditure.

• Monetary items denominated in foreign currency are restated and converted into Indian rupees using the exchange rate prevailing at the date of the Balance Sheet and the resulting exchange difference is recognized in the Statement of Income and Expenditure.

g) Revenue recognition

a) Corporation recognizes revenue from contracts with customers based on a five-steps as set out in Ind As-115 :-

(i) Identify contracts with a customer :- A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

(ii) Identify performance obligations in the contract : A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the corporation expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract : For a contract that has more than one performance obligation , the Corporation allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the corporation expects to be entitled in exchange for satisfying each performance obligation.



(v) Recognise revenue when or as the Corporation satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of the asset.

II Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation 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 recognized as an expense rather than as an adjustment of the amount of revenue already recognized.

- b) Interest on unutilized funds lying with the borrowing agencies is recognized on accrual basis at effective rate of interest.
- c) Interest on funds re-appropriated by SCAs in the other sanctioned schemes is recognized in the year of its determination after receipt of scheme wise details of utilization at effective rate of interest.
- d) The Corporation provides Loans through State Channelizing Agencies (SCAs), Rural Banks and other financial bodies is accounted on accrual basis at effective rate of interest.
- e) Penal interest on delay in repayments is recognized on realization as per Ind AS-18 as its collectability is uncertain.
- f) Rebate on account of timely payment by borrowing agencies accounted for, on receipt of entire amount due on time.
- g) Payment of grants to SCAs/institutions for expenditure on developmental & promotional activities is accounted for on disbursement.

h) Other Revenue Recognition :

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

i) Revenue Grant from Government

• Grants sanctioned by the Government (whether received or not) for programmes undertaken during the year for the development of the target group, are recognized and deducted from related expenses for reporting in Statement of Income & expenditure.

• Unspent grants & interest accrued in respect of Government grant are deferred & taken to current liabilities. Upon fully utilization and after audit of annual accounts of grant earning of interest shall be deposited in consolidated account of Government.

* Interest accrued from other i.e CPSE etc , if any are recognised and taken in to as other income to meet out administrative /evaluation expenses.

• Grants receivable from Government as compensation for expenses incurred in a previous accounting period are recognized in the Statement of Income & Expenditure of the period during which the sanction for grant is received

j) Corporate Social Responsibility (CSR) expenses , as per company act,2013 and any other grant are recognized on disbursal basis for reporting in Statement of Income and Expenditure

k) Income taxes

In view of the exemption available to the Corporation under section 10 (26B) of the Income Tax Act, 1961, the provision for income tax liability is not considered necessary. Consequently the provisions of the Indian Accounting Standard 12 (Ind AS-12) on Income tax, deferred taxes and income tax computation and disclosures standards issued by CBDT are not applicable to the Company.

l) Impact on any change/modification in accounting policy shall be recognised in the year of its occurrence. In terms of Ind- AS 8

m) Property, plant and equipment

(a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any

Cost of asset includes the following:

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

(b) Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.

(c) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Income and Expenditure.

Depreciation on Property, plant and Equipment is provided on written down value method over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

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 estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Category of Assets Useful Life (years)

Particulars	Useful Life (years)
Building	60
Furniture & Fixtures	10
Office Equipments	5
Vehicles (Car/Scooter)	8/10
Air Conditioners & Coolers	10



EPABX	5
Data Processing Equipment's	3

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

Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period

On tangible fixed assets added/disposed of during the year, depreciation is charged on pro-rata basis from the date of addition /till the date of disposal.

n) 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 acquisition cost less accumulated amortization and impairment loss, if any.

Amortization of Intangible assets is done under straight line method equally over a period of five years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

o) Impairment

(i) Impairment of Financial Assets

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.

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 incurred significantly since its initial recognition.

ECL's impairment loss allowance (or reversal) recognised during the period as income/ expense in Statement of Income & Expenditure.

(ii) Impairment of Non-Financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Income & Expenditure.

p) Employee Benefits

a) The liability for gratuity to all employees is recognized as an expense on accrual basis in Statement of Income & Expenditure. The Corporation has formed a trust for administration of the Employees Group Gratuity Scheme with L.I.C.

b) Liability on account of leaves (earned leave and commuted leave) is provided on the basis of actuarial valuation at the year-end. The Corporation has taken a leave encashment scheme from LIC to manage the funds.

c) The liability on account of Leave Travel Concession (LTC) is provided on the basis of actuarial assessment at the year end and charged to Statement of Income & Expenditure.

d) Actuarial gain or loss on defined benefits plans are recognized in other comprehensive income

e) Contribution to recognized Provident Fund and Pension Fund (defined contribution plan) is provided for on accrual basis.

f) The Corporation has a defined contribution pension scheme which is in line with guidelines of Department of Public Enterprise (DPE) The Corporation has formed a trust for administration of the Pension Fund Scheme with L.I.C. Employer contribution to the fund has been contributed on monthly basis. Pension is payable to the employees of the corporation as per the scheme.

g) The Corporation has Post-Retirement Scheme (PRMS), under which retired employees and their dependent family member are provided with medical facilities. They can also avail facility of out-patient treatment; both are subject to ceiling fixed by the corporation.

q) Earnings per Share

The basic earning per share is computed by dividing the net surplus (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share are computed using the weighted average number of equity share outstanding during the year, except where the results would be anti-dilutive.

r) Provisions, Contingent Liabilities and Contingent Assets

a) Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

- (i) The Company has a present obligation as a result of a past event.
- (ii) Probable outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) The amount of the obligation can be reliably estimated. Provisions are reviewed at each Balance Sheet date.

Discounting of Provisions

Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation.

b) 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.

c) Contingent assets are disclosed where an inflow of economic benefits is probable.



r) Financial instruments:-

a) 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.

b) Subsequent measurement

Financial Assets

Financial assets are classified in following categories:

Financial Asset at Amortized Cost

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

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (ii) 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 amortized cost using effective interest rate method less impairment if any.

The EIR amortization is included in finance income in the Statement of Income & Expenditure.

Financial Assets at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI 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 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 recognized in OCI is reclassified from the equity to Statement of Income & Expenditure. Interest earned is recognized using the EIR method.

Financial Assets 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 income & expenditure account.

Financial Liabilities

Financial liabilities at Amortised Cost

Financial liabilities initially recognised at fair value, and subsequently carried at amortized cost using the effective interest rate method.

Financial Liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

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 derecognised 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.

s) Fair Value Measurement

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

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

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



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

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

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

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

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

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

t) Current and Non- Current classification

The Corporation presents assets and liabilities in the Balance Sheet based on current /non-current classification.

Cash or cash equivalent treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

* expected to be realised or intended to be sold or consumed in the normal operating cycle.

*expected to be realised within twelve months after the reporting period.

*held primarily for the purpose of trading/business

All other assets are classified as non-current.

A Liability is treated as current when :

* it is expected to be settled in normal operating cycle.

* it is held for the purpose of trading/business.

* it is due to be settled within twelve months after the reporting period. or

* there is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

all other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The corporation has identified twelve months as its operating cycle.

u) LEASE :

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.

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. In addition, Policy has been drafted as per Ind AS 116, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. 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. 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. The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of Use Assets" and lease liabilities in "other financial liabilities" in the Balance Sheet. 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. A lease is no longer enforceable when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

ii. As A Lessor 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. 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.

Further, 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".



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

Note :- 3
Property, Plant & Equipment's

Particulars	(₹ in Lakhs)							Total
	Building (Freehold)	Furniture & Fixtures	Office Equipment	Vehicles	Air Conditioners & Coolers	EPABX	Data Processing Equipment's	
Cost or Deemed Cost								
At 1 April 2021	47.94	99.46	61.18	8.60	39.70	3.81	84.91	345.61
Additions during the year	-	0.87	3.16				3.44	7.47
Disposals/Adjustments			0.09				0.04	0.13
At 31 March 2022	47.94	100.33	64.25	8.60	39.70	3.81	88.32	352.95
At 1 April 2022	47.94	100.33	64.25	8.60	39.70	3.81	88.32	352.95
Additions during the year		3.33	4.17				11.40	18.90
Disposals/Adjustments		0.19					0.23	0.42
At 31st March 2023	47.94	103.46	68.42	8.60	39.70	3.81	99.49	371.42
Depreciation and Impairment								
At 1 April 2021	34.88	53.10	55.93	6.77	22.28	3.52	71.75	248.23
Depreciation charge for the year (Refer Note-22)	0.65	12.02	2.18	0.56	4.45	0.02	7.88	27.77
Impairment								-
Disposals/Adjustments								-
At 31 March 2022	35.53	65.12	58.11	7.33	26.73	3.54	79.63	276.00
At 1 April 2022	35.53	65.12	58.11	7.33	26.73	3.54	79.63	276.00
Depreciation charge for the year (Refer Note-22)	0.62	9.02	3.06	0.39	3.30	0.01	6.48	22.88
Impairment								-
Disposals/Adjustments	0.01		0.00					0.01
At 31st March 2023	36.15	74.14	61.17	7.72	30.04	3.55	86.11	298.87
Net book value								
At 31st March 2023	11.79	29.32	7.25	0.88	9.67	0.25	13.38	72.54
At 31 March 2022	12.41	35.21	6.15	1.27	12.97	0.27	8.68	76.96

Note :-3.1 Depreciation is provided on written down value method (WDV) in accordance with schedule II of the Companies Act, 2013.



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)		
Note :- 3 (i)		
RIGHT OF USE ASSETS		
(₹ in Lakhs)		
Particulars	Building (Mumbai Flat)	Total
Cost or Deemed Cost		
At 1 April 2021	52.66	52.66
Adjustment of Transition of IND AS 116	-	-
Additions during the year	-	-
Disposals/Adjustments	-	-
At 31 March 2022	52.66	52.66
At 1 April 2022	52.66	52.66
Additions during the year	-	-
Disposals/Adjustments	-	-
At 31st March 2023	52.66	52.66
Depreciation and Impairment		
At 1 April 2021	13.29	13.29
Depreciation charge for the year (Refer Note-22)	0.59	0.59
Impairment	-	-
Disposals/Adjustments	-	-
At 31 March 2022	13.88	13.88
Depreciation charge for the year	0.59	0.59
Impairment (Refer Note-22)	-	-
Disposals/Adjustments	-	-
At 31st March 2023	14.46	14.46
Net book value		
At 31st March 2023	38.20	38.20
At 31 March 2022	38.78	38.78



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

Note :- 4

Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software's	Intangible Asset under development	Total
Cost or deemed cost as at 1st April 2021	62.94	3.54	66.48
Addition during the year	3.54	-	3.54
Adjustment/deletions during the year	-	3.54	3.54
Closing balance at 31st March 2022	66.48	-	66.48
Addition during the year	-	-	-
Adjustment/deletions during the year	-	-	-
Closing balance at 31st March 2023	66.48	-	66.48
Amortization and Impairment			
Opening balance at 1st April 2021	46.11	-	46.11
Amortization during the year (Refer Note-22)	8.54	-	8.54
Impairment during the year	-	-	-
Closing balance at 31st March 2022	54.64	-	54.64
Amortization during the year (Refer Note-22)	4.05	-	4.05
Impairment during the year	-	-	-
Closing balance at 31st March 2023	58.69	-	58.69
Net book value			
As at 31 March 2023	7.79	-	7.79
As at 31 March 2022	11.84	-	11.84

Note 4(a) Ageing Intangible Assets under Development

Intangible assets under development ageing schedule FY 2023

(₹ in Lakhs)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule FY 2022

(₹ in Lakhs)

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-



Note No: 5

Non-current portion of the Trade Receivable/Debtors have been classified under 'non-current financial assets' and current portion of the Trade Receivable/Debtors has been classified under 'current financial assets - loans'.

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Non - Current	Current	Total	Non - Current	Current	Total
Considered Good-Secured						
Considered Good-UnSecured					1.68	1.68
Significant Increase in Credit Risk						
Less : Allowance for loans & advances						
Total					1.68	1.68

Trade Receivables Ageing FY 2022-23

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

Trade Receivables Ageing FY 2021-22

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	1.68	-	-	-	-	1.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
Total	1.68	-	-	-	-	1.68



Note :- 6 Financial assets - loans

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Non - Current	Current	Total	Non - Current	Current	Total
(1) General Loan to SCAs/ Other Entities						
Considered Good-Secured						
(a)'General loans (By way of Govt. order /Block Govt. Guarantee received)	65,355.56	22,891.49	88,247.05	67,589.06	20,839.24	88,428.31
(b)'General loans (Against lien of Fixed Deposit Receipts)	-	-	-	1,568.14	524.79	2,092.92
	65,355.56	22,891.49	88,247.05	69,157.20	21,364.03	90,521.23
Considered Good-UnSecured						
General loans	41,431.21	10,296.23	51,727.45	37,846.48	8,245.12	46,091.60
Significant Increase in Credit Risk						
General loans		181.92	181.92	-	168.58	168.58
Less : Allowance for loans & advances #		(181.92)	(181.92)		(168.58)	(168.58)
Sub Total (1)	1,06,786.77	33,187.73	1,39,974.49	1,07,003.68	29,609.16	1,36,612.83
(2) Micro Finance Loan to SCAs/ Other Entities						
Considered Good-Secured						
(a)'Micro Finance Loan (By way of Govt. order /Block Govt. Guarantee received)	29,419.10	18,780.02	48,199.13	30,490.91	19,805.68	50,296.59
(b)'Micro Finance Loan (Against lien of Fixed Deposit Receipts)	685.72	685.71	1,371.44	1,830.23	701.49	2,531.72
	30,104.83	19,465.74	49,570.56	32,321.14	20,507.16	52,828.30
Considered Good-UnSecured						
Micro Finance Loan (Unsecured considered good)	13,586.91	1,053.17	14,640.08	10,615.78	527.87	11,143.66
Significant Increase in Credit Risk						
Micro Finance Loan		883.95	883.95	-	480.53	480.53
Less : Allowance for loans & advances #		(883.95)	(883.95)	-	(480.53)	(480.53)
Sub Total (2)	43,691.73	20,518.91	64,210.64	42,936.92	21,035.04	63,971.96
(3) Loans to Managing Director						
Sub Total (3)						
(4)Loans to Employees						
Loans & Interest accrued						
Considered Good-Secured	87.75	11.26	99.01	52.60	11.68	64.28
Considered Good-UnSecured	75.30	28.40	103.70	39.13	26.26	65.40
Sub Total (4)	163.05	39.66	202.71	91.74	37.94	129.68
Grand Total (1+2+3+4)	1,50,641.56	53,746.29	2,04,387.85	1,50,032.34	50,682.14	2,00,714.47

Allowance for Loan & Advances to respective State Channel Agencies (SCAs)/ Channel Partners (CPs) is made as per the Corporation's policy.

Note 6.1 Current Loans are loan amount, which are receivable during the next 12 months after end of the financial year.

Note 6.2 As per Reserve Bank of India, the Corporation is not a Non Banking Finance Company and exempted for following RBI's prudential norms prescribed for making provisions and for income recognition on non-performing assets. As RBI's prudential norms are not applicable to the Corporation, it has made its own norms for making provision duly approved by Board for provisioning on certain overdue loans/interest thereon.

Note 6.3 Out of the total Loans of Rs. 2,07,655.60 Lakhs (as at 31.03.2022, Rs.2,03,795.27 Lakhs) out of which Rs. 1,98,800.17 lakh (as at 31.03.2022 Rs.1,85,684.94 Lakhs) have been confirmed from respective parties. The remaining loan amount is subject to confirmation by borrowers.

Note 6.4 The utilization amount of loan beyond 180 days under the prevalent lending policy is eligible for refund. Hence, the same stand in current.

Note 6.5 The disbursement, accumulated over the years with channel Partners for which utilization certificates of Rs.3,925.73 lakhs (Rs. 3,338.24 Lakhs as at 31.03.2022) are pending to be received from borrowing institutions, out of which Rs. 1,958.09 Lakhs (Rs. 2,494.76 lakhs as at 31.03.2022) are more than six months old as at year end.

Note 6.6 In respect of Loans given, Corporation has obtained Government Assurance from channel partners and signed MOU with RRBs/PSB's and others amounting to Rs. 65,696.35 Lakh (Previous year Rs. 57,884.37 Lakh). As per legal opinion, Government assurance and signed MOU do not tantamount to Government Order/Block Government Guarantee or other financial instrument. However, same can be enforced in disputed cases by way of arbitration. In view of the above, Corporation is adequately covered in cases where the outstanding loan amount is backed by Govt. assurance and signed MOU and disclosed as "Unsecured and considered good" as the repayment is regular.

Note 6.6.1 In the Loans and Interest thereon 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 type of interest thereon are covered by Guarantor (State Government). The above amounts outstanding since substantial period of time are eligible for revoking Guarantee.

Note 6.7 As per Ind AS-109 Staff loans & advances are recognized at amortised cost which includes the principal & interest component both the details of Outstanding undiscounted Loans to Employees as given below:-



(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Principal	Interest	Total	Principal	Interest	Total
House Building Advance	80.43	47.19	127.62	37.24	50.83	88.07
Vehicle Loan	35.98	2.28	38.26	11.42	1.72	13.14
General Purpose Advance	68.86	-	68.86	53.55	-	53.55
Grand Total (1+2+3+4)	185.27	49.47	234.74	102.21	52.55	154.76

*As per guidelines/norms, recoveries of interest commences after recoveries of principal in respect of House Building Advance and Vehicle advance.

*Note 6.8 Loans & advances including simple interest thereon overdue as at end of the year is classified as 'Current' loans, as these are considered good for recovery/adjustment in the subsequent financial year.

Note 6.9 Details of Loan and Advances as on 31.03.2023

(₹ in Lakhs)

Particulars	Opening Balance	Addition	Refunds	Adjustment/rea propriated	Recovered	Closing Balance
General Loan	1,36,781.42	16,818.52	2,030.27	(14,707.58)	26,120.83	1,40,156.41
Funded Interest	-	-	-	-	-	-
Micro Finance	64,452.50	34,366.09	640.66	14,707.58	18,375.75	65,094.60
Funded Interest	-	-	-	-	-	-
Total	2,01,233.91	51,184.60	2,670.94	-	44,496.58	2,05,251.00
Loan Due	4,300.70	993.84	-	-	-	5,294.54
Loan Not due(31.03.2023)	1,96,933.21	3,023.25	-	-	-	1,99,956.46
Previous year	1,97,130.63	47,137.43	782.66	-	42,251.47	2,01,233.91

Note 6.9 Details of Loan and Advances as on 31.03.2022

(₹ in Lakhs)

Particulars	Opening Balance	Addition	Refunds	Adjustment/rea propriated	Recovered	Closing Balance
General Loan	1,28,248.14	16,610.20	504.45	(14,821.59)	22,394.06	1,36,781.42
Funded Interest	-	-	-	-	-	-
Micro Finance	68,882.49	30,527.23	278.21	14,821.59	19,857.42	64,452.50
Funded Interest	-	-	-	-	-	-
Total	1,97,130.63	47,137.43	782.66	-	42,251.47	2,01,233.91
Loan Due	5,208.23	(907.53)	-	-	-	4,300.70
Loan Not due(31.03.2022)	1,91,922.41	5,010.81	-	-	-	1,96,933.21
Previous year	1,90,005.22	46,670.47	1,953.82	-	37,591.25	1,97,130.63

Note 6.10 Details of Rescheduled Loan & Advances

The Corporation has rescheduled Loans aggregating to ₹ Nil (Previous year ₹ 3525.05 Lakh) in respect of following SCA :

Sl. No	Particulars	Goa SC/ST/BC Dev. Corpo.	Kerala BC Dev. Corpo.	Tripura BC Dev. Corpo.
Principal				
Previous Year				3,525.05

Note 6.11 Allowances on Loan and advances to respective channel partners is made as per the Corporation policy (Ref. Note. No.33) Provision is recognised when:

- The Corporation has a present obligation as a result of past event
- A probable outflow of resources is expected to settle the obligation and
- A reliable estimate of amount of 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.

In respect to Loans/ dues payable by Channel Partners(CPS) which are adequately covered by State Government Guarantees/other Financial Instruments, no Provision are reviewed at each Balance Sheet Date.

The Corporation as per the policy approved for "rescheduling of overdue loans and advances" had rescheduled the loans in very exceptional cases. Further, the Board of the Directors vide 126th meeting of the board had considered the rescheduling/deferment of overdue of channel partners and approved the policy of expected credit loss on overdue based on unsecured and as per probability of default.

Note 6.11.1 Details of allowance for Loans & advances (non-current/current) as on 31.03.2023

Particulars	Opening Balance	Addition during the year	Recovered/Provision written back during 22-23	Closing Balance
Loans & Advances -General loan	168.58	13.34	-	181.92
Loans & Advances -Micro finance	480.53	403.42	-	883.95
Total	649.11	416.76	0.00	1065.87
Previous year	192.83	456.28	0.00	649.11

Note 6.11.2 Allowances on Loan and advances to respective channel partners is made as per the Corporation policy (Ref. Note. No.33)

Note :- 7 Other financial assets

Particulars	As at March 31, 2023			As at March 31, 2022		
	Non - Current	Current	Total	Non - Current	Current	Total
	(₹ in Lakhs)					
(1) Interest Receivable:						
Secured, considered good						
- Interest on General Loan	-	1,080.11	1,080.11	-	1,364.07	1,364.07
(By way of Govt. order /Block Govt. Guarantee received)						
- Interest on Micro Finance	-	67.07	67.07	-	63.61	63.61
	-	1,147.19	1,147.19	-	1,427.68	1,427.68
Unsecured, considered good						
Interest on General Loan	-	517.41	517.41	-	446.85	446.85
Interest on Micro Finance	-	31.94	31.94	-	6.37	6.37
	-	549.35	549.35	-	453.22	453.22
Doubtful						
Interest on General Loan	-	516.82	516.82	-	446.85	446.85
Interest on Micro Finance	-	31.94	31.94	-	6.37	6.37
Penal Interest on General Loan	241.74	-	241.74	242.20	-	242.20
Penal Interest on Micro Finance	3.52	-	3.52	3.52	-	3.52
	245.26	548.76	794.03	245.72	453.22	698.94
Less : Allowance for loans & advances	(245.26)	(548.76)	(794.03)	(245.72)	(453.22)	(698.94)
	-	-	-	-	-	-
Sub Total (1)	-	1,147.78	1,147.78	-	1,427.68	1,427.68
(2) Interest accrued but not due						
General Loan	581.20	196.23	777.43	647.91	155.14	803.05
Micro Finance	-	33.11	33.11	-	39.31	39.31
Sub Total (2)	581.20	229.34	810.54	647.91	194.45	842.36
Others						
(i) Interest accrued but not due - Saving Bank	-	0.65	0.65	-	0.97	0.97
(ii) Security Deposits - Unsecured Considered Good	0.25	-	0.25	0.63	-	0.63
(iii) Other Receivables	-	-	-	-	-	-
(iii)(a) Amount recoverable/adjustable from employees	-	-	-	0.19	-	0.19
(iii)(b) Amount recoverable from parties -considered good - Secured	-	-	-	-	-	-
(iii)(c) Amount recoverable from parties -considered good - Unsecured	36.62	-	36.62	6.74	-	6.74
(iii)(d) Amount recoverable from parties -significant increase in Credit Risk	-	-	-	-	-	-
(iii)(e) Amount recoverable from parties - Credit impaired	-	-	-	-	-	-
(iii)(f) Form banks (others)	-	-	-	-	-	-
Sub Total (3)	36.87	0.65	37.52	7.56	0.97	8.53
Grand Total (1+2+3)	618.07	1,377.77	1,995.84	655.47	1,623.10	2,278.57

Note 7.1 During the year, additional demand notice for the period 16.02.2023 to 31.03.2023 have not been raised upto 31.03.2023. However, interest for that period amounting to ₹ 63.76 Lakhs (₹ 82.03 Lakhs as at 31.03.2022) has been included in interest accrued but not due.

Note 7.2 Detail of allowance for interest on Loans & Advances (current/non current) as on 31.03.2023.

Particulars	(₹ in Lakhs)			
	Opening Balance	Addition during the year	Recovered / Provision written back	Closing Balance
Penal Interest	245.72	-	0.46	245.26
Interest on loan - General Loan	446.85	69.97	-	516.82
Interest on loan - Micro Finance	6.37	25.57	-	31.94
Total	698.94	95.54	0.46	794.03
Previous Year	629.12	92.37	22.55	698.94

Note 7.3 Allowances on Loan and advances in respective channel partners is made as per the Corporation policy

Note :- 8 Other current & non current assets

Particulars	As at March 31, 2023			As at March 31, 2022		
	Non - Current	Current	Total	Non - Current	Current	Total
	(₹ in Lakhs)					
Samples	-	-	-	-	0.30	0.30
Net planned Assets for gratuity or leave encashment(Refer Note: 14.1)	33.48	-	33.48	43.47	-	43.47
Prepaid Expenses (refer note: 8.1)	32.02	9.83	41.85	25.08	21.75	46.83
Stamps in hand	-	0.18	0.18	-	0.22	0.22
Advance Receivable	-	0.94	0.94	-	2.56	2.56
Grand Total	65.51	10.96	76.46	68.55	24.83	93.38

Note 8.1 Prepaid expenses represents unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets at initial recognition & loans given.



Note: - 9

Cash and cash equivalent

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Cash and other Bank Balances		
- Cash in hand		
(b) Balance with Banks		
- In Saving Accounts	3,410.28	4,037.62
Total	3,410.28	4,037.62

Note 9.1 Generally recoveries/refunds from borrowing agencies were received last day of the financial year. Therefore, it could not be invested for intended purpose.

Note: - 10

Cash and cash equivalent-Grant Fund

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(c) Other Bank Balance (Grant Funds & Others)		
- Saving Account	1,184.12	5,147.75
Post Retirement Medical Fund for Superannuated Employees	190.75	164.58
Unspent CSR-Fund		
Total	1,374.87	5,312.33

Note 10.1 Other bank balances represents funds meant for utilisation for training of the target group only as per the terms of the grant (Interest Subvention Scheme VISVAS, PM Daksh & other CSR Funds) along with Separate Saving Account for Post Retirement-

Note: - 11

Current Tax Asset (Net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Income Tax/TDS Receivable	0.59	29.72
Total	0.59	29.72

Note: - 12

Share Capital

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Particulars		
Authorized share capital (150,00,000 Equity shares of ₹1,000/- each) (As at 31st March 2023, 150,00,000 Equity shares of ₹1,000/- each)	1,50,000.00	1,50,000.00
Issued/Subscribed and Paid up Capital (1,49,94,000 Equity shares of ₹1,000/- each) (As at 31st March 2023, 1,49,94,000 Equity shares of ₹1,000/- each)	1,49,940.00	1,49,940.00
Total	1,49,940.00	1,49,940.00

Note :- 12.1

Reconciliation of the number of equity shares and share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	(No's of Shares)	(Amount in Lakhs)	(No's of Shares)	(Amount in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,49,94,000.00	1,49,940.00	1,49,94,000.00	1,49,940.00
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,49,94,000.00	1,49,940.00	1,49,94,000.00	1,49,940.00

Shares held by promoters at the end of the year	Shares held by Promoters at the end of the Year			% Change during the year***
	Promoter Name	No. of Shares	% of total shares	
Equity Shares	President of India	1,49,93,999	100.00	Nil
	Joint Secretary Backward Classes	1	0.00	Nil
Total		1,49,94,000	100.00	

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. In terms of Section 8(1)(c) of the Companies Act 2013, the Corporation does not declare dividend and ploughs back its excess of Income over Expenditure (Surplus) to meet the objectives of the Corporation.



Note: - 13
Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Special Reserve	1,000.00	1,000.00
General Reserve	58,796.77	55,759.97
Retained Earnings	-	-
Share Application Money pending allotment	-	-
Post Retirement Medical Fund	190.75	164.58
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	59,987.52	56,924.55

Note 13.1 Special Reserve
Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	1,000.00	2,500.00
Add: Profit during the period transfer from General Reserve	-	-
Less: Transferred to General Reserve	-	1,500.00
Closing Balance	1,000.00	1,000.00

Note 13.2 General Reserve

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	55,759.97	51,195.27
Add: Profit during the period transfer from General Reserve	3,036.80	4,564.70
Closing Balance	58,796.77	55,759.97

Note 13.3 Retained Earnings

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	-	-
Add/Less: Depreciation Adjustment (refer note 3.1)	-	-
Add/Less: Other Adjustment (refer Note No. 7.2 & Note 3)	(0.01)	-
Add/Less: Other adjustment	(0.97)	-
Add: Profit during the period transferred from Statement of Income & Expenditure	3,035.64	3,055.77
Add: Special Reserve	-	1,500.00
	3,034.65	4,555.77
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	2.15	8.93
Less: Transferred to General Reserve	3,036.80	4,564.70
Closing Balance	-	-

Other Adjustment pertains to expenditure incurred against unspent donation receipt amounting to Rs. 97,394/- only for FY 2020-21 & FY 2021-22.

Note 13.4 Share application money pending allotment

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	-	-
Add: Received during the year	-	-
Less: Shares allotted during the year	-	-
Closing Balance	-	-

Note 13.5 Post Retirement Medical Fund

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	164.58	-
Add: Received during the year	26.16	164.58
Less: Shares allotted during the year	-	-
Closing Balance	190.75	164.58



Note 13.6 Special Reserve of Rs 1000 lakhs (Rs 1000 lakhs as at 31.03.2022) kept for meeting capital expenditure on land/building, is not represented by any earmarked investment. Any capital expenditure out of the Special Reserve shall be subject to the approval of the Administrative Ministry. Further, the Board Directors of the Corporation in its 126 th meeting held on 27/12/2021 has been approved the reduce of "Special Reserve Fund" from Rs. 2500 lakh to Rs. 1000.00 lakh w.e.f financial year 2021-22.

Note 13.7 In terms of Section 8(1) (c) of the Companies Act 2013, the Corporation does not declare dividend and ploughs back its excess of Income over Expenditure (Surplus) to make disbursement of loan and meet future expenses including administrative expenses. As such, the Surplus has been transferred to General Reserve.

Note 13.8 The Corporation is a not for profit entity and its activities for development of the target group through their training & market exposure are in nature of Corporate Social Responsibility (CSR) activities

Note: - 14

Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Non - Current	Current	Total	Non - Current	Current	Total
Provision for Retirement Benefits to Employees						
-Gratuity						
-Leave Benefits	17.68		17.68	8.19		8.19
-Medical Scheme						
Sub Total (a)	17.68	-	17.68	8.19	-	8.19
Provision for Performance Related Pay :						
- Managing Director		5.43	5.43	-	13.81	13.81
- Other Employees		107.97	107.97	-	222.13	222.13
Sub Total (b)	-	113.40	113.40	-	235.95	235.95
Leave Travel Concession	21.31	12.18	33.49	18.11	6.58	24.69
Performance Linked Incentive Grant to Channel Partners	-	-	-	-	173.50	173.50
House Tax	-	-	-	-	-	-
Provision for Expenses	-	-	-	-	33.23	33.23
Interest on Unspent CSR Fund	-	0.98	0.98	-	-	-
Total	38.99	126.56	165.55	26.29	449.27	475.56

Note 14.1 Details of provisions(FY 2022-23)

(₹ in Lakhs)

Particulars	As at 1st April 2022	Additions during the year	Utilized/ payments during the year 2022-23	Written back during 2022-23	As at 31st March 2023
Gratuity (refer note no. 8)	(43.47)	9.99			(33.48)
Leave Benefits (refer note no. 8)	8.19	45.43	35.93		17.68
House tax	-	-			-
Performance linked incentive Grant to Channel Partners	173.50	-	150.36	23.14	-
Leave Travel Concession	24.69	16.47	7.68		33.49
Performance Related Pay	235.95	113.40	233.79	2.16	113.40
Provision for Expenses	33.23	-	33.23		-
Interest on Unspent CSR Fund	-	0.98			0.98
Total	432.09	186.27	461.00	25.30	132.07

Note 14.1(a) Details of provisions(FY 2021-22)

(₹ in Lakhs)

Particulars	As at 1st April 2021	Additions during the year	Utilized/ payments during the year 2021-22	Written back during 2021-22	As at 31st March 2022
Gratuity (refer note no. 8)	(33.03)	(10.44)			(43.47)
Leave Benefits (refer note no. 8)	(25.94)	34.13			8.19
House tax	0.09	0.07	0.16		-
Performance linked incentive Grant to Channel Partners	55.52	173.50	44.02	11.50	173.50
Leave Travel Concession	26.40	0.61	2.32		24.69
Performance Related Pay	288.33	91.31	130.79	12.90	235.95
Provision for Expenses	-	33.23			33.23
Total	311.38	322.41	177.30	24.40	432.09



Note 14.2 Provision for liability towards leave travel concession of ₹33.49 Lakhs (₹ 24.69 Lakhs as at 31.03.2022) is made, as per actuarial assessment.

Note 14.3 Provision for performance related pay of ₹ 113.40 (₹ 91.30 Lakhs as at 31.03.2022) has been made on the basis of 'Excellent rating of all employees, which is based on calculation of raw score on parameters as defined in MOU, which was signed by "Ministry of Social Justice & Empowerment" and Corporation. However, the applicability of rating i.e. from poor to excellent of the employees is related with their individual performances. Any difference in the actual payment on the basis of rating will be adjusted in the year of payment.

Note 14.4 As per clarification received from Department of Public Enterprises vide OM no. 2(14)/12-DPE (WC) -GL-IV/14 dated 07.02.2014 a maximum of 300 days of earned leave can be accumulated at any point of time during the service. Earned leave is encashable during the service, while half pay leave is not encashable during the service or on superannuation. However, on superannuation earned leave plus half pay leave together can be encashed subject to a maximum of 300 days.

Note 14.5 Disclosures as per Ind AS - 19 Actuarial Valuation (Gratuity, Leave Benefit)

The Corporation has a defined benefit plan for payment of gratuity to all employees, which is funded with Life Insurance Corporation of India. Every employee who has completed five years or more of service receives gratuity on leaving the Corporation at 15 days salary (last drawn salary) for each completed year of service. The present value of obligation determined is based on actuarial valuation using the projected unit credit method.

Liability for long term employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS -19 as prescribed by Companies (Ind As)Rule, 2015.

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 (net basis) is as under:

Particulars	(₹ in Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Gratuity (Funded)	Leave encashment (Funded)	Gratuity (Funded)	Leave encashment (Funded)
(I) Key Assumption of actuarial Economic Assumptions	PUC Method		PUC Method	
Discount Rate	7.29%	7.29%	7.18%	7.18%
Salary rise (p. a) *	6.00%	6.00%	6%	6%
Expected rate of return on assets	7.29%	7.29%	7.18%	7.18%
Demographic Assumptions				
Employee Turnover	2%		2%	
Retirement Age	60 years		60 years	
* first 5 year 6% & for 1 Year after 5 year 12% & for 10 years after that 6%				
(II) Amount Recognized in Statement of Financial Position at Period End				
Defined Benefit Obligation	484.61	343.06	434.33	311.01
Fair Value of Plan Assets	518.10	325.38	477.80	302.82
	(33.48)	17.68	(43.47)	8.19
Present Value of Unfunded Defined Benefit Obligation				
Unrecognised Asset due to Asset Ceiling				
Net Defined Benefit (Asset)/Liability Recognized in Statement of Financial Position	(33.48)	17.68	(43.47)	8.19
(III) Net Defined Benefit Cost /(Income) included in statement of Profit & Loss at Period End				
Service Cost	20.74	21.67	18.87	24.92
Net Interest Cost	(2.87)	1.00	(2.74)	(1.95)
Past Service Cost				
Remeasurements		22.76		11.16
Administration Expenses				
(Gain)/Loss due to Settlements /Curtailments				
Total Defined Benefit Cost /(Income) Included in Profit & Loss	17.87	45.43	16.12	34.13
(IV) Current /Non Current Bifurcation				
Current Benefit Obligation	15.90	12.13	13.71	10.25
Non- Current Benefit Obligation	468.71	330.94	420.62	300.75
(Asset)/Liability Recognized in the Balance Sheet	484.61	343.06	434.33	311.01
(V) Actual return on Plan assets				
Interest Income on Plan Assets	34.31		30.83	
Expected Return on Plan Assets		21.74		23.79
Remeasurements of Plan assets	0.24	(0.44)	25.13	10.95
Actual Return on Plan Assets	34.55	21.31	55.95	34.75



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(VI) Analysis of Amounts Recognised in Other Comprehensive (Income)/Loss at Period End				
Amount Recognised in OCI Beginning of Period	(4.87)		4.06	
Remeasurements due to :-				
Effect of Change in financial assumptions	(2.76)		(5.71)	
Effect of Change in demographic assumptions				
Effect of experience adjustments	0.86		21.91	
(Gain)/Loss on Curtailments/settlements				
Return on Plan assets(excluding interest)	(0.24)		(25.13)	
Change in asset ceiling				
Total remeasurements recognized in OCI	(2.15)		(8.93)	
Amount Recognized in OCI	(7.01)		(4.87)	
(VII) Analysis of Amounts Recognised in Remeasurements of the Net Defined Benefit Liability/(Asset) during the Period				
Remeasurements due to :-				
Effect of Change in financial assumptions		(2.07)		(4.66)
Effect of Change in demographic assumptions				
Effect of experience adjustments	24.39			26.77
(Gain)/Loss on Curtailments/settlements				
Return on Plan assets(excluding interest)	0.44			(10.95)
Change in asset ceiling				
Total remeasurements recognized (gains)/losses	22.76			11.16
(VIII) Changes in defined Benefit Obligation during the Period				
Defined Benefit Obligations Beginning of period	434.33	311.01	411.19	316.91
Interest cost on DBO	31.44	21.67	28.08	24.92
Current service cost	20.74	22.74	18.87	21.85
Benefit paid (if any)				
Benefit paid by the Insurer (if any)	0.00	(34.68)	(40.00)	(74.78)
Past Service cost				
Actuarial (gain)/loss	(1.90)	22.32	16.20	22.11
Defined Benefit Obligation at the end of the period	484.61	343.06	434.33	311.01
(IX) Change in Fair Value of Plan Assets during the Period				
Fair Value of Plan Assets at the beginning of the period	477.80	302.82	444.21	342.85
Interest Income on Plan assets	34.31	21.74	30.83	23.79
Contributions	5.74	1.26	17.64	
Benefits paid		0.00	(40.00)	(74.78)
Actuarial gain/(loss) on plan assets	0.24	(0.44)	25.13	10.95
Fair Value of Plan Assets at the end of the Period	518.10	325.38	477.80	302.82
(X) Reconciliation of Balance Sheet Amount				
Balance Sheet(Asset)/Liability, beginning of Period	(43.47)	8.19	(33.03)	(25.94)
Total Charge/(Credit) Recognized in Profit & Loss	17.87	45.43	16.12	34.13
Total Remeasurements Recognized in OC (Income)/Loss	(2.15)		(8.93)	
Actual Employer Contribution /benefit Directly paid by the C	(5.74)	(35.93)	(17.64)	
Balance Sheet(asset)/Liability End of Period	(33.48)	17.68	(43.47)	8.19
(XI) Sensitivity Analysis				
Defined Benefit Obligation - Discount Rate + 100 base points	(24.00)	(20.34)	(24.53)	(20.31)
Defined Benefit Obligation - Discount Rate - 100 base points	26.03	23.12	26.74	22.51
Defined Benefit Obligation - Salary Escalation Rate + 100 ba	7.03	23.85	5.80	23.49
Defined Benefit Obligation - Salary Escalation Rate - 100 ba	(8.15)	(22.57)	(10.66)	(22.57)

(XI) Expected Cash flows for the Next Ten Years

Year - 2021			
Year - 2022			
Year - 2023			14.20
Year - 2024	16.47		15.02
Year - 2025	36.08		34.02
Year - 2026	71.43		64.75
Year - 2027	45.26		41.64
Year - 2028	28.98		
Year - 2028 to 2032			389.31
Year - 2029- to 2033	417.05		

Note: - 14.6 Estimates of future salary increase considered in actuarial valuation taken in to account inflation, seniority, promotion and other relevant factor



Note: - 15

Other financial liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Amount payable/adjustable to SCA	42.79	0.03
Security deposit & retention money (Unsecured Considered Good)	0.54	0.72
Grant from government/Financial Institutions-15.1	1,138.47	5,137.92
Interest on Grant Fund	32.61	9.82
Sub Total (1)	1,214.40	5,148.50
Other payables :		
Total outstanding dues of creditors other than micro enterprises and small enterprises	51.89	29.96
Total outstanding dues of micro enterprises and small enterprises (refer note - 41)	-	4.07
Sub Total (2)	51.89	34.04
Total	1,266.29	5,182.54

Note 15.1 During the year 2022-23, as per direction of Government of India has transferred the utilized funds of Rs. 2099.98 Lakh in to CNA account with Axis Bank which was received Rs. 1942.00 Lakh in 2021-22 and Rs. Rs. 639 Lakh in two times in 2020-21 under P.M. Daksh Scheme for imparting training to the beneficiaries. out of which the Corporation is able to utilized to the tune of Rs. 1654.97 Lakh in financial year 2023-23. the corporation stands committed to release /utilized remaining grant in next financial year. Further, the Corporation has earned the interest on unutilized fund of Rs. 44.66 Lakh and an amount of Rs. 17.48 Lakh has duly been deposited with consolidated fund of Govt. of India and remaining balance will be deposited in Bharat Kosh in the next financial year.

Trade Payables Ageing FY 2022-23

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-	-
(ii)Others	51.89	-	-	-	-	51.89
(iii)Disputed dues – MSME	-	-	-	-	-	-
(v) Disputed Due others	-	-	-	-	-	-
Total	51.89	-	-	-	-	51.89

Trade Payables Ageing FY 2021-22

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i)MSME	4.07	-	-	-	-	4.07
(ii)Others	11.20	-	18.76	-	-	29.96
(iii)Disputed dues – MSME	-	-	-	-	-	-
(v) Disputed Due others	-	-	-	-	-	-
Total	15.28	-	18.76	-	-	34.04

Note: - 16

Other Current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
TDS payable	0.80	45.88
GST payable	1.46	6.35
Provident fund payable	-	12.10
Pension & Post retirement medical fund	-	1.38
Employee Reimbursement & Others Payables	2.82	7.00
Total	5.07	72.71

Note: - 17

Revenue From Operations

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
a) RENDERING OF SERVICES:		
Interest on Loan to SCAs/others		
Interest on Loan and advances (General Loan)	4,302.58	4,155.99
Interest on Loan and advances (Micro Finance)	966.92	1,057.39
Penal Interest (General Loan)	5.60	54.40
Penal Interest (Micro Finance)	0.36	11.48
Donation Received	0.11	1.23
	5,275.57	5,280.49
b) Other Operating Income		
Provision /Allowances on Loans & Advances written back	-	-
Monitoring Cost on CSR Activities	31.54	24.05
Management Fee-Visvas Scheme	5.63	16.98
	37.17	41.04
Total	5,312.74	5,321.53

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Note :- 15.1 Security Deposit includes deposits received from various vendors/ suppliers for services.
 Note :- 15.2 Corporation received various grants/funds from administrative ministry for implementing various scheme of ministry as well as other CPSEs for specific purpose. Corporation has maintained separate account for such funds/grants and it has been shown as liability till the fund is utilized for the purpose it was received. After disbursing the same has been adjusted from the PIA (Project Implementing Agencies) balances.

Note :- 15.3 During the year an amount of Rs.2,322.99 lakhs (previous year Rs.5111.20 lakhs) was received from various institutions etc. towards imparting training and stipend. Out of total grants available, Rs. 6414.76 lakhs (Previous year Rs.3400.63 lakhs) was released/refunds including interest on the tune of Rs.131.59 lakh (Previous Year Rs. 515.13 lakh) to the training institutions/administrative ministry and recognised during the financial year as revenue grant. The detail of training grant and subsidy at the beginning, received, refunded, released during the year, and the balance as on 31.03.2023 are as under :-

During the E.Y.2022-23

Particulars	Opening Balance		Receipt During the year		Grand Total		Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Grant	Interest Income	Grant	Interest Income	Grant	refunds/withdrawal of interest	Total	Grant	Interest Income	Total
Ministry of S&AE (Grant-II) of 17-18 (for Beggers)	42.69	0.00	-	0.62	42.69	0.62	43.31	42.69	0.62	43.31	0.00	-0.00
Ministry of S&AE (Grant-III) of 18-19 (Transgender)	66.83	0.00	-	0.94	66.83	0.94	67.77	66.83	0.94	67.77	0.00	0.00
Ministry of S&AE (Grant-IV) of 19-20	400.00	0.00	-	9.63	400.00	9.63	409.63	400.00	9.63	409.63	0.00	0.00
Ministry of S&AE (Grant-V) of 19-20 (NER)	167.79	0.00	-	4.04	167.79	4.04	171.83	167.79	4.04	171.83	0.00	-0.00
Ministry of S&AE (Grant-VI) of 19-20 (Transgender)-HEALTH	776.21	0.00	-	10.84	776.21	10.84	787.05	776.21	10.84	787.05	0.00	-0.00
Ministry of S&AE (Grant-VII) of 20-21 (P.M. Daksh)-1	2.70	0.00	-	-	2.70	-	2.70	2.70	-	2.70	0.00	-0.00
Ministry of S&AE (Grant-VIII) of 20-21 (P.M. Daksh)-2	570.79	0.00	(136.07)	9.07	434.72	9.07	443.79	434.72	9.07	443.79	0.00	-
Ministry of S&AE (Grant-IX) of 21-22 (P.M. Daksh)-1	639.00	0.00	(639.00)	9.83	-	9.83	9.83	-	9.83	9.83	0.00	-0.00
Ministry of S&AE (Grant-X) of 21-22 (P.M. Daksh)-2	307.25	0.00	(157.98)	9.42	149.27	9.42	158.69	149.27	9.42	158.69	0.00	-
Ministry of S&AE (Grant-XI) of 20-21 (P.M. Daksh)-1	1942.00	0.00	(1,942.00)	56.95	-	56.95	56.95	-	56.95	56.95	0.00	-
Ministry of S&AE (Grant-XII) of 21-22 (P.M. Daksh)-CAN	-	0.00	775.07	1.70	776.77	1.70	778.47	775.07	1.70	776.77	0.00	614.61
Conor corporation of India Ltd	60.82	0.00	2,099.98	44.66	2,144.64	44.66	2,144.64	1,654.97	17.48	1,672.45	443.01	472.19
Development Commissioner (Hudco/Infra)	0.00	0.00	-	-	60.82	-	60.82	60.82	-	60.82	0.00	-0.00
India Railway Finance Corporation Ltd.	46.01	0.00	-	0.04	46.01	0.04	46.05	46.01	0.04	46.05	0.00	0.00
Engineers India Ltd.	57.60	0.00	136.72	1.06	194.32	1.06	195.38	194.32	1.06	195.38	0.00	0.00
MS&AE GRANT RECEIPT ON NF-ORC (SHREYAS) ACCOUNT	-	-	1,873.23	3.53	1,876.76	3.53	1,880.29	1,869.14	-	1,869.14	4.09	7.61
MS&AE GRANT RECEIPT ON INTT-SUBSIDY -SHREYAS A/C	-	-	331.40	0.34	331.74	0.34	332.08	331.74	0.34	332.08	0.00	0.00
Total	5,080.28	1.51	2,341.35	162.70	7,421.63	164.29	7,585.93	5,998.17	416.59	6,414.76	1,138.46	1,171.07

During the E.Y.2022-23

Particulars	Opening Balance		Receipt During the year		Grand Total		Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Grant	Interest Income	Grant	Interest Income	Grant	refunds/withdrawal of interest	Total	Grant	Interest Income	Total
NECTDC-MS&AE(VISVAS) YOJANA -2020 ACCOUNT	57.64	8.31	-	0.71	57.64	9.02	66.66	57.64	9.02	66.66	-	-
Total	57.64	8.31	-	0.71	57.64	9.02	66.66	57.64	9.02	66.66	-	-



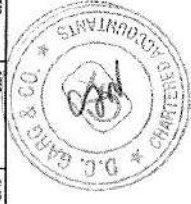
Note No 15.4
During the FY 2021-22

Particulars	Opening Balance		Receipt During the year		Grand Total		Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Grant	Interest Income	Total	Interest Income	Grant	Interest Income	Total	Grant	Interest Income	Total
Ministry of S&RE (Grant-I) of 17-18 (for Beggers)	69.54	18.61	38.15	2.66	2.66	69.54	50.81	26.83	21.37	48.12	42.69	0.00
Ministry of S&RE (Grant-II) of 18-19 (North Eastern Region)	318.69	95.08	413.68	3.18	3.18	318.60	416.86	318.60	98.25	416.86	0.00	0.00
Ministry of S&RE (Grant-III) of 18-19 (Transgender)	81.02	12.23	93.24	3.94	3.94	81.02	97.19	14.19	16.17	30.36	66.83	0.00
Ministry of S&RE (Grant-IV) of 18-19 (Transgender)	7.76	1.26	9.02	0.18	0.18	7.76	9.20	7.76	1.44	9.19	0.00	0.00
Ministry of S&RE (Grant-V) of 19-20	0.00	0.00	99.87	13.63	(3.65)	-0.00	113.49	-	113.49	0.00	0.00	-0.00
Ministry of S&RE (Grant-VI) of 19-20 (Transgender)HEALTH	0.00	3.65	3.65	4.68	4.68	150.00	168.40	150.00	18.40	168.40	0.00	0.00
Ministry of S&RE (Grant-VII) of 19-20 (Drug Demand Reduction)	150.00	13.81	163.81	2.14	2.14	70.00	77.18	70.00	7.18	77.18	0.00	0.00
Ministry of S&RE (Grant-VIII) of 19-20 (for Beggers)	400.00	5.04	75.04	12.16	12.16	400.00	438.03	38.03	38.03	400.00	0.00	0.00
Ministry of S&RE (Grant-IX) of 19-20	300.00	19.40	319.40	7.76	7.76	300.00	327.16	27.16	27.16	300.00	0.00	0.00
Ministry of S&RE (Grant-X) of 19-20 (NER)	1077.09	49.21	1126.30	18.38	18.38	1,077.09	1,144.69	67.59	67.59	1,077.09	167.19	0.00
Ministry of S&RE (Grant-XI) of 20-21 (Transgender)HEALTH	25.83	4.51	30.34	4.26	4.26	25.83	35.00	25.13	9.17	33.30	2.69	0.00
Ministry of S&RE (Grant-XII) of 20-21	250.00	9.65	259.65	6.30	6.30	250.00	266.25	250.00	16.25	266.25	0.00	0.00
Ministry of S&RE (Grant-XIII) of 20-21	250.00	9.26	259.26	7.40	7.40	250.00	266.66	250.00	16.66	266.66	0.00	0.00
Ministry of S&RE (Grant-XIV) of 20-21	250.00	8.03	258.03	7.37	7.37	250.00	265.49	250.00	15.40	265.40	0.00	0.00
Ministry of S&RE (Grant-XV) of 20-21 (P.M. Dash)	639.00	6.30	645.30	(0.93)	(0.93)	639.00	644.38	66.21	5.38	73.59	570.79	0.00
Central warehouse Corporation	34.44	0.00	34.44	53.46	53.46	34.44	34.44	34.44	34.44	34.44	0.00	0.00
Concor Corporation of India Ltd	21.33	0.00	21.33	0.04	0.04	74.79	74.79	74.79	13.57	66.32	60.82	0.00
Development Commissioner (Hindustan)	0.00	1.46	1.46	0.40	0.40	-0.00	1.50	1.50	0.00	1.50	1.50	0.00
IPCI Social Foundation	12.23	0.00	12.23	0.40	0.40	12.23	12.63	12.23	0.40	12.63	0.00	0.00
Indian Railway Finance Corporation Ltd.	135.17	0.00	135.17	44.53	44.53	179.75	179.75	179.75	132.14	132.14	46.61	0.00
Engineers India Ltd	103.49	0.00	103.49	151.20	151.20	254.69	197.09	197.09	18.32	18.32	57.60	0.00
CONCOR AIR LIMITED-COVID 19 GRANT ACCOUNT	0.00	0.00	0.00	0.00	0.00	637.32	637.32	20.10	18.32	639.80	0.00	0.00
Ministry of S&RE (Grant-XVI) of 20-21 (P.M. Dash)-2	639.00	0.07	639.07	0.49	0.49	20.10	20.59	20.10	0.49	20.59	0.00	0.00
MINISTRY OF S&RE (Grant-XVII) of 20-21 (P.M. Dash)-2	20.10	0.00	20.10	0.49	0.49	20.10	20.59	20.10	0.49	20.59	0.00	0.00
CONCOR COVID 19 CSR GRANT	0.00	0.00	0.00	19.96	19.96	19.96	19.96	19.96	19.96	19.96	0.00	0.00
CONCOR AIR LIMITED CSR SDTP GRANT RECEIVED ACCOUNT	0.00	0.00	0.00	900.00	900.00	908.76	908.76	592.75	8.76	601.51	307.25	0.00
Ministry of S&RE (Grant-XVIII) of 21-22 (P.M. Dash)-2	0.00	0.00	0.00	1942.00	1942.00	1,942.00	1,942.00	1,942.00	15.20	1942.00	1,942.00	0.00
Ministry of S&RE (Grant-XIX) of 21-22 (P.M. Dash)-3	0.00	0.00	0.00	15.20	15.20	15.20	15.20	15.20	15.20	15.20	0.00	0.00
Ministry of S&RE (Grant-XX) of 20-21 (P.M. Dash)-1	4,854.58	384.01	5,238.59	132.65	3,343.83	7,965.78	8,462.42	2,885.50	515.13	3,490.63	5,081.79	0.00
Total												

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Particulars	Opening Balance		Receipt During the year		Grand Total		Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Grant	Interest Income	Total	Interest Income	Grant	Interest Income	Total	Grant	Interest Income	Total
NBCDC-MS&H(VISVAS) YOJANA -2020 ACCOUNT	878.09	8.02	886.11	23.30	23.30	878.09	909.41	820.45	23.01	845.46	57.64	8.31
Total												

Particulars	Opening Balance		Receipt During the year		Grand Total		Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Grant	Interest Income	Total	Interest Income	Grant	Interest Income	Total	Grant	Interest Income	Total
COVID 19 RELIEF FUND ACCOUNT	5.19	0.05	5.24	0.12	1.23	6.29	6.46	5.49	5.49	5.49	0.17	0.97
Total												



Note 17.1 The Corporation has adopted Ind AS -115 (revenue from contract with customers) in accordance with requirement of applicable financial reporting framework, due to adoption of this there is no material impact on financial statement of NBCFDC

Note 17.2 On the basis of annual sanction, Channel Partners can draw required amount of funds as advance which is converted into loan, in full or in part, on the basis of utilization details submitted by the Channel Partner. The advance is required to be converted into loan by the Channel Partners by way of loaning to the eligible beneficiaries under various scheme of the Corporation, the advance is provided to the Channel Partners at applicable interest rate on advances and from the date of its utilization, the interest rate of respective scheme in which funds have been utilized become applicable.

Note 17.3 Interest income on loan advanced/given is recognized on time proportion basis taking into account the amount outstanding and the rate applicable, using Effective Interest Rate method.

Note 17.4 Interest income on unutilized funds lying with the borrowing agencies is recognised as per prevailing rate of interest on advances from the date of advance of funds to a day before to letter date of utilisation of funds by the borrowing agencies

Note 17.5 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.

Note 17.6 Interest income on overdue of Loans is recognised as per prevailing rate of interest from the date of overdue to a day before receipt of repayment.

Note 17.7 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised an income of Rs. 0.11 Lakh FY 2022-23, Rs. 1.23 Lakh (FY 21-22) & 28.37 Lakh (FY 20-21) respectively w.e.f 01.04.2021.

17.8 Accrual of Revenue & Terms of references are as under:

(₹ in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Term Loan	Micro Finance	Term Loan	Micro Finance
Interest accrued & due as at beginning of the year	1,810.92	69.98	1,885.92	93.36
Add: Interest accrued & due during the year	4,302.58	966.92	4,155.99	1,057.39
Less: Interest Received during the year	4,515.98	937.88	4,230.99	1,080.77
Less: Adjustment, if any	-	-	-	-
Interest accrued & due as at Balance Sheet Date	1,597.53	99.02	1,810.92	69.98
Penal Interest receivable as at beginning of the year	242.20	3.52	264.75	3.52
Add. Recognized during the year	5.60	0.36	54.40	11.48
Less : Received during the year	5.60	0.36	54.40	11.48
Less: Adjustment, if any	0.46	-0.00	22.55	-
Penal Interest receivable as at Balance Sheet Date	241.74	3.52	242.20	3.52

Terms of references:

General Loan includes Education loan ,New Swarnima, Term loan and Micro Finance includes MFS & Mahila Samridhi yojana.

Particulars	General Loan Scheme			Micro Finance Scheme		
	Education Loan	New Swarnima	Term Loan	Micro Finance	Mahila Samridhi/Small Loan Finance	NBFC-MFI-Loan
Rate of Interest *	1.5%/1%	2%	3%, 4% & 5% \$	2%	1%/3%	4%
Repayment Period	9.5 Year in 20 Quarterly Instt.	8 year in Quarterly Instt.	8 year in Quarterly Instt.	4 year in Quarterly Instt.	4 year in Quarterly Instt. (w.e.f 01.04.2021 for SMF)	4 year in Quarterly Instt.
Moratorium Period	4.5 years inclusive of study period of 4 years	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal
* 0.5% rebate on timely repayment of due						
\$ 4% interest charged in r/o loan above ₹ 5 lakh to 10 Lakh and 5% on above ₹ 10 Lakh						
Penal Interest shall attract @ 1% on default amount.						

B. Interest on Advance Fund : Funds are to be utilized within 120 days by SCAs. Banks may claim refinance of outstanding balance under Education loan irrespective of year of loan disbursement. For other schemes refinance can be claimed during current year only. The amount of refinance should be appropriated within 10 working days of drawl from NBCFDC.

Period	ROI
1-120 days	3%
121-180 days	6%
Above 180 days	8%



Note 18 Other Income

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
a) Interest Income		
Interest on advances to employees	15.35	14.52
Interest subsidy on Education Loan	-	-
Sub Total (a)	15.35	14.52
b) Interest from Banks		
Interest on savings bank	150.61	181.57
Interest on fixed deposits	72.40	-
Sub Total (b)	223.01	181.57
c) Other Non-Operating Income		
Miscellaneous income	1.24	0.33
Sub Total (c)	1.24	0.33
Total (a+b+c)	239.60	196.42

Note 18.1 Interest on short term deposit with banks is recognised from the date of short term deposit to date of maturity on accrual basis as per prevailing rate.

Note 18.2 Interest on loan to employees includes fair value adjustment of ₹ 3.49 Lakhs (₹ 3.45 lakhs as at 31.03.2021)

Note 18.3 The Corporation has obtained 12A exemption certificate from Income tax authority for accepting donation for intend purpose to conduct skill development programme for target group of OBC in the month of July' 2017 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised an income of Rs. 0.11 Lakh FY 2022-23, Rs. 1.23 Lakh (FY 21-22) & 28.37 Lakh (FY 20-21) respectively w.e.f 01.04.2021.

Note :- 19

Allowance/Reversal for Loans & advances

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Allowance for Loans & advances	416.76	433.73
Uncollectable Interest	95.09	92.36
Total	511.85	526.09

Note :- 20

Penal Interest waived off and others

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Penal Interest waived off	44.57	45.52
Interest Incentive under One time Settlement (OTS)	19.08	2.70
Total	63.65	48.23

Note :- 21

Employee Benefits Cost

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
a) Salary, Wages & Benefits		
- Salary and Allowances	997.03	919.52
b) Contribution to Provident Fund & Other Funds		
- Contribution to Provident and Superannuation Funds	170.66	148.13
c) Staff welfare expenses		
- Leave Travel Concession	16.47	0.61
- Medical Reimbursements /Policies	38.38	39.38
- Others	18.61	12.44
Total	1,241.15	1,120.09

Note 21.1 Others includes Interest on loan to employees fair value adjustment of ₹ 3.69 Lakhs (₹ 3.50 lakhs as at 31.03.2022)

Note :- 22

Depreciation & Amortization Costs

Particulars	(₹ in Lakhs)	
	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Depreciation on Tangible Assets (refer note no. 3)	22.87	27.77
Amortization of Intangible assets (refer note no. 4)	4.05	8.54
Depreciation Charge for Right of Use Assets (refer note no. 3.1)	0.59	0.59
Total	27.51	36.89



Note :- 23

Training and Other Developmental Expenditure

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Training Expenditure on Beneficiaries & other developmental expenses	6,457.76	3,571.07
Less- Recognised/released during the year (Refer Note. No. 15.3)	6,414.76	3,400.63
Sub Total (a)	42.99	170.44
Fair, Exhibitions and Awareness Camps	62.43	34.71
Performance linked Grant in aid (SCAs)	-	173.50
Cluster Development Expenses	80.42	38.29
Publicity Grant to SCAs	6.99	7.91
Donation & Covid 19 Expenses (See Note 23.4)	0.11	5.49
Sub Total (b)	149.96	259.90
Total	192.95	430.34

Note 23.1 The Corporation has so far disbursed cumulative grant of ₹22,851.63 lakhs (Previous year ₹18,548.02 lakhs) including share of administrative ministry to State Channelising Agencies/ other institutions for imparting training to the target group & officials of SCAs, which is charged to revenue on disbursement as per policy. Out of the cumulative grants disbursed, utilization certificate(s) for ₹ 309.15 lakhs (Previous year ₹4913.02 lakhs) are awaited as at year end.

Note 23.2 Since there is uncertainty of the amount and time lag in submission of training expenses claims by SSC/Training Institutions and multiple training programmes monitored by them, payments on account of grant from training programmes are charged to expenses in the year of acceptance of claim /year of disbursement.

Note 23.3 The Corporation has so far disbursed cumulative grant of ₹878.63 lakhs (Previous year ₹ 878.63 lakh) to incentivizing the State Channelising Agencies/ other institutions in better delivery mechanism, recoveries of loans and purchase of data processing units etc., which is charged to revenue on disbursement as per policy. Out of the cumulative grants disbursed, utilization certificate(s) for ₹ 3.04 lakhs (Previous year ₹7.00 lakhs) are awaited as at year end.

Note. 23.4 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised expenditure of Rs. 0.11 Lakh FY 2022-23, Rs. 5.49 Lakh (FY 21-22) & 23.14 Lakh (FY 20-21) respectively w.e.f 01.04.2021.

Note :- 24

Rebate on Interest on Loans & Advances

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Rebate	25.96	17.52
Total	25.96	17.52

Note 24.1 Incentive for Channel Partners as "Rebate on Interest": In order to encourage to channel partners for timely repayment of due, The Corporation has a scheme for them as "Rebate on interest". As per norms, rebate of 0.5% on Education Loan is provided.

Note :- 25

Other Expenses

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
A. Administrative Expenses		
Auditor Remuneration (Refer Note No-25.1)	2.07	1.48
Repair & Maintenance (Equipment & others)	12.33	7.94
Electricity & Water charges	13.86	11.69
Rent	217.00	184.92
Rates & Taxes	0.42	0.42
Insurance	0.84	0.85
Telephone	7.94	7.08
Travelling Expenses -Directors	2.11	0.26
Travelling Expenses -Staffs & others	10.50	10.44
Conveyance	8.97	5.70
Vehicle Running & Maintenance	1.29	1.17
Office Expenses & Maintenance	46.28	35.37
Legal & Professional charges	7.88	8.42
Printing & stationery	8.12	5.82
Advertisement	8.05	2.31
Conference and Meetings	0.14	0.13
Recruitment & Training	0.75	0.20
Monitoring & Evaluation	26.13	9.03
Security & Other Services Charges	70.13	62.19
Other Expenditure	25.59	24.12
Total	470.39	379.53



Note 25.1 Payment to the Auditor

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Statutory Auditor Remuneration	2.07	1.48
For taxation matters (Tax Audit) for company law matters	0.22	0.22
for other services (GST & Others) (see note 25.1.1)	0.41	0.41
for reimbursement of expenses		
Total	2.70	2.11

Note 25.1.1 The Corporation had incurred GST & 80G fee of Rs. 0.30 Lakh and Rs. 0.12 Lakh respectively.

Note: - 26

Components of Other Comprehensive Income (OCI)/ (Expenses)

(₹ in Lakhs)

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

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Remeasurement of Defined Benefit plans		
- Gratuity	2.15	8.93
Total	2.15	8.93

Note :- 27 Exceptional Items

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Excess Provision of Performance Incentive written back & other	(25.30)	(12.90)
Interest on Income Tax Refund	(0.96)	(0.44)
Loss /(Profit) on sale of assets	(0.18)	-
Leave Encashment Expenses written off (see note 27.1)	-	(51.43)
Excess Provision/Expenses written back	2.88	(11.50)
Expenses/Liability written off	(18.88)	(17.51)
Other Exceptional Income (See Note No. 27.2)	(0.03)	(47.37)
Assets Written off	0.30	
Total	(42.16)	(141.15)

Note 27.1 a sum of Rs. Nil FY 2022-23 & Rs. 51,43,073 FY 2021-22 has been received from LIC India during this Financial Year on account of Leave Encashment expenses paid by the Corporation earlier.

Note 27.2 Other Exceptional Income Comprises of Interest & Arbitration fee received w.r.t Pudduchery BC division amounting to Rs. 32.26 Lakh and 14.64 Lakh respectively & other exceptional fee of Rs. 0.47 Lakh only for FY 2021-22

All the provisions written back are considered as Exceptional Items except Provision Written back on Loan & Advances.

Note :- 28 Corporate Social Responsibilities (CSR) Expenses

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Direct Expenses	25.20	43.96
Overheads	0.22	0.68
Total	25.42	44.64

Note 28.1 Disclosure in respect of CSR Expenses :

Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of The Companies Act, 2013 read with Schedule VII thereof:

a. Detail of amount required to be spent

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Average surplus/profit of the last three years	3,020.02	2,929.68
Un-spent amount as at Beginning of the Year	(107.21)	(121.16)
Gross Amount required to be spent during the year (2% of above 1)	60.40	58.59
Amount Spent during the year	25.42	44.64
Amount considered during the year		
Un-spent amount as at Year End	(72.23)	(107.21)
Total	(72.23)	(107.21)

b. No provision has been made for CSR Expenses during the year . The income earned ,if any incidentally to the CSR projects have been netted off from the CSR expenses.



(b) Details of Average of Surplus/Profit of the last three Financial Years as follows: (₹ in Lakhs)

Financial Years	Net Profit	Average Net Profit	Amount to be Spent for CSR Expenditure
2011-12	2410.56		
2012-13	2569.02		
2013-14	1984.83		
2014-15	3734.42	2321.47	46.43
2015-16	2407.64	2762.76	55.26
2016-17	2567.16	2708.96	54.18
2017-18	1960.63	2903.07	58.06
2018-19	2793.68	2311.81	46.24
2019-20	2574.11	2440.49	48.81
2020-21	3421.25	2442.81	48.86
2021-22	3064.70	2929.68	58.59
2022-23	3037.79	3020.02	60.40

(c) CSR Disclosure as per Section 135 of the Companies Act, 2013**(₹ in Lakhs)**

Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
FY 2021-22	22.42	22.42	10.63	0.00	11.79	
FY 2022-23	45.61	45.61	0.00	0.00	45.61	

(c) CSR Disclosure as per Section 135 of the Companies Act, 2013

Particulars	FY 2022-23	FY 2021-22	Total
amount required to be spent by the company during the year	60.40	22.42	82.82
amount of expenditure incurred,	14.79	10.63	25.42
shortfall at the end of the year,	45.61	11.79	57.40
total of previous years shortfall	11.79		
reason for shortfall	Delay in submitting the proposal by channel partners.		
nature of CSR activities,	Eradicating hunger, poverty and malnutrition; promoting health care including preventing health care and making available safe drinking water.		

Pursuant to Section 135 of the Companies Act, 2013 read with CSR Rules, 2014, the Corporation had transferred an unspent balance of Rs. 45.61 Lakhs FY 2022-23(Rs. 22.42 Lakhs FY 2021-22) to specially designated Unspent Corporate Social Responsibility Account with in 30 days of the end of the Financial Year.

Note: - 29**Earnings per share (EPS)****(₹ in Lakhs)**

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Basic EPS		
From continuing operation	20.25	20.38
Diluted EPS		
From continuing operation	20.25	20.38



29.1 Basic Earning per Share**(₹ in Lakhs)**

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Profit attributable to equity holders of the company: Continuing operations	3035.64	3055.77
Earnings used in calculation of Basic Earning Per Share	3035.64	3055.77
Weighted average number of shares for the purpose of basic earnings per share	149.94	149.94

29.2 Diluted Earning per Share

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

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Profit attributable to equity holders of the company: Continuing operations	3035.64	3055.77
Earnings used in calculation of diluted Earning Per Share from continuing	3035.64	3055.77

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity share used in calculation of basic earning per share as follows

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Weighted average number of shares for the purpose of basic earnings per share	149.94	149.94
Effect of Dilution : Share Application money pending allotment	-	-
Weighted average number of shares for the purpose of Diluted earnings per share	149.94	149.94



Note No: 5

Non-current portion of the Trade Receivable/Debtors have been classified under 'non-current financial assets' and current portion of the Trade Receivable/Debtors has been classified under 'current financial assets - loans'. (₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Non - Current	Current	Total	Non - Current	Current	Total
Considered Good-Secured						
Considered Good-UnSecured					1.68	1.68
Significant Increase in Credit Risk						
Less : Allowance for loans & advances						
Total	-	-	-	-	1.68	1.68

Trade Receivables Ageing FY 2022-23

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

Trade Receivables Ageing FY 2021-22

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	1.68	-	-	-	-	1.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
Total	1.68	-	-	-	-	1.68



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)

Notes :- 30

30.1 Related Party Disclosures (Key managerial personnel)

- (a) Mr. Rajan Sehgal, Managing Director
(b) Mr. Ajit Kumar Samal, S.G.M. (Finance) & Company Secretary
(c) Mr. V. R. Chary S.G.M. (HR & Personal)
(c) Ms. Anupama Sood S.G.M.(Project)
(e) Mr. Suresh Kumar G.M. (Skill & Training)

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

30.2 Compensation of Key Management Personnel

Particulars	₹ in Lakhs	
	For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Short Term Benefits (Salaries/PRPetc.)	223.40	228.20
Sitting Fees to Independent Directors	0.00	0.42
Post Employment Benefits	31.47	28.13
Other Long Term Benefits		
Termination Benefits		
Share Based Payment		
Medical	1.73	1.72
Others (Reimb.)	5.63	1.55
Sub Total (1)	262.23	260.02
Loan to related party:		
Loan given during /at the end of the year	45.30	27.51
Interest	12.84	11.70
Repayment during the year	25.37	6.43
Sub Total (2)	32.77	32.87
Amount owned by related parties at end of the year (1+2)	295.00	292.89

FY 2022-23

Particulars	₹ in Lakhs				
	Mr. Rajan Sehgal (Managing Director)	Mr. Ajit Kumar Samal	Mr. V.R.Chary	Ms. Anupama Sood	Mr. Suresh Kumar
Short Term Benefits	16.82	45.97	54.80	57.46	48.36
Post Employment Benefits	2.52	6.45	7.93	7.79	6.78
Medical	0.13	0.50	0.50	0.50	0.10
Others (Reimb.)	2.74	1.06	0.77	0.35	0.70

FY 2021-22

Particulars	₹ in Lakhs				
	Mr. Arvind Kataria	Mr. Ajit Kumar Samal	Mr. V.R.Chary	Ms. Anupama Sood	Mr. Suresh Kumar
Short Term Benefits	46.06	35.57	44.16	40.75	36.36
Post Employment Benefits	2.75	5.60	7.00	6.80	5.98
Medical	0.25	0.45	0.44	0.50	0.08
Others (Reimb.)	0.06	0.28	0.44	0.50	0.27

Loans or Advances granted to promoters, directors, KMPs and the related parties

Type of Borrower	₹ in Lakhs	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters		
Directors		
KMPs	45.30	0.02%
Related Parties		

Director sitting fees of ₹ Nil FY 2022-23 & 42480 FY 2021-22 against ₹ Nil-including GST FY 2020-21 has been paid to two Non - Official Independent Directors)

Total Compensation paid as per the guidelines of Deptt. Of Public Enterprises (DPE)

TA/DA is paid /payable in normal course of business and paid on same terms which are applicable to other employees.

30.3 Transaction with the Government Related Entities

Apart from transactions reported above, the Corporation has transactions with other Government related entities, which Name of Government : Government of India through Ministry of Social Justice and Empowerment

Certain Significant Transactions:

Party	Nature of Transaction	₹ in Lakhs	
		For the Year Ended March 31, 2023	For the Year ended March 31, 2022
Ministry of Social Justice and Empowerment	Receipt towards Equity Share Capital during the year	-	-
Ministry of Social Justice and Empowerment	Receipts of Grant in Aid towards implementation of Skill Development Programme during the year	-	-
Ministry of Social Justice and Empowerment	Reimbursement of expenses of organizing events	-	-
Total		-	-

30.4 Related Parties held equity of the Corporation

Name of Party	Relationship	For the Year Ended March 31, 2023		For the Year ended March 31, 2022	
		Number of share held	% holding in that class of shares	Number of shares	% holding in that class of shares
President of India	Shareholder	14994000	99.9%	14994000	99.9%



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Notes - 31 Capital management

31.1 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. As on 31st March 2022 company does not have any liability towards borrowings. Company manages its working capital requirement through internal accruals.

31.2 Following changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 :

Note - 32 Fair Value measurements

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

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Cash and Cash Equivalents	-	-	3,410.28	-	-	4,037.62
(ii) Other Bank balances	-	-	-	-	-	-
(iii) Security Deposits	-	-	0.25	-	-	0.63
(iv) Other Financial Assets	-	-	1,995.59	-	-	2,177.94
(v) Loans	-	-	2,04,185.13	-	-	2,00,584.79
(vi) Staff Loans & advances	-	-	202.71	-	-	129.68
(vii) Cash & Cash Equivalents-Grant Fund	-	-	1,374.87	-	-	5,312.33
Total Financial Assets	-	-	2,11,168.84	-	-	2,12,342.99
Financial Liabilities						
(i) Other financial liabilities	-	-	1,266.29	-	-	5,182.54
(ii) Security deposit & retention money	-	-	0.54	-	-	0.72
Total Financial Liabilities	-	-	1,266.83	-	-	5,183.26

(ii) Fair value of financial assets and liabilities that are measured at fair value (but fair value disclosure are required)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
(i) Loans	2,04,185.13	2,04,185.13	2,00,584.79	2,00,584.79
(ii) Staff Loans & advances	202.71	234.74	129.68	154.76
Total Financial Assets	2,04,387.85	2,04,419.87	2,00,714.47	2,00,739.56

i) The carrying amounts of cash and cash equivalents, other bank balances, security deposits, Other Receivables and payables 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.

iii) For financial assets and Liabilities that are measured at fair value, the carrying amount are equal to the fair values.

Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost:-

Fair Value hierarchy as on 31-03-2023					
Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial assets at Amortised Cost					
Loans	31st March 2023	-	-	2,04,185.13	2,04,185.13
Loans to employees	31st March 2023	-	-	202.71	202.71
				2,04,387.85	2,04,387.85

Fair Value hierarchy as on 31-03-2022					
Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial assets at Amortised Cost					
Loans	31st March 2022	-	-	2,00,584.79	2,00,584.79
Loans to employees	31st March 2022	-	-	129.68	129.68
				2,00,714.47	2,00,714.47

(iii) Financial risk management

The Company's principal financial liabilities comprise Grant 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/other entities that derive directly from its equity.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk. Financial instruments affected by market risk includes loan 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 instruments 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 /RRBs/PSBs and Others. The company is exposed to credit risk from its financial activities of loans given to SCA's /RRBs/PSBs and Others.

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), including changes in the payments status of the borrowers (SCA'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 1 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.



4) 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.

Note :- 33

Provision for Expected Credit Losses of Loans for the year ended 31st March, 2023

Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	(₹ in Lakhs)	
					Carrying Amount of Net 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	2,04,185.13	0%	-	2,04,185.13
		Interest on Loans	1,147.78	0%	-	1,147.78
	Financial Asset for which credit risk has increased significantly and not credibly impaired	Loans	-	15%	-	-
			-	25%	-	-
			1,055.87	100%	1,065.87	-
		Interest on Loans	-	15%	-	-
	-	25%	-	-		
	794.03	100%	794.03	-		
			2,07,192.81		1,859.89	2,05,332.91

Provision for Expected Credit Losses of Loans for the year ended 31st March, 2022

Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	(₹ in Lakhs)	
					Carrying Amount of Net 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	2,00,584.80	0%	-	2,00,584.80
		Interest on Loans	1,427.68	0%	-	1,427.68
	Financial Asset for which credit risk has increased significantly and not credibly impaired	Loans	-	15%	-	-
			-	25%	-	-
			649.11	100%	649.11	-
		Interest on Loans	-	15%	-	-
	-	25%	-	-		
	698.94	100%	698.94	-		
			2,03,360.53		1,348.05	2,02,012.48

a) Provisions for Expected Credit Losses of loans and interest thereon, where the amounts are overdue and are not covered by the State Government's Order/ Guarantee or any other security "shall be made as per the Probability of default.

b) Unrealized 'Peral Interest' upto 31/03/2007 has been provided in the financial statement whereas amount pertaining to subsequent period is recognized as and when received due to its uncertainty factor.

c) Overdue interest on Unsecured loans disbursed directly to NGO/Students at the end of financial year provided for.

Period for which overdue	Probability of default
Upto 1 year	15%
1 to 3 year	25%
More than 3 year	100%

Beside above, as a matter of prudence, where even due amount of interest not received during the financial year on Unsecured loans, disbursed without security / Post dated Cheques etc. provided for.

The SCA wise detail is as follows:

FY 2022-23

Sr No.	Name of the SCA	Principal Outstanding	Interest Outstanding	Total	Provision @100%
1	Bihar BC		320.53	320.53	320.53
2	MP SC	56.87	70.53	127.40	127.40
3	MP BC	56.42	95.39	151.81	151.81
4	Maharashtra Mahatma Phule	48.62	22.88	71.50	71.50
5	Assam Arifed	898.12	35.41	933.53	933.53
6	Othses NGO	5.83	3.92	9.76	9.76
7	Penal Interest		245.26	245.26	245.26
8	Bank of Baroda		0.69	0.10	0.10
9	Total	1065.87	794.61	1859.89	1859.89

FY 2021-22

Sr No.	Name of the SCA	Principal Outstanding	Interest Outstanding	Total	Provision @100%
1	Bihar BC		255.87	255.87	255.87
2	MP SC	56.87	67.97	124.84	124.84
3	MP BC	56.42	92.85	149.27	149.27
4	Maharashtra Mahatma Phule	48.62	20.69	69.32	69.32
5	Assam Arifed	481.36	11.91	493.27	493.27
6	Othses NGO	5.83	3.92	9.76	9.76
7	Penal Interest		245.72	245.72	245.72
8	Total	649.11	698.94	1348.05	1348.05



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Balance Confirmation from the Following SCA,s are pending for the FY 2022-23		
NAME OF CHANNEL PARTNER	Pending Slacc 2022-23	Pending Slacc 2021-22
Andhra Pradesh (BC)-I NEW	-	2018-10
Bihar (BC)	1995-96	1995-96
Chandigarh SC/ST/BC	2018-19	2018-19
Jammu & Kashmir SC/ST/BC	2018-19	2018-19
Jammu & Kashmir (WOMEN)	-	2018-16
Jharkhand (ST)	-	2018-19
Karnataka (Vishkarma)	2017-18	2017-18
Kerala (Palmarah)	2009-10	2009-10
Madhya Pradesh (sc)	1995-96	1995-96
Madhya Pradesh (BC)	1995-96	1995-96
Maharashtra (Mahatma Phule)	2019-11	2019-11
West Bengal (BC)	2018-19	2018-19
West Bengal (Minorities)	-	2022-23
Assam (Arties)	2018-19	2018-19
NGOS	1998-99	1998-99

Note :- 34

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 Intangibles

As described in note 2 (i), company has estimated the useful live of intangible Assets

The financial impact of the above assessment may impact the amortisation expenses in subsequent financial years.

b) 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 methods are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments 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 30 for further disclosures.

Note 35 : Operating Segment reporting

The Corporation has only one Business segment and one Geographical segment, as it is engaged in providing finances at concessional rate of interest to eligible persons belonging to backward classes, through state Channelising agencies and other financial institutions in the country. Hence, segment information as per IndAS is not required to be disclosed.

Note :- 36 :

Prior Period Errors

Particulars	(₹ in Lakhs)		
	As at March 31, 2023		As at March 31, 2022
Impact on equity (increase/(decrease) in equity)			
Trade Payables			
Other current & Non current Provision			
Trade Receivables			
Other Financial Assets (Current)			
Other Financial Liabilities			
Other current & Non - Current liabilities			
Other Receivable (Current)			
Intangible Assets			
Property, Plant & Equipment's			
Right of Use			
Provisions			
Net Impact on Equity	-		-

Particulars	(₹ in Lakhs)		
	As at March 31, 2023		As at March 31, 2022
Impact on statement in Income and Expenditure loss (increase/(decrease) in Surplus)			
Other Expenses			
Employees Benefit Cost			
Training & other Developmental Expenditure			
Depreciation & Amortization Costs			
CSR expenses			
Other Developmental Expenses			
Exceptional Items			
Interest income on Loan to Channel Partners			
Attributable to Equity Holders	-		-

Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS) (₹. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Earnings per share for continuing operation		
Basic, profit from continuing operations attributable to equity holders		
Diluted, profit from continuing operations attributable to equity holders		



Note :- 37 :
Contingent Liabilities / Asset and commitments

Liabilities:

Particulars	₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities and commitments (to the extent not provided for)		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances, if any) is Nil (Nil as at 31.03.2022).	-	-

Assets:

Particulars	₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Contingent Asset and commitments (to the extent not provided for)		
Estimated amount on account of and not provided for	-	-

Note 38:

In accordance with the approval of the Board, surplus undistributed funds available with the Corporation are placed periodically in short term deposits with banks whom transaction are made, taking into account the Government guidelines issued from time to time for the purpose and the income generated by this has been ploughed back into the schemes for the welfare of target groups.

Note 39: The Corporation has waived off penal interest and incentive of interest of ₹ 77.64 lakh (₹ 48.22 lakh as at 31.03.2022), under One time Settlement Scheme (OTS). As per One Time Settlement Scheme (OTS) of the Corporation borrowers (SCAs/ NGOs and others), who have some overdues and ready to settle the overdues within the 3 months of sanction by NCFDC. The Corporation will provide waiver of 100% of penal interest receivable as on cut off date. Further, the borrower would be eligible for getting interest incentive @3% on the settlement amount for the period of 9 months separately only after receipt of full repayment of settlement amount. The detail is as under:-

Name of Channel Partners/other	₹ in Lakhs)			
	For the Year Ended 31st March 2022 ₹ Lakh	Intt./Penal Interest waived off. ₹ Lakh	Interest Incentive ₹ Lakh	Recovery Affected ₹ Lakh)
Karnataka Vishwakarma	14.49	0.06	14.43	655.94
Sikkim SC/SI/OBC Dev. Corpo.	49.16	44.51	4.65	264.56
G. Total	63.65	44.57	19.68	920.50

During the Financial Year 2021-22

Name of Channel Partners/other	₹ in Lakhs)			
	For the Year Ended 31st March 2022 ₹ Lakh	Intt./Penal Interest waived off. ₹ Lakh	Interest Incentive ₹ Lakh	Recovery Affected ₹ Lakh)
Assam BC	46.29	45.52	0.77	119.2
VJNT MAHARASTRA	1.53	-	1.93	85.88
G. Total	48.22	45.52	2.70	205.08

Note :- 40

A property situated at x-29, Hauz Khas, New Delhi was purchased for residential purpose of Managing Director during 1994-95, which is lying vacated since 2014-15 and used for storage and other event purpose except one room. The room is used for official guest of the Corporation who belongs to official of Channel partner of the Corporation when they visit Corporation. The Corporation charges nominal charges for staying period. The said income is nominal & incidental nature. The Corporation is also registered under section 12 AA and gets 80 G certificate from Income Tax Authority. Hence the all incidental income and etc. is exempt from tax. In the opinion of the management the said property is still for residential purpose.

Note :- 41

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

Particulars	₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	4.07
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(iii) The amount of interest paid along with the amount of payment made beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when interest due as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

This has been relied upon by the auditors.

Note :- 42

42.1 The Corporation has filed legal cases against the defaulting Channel Partners/ NGOs and there is no case the Corporation has any obligation of any payments

42.2 The Corporation has initiated legal action against the defaulting Channel Partners / NGOs u/s 138 as well as for civil suits. The cumulative Status of legal cases is as under

Particulars	Criminal Suits	Civil Suit	Civil Suit filed by others	Arbitration	Total
Cases under Process	-	-	2	-	2
Decree Execution in process	-	3	-	-	3
Cases dismissed	-	-	-	-	-
Total	-	3	2	-	5



Note :- 43

The Income of the Corporation is exempted from tax under section 10 (26b) of the Income Tax Act, 1961. Thus no provision for Income Tax is Required . Consequently the provision of Ind As - 12 'Income Tax is not Applicable.

Note :- 44

Provision of 'Non - Banking Finance Companies Acceptance of Public Deposit (Reserve Bank) directions 1998' are not applicable to the Corporation.

Note :- 45

In the opinion of Board /Management , the assets, Loans and Advances have a realisable value of at least equal to the amount at which they are stated in the Balance sheet if realised in the ordinary course of business.

Note 46 : Consequent to constitutional amendment, there was bifurcation of the state of Madhya Pradesh and out of this state a new state of Chhattisgarh was formed in the year 2000. The loan was given to Madhya Pradesh State Channelising Agencies prior to division of the state and is guaranteed by the State Government of Madhya Pradesh for repayment to NBCFDC. The loan was given to the erstwhile State, however, the successor State has not repaid its liability of ₹ 397.11 lakhs (₹ 391.27 lakhs as at 31.03.2022) to NBCFDC and hence the loan outstanding is accounted for in the name of the erstwhile state.

Note 47 : Consequent to constitutional amendment, there was bifurcation of the state of Bihar and out of these states two new states of Jharkhand were formed respectively in the year 2000. Pending the apportionment of Assets and Liabilities between SCAs of successor States, the Corporation has shown the loan outstanding against the SCAs of erstwhile State, which is subject to confirmation.

Note 48 : 1. The company has adopted Ind AS 116 (Leases) in accordance with applicable financial reporting framework, due to adoption of this there is no material impact on financial statements of NBCFDC.
2. Expenses relating to the short-term operating leases as per Ind AS 116 are as follows-

Nature of Expenses	Amount ₹ In Lakh
Rent	217.00
Hiring of Vehicle	8.97
Security & Other Services Charges	70.13
Total	296.10

Note No. 49

DISCLOSURE OF RATIOS:	2022-23		2021-22		Increase/ Decrease from Previous Year	Remarks
Current Ratio:		158.08		101.30	61%	
Current Asset	58,545.89		56,399.08			
Current Liabilities	126.85		556.78			Decrease in Grant Fund
Debt-Equity Ratio:		0.01		0.03	-305%	
Total Liabilities	1,436.91		5,730.82			Decrease in Grant Fund
Total Share Holder Equity	2,09,927.52		2,06,864.55			
Debt Service coverage Ratio						
Operating income	53.23		55.61			
Short term debt & current portion of long term debt	-		-			
Returns on Equity Ratio:		0.01		0.01	-2%	
Net Income/surplus	3,037.79		3,044.70			
Share holder Equity	2,09,927.52		2,06,864.55			
Inventory Turnover Ratio:						
cost of Good sold	-		-			
Average Inventory for same period	-		-			
Trade Receivable Ratio:						
Net Sale	-		-			
Average account receivable	-		-			
Trade Payable Ratio:						
Average No. of Days for amount due	-		-			
Average no of days i.e. 365	-		-			
Net Capital Turnover Ratio:		0.03		0.03	-2%	
Total sales /Revenue from Operation	5,312.74		5,321.53			
Share Holder Equity	2,09,927.52		2,06,864.55			
Net Profit/Surplus Ratio:		0.56		0.55	3%	
Revenue-Cost	2,993.48		2,914.62			
Revenue	5,312.74		5,321.53			
Returns on Capital Employed Ratio:		0.01		0.01	-2%	
Earning before int. & tax	3,035.64		3,055.77			
Capital Employed/Total Asset-Current Liability	2,09,966.50		2,06,890.83			
Returns on Investment:		0.01		0.01	-2%	
Net Income/ Surplus	3,035.64		3,055.77			
Cost of Investment/Total Asset-Current Liability	2,09,966.50		2,06,890.83			

Note 50 : Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Note 51: Approval of financial Statement

The Financial Statement were approved for issue by the Board of Directors on .

Signatories to Note 1 to 51

As per our Report of even date attached
For D. C. Garg & Co.
Chartered Accountants
Firm No. 500035N
Sandeep Garg
Partner
M.No. 075312
CERTIFIED ACCOUNTANT

Place : New Delhi
30/06/2023

UDIN: 23075312 B4YFA P6909.

For and on behalf of the Board of Directors
Director
(DIN No. 06727939)
Rajesh Singh
Managing Director
(DIN No. 05631935)
DR. S. S. ACHARYA

Ajit Kumar Samal
HoD Finance & Company Secretary



INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the accompanying standalone IND AS financial statements of **National Backward Classes Finance and Development Corporation** ("the Corporation"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Income and Expenditure, statement of cash flows for the year ended, and notes to the financial statements, including a summary of 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, the aforesaid financial statements give the information required by **the Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022**, its **profit/surplus** and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the separate Ind AS financial statements 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 opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone 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.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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



with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The provisions of the **Companies (Auditor's Report) Order, 2020** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company as the company licensed to operate under section 8 of the Companies Act, 2013.

1. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

(c) The balance sheet, the statement of Income and Expenditure, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the **Companies (Audit and Auditors) Rules, 2014**, in our opinion and to the best of our information and according to the explanations given to us;

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. Regarding this clause which deals with the delay, if any, in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company is not applicable being section 8 of the Companies Act, 2013 company.



2. As required under Section 143(5) of the Companies Act 2013, we enclose herewith, as per Annexure-B, our report for the Company on the directions issued by the Comptroller and Auditor General of India.

For M A P & Associates
Chartered Accountants
FRN: 004143C



Umesh Kumar Gupta

CA Umesh Kumar Gupta
Partner
M.No:085859
UDIN:- 22085859ALWXJL9966

Place: New Delhi
Date: 28/06/2022



ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATIONAL BACKWARD CLASSES 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 Backward Classes Finance And Development Corporation**("the Corporation") as of **March 31, 2022** 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 (the Guidance Note) 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 Act.

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 and the Standards on Auditing 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 the guidance notes on audit of internal financial control over financial reporting, 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 my /our audit opinion on the 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 or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

For M A P & Associates
Chartered Accountants
FRN: 004143C



Umesh Kumar Gupta

CA Umesh Kumar Gupta
Partner
M.No:085859
UDIN:- 22085859ALWXJL9966

Place: New Delhi
Date: 28/06/2022



Report on direction issued under section 143(5) of the Companies Act, 2013 by the Comptroller & Auditor General of India

With reference letter No. AMG-II/4-13/PSU Appt. of Int. Auditor/2020-21/621 dated 29.01.2021 of the office of the Principal Director of Audit(Health, Welfare and Rural Development), Indraprastha Estate, New Delhi

S.No.	Directions	Reply
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of the accounting transactions outside IT system on the integrity of their accounts along with the financial implications, if any, may be stated.	Yes, all accounting transactions are being made through IT System i.e. the tally/customized software except Management Information System Report
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 company's inability to repay the loan? If yes, the financial impact may be stated.	No borrowing was made during the year, hence, not applicable to the Corporation.
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.	Yes, the funds received for the specific schemes Central/State agencies were properly accounted as per terms and there is no case of deviation.



For MAP & Associates
Chartered Accountants
FRN: 004143C

CA Umesh Kumar Gupta
Partner
M.No:085859

Place: New Delhi
Date: 28/06/2022

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)
BALANCE SHEET as at 31st March, 2022

(₹ in Lakhs)


Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	76.96	97.38
(b) Other intangible assets	4	11.84	16.83
(i) Intangible asset under development		-	3.54
(c) Right of Use Assets	3.1	38.78	39.36
(d) Financial assets			
(i) Loans	6	1,50,032.34	1,45,729.94
(ii) Others	7	655.47	633.83
(e) Other non-current assets	8	68.55	86.43
		1,50,883.94	1,46,607.31
2 Current assets			
(a) Financial assets			
(i) Trade Receivable/Debtors	5	1.68	2.97
(ii) Cash and cash equivalents	9	4,037.62	4,117.36
(iii) Grant Fund	10	5,312.33	6,124.70
(iv) Loans	6	50,682.14	51,352.51
(v) Others	7	1,623.10	2,042.85
(b) Current tax asset (Net)	11	29.72	28.10
(c) Other current assets	8	24.83	14.32
		61,711.42	63,682.81
Total Assets		2,12,595.36	2,10,290.12
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	1,49,940.00	1,49,940.00
(b) Other equity	13	56,924.55	53,695.27
		2,06,864.55	2,03,635.27
2 Liabilities			
(i) Non-current liabilities			
(a) Provisions	14	26.29	8.80
		26.29	8.80
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Others			
- Total outstanding dues of Grants & Creditors other than micro enterprises and small enterprises	15	5,178.47	6,203.68
- Total outstanding dues of micro enterprises and small enterprises		4.07	4.47
(b) Other Current Liabilities	16	72.71	76.36
(c) Provisions	14	449.27	361.54
		5,704.52	6,646.05
Total Equity and Liabilities		2,12,595.36	2,10,290.12
III. See Accounting Policies and accompanying notes to the financial statements	1 - 51		


Director
(DIN No. 06727939)

For and on behalf of the Board of Directors


Rajnish Kumar Jenaw
Managing Director
(DIN No.09056582)

As per our Report of even date attached
For MAP & Associates
Chartered Accountants
FRN 004143C


Umesh Kumar Gupta
Partner
M. No. 085859



Place : New Delhi
Date : June 28, 2022


Ajit Kumar Samal
SGM (Finance) & Company Secretary

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)

Income & Expenditure Statement for year ended 31st March, 2022

(₹ in Lakhs)

Particulars		Note No.	For the Year ended 31st March 2022	For the Year ended 31st March 2021
I.	Revenue from operations	17	5,321.53	5,589.10
II	Other Income	18	196.42	233.60
III	Total Revenue (I+II)		5,517.95	5,822.70
IV	Expenses			
	Allowance/Reversal for Loans & advances	19	526.09	-
	Penal Interest waived off and others	20	48.23	37.16
	Employee Benefit Expense	21	1,120.09	1,210.91
	Depreciation and Amortization Expense	22	36.89	35.77
	Training & Development Expenses	23	430.34	625.85
	Rebate on Interest on Loans & Advances	24	17.52	11.41
	Other Expenses	25	379.53	357.44
	Corporate Social Responsibility Expenses	28	44.64	136.43
	Total Expenses (IV)		2,603.33	2,414.96
V	Excess of Income over expenditure before Exceptional Items and Tax (III - IV)		2,914.62	3,407.74
VI	Exceptional Items	27	(141.15)	(21.80)
VII	Excess of Income over expenditure before Tax (V - VI)		3,055.77	3,429.54
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Excess of Income over expenditure for the period from continuing operations (VII-VIII)		3,055.77	3,429.54
X	Excess of Income over expenditure from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Excess of Income over expenditure discontinued operations (X - XI)		-	-
XIII	Excess of Income over expenditure for the period (IX + XII)		3,055.77	3,429.54
XIV	Other Comprehensive Income / (Expenses)			
	A. (i) Items that will not be reclassified to Income & Expenditure Account	26	8.93	(3.05)
	(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		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Excess of Income over expenditure and Other Comprehensive Income for the period)		3,064.70	3,426.49
XVI	Earning Per Equity share:			
	(1) Basic (₹)	29	20.58	23.09
	(2) Diluted (₹)		20.53	23.04
XVII	Earnings Per Equity Share: (For discontinuing Operation)			
	(1) Basic (₹)		-	-
	(2) Diluted (₹)		-	-
XVIII	Earnings Per Equity Share: (For discontinued and continuing Operation)			
	(1) Basic (₹)	29	20.58	23.09
	(2) Diluted (₹)		20.53	23.04
XIX	See Accounting Policies and accompanying notes to the financial statements	1 - 51		


Director
(DIN No. 06727939)

For and on behalf of the Board of Directors


Rajnish Kumar Jenaw
Managing Director
(DIN No.09056582)

As per our Report of even date attached
For MAP & Associates
Chartered Accountants
FRN 004143C


Umesh Kumar Gupta
Partner
M. No. 085859



Place : New Delhi
Date : June 28, 2022


Ajit Kumar Samal
SGM (Finance) & Company Secretary

National Backward Classes Finance and Development Corporation
Cash Flow Statement for the Year Ended March 31 2022

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
A. Cash flow from Operating Activities				
Net Profit before Extraordinary Items and Tax		2,914.62		3,407.74
<i>Adjustments for:</i>				
Exceptional Items	141.15		21.80	
Depreciation & Amortization	36.89		35.77	
Other Comprehensive Income/(Expense)	8.93		(3.05)	
Adjustment for General Reserve	-		(76.26)	
Interest- Other Income	(181.57)		(207.96)	
		5.39		(229.70)
Operating Profit Before Working Capital Changes		2,920.02		3,178.04
<i>Changes in working capital:</i>				
Decrease / (Increase) in Current Trade receivable	1.29		4.17	
Decrease / (Increase) in Non-Current loans	(4,302.40)		(11,720.28)	
Decrease / (Increase) in Other Non-Current financial assets	(21.64)		15.25	
Decrease / (Increase) in Current loans	670.36		4,477.10	
Decrease / (Increase) in other current financial assets-others	419.74		334.42	
Decrease / (Increase) in other non current assets	17.88		(15.56)	
Decrease / (Increase) in current tax assets	(1.62)		27.61	
Decrease / (Increase) in other current assets	(10.51)		41.80	
(Decrease) / Increase in other current financial liability	(1,025.61)		1,112.33	
(Decrease) / Increase in other current liability	(3.65)		(10.83)	
(Decrease) / Increase in non current Financial Liability	17.49		1.97	
Changes in Other Bank Balances				
(Decrease) / Increase in Current provisions	87.73	(4,150.94)	(29.10)	(5,761.12)
Cash generated from operations		(1,230.92)		(2,583.08)
Net Income Tax (Paid) net of Refunds		-		-
Net Cash Flow from / (used in) Operating Activities (A)		(1,230.92)		(2,583.08)
B. Cash Flow from Investing Activities				
Sale/Disposal of Property, Plant and Equipments	0.13		0.35	
Purchase of Property, Plant and Equipments	(7.47)		(96.39)	
Interest Income	181.57		207.96	
		174.23		111.92
Net Cash Flow from/(used in) Investing Activities (B)		174.23		111.92
C. Cash Flow from Financing Activities				
Issue of Share Capital			5,540.00	
Adjustment in Other Equity	164.58			
Increase in share application money pending allotment				
Net Cash Flow from/(used in) Financing Activities (C)		164.58		5,540.00
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(892.11)		3,068.83
Cash & Cash Equivalents at the beginning of the year (Refer note - 9&9.1)		10,242.06		7,178.47
Cash and Cash Equivalents at the End of the Year		9,349.95		10,247.30

Components of Cash & Cash Equivalents as at the end of the year: (₹ in Lakhs)

Particulars	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
Cash - in - hand				
Saving Bank Accounts			4,037.62	4,117.36
Other Bank Balance (Grant Funds)-Saving Bank			5,312.33	6,124.70
Share Application Money Pending allotment			-	-
Cash & Bank Balances			9,349.95	10,242.06
Less : Deposits having maturity of more than 3 Months				
Cash & Cash Equivalent at the end of the year			9,349.95	10,242.06

Notes:

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2. Amendment to Ind-As 7
Effective April 1, 2017, 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.

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

For and on behalf of the Board of Directors

Director
(DIN No. 06727939)

Rajnish Kumar Jenaw
Managing Director

As per our Report of even date attached
For MAP & Associates
Chartered Accountants
FRN 004143C

Umesh Kumar Gupta
Partner
M. No. 085859

Place : New Delhi
Date : June 28, 2022



Ajit Kumar Samal
SGM (Finance) & Company Secretary

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)
Statement of Changes in Equity (SOCE) for the Year ended 31st March, 2022

A. Equity share capital

Particulars	₹ in Lakhs	
	Number of shares	Amount
Balance at the beginning of the year	1,49,94,000.00	1,49,940.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the current year		
Balance at the end of the year	1,49,94,000.00	1,49,940.00

B. Other Equity

Particulars	Share Application money pending allotment	Reserve			Total
		Special	General	Retained Earnings	
Balance at the beginning of the year	-	2,500.00	51,195.27	-	53,695.27
Prior period Adjustments/Change in Accounting Policy (Refer note no. 36)	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-
Restated balance at the beginning of the year	-	2,500.00	51,195.27	-	53,695.27
Profit for the year	-	-	-	3,055.77	3,055.77
Other Comprehensive Income for the year	-	-	-	8.93	8.93
Total Comprehensive Income for the year	-	-	-	3,064.70	3,064.70
Transfer to general reserve	-	(1,500.00)	3,064.70	(3,064.70)	(1,500.00)
Others	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-
- Addition During The Year (See Note 13.1)	-	164.58	1,500.00	-	1,664.58
- Share Capital issued during the year	-	-	-	-	-
Balance at the end of the year	-	1,164.58	55,759.97	-	56,924.55

Statement of Changes in Equity (SOCE) for the year ended 31st March 2021

A. Equity share capital

Particulars	₹ in Lakhs	
	Number of shares	Amount
Balance at April 1, 2020	1,44,40,000.00	1,44,400.00
Changes in Equity Share Capital due to prior period errors		
Restated balance at the beginning of the current reporting period		
Changes in equity share capital during the current year	5,54,000.00	5,540.00
Balance at March 31, 2021	1,49,94,000.00	1,49,940.00

B. Other Equity

Particulars	Share Application money pending allotment	Special Reserve	General Reserve	Retained Earnings	Total
Prior period Adjustments (Refer Note :- 36)	-	-	-	-	-
Adjustment of Depreciation	-	-	(76.26)	-	(76.26)
Restated balance at the beginning of the year	-	2,500.00	47,768.78	-	50,268.78
Profit for the year restated	-	-	-	3,429.54	3,429.54
Other Comprehensive Income for the year	-	-	-	(3.05)	(3.05)
Total Comprehensive Income for the year	-	-	-	3,426.49	3,426.49
Others	-	-	-	-	-
- Adjustment of depreciation	-	-	-	-	-
Transfer to General Reserve	-	-	3,426.49	(3,426.49)	-
Addition During The Year	5,540.00	-	-	-	5,540.00
Share Capital issued during the year	(5,540.00)	-	-	-	-
Balance at the end of the year	-	2,500.00	51,195.27	-	53,695.27

For and on behalf of the Board of Directors

Director
(DIN No. 06727939)

Rajnish Kumar Jenaw
Managing Director
(DIN No. 09026582)

As per our Report of even date attached
For MAP & Associates
Chartered Accountants
FRN 004143C

Umesh Kumar Gupta
M. No. 085859

Place : New Delhi
Date : June 28, 2022



Ajit Kumar Samal
SGM (Finance) & Company Secretary

NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)
(CIN NO. U74899DL1992NPL047146)

Notes to Accounts

Note :- 1 Corporate Information

National Backward Classes Finance and Development Corporation is a not for profit company domiciled in India and was incorporated on 13th January 1992 under Section 25 of the Companies Act 1956 (now section 8 of Companies Act 2013). Company provides concessional finance assistance to the person belonging to Other Backward Classes (OBC's) for the socio-economic development and to upgrade the technological and entrepreneurial skills of individuals or groups through state channelling agents, financial institutions and skill sector councils training partners. The registered office of the company is located at 5th floor, NCUI Building, 3, Siri Institutional Area, August Kranti Marg, New Delhi-110016.

Note :- 2 Accounting Policies

a) Statement of Compliance

The financial statements as at and for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 as companies (Indian Accounting Standards) Rules, 2015, 2016 and Companies (Indian accounting standards) Amendment Rules 2017 & 2018.

b) 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.

- (a) Defined benefit Plan and other long term employee benefits
- (b) Certain financial assets and liabilities

c) Use of estimates

The preparation of financial statements in conformity with Ind AS which 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 estimated useful life of property, plant and equipment, intangible assets and future obligation under employee benefit plan. 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 recognized in the period in which the results are known /materialize.

d) All financial information presented in Indian rupees and all values are rounded to the nearest lakhs upto two decimals except where otherwise stated.

e) Statement of Cash Flow

Cash flows are reported using the indirect method, whereby "excess of income over expenditures before exceptional items and 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 and are considered part of the Company's cash management system.

The Corporation has 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 flow and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosures requirement. The adoption of amendment did not have any material effect on the financial statements.

f) Functional and Presentation 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 functional as well as presentation currency of company.

• Transactions in foreign currency are recorded at the rate of exchange prevailing at the time the transactions are affected. Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Income and Expenditure.

• Monetary items denominated in foreign currency are restated and converted into Indian rupees using the exchange rate prevailing at the date of the Balance Sheet and the resulting exchange difference is recognized in the Statement of Income and Expenditure.



g) Revenue recognition

a) Corporation recognizes revenue from contracts with customers based on a five -steps as set out in Ind As-115 :-

(i) Identify contracts with a customer :- A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

(ii) Identify performance obligations in the contract : A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the corporation expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract : For a contract that has more than one performance obligation , the Corporation allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the corporation expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognise revenue when or as the Corporation satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of the asset.

If Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation 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 recognized as an expense rather than as an adjustment of the amount of revenue already recognized.

b) Interest on unutilized funds lying with the borrowing agencies is recognized on accrual basis at effective rate of interest.

c) Interest on funds re-appropriated by SCAs in the other sanctioned schemes is recognized in the year of its determination after receipt of scheme wise details of utilization at effective rate of interest.

d) The Corporation provides Loans through State Channelizing Agencies (SCAs), Rural Banks and other financial bodies is accounted on accrual basis at effective rate of interest.

e) Penal Interest on delay in repayments is recognized on realization as per Ind AS-18 as its collectability is uncertain.

f) Rebate on account of timely payment by borrowing agencies accounted for, on receipt of entire amount due on time.

g) Payment of grants to SCAs/institutions for expenditure on developmental & promotional activities is accounted for on disbursement.

h) Other Revenue Recognition :

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

i) Revenue Grant from Government

• Grants sanctioned by the Government (whether received or not) for programmes undertaken during the year for the development of the target group, are recognized and deducted from related expenses for reporting in Statement of Income & expenditure.

• Unspent grants & interest accrued in respect of Government grant are deferred & taken to current liabilities. Upon fully utilization and after audit of annual accounts of grant earning of interest shall be deposited in consolidated account of Government.

* Interest accrued from other i.e CPSE etc , if any are recognised and taken in to as other income to meet out administrative /evaluation expenses.

• Grants receivable from Government as compensation for expenses incurred in a previous accounting period are recognized in the Statement of Income & Expenditure of the period during which the sanction for grant is received

j) Corporate Social Responsibility (CSR) expenses , as per company act,2013 and any other grant are recognized on disbursal basis for reporting in Statement of Income and Expenditure

k) Income taxes

In view of the exemption available to the Corporation under section 10 (26B) of the Income Tax Act, 1961, the provision for income tax liability is not considered necessary. Consequently the provisions of the Indian Accounting Standard 12 (Ind AS-12) on Income tax, deferred taxes and income tax computation and disclosures standards issued by CBDT are not applicable to the Company.

l.) Impact on any change/modification in accounting policy shall be recognised in the year of its occurrence. In terms of Ind- AS 8



m) Property, plant and equipment

(a) 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.

(b) Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.

(c) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Income and Expenditure.

Depreciation on Property, plant and Equipment is provided on written down value method over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

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 estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Category of Assets Useful Life (years)

Particulars	Useful Life (years)
Building	60
Furniture & Fixtures	10
Office Equipment's	5
Vehicles (Car/Scooter)	8/10
Air Conditioners & Coolers	10
EPABX	5
Data Processing Equipment's	3

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

Residual values and useful lives are reviewed , and adjusted , if appropriate, for each reporting period

On tangible fixed assets added/disposed of during the year, depreciation is charged on pro-rata basis from the date of addition /till the date of disposal.

n) 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 acquisition cost less accumulated amortization and impairment loss, if any.

Amortization of Intangible assets is done under straight line method equally over a period of five years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

o) Impairment

(i) Impairment of Financial Assets

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.

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 incurred significantly since its initial recognition.

ECL's impairment loss allowance (or reversal) recognised during the period as income/ expense in Statement of Income & Expenditure.

(ii) Impairment of Non-Financial Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired If any such indication exists, the Company estimates the recoverable amount of the asset If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Income & Expenditure.



p) Employee Benefits

a) The liability for gratuity to all employees is recognized as an expense on accrual basis in Statement of Income & Expenditure. The Corporation has formed a trust for administration of the Employees Group Gratuity Scheme with L.I.C.

b) Liability on account of leaves (earned leave and commuted leave) is provided on the basis of actuarial valuation at the year-end. The Corporation has taken a leave encashment scheme from LIC to manage the funds.

c) The liability on account of Leave Travel Concession (LTC) is provided on the basis of actuarial assessment at the year end and charged to Statement of Income & Expenditure.

d) Actuarial gain or loss on defined benefits plans are recognized in other comprehensive income

e) Contribution to recognized Provident Fund and Pension Fund (defined contribution plan) is provided for on accrual basis.

f) The Corporation has a defined contribution pension scheme which is in line with guidelines of Department of Public Enterprise (DPE) The Corporation has formed a trust for administration of the Pension Fund Scheme with L.I.C. Employer contribution to the fund has been contributed on monthly basis. Pension is payable to the employees of the corporation as per the scheme.

g) The Corporation has Post-Retirement Scheme (PRMS), under which retired employees and their dependent family member are provided with medical facilities. They can also avail facility of out-patient treatment; both are subject to ceiling fixed by the corporation.

q) Earnings per Share

The basic earning per share is computed by dividing the net surplus (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share are computed using the weighted average number of equity share outstanding during the year, except where the results would be anti-dilutive.

r) Provisions, Contingent Liabilities and Contingent Assets

a) Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

(i) The Company has a present obligation as a result of a past event.

(ii) Probable outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) The amount of the obligation can be reliably estimated. Provisions are reviewed at each Balance Sheet date.

Discounting of Provisions

Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation

b) 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.

c) Contingent assets are disclosed where an inflow of economic benefits is probable.

r) Financial instruments:-

a) 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.

b) Subsequent measurement

Financial Assets

Financial assets are classified in following categories:

Financial Asset at Amortized Cost

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

(i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(ii) 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 amortized cost using effective interest rate method less impairment if any.

The EIR amortization is included in finance income in the Statement of Income & Expenditure.



Financial Assets at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI 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 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 recognized in OCI is reclassified from the equity to Statement of Income & Expenditure. Interest earned is recognized using the EIR method.

Financial Assets 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 income & expenditure account.

Financial Liabilities

Financial liabilities at Amortised Cost

Financial liabilities initially recognised at fair value, and subsequently carried at amortized cost using the effective interest rate method.

Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

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 derecognised 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.

s) Fair Value Measurement

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

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

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



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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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

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

t) Current and Non- Current classification

The Corporation presents assets and liabilities in the Balance Sheet based on current /non-current classification.

Cash or cash equivalent treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

* expected to be realised or intended to be sold or consumed in the normal operating cycle.

*expected to be realised within twelve months after the reporting period.

*held primarily for the purpose of trading/business

All other assets are classified as non-current.

A Liability is treated as current when :

* it is expected to be settled in normal operating cycle.

* it is held for the purpose of trading/business.

* it is due to be settled within twelve months after the reporting period .or

* there is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

all other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The corporation has identified twelve months as its operating cycle.

u) LEASE :

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.

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. In addition, Policy has been drafted as per Ind AS 116. the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. 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. 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. The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of Use Assets" and lease liabilities in "other financial liabilities" in the Balance Sheet. 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. A lease is no longer enforceable when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

ii. As A Lessor 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. 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.

Further, 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".



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)

Note :- 3

Property, Plant & Equipment's

Particulars	(₹ in Lakhs)							Total
	Building (Freehold)	Furniture & Fixtures	Office Equipment	Vehicles	Air Conditioners & Coolers	EPABX	Data Processing Equipment's	
Cost or Declined Cost								
At 1 April 2020	47.94	54.33	60.89	8.60	20.63	3.81	71.07	267.27
Additions during the year	-	45.14	0.32	-	19.07	-	14.16	78.69
Disposals/Adjustments	-	0.01	0.02	-	-	-	0.32	0.35
At 31 March 2021	47.94	99.46	61.18	8.60	39.70	3.81	84.91	345.61
At 1 April 2021	47.94	99.46	61.18	8.60	39.70	3.81	84.91	345.61
Additions during the year	-	0.87	3.16	-	-	-	3.44	7.47
Disposals/Adjustments	-	-	0.09	-	-	-	0.04	0.13
At 31st March 2022	47.94	100.33	64.25	8.60	39.70	3.81	88.32	352.95
Depreciation and Impairment								
At 1 April 2020	34.19	44.56	52.29	5.96	16.27	3.48	64.13	220.88
Depreciation charge for the year (Refer Note-22)	0.69	8.54	3.64	0.81	6.01	0.04	7.62	27.35
Impairment	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-	-
At 31 March 2021	34.88	53.10	55.93	6.77	22.28	3.52	71.75	248.23
At 1 April 2021	34.88	53.10	55.93	6.77	22.28	3.52	71.75	248.23
Depreciation charge for the year (Refer Note-22)	0.65	12.02	2.18	0.56	4.45	0.02	7.88	27.77
Impairment	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-	-
At 31st March 2022	35.53	65.12	58.11	7.33	26.73	3.54	79.63	276.00
Net book value								
At 31st March 2022	12.41	35.21	6.15	1.27	12.97	0.27	8.68	76.96
At 31 March 2021	13.06	46.36	5.25	1.83	17.42	0.29	13.16	97.38

Note :-3.1 Depreciation is provided on written down value method (WDV) in accordance with schedule II of the Companies Act, 2013.



NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (NBCFDC)		
Note :- 3 (i)		
RIGHT OF USE ASSETS		
(₹ in Lakhs)		
Particulars	Building (Mumbai Flat)	Total
Cost or Deemed Cost		
At 1 April 2020	52.66	52.66
Adjustment of Transition of IND AS 116	-	-
Additions during the year	-	-
Disposals/Adjustments	-	-
At 31 March 2021	52.66	52.66
At 1 April 2021	52.66	52.66
Additions during the year	-	-
Disposals/Adjustments	-	-
At 31st March 2022	52.66	52.66
Depreciation and Impairment		
At 1 April 2020	12.71	12.71
Depreciation charge for the year (Refer Note-22)	0.59	0.59
Impairment	-	-
Disposals/Adjustments	-	-
At 31 March 2021	13.30	13.30
Depreciation charge for the year	0.59	0.59
Impairment (Refer Note-22)	-	-
Disposals/Adjustments	-	-
At 31st March 2022	13.88	13.88
Net book value		
At 31st March 2022	38.78	38.78
At 31 March 2021	39.36	39.36



Note :-4
Intangible Assets

(₹ in Lakhs)			
Particulars	Computer Software's	Intangible Asset under development	Total
Cost or deemed cost as at 1st April 2020	48.78	3.54	52.32
Addition during the year	14.16	-	14.16
Adjustment/deletions during the year	-	-	-
Closing balance at 31st March 2021	62.94	3.54	66.48
Addition during the year	3.54	-	3.54
Adjustment/deletions during the year	-	3.54	3.54
Closing balance at 31st March 2022	66.48	-	66.48
Amortization and Impairment			
Opening balance at 1st April 2020	38.28	-	38.28
Amortization during the year (Refer Note-22)	7.83	-	7.83
Impairment during the year	-	-	-
Closing balance at 31st March 2021	46.11	-	46.11
Amortization during the year (Refer Note-22)	8.54	-	8.54
Impairment during the year	-	-	-
Closing balance at 31st March 2022	54.64	-	54.64
Net book value			
As at 31 March 2022	11.84	-	11.84
As at 31 March 2021	16.83	3.54	20.37

Note 4(a) Ageing Intangible Assets under Development

(₹ in Lakhs)					
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(₹ in Lakhs)					
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	3.54	-	-	-	3.54
Projects temporarily suspended	-	-	-	-	-



Note No: 5

Non-current portion of the Trade Receivable/Debtors have been classified under 'non-current financial assets' and current portion of the Trade Receivable/Debtors has been classified under 'current financial assets - loans'.

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non - Current	Current	Total	Non - Current	Current	Total
Considered Good-Secured						
Considered Good-UnSecured		1.68	1.68		2.97	2.97
Significant Increase in Credit Risk						
Less : Allowance for loans & advances						
Total	-	1.68	1.68	-	2.97	2.97

Trade Receivables Ageing FY 2021-22

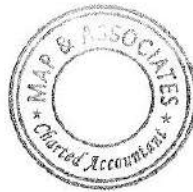
(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	1.68	-	-	-	-	1.68
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
Total	1.68	-	-	-	-	1.68

Trade Receivables Ageing FY 2020-21

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	2.97	-	-	-	-	2.97
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-
Total	2.97	-	-	-	-	2.97



Note :- 6 Financial assets - loans

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non - Current	Current	Total	Non - Current	Current	Total
(1) General Loan to SCAs/ Other Entities						
Considered Good-Secured						
(a) General loans (By way of Govt. order /Block Govt. Guarantee received)	67,589.06	20,839.24	88,428.31	66,459.23	21,622.91	88,082.15
(b) General loans (Against lien of Fixed Deposit Receipts)	1,568.14	524.79	2,092.92	1,281.73	457.83	1,739.56
	69,157.20	21,364.03	90,521.23	67,740.96	22,080.74	89,821.71
Considered Good-UnSecured						
General loans	37,846.48	8,245.12	46,091.60	31,628.27	6,628.09	38,256.36
Significant Increase in Credit Risk						
General loans		168.58	168.58	-	170.07	170.07
Less : Allowance for loans & advances #		(168.58)	(168.58)		(170.07)	(170.07)
Sub Total (1)	1,07,003.68	29,609.16	1,36,612.83	99,369.23	28,708.83	1,28,078.06
(2) Micro Finance Loan to SCAs/ Other Entities						
Considered Good-Secured						
(a) Micro Finance Loan (By way of Govt. order /Block Govt. Guarantee received)	30,490.91	19,805.68	50,296.59	32,712.13	21,887.01	54,599.14
(b) Micro Finance Loan (Against lien of Fixed Deposit Receipts)	1,830.23	701.49	2,531.72	3,111.99	32.40	3,144.39
	32,321.14	20,507.16	52,828.30	35,824.12	21,919.41	57,743.54
Considered Good-UnSecured						
Micro Finance Loan (Unsecured considered good)	10,615.78	527.87	11,143.66	10,430.23	685.95	11,116.18
Significant Increase in Credit Risk						
Micro Finance Loan		480.53	480.53	-	22.76	22.76
Less : Allowance for loans & advances #		(480.53)	(480.53)		(22.76)	(22.76)
Sub Total (2)	42,936.92	21,035.04	63,971.96	46,254.35	22,605.37	68,859.72
(3) Loans to Managing Director						
Sub Total (3)	-	-	-	-	-	-
(4) Loans to Employees						
Loans & Interest accrued						
Considered Good-Secured	52.60	11.68	64.28	67.24	10.15	77.39
Considered Good-UnSecured	39.13	26.26	65.40	39.12	28.16	67.28
Sub Total (4)	91.74	37.94	129.68	106.36	38.31	144.66
Grand Total (1+2+3+4)	1,50,032.34	50,682.14	2,00,714.47	1,45,729.94	51,352.51	1,97,082.45

Allowance for Loan & Advances to respective State Channel Agencies (SCAs)/ Channel Partners (CPs) is made as per the Corporation's policy.

Note 6.1 Current Loans are loan amount, which are receivable during the next 12 months after end of the financial year.

Note 6.2 As per Reserve Bank of India, the Corporation is not a Non Banking Finance Company and exempted for following RBI's prudential norms prescribed for making provisions and for income recognition on non-performing assets. As RBI's prudential norms are not applicable to the Corporation, it has made its own norms for making provision duly approved by Board for provisioning on certain overdue loans/interest thereon.

Note 6.3 Out of the total Loans of Rs. 2,03,795.27 Lakhs (as at 31.03.2021, Rs.1,99,959.10 Lakhs) out of which Rs.1,85,684.94 lakh (as at 31.03.2021 Rs.1,77,409.79 Lakhs) have been confirmed from respective parties. The remaining loan amount is subject to confirmation by borrowers.

Note 6.4 The utilization amount of loan beyond 180 days under the prevalent lending policy is eligible for refund. Hence, the same stand in current.

Note 6.5 The disbursement, accumulated over the years with channel Partners for which utilization certificates of Rs. 3388.24 lakhs (Rs. 8,139.84 Lakhs as at 31.03.2021) are pending to be received from borrowing institutions, out of which Rs. 2494.76 lakhs (Rs. 4,609.01 lakhs as at 31.03.2021) are more than six months old as at year end.

Note 6.6 In respect of Loans given, Corporation has obtained Government Assurance from channel partners and signed MOU with RRE/PSB/sand others amounting to Rs. 57,884.37 Lakh (Previous year Rs. 49,565.37 Lakh). As per legal opinion, Government assurance and signed MOU do not tantamount to Government Order/ Block Government Gaurance or other financial instrument. However, same can be enforced in disputed cases by way of arbitration. In view of the above, Corporation is adequately covered in cases where the outstanding loan amount is backed by Govt. assurance and signed MOU and disclosed as " Unsecured and considered good" as the repayment is regular.

Note 6.6.1 In the Loans and Interest thereon no provision is recognized since there is no doubt about their recoverability, however in some cases it take substantial time. The Gaurantee Deed include the principal amount and all type of interest thereon are covered by Guarantior(State Government). The above amounts outstanding since substantial period of time are eligible for revoking Gaurantee.

Note 6.7 As per Ind AS-109 Staff loans & advances are recognized at amortised cost which includes the principal & interest component both the details of Outstanding undiscounted Loans to Employees as given below:-



(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Principal	Interest	Total	Principal	Interest	Total
House Building Advance	37.24	50.83	88.07	48.20	59.70	107.90
Vehicle Loan	11.42	1.72	13.14	11.49	0.95	12.43
General Purpose Advance	53.55	-	53.55	67.59	-	67.59
Grand Total (1+2+3+4)	102.21	52.55	154.76	127.27	60.64	187.92

*As per guidelines/norms, recoveries of interest commences after recoveries of principal in respect of House Building Advance and Vehicle advance.

Note 6.8 Loans & advances including simple interest thereon overdue as at end of the year is classified as 'Current' loans, as these are considered good for recovery/adjustment in the subsequent financial year.

(₹ in Lakhs)

Note 6.9 Details of Loan and Advances as on 31.03.2022

Particulars	Opening Balance	Addition	Refunds	Adjustment/rea propriated	Recovered	Closing Balance
General Loan	1,28,248.14	16,610.20	504.45	(14,821.59)	22,394.06	1,36,781.42
Funded Interest	-	-	-	-	-	-
Micro Finance	68,882.49	30,527.23	278.21	14,821.59	19,857.42	64,452.50
Funded Interest	-	-	-	-	-	-
Total	1,97,130.63	47,137.43	782.66	-	42,251.47	2,01,233.91
Loan Due	5,208.23	(907.53)	-	-	-	4,300.70
Loan Not due(31.03.2022)	1,91,922.41	5,010.81	-	-	-	1,96,933.21
Previous year	1,90,005.22	46,670.47	1,953.82	-	37,591.25	1,97,130.63

Note 6.9.1 Details of Loan and Advances as on 31.03.2021

(₹ in Lakhs)

Particulars	Opening Balance	Addition	Refunds	Adjustment/rea propriated	Recovered	Closing Balance
General Loan	1,20,812.09	16,493.17	876.38	(11,483.36)	19,664.10	1,28,248.14
Funded Interest	-	-	-	-	-	-
Micro Finance	69,193.13	30,177.31	1,077.44	11,483.36	17,927.15	68,882.49
Funded Interest	-	-	-	-	-	-
Total	1,90,005.22	46,670.47	1,953.82	-	37,591.25	1,97,130.63
Loan Due	6,745.14	(1,536.91)	-	-	-	5,208.23
Loan Not due(31.03.2021)	1,83,260.08	8,662.33	-	-	-	1,91,922.41
Previous year	1,69,049.50	60,417.35	585.96	-	38,875.67	1,90,005.22

Note 6.10 Details of Rescheduled Loan & Advances

The Corporation has rescheduled Loans aggregating to ₹ 3,525.05 Lakh (Previous year ₹4,558.12 Lakh) in respect of following SCA :

Sl. No	Particulars	Goa SC/ST/BC Dev. Corpo.	Kerala BC Dev. Corpo.	Tripura BC Dev. Corpo.
Principal				3,525.05
Previous Year		86.54	2,455.64	2,015.94

Note 6.11 Allowances on Loan and advances to respective channel partners is made as per the Corporation policy (Ref. Note. No.33) Provision is recognised when:

- The Corporation has a present obligation as a result of past event
- A probable outflow of resources is expected to settle the obligation and
- A reliable estimate of amount of 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.

In respect to Loans/ dues payable by Channel Partners(CPS) which are adequately covered by State Government Guarantees/other Financial Instruments, no Provision are reviewed at each Balance Sheet Date.

The Corporation as per the policy approved for "reschedulement of overdue loans and advances" had rescheduled the loans in very exceptional cases. Further, the Board of the Directors vide 126th meeting of the board had considered the reschedulement/deferment of overdue of channel partners and approved the policy of expected credit loss on overdue based on unsecured and as per probability of default.

Note 6.11.1 Details of allowance for Loans & advances (non-current/current) as on 31.03.2022

Particulars	Opening Balance	Addition during the year	Recovered/Prov ision written back during 21- 22	Closing Balance
Loans & Advances -General loan	170.07	(1.49)		168.58
Loans & Advances -Micro finance	22.76	457.77		480.53
Total	192.83	456.28	0.00	649.11
Previous year	329.58	16.93	153.68	192.83

Note 6.11.2 Allowances on Loan and advances to respective channel partners is made as per the Corporation policy (Ref. Note. No.33)

Note :- 7 Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non - Current	Current	Total	Non - Current	Current	Total
(1) Interest Receivable:						
Secured, considered good						
- Interest on General Loan		1,364.07	1,364.07		1,502.00	1,502.00
(By way of Govt. order /Block Govt. Guarantee received)						
- Interest on Micro Finance		63.61	63.61		300.81	300.81
		1,427.68	1,427.68		1,802.81	1,802.81
Unsecured, considered good						
Interest on General Loan		446.85	446.85		383.92	383.92
Interest on Micro Finance		6.37	6.37		4.69	4.69
		453.22	453.22		388.61	388.61
Doubtful						
Interest on General Loan		446.85	446.85		360.15	360.15
Interest on Micro Finance		6.37	6.37		0.70	0.70
Penal Interest on General Loan	242.20		242.20	264.75		264.75
Penal Interest on Micro Finance	3.52		3.52	3.52		3.52
	245.72	453.22	698.94	268.27	360.85	629.12
Less : Allowance for loans & advances	(245.72)	(453.22)	(698.94)	(268.27)	(360.85)	(629.12)
Sub Total (1)		1,427.68	1,427.68		1,830.57	1,830.57
(2) Interest accrued but not due						
General Loan	647.92	155.14	803.05	608.31	147.72	756.03
Micro Finance		39.31	39.31		56.21	56.21
Sub Total (2)	647.92	194.45	842.36	608.31	203.93	812.24
Others						
(i) Interest accrued but not due - Saving Bank		0.97	0.97		8.35	8.35
(ii) Security Deposits - Unsecured Considered Good	0.63		0.63	0.47		0.47
(iii) Other Receivables						
(iii)(a) Amount recoverable/adjustable from employees	0.19		0.19	16.17		16.17
(iii)(b) Amount recoverable from parties - considered good - Secured						
(iii)(c) Amount recoverable from parties - considered good - Unsecured	6.74		6.74	8.88		8.88
(iii)(d) Amount recoverable from parties - significant increase in Credit Risk						
(iii)(e) Amount recoverable from parties - Credit impaired						
(iii)(f) Form banks (others)						
Sub Total (3)	7.56	0.97	8.53	25.52	8.35	33.87
Grand Total (1+2+3)	655.47	1,623.10	2,278.57	633.83	2,042.85	2,676.68

Note 7.1 During the year, additional demand notice for the period 16.02.2022 to 31.03.2022 have not been raised upto 31.03.2022. However, interest for that period amounting to ₹ 82.03 Lakhs (₹ 94.40 Lakhs as at 31.03.2021) has been included in interest accrued but not due.

Note 7.2 Detail of allowance for interest on Loans & Advances (current/non current) as on 31.03.2022.

(₹ in Lakhs)

Particulars	Opening Balance	Addition during the year	Recovered/Provision written back	Closing Balance
Penal Interest	268.27		22.55	245.72
Interest on loan - General Loan	360.15	86.70		446.85
Interest on loan - Micro Finance	0.70	5.67		6.37
Total	629.12	92.37	22.55	698.94
Previous Year	576.56	55.31	2.75	629.12

Note 7.3 Allowances on Loan and advances in respective channel partners is made as per the Corporation policy

Note :- 8 Other current & non current assets

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non - Current	Current	Total	Non - Current	Current	Total
Samples		0.30	0.30		0.30	0.30
Net planned Assets for gratuity or leave encashment(Refer Note:14.1)	43.47	-	43.47	58.96	-	58.96
Prepaid Expenses (refer note: 8.1)	25.08	21.75	46.83	27.47	13.56	41.03
Stamps in hand	-	0.22	0.22	-	0.01	0.01
Capital Advances	-	-	-	-	-	-
IGST Cenvat	-	-	-	-	-	-
Advance Receivable		2.56	2.56		0.45	0.45
Grand Total	68.55	24.83	93.38	86.43	14.32	100.75

Note 8.1 Prepaid expenses represents unamortized portion of Staff Loans & Advances or difference between the fair value of financial assets at initial recognition & loans given.



Note: - 9

Cash and cash equivalent

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(a) Cash and other Bank Balances		
- Cash in hand		
(b) Balance with Banks		
- In Saving Accounts	4,037.62	4,117.36
Total	4,037.62	4,117.36

Note 9.1 Generally recoveries/refunds from borrowing agencies were received last day of the financial year. Therefore, it could not be invested for intended purpose.

Note: - 10

Cash and cash equivalent-Grant Fund

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
(c) Other Bank Balance (Grant Funds & Others)		
- Saving Account	5,147.75	6,124.70
Post Retirement Medical Fund for Superannuated Employees	164.58	
Total	5,312.33	6,124.70

Note 10.1 Other bank balances represents funds meant for utilisation for training of the target group only as per the terms of the grant (Interest Subvention Scheme VISVAS & other CSR Funds) along with Separate Saving Account for Post Retirement-Medical Expenses.

Note: - 11

Current Tax Asset (Net)

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Income Tax/TDS Receivable	29.72	28.10
Total	29.72	28.10

Note: - 12

Share Capital

Particulars	₹ in Lakhs	
	As at March 31, 2022	As at March 31, 2021
Authorized share capital (150,00,000 Equity shares of ₹1,000/- each) (As at 31st March 2021, 150,00,000 Equity shares of ₹1,000/- each)	1,50,000.00	1,50,000.00
Issued/Subscribed and Paid up Capital (1,49,94,000 Equity shares of ₹1,000/- each) (As at 31st March 2021, 1,44,40,000 Equity shares of ₹1,000/- each.)	1,49,940.00	1,49,940.00
Total	1,49,940.00	1,49,940.00

Note :- 12.1

Reconciliation of the number of equity shares and share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	(No's of Shares)	(Amount in Lakhs)	(No's of Shares)	(Amount in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,49,94,000.00	1,49,940.00	1,44,40,000.00	1,44,400.00
Add: Shares Issued during the year	-	-	5,54,000.00	5,540.00
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,49,94,000.00	1,49,940.00	1,49,94,000.00	1,49,940.00

Shares held by promoters at the end of the year	Shares held by Promoters at the end of the Year			% Change during the year***
	Promoter Name	No. of Shares	% of total shares	
Equity Shares	President of India	1,49,93,999	100.00	Nil
	Joint Secretary Backward Classes	1	0.00	Nil
Total		1,49,94,000	100.00	

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. In terms of Section 8(1)(c) of the Companies Act 2013, the Corporation does not declare dividend and ploughs back its excess of Income over Expenditure (Surplus) to meet the objectives of the Corporation.



Note - 13
Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Special Reserve	1,164.58	2,500.00
General Reserve	55,759.97	51,195.27
Retained Earnings	-	-
Share Application Money pending allotment	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	56,924.55	53,695.27

Note 13.1 Special Reserve

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	2,500.00	2,500.00
Add: Profit during the period transfer from General Reserve	-	-
Less: Transferred to General Reserve	1,500.00	-
Add: Post Retirement Medical Fund for Superannuated Employees	164.58	-
Closing Balance	1,164.58	2,500.00

Note. No. 13.1.1 During the Financial Year 2021-22, the Corporation had received an accumulated balance of Rs. 156.89 Lakh from NBCFDC Medical Trust and as per the approval of Board of Directors vide 126th meeting of the board the same fund is maintained by the Corporation. The same fund henceforth be maintained by the Corporation itself.

Note 13.2 General Reserve

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	51,195.27	47,845.04
Add: Profit during the period transfer from General Reserve	4,564.70	3,350.23
Closing Balance	55,759.97	51,195.27

Note 13.3 Retained Earnings

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	-	-
Add/Less: Depreciation Adjustment (refer note 3.1)	-	-
Add/Less: Other Adjustment (refer Note No. 7.2 & Note 3.1 (Right of use Assets))	-	(76.26)
Add/Less: Other adjustment	-	-
Add: Profit during the period transferred from Statement of Income & Expenditure	3,055.77	3,429.54
Add: Special Reserve	1,500.00	-
	4,555.77	3,353.28
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	8.93	(3.05)
Less: Transferred to General Reserve	4,564.70	3,350.23
Closing Balance	-	-

Note 13.4 Share application money pending allotment

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	-	-
Add: Received during the year	-	5,540.00
Less: Shares allotted during the year	-	(5,540.00)
Closing Balance	-	-

Note 13.5 Special Reserve of Rs 1000 lakhs (Rs 2500 lakhs as at 31.03.2021) kept for meeting capital expenditure on land/building, is not represented by any earmarked investment. Any capital expenditure out of the Special Reserve shall be subject to the approval of the Administrative Ministry. Further, the Board Directors of the Corporation in its 126 th meeting held on 27/12/2021 has been approved the reduce of "Special Reserve Fund" from Rs. 2500 lakh to Rs. 1000.00 lakh w.e.f financial year 2021-22.



Note 13.6 In terms of Section 8(1)(c) of the Companies Act 2013, the Corporation does not declare dividend and ploughs back its excess of Income over Expenditure (Surplus) to make disbursement of loan and meet future expenses including administrative expenses. As such, the Surplus has been transferred to General Reserve.

Note 13.7 The Corporation is a not for profit entity and its activities for development of the target group through their training & market exposure are in nature of Corporate Social Responsibility (CSR) activities

Note: - 14

Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non - Current	Current	Total	Non - Current	Current	Total
Provision for Retirement Benefits to Employees						
-Gratuity						
-Leave Benefits	8.19		8.19			
-Medical Scheme						
Sub Total (a)	8.19	-	8.19	-	-	-
Provision for Performance Related Pay :						
- Managing Director		13.81	13.81	-	45.31	45.31
- Other Employees		222.13	222.13	-	243.02	243.02
Sub Total (b)	-	235.95	235.95	-	288.33	288.33
Leave Travel Concession	18.11	6.58	24.69	8.80	17.60	26.40
Performance Linked Incentive Grant to Channel Partners	-	173.50	173.50	-	55.52	55.52
House Tax		-	-		0.09	0.09
Provision for Expenses		33.23	33.23			
Total	26.29	449.27	475.56	8.80	361.54	370.34

Note 14.1 Details of provisions(FY 2021-22)

(₹ in Lakhs)

Particulars	As at 1st April 2021	Additions during the year	Utilized/ payments during the year 2021-22	Written back during 2021-22	As at 31st March 2022
Gratuity (refer note no. 8)	(33.03)	(10.44)			(43.47)
Leave Benefits (refer note no. 8)	(25.94)	34.13			8.19
House tax	0.09	0.07	0.16		-
Performance linked incentive Grant to Channel Partners	55.52	173.50	44.02	11.50	173.50
Leave Travel Concession	26.40	0.61	2.32		24.69
Performance Related Pay	288.33	91.31	130.79	12.90	235.95
Provision for Expenses		33.23			33.23
Total	311.38	322.41	177.30	24.40	432.09

Note 14.1 Details of provisions(FY 2020-21)

(₹ in Lakhs)

Particulars	As at 1st April 2020	Additions during the year	Utilized/ payments during the year 2020-21	Written back during 2020-21	As at 31st March 2021
Gratuity	(15.11)	(17.91)			(33.03)
Leave Benefits (refer note no. 7)	(22.91)	(3.03)			(25.94)
House tax		0.09			0.09
Performance linked incentive Grant to Channel Partners	135.29	161.76	227.54	13.99	55.52
Leave Travel Concession	15.93	11.09	0.62		26.40
Performance Related Pay	247.27	166.86	122.88	2.92	288.33
Total	360.45	318.86	351.03	16.91	311.38

Note 14.2 Provision for liability towards leave travel concession of ₹24.69 Lakhs (₹ 26.40 Lakhs as at 31.03.2021) is made, as per actuarial assessment.

Note 14.3 Provision for performance related pay of ₹ 91.30 (₹ 166.86 Lakhs as at 31.03.2021) has been made on the basis of "Very Good rating of all employees, which is based on calculation of raw score on parameters as defined in MOU, which was signed by "Ministry of Social Justice & Empowerment" and Corporation. However, the applicability of rating i.e. from poor to excellent of the employees is related with their individual performances. Any difference in the actual payment on the basis of rating will be adjusted in the year of payment.

Note 14.4 As per clarification received from Department of Public Enterprises vide OM no. 2(14)/12.DPE(WC) -GL-IV/14 dated 07.02.2014 a maximum of 300 days of earned leave can be accumulated at any point of time during the service. Earned leave is encashable during the service, while half pay leave is not encashable during the service or on superannuation. However, on superannuation earned leave plus half pay leave together can be encashed subject to a maximum of 300 days.

Note 14.5 Disclosures as per Ind AS - 19 Actuarial Valuation (Gratuity, Leave Benefit)

The Corporation has a defined benefit plan for payment of gratuity to all employees, which is funded with Life Insurance Corporation of India. Every employee who has completed five years or more of service receives gratuity on leaving the Corporation at 15 days salary (last drawn salary) for each completed year of service. The present value of obligation determined is based on actuarial valuation using the projected unit credit method.



Liability for long term employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS -19 as prescribed by Companies (Ind AS) Rule, 2015.

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 (net basis) is as under:

Particulars	(₹ in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Gratuity (Funded)	Leave encashment (Funded)	Gratuity (Funded)	Leave encashment (Funded)
(I) Key Assumption of actuarial	PUC Method		PUC Method	
Economic Assumptions				
Discount Rate	7.18%	7.18%	6.94%	6.94%
Salary rise (p.a) *	6%	6%	6%	6%
Expected rate of return on assets	7.18%	7.18%	6.94%	6.94%
Demographic Assumptions				
Employee Turnover	2%		2%	2%
Retirement Age	60 years		60 years	60 years
* first 7 year 6% & for 1 Year after 7 year 12% & for 10 years after that 6%				
(II) Amount Recognized in Statement of Financial Position at Period End				
Defined Benefit Obligation	434.33	311.01	411.19	316.91
Fair Value of Plan Assets	477.80	302.82	444.21	342.85
	(43.47)	8.19	(33.03)	(25.94)
Present Value of Unfunded Defined Benefit Obligation				
Unrecognised Asset due to Asset Ceiling				
Net Defined Benefit (Asset)/Liability Recognized in Statement of Financial Position	(43.47)	8.19	(33.03)	(25.94)
(III) Net Defined Benefit Cost /(Income) included in statement of Profit & Loss at Period End				
Service Cost	18.87	24.92	17.35	23.34
Net Interest Cost	(2.74)	(1.95)	(0.81)	(1.07)
Past Service Cost			-	
Remeasurements		11.16		31.21
Administration Expenses				
(Gain)/Loss due to Settlements /Curtailments				
Total Defined Benefit Cost /(Income) Included in Profit & Loss	16.12	34.13	16.54	53.48
(IV) Current /Non Current Bifurcation				
Current Benefit Obligation	13.71	10.25	31.92	29.10
Non- Current Benefit Obligation	420.62	300.75	379.26	287.81
(Asset)/Liability Recognized in the Balance Sheet	434.33	311.01	411.19	316.91
(V) Actual return on Plan assets				
Interest Income on Plan Assets	30.83		26.30	
Expected Return on Plan Assets		23.79		21.44
Remeasurements of Plan assets	25.13	10.95	(12.12)	1.33
Actual Return on Plan Assets	55.95	34.75	14.18	22.78
(VI) Analysis of Amounts Recognized in Other Comprehensive (Income)/Loss at Period End				
Amount Recognised in OCI Beginning of Period	4.06		1.01	
Remeasurements due to :-				
Effect of Change in financial assumptions	(5.71)		(6.32)	
Effect of Change in demographic assumptions				
Effect of experience adjustments	21.91		(2.75)	
(Gain)/Loss on Curtailments/settlements				
Return on Plan assets(excluding interest)	(25.13)		12.12	
Change in asset ceiling				
Total remeasurements recognized in OCI	(8.93)		3.05	
Amount Recognized in OCI	(4.87)		4.06	
(VII) Analysis of Amounts Recognized in Remeasurements of the Net Defined Benefit Liability/(Asset) during the Period				
Premeasurements due to :-				
Effect of Change in financial assumptions		(4.66)		(4.93)
Effect of Change in demographic assumptions				
Effect of experience adjustments		26.77		37.47
(Gain)/Loss on Curtailments/settlements				
Return on Plan assets(excluding interest)		(10.95)		(1.33)
Change in asset ceiling				
Total remeasurements recognized (gains)/losses		11.16		31.21



(VIII) Changes in defined Benefit Obligation during the Period				
Defined Benefit Obligations Beginning of period	411.19	316.91	377.41	297.16
Interest cost on DBO	28.08	24.92	25.49	23.34
Current service cost	18.87	21.85	17.35	20.38
Benefit paid (if any)				(56.51)
Benefit paid by the Insurer (if any)	(40.00)	(74.78)		
Past Service cost				
Actuarial (gain)/loss	16.20	22.11	(9.06)	32.54
Defined Benefit Obligation at the end of the period	434.33	311.01	411.19	316.91

(IX) Change in Fair Value of Plan Assets during the Period				
Fair Value of Plan Assets at the beginning of the period	444.21	342.85	392.52	320.07
Interest Income on Plan assets	30.83	23.79	26.30	21.44
Contributions	17.64		37.50	-
Benefits paid	(40.00)	(74.78)		
Actuarial gain/(loss) on plan assets	25.13	10.95	(12.12)	1.33
Fair Value of Plan Assets at the end of the Period	477.80	302.82	444.21	342.85

(X) Reconciliation of Balance Sheet Amount				
Balance Sheet(Asset)/Liability, beginning of Period	(33.03)	(25.94)	(15.11)	(22.91)
Total Change/(Credit) Recognized in Profit & Loss	16.12	34.13	16.54	53.48
Total Remeasurements Recognized in OC (Income)/Loss	(8.93)		3.05	
Actual Employer Contribution /benefit Directly paid by the C	(17.64)		(37.50)	(56.51)
Balance Sheet(asset)/Liability End of Period	(43.47)	8.19	(33.02)	(25.94)

(XI) Sensitivity Analysis				
Defined Benefit Obligation - Discount Rate + 100 base points	(24.53)	(20.31)	(26.52)	(20.69)
Defined Benefit Obligation - Discount Rate - 100 base points	26.74	22.51	28.84	22.93
Defined Benefit Obligation - Salary Escalation Rate + 100 ba	5.80	23.49	19.68	23.95
Defined Benefit Obligation - Salary Escalation Rate - 100 ba	(10.66)	(22.57)	(18.83)	(22.99)

(XI) Expected Cash flows for the Next Ten Years

Year - 2021				
Year - 2022			33.01	
Year - 2023	14.20		12.94	
Year - 2024	15.02		13.65	
Year - 2025	34.02		32.69	
Year - 2026	64.75		59.52	
Year - 2027	41.64			
Year - 2028 to 2032	389.31			
Year - 2027 to 2031			336.45	

Note: - 14.6 Estimates of future salary increase considered in actuarial valuation taken in to account inflation, seniority, promotion and other relevant factor

Note: - 15

Other financial liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Amount payable/adjustable to SCA	0.03	1.59
Security deposit & retention money (Unsecured Considered Good)	0.72	1.38
Grant from government/Financial Institutions	5,137.93	5,732.67
Interest on Grant Fund	9.82	392.03
Sub Total (1)	5,148.50	6,127.67
Other payables :		
Total outstanding dues of creditors other than micro enterprises and small enterprises	29.96	76.01
Total outstanding dues of micro enterprises and small enterprises (refer note - 41)	4.07	4.47
Sub Total (2)	34.04	80.48
Total	5,182.54	6,208.15

Trade Payables Ageing FY 2021-22

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i)MSME	4.07					4.07
(ii)Others	11.20			18.76		29.96
(iii)Disputed dues - MSME						-
(v) Disputed Due others						-
Total	15.28	-	-	-	-	34.04



Note :- 15.1 Security Deposit includes deposits received from various vendors/suppliers for services.

Note :- 15.2 Corporation received various grants/funds from administrative ministry for implementing various scheme of ministry as well as other CPSEs for specific purpose. Corporation has maintained separate account for such funds/grants and it has been shown as liability till the fund is utilized for the purpose it was received. After discharging the same has been adjusted from the PIA (Project Implementing Agencies) balances.

Note :- 15.3 During the year an amount of Rs. 3111.20 lakhs (previous year Rs. 2153.69 lakhs) was received from various institutions and suspend. Out of total grants available Rs. 3490.63 lakhs (Previous year Rs. 2045.83 lakhs) was released/refunds including interest to the tune of Rs. 1513 lakhs (Previous Year Rs. 187.15 lakh) to the training institutions/administrative ministry and recognised during the financial year as revenue grant. The detail of training grant and subsidy at the beginning, received, refunded, released during the year, and the balance as on 31.03.2022 are as under :-

During the F.Y. 2021-22

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total
Ministry of S&RE (Grant-I) of 17-18 (for Beggers)	69.54	18.61	88.15		2.66	2.66	69.54	21.27	90.31	26.83	21.27	48.12	42.69	0.00	42.69
Ministry of S&RE (Grant-II) of 18-19 (North Eastern Region)	318.60	95.08	413.68		3.16	3.16	318.60	95.26	413.86	318.60	95.26	413.86	0.00	0.00	413.86
Ministry of S&RE (Grant-III) of 18-19 (Transgender)	81.02	12.23	93.24		3.94	3.94	81.02	16.17	97.19	34.19	16.17	30.36	66.83	0.00	66.83
Ministry of S&RE (Grant-IV) of 18-19 (Transgender)	7.76	1.26	9.02		0.18	0.18	7.76	1.44	9.20	7.76	1.44	9.19	0.00	0.00	9.19
Ministry of S&RE (Grant-V) of 19-20	0.00	99.87	99.87		3.63	3.63	-0.00	113.50	113.49		113.49		0.00	0.00	113.49
Ministry of S&RE (Grant-VI) of 19-20 (Transgender)/HEALTH	0.00	3.65	3.65		(3.65)	(3.65)									
Ministry of S&RE (Grant-VII) of 19-20 (Drug Demand Reduction)	150.00	13.81	163.81		4.68	4.68	150.00	18.49	168.49	150.00	18.49	168.49	0.00	0.00	168.49
Ministry of S&RE (Grant-VIII) of 19-20 (for Beggers)	70.00	5.04	75.04		2.14	2.14	70.00	7.18	77.18	70.00	7.18	77.18	0.00	0.00	77.18
Ministry of S&RE (Grant-IX) of 19-20	400.00	25.87	425.87		12.16	12.16	400.00	38.03	438.03	400.00	38.03	438.03	0.00	0.00	438.03
Ministry of S&RE (Grant-X) of 19-20 (NER)	300.00	19.40	319.40		7.76	7.76	300.00	27.16	327.16	300.00	27.16	327.16	0.00	0.00	327.16
Ministry of S&RE (Grant-XI) of 19-20 (for Beggers)	1077.09	49.21	1126.30		18.38	18.38	1,077.09	67.59	1,144.68	300.88	67.59	368.47	776.21	0.00	776.21
Ministry of S&RE (Grant-XII) of 20-21	25.83	4.91	30.74		4.26	4.26	25.83	23.13	35.00	23.13	9.17	35.30	2.70	0.00	32.60
Ministry of S&RE (Grant-XIII) of 20-21	250.00	9.92	259.92		6.30	6.30	250.00	16.25	266.25	250.00	16.25	266.25	0.00	0.00	266.25
Ministry of S&RE (Grant-XIV) of 20-21	230.00	9.26	239.26		7.40	7.40	230.00	16.66	266.66	250.00	16.66	266.66	0.00	0.00	266.66
Ministry of S&RE (Grant-XV) of 20-21	250.00	8.03	258.03		7.37	7.37	250.00	15.40	265.40	250.00	15.40	265.40	0.00	0.00	265.40
Ministry of S&RE (Grant-XVI) of 20-21 (P.M. Dakh)-1	639.00	6.30	645.30		(0.92)	(0.92)	639.00	5.38	644.38	682.11	5.38	73.59	570.79	0.00	570.79
Central Warehouses Corporation	34.44	0.00	34.44				34.44	34.44	34.44	34.44	34.44	34.44	0.00	0.00	34.44
Cancer corporation of India Ltd.	21.33	0.00	21.33		53.46	53.46	74.79	74.79	74.79	13.97	13.97	60.82	0.00	0.00	60.82
Development Commissioner (Hradierath)	0.00	1.46	1.46		0.04	0.04	-0.00	1.51	1.50			1.51	0.00	0.00	1.51
IFCI Social Foundation	12.23	0.00	12.23		0.40	0.40	12.23	0.40	12.63	12.23	0.40	12.63	0.00	0.00	12.63
Indian Railway Finance Corporation Ltd	135.17	0.00	135.17		44.58	44.58	179.75	179.75	179.75	133.14	133.14	46.61	0.00	0.00	46.61
Engineers India Ltd	103.49	0.00	103.49		151.20	151.20	254.69	107.09	354.69	107.09	107.09	197.09	57.60	0.00	57.60
CONCOR AIR LIMITED-COVID 19 GRANT ACCOUNT	0.00	0.00	0.00				0.00	0.00	0.00			0.00	0.00	0.00	0.00
Ministry of S&RE (Grant-XVII) of 20-21 (P.M. Dakh)-2	639.00	0.07	639.07		8.25	8.25	639.00	18.32	657.32	20.10	18.32	18.32	639.00	0.00	639.00
MINISTRY OF S&RE (Grant-XX) of 21-22 (P.M. Dakh)-3	20.10	0.00	20.10		0.49	0.49	20.10	0.49	20.59	20.10	0.49	20.59	0.00	0.00	20.59
CONCOR COVID 19 CSR GRANT	0.00	0.00	0.00				0.00	0.00	0.00			0.00	0.00	0.00	0.00
CONCOR AIR LIMITED CSR SDTP GRANT RECEIVED ACCOUNT	0.00	0.00	0.00		19.96	19.96	19.96	19.96	19.96	19.96	19.96	19.96	0.00	0.00	19.96
Ministry of S&RE (Grant-XXI) of 21-22 (P.M. Dakh)-2	900.00	8.76	908.76		8.76	8.76	900.00	8.76	908.76	592.75	8.76	601.51	307.25	0.00	307.25
Ministry of S&RE (Grant-XXII) of 21-22 (P.M. Dakh)-3	1942.00	0.00	1942.00		1,942.00	1,942.00	1,942.00	1,942.00	1,942.00			194.20	1,747.80	0.00	1,747.80
Ministry of S&RE (Grant-XXIII) of 20-21 (P.M. Dakh)-1	0.00	0.00	0.00		15.20	15.20	0.00	15.20	15.20	15.20	15.20	15.20	0.00	0.00	15.20
Total	4,854.58	384.01	5,238.59	3,111.20	132.62	3,243.83	7,965.78	516.63	8,482.42	2,885.50	515.13	3,400.63	5,080.28	1.51	5,081.79

During the F.Y. 2021-22

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total
NBCFC-S&RE(VIS)AS YOJANA -2020 ACCOUNT	378.09	8.02	386.11		23.30	23.30	378.09	31.32	509.41	820.43	23.01	843.44	37.64	8.31	45.95
Total	378.09	8.02	386.11	-	23.30	23.30	378.09	31.32	509.41	820.43	23.01	843.44	37.64	8.31	45.95

During the Financial Year, the Corporation has refunded Rs. 714.21 Lakh and Rs. 23.01 Lakh towards principal and interest to the Ministry only.

During the F.Y. 2021-22

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total
COVID 19 RELIEF FUND ACCOUNT	5.19	0.05	5.24		1.10	1.23	6.29	0.17	6.46	5.49	0.17	5.66	0.80	0.17	0.97
Total	5.19	0.05	5.24	1.10	0.12	1.23	6.29	0.17	6.46	5.49	0.17	5.66	0.80	0.17	0.97

Note No 15.4
During the F.Y. 2019-21

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total
Ministry of S&IEE (Grants-I) Jof 17-18 (for Baggais)	75.09	13.15	88.24		5.46	5.46	75.09	18.61	93.70	5.55	99.25	5.55	69.54	18.61	88.15
Ministry of S&IEE (Grants-II) Jof 18-19 (North Eastern Region)	0.00	13.72	13.72		0.74	0.74	0.00	14.45	14.46	14.46	14.46	14.46	0.00	0.00	0.00
Ministry of S&IEE (Grants-III) Jof 18-19	0.00	70.83	70.83		3.83	3.83	0.00	74.65	74.66	74.66	74.66	74.66	0.00	0.00	0.00
Ministry of S&IEE (Grants-IV) Jof 18-19	0.00	68.05	68.05		3.68	3.68	0.00	71.74	71.74	71.74	71.74	71.74	0.00	0.00	0.00
Ministry of S&IEE (Grants-V) Jof 18-19 (North Eastern Region)	475.68	62.62	542.30		32.46	32.46	479.68	574.76	574.76	161.08	735.84	161.08	318.60	95.08	413.68
Ministry of S&IEE (Grants-VI) Jof 18-19	10.00	23.89	33.89		1.29	1.29	-0.00	25.18	27.18		25.18		0.00	0.00	0.00
Ministry of S&IEE (Grants-VII) Jof 18-19 (Transgender)	90.01	6.16	96.17		6.07	6.07	90.01	102.23	102.23	8.98	111.26	8.98	81.02	12.35	93.24
Ministry of S&IEE (Grants-VIII) Jof 19-20	10.00	0.69	10.69		0.57	0.57	10.00	11.26	11.26	2.24	13.50	2.24	7.76	1.26	9.02
Ministry of S&IEE (Grants-IX) Jof 19-20 (Transgender) - Training	1,193.21	53.64	1,246.85	(73.33)	46.23	46.23	1,193.21	99.87	1,293.08	1,193.21	2,486.29	1,193.21	0.00	99.87	99.87
Ministry of S&IEE (Grants-X) Jof 19-20 (Drug Demand Reduction)	73.99	2.69	76.68		0.96	0.96	73.99	77.64	77.64	0.66	78.30	0.66	1.67	1.98	3.65
Ministry of S&IEE (Grants-XI) Jof 19-20 (for Baggais)	150.00	3.89	153.89		5.92	5.92	150.00	155.92	155.92		155.92		150.00	13.81	169.71
Ministry of S&IEE (Grants-XII) Jof 19-20	70.00	0.50	70.50		4.34	4.34	70.00	74.34	74.34		74.34		70.00	5.04	75.04
Ministry of S&IEE (Grants-XIII) Jof 19-20	400.00	0.08	400.08		400.08	400.08	400.00	400.08	400.08		400.08		400.00	25.87	425.87
Ministry of S&IEE (Grants-XIV) Jof 19-20 (NER)	300.00	0.06	300.06		300.06	300.06	300.00	300.06	300.06		300.06		300.00	19.40	319.40
Ministry of S&IEE (Grants-XV) Jof 19-20 (Transgender)-Heats Check up etc	1,200.00	1.19	1,201.19		69.41	69.41	1,200.00	1,270.60	1,270.60	144.30	1,414.90	144.30	105.21	70.60	175.81
MIN OF S&IEE (Grants-XVI) (2020-21)-I ACCOUNT	60.24	2.69	62.93		73.33	73.33	133.57	206.30	206.30	107.74	314.04	107.74	25.83	4.91	30.74
MIN OF S&IEE (Grants-XVII) (2020-21)-II ACCOUNT	-	-	-		250.00	250.00	250.00	500.00	500.00		500.00		250.00	9.95	259.95
MIN OF S&IEE (Grants-XVIII) (2020-21)-III ACCOUNT	-	-	-		250.00	250.00	250.00	500.00	500.00		500.00		250.00	9.95	259.95
MIN OF S&IEE (Grants-XIX) (2020-21)-IV ACCOUNT	-	-	-		639.00	639.00	639.00	1,278.00	1,278.00		1,278.00		639.00	8.03	258.03
Central warehouse Corporation	5.12	-	5.12		36.16	36.16	41.28	77.44	77.44	6.84	84.28	6.84	63.00	6.10	69.10
Concor corporation of India Ltd	21.33	-	21.33		21.33	21.33	42.66	64.02	64.02		64.02		34.44	0.00	34.44
Development Commissioner (Handicraft)	4.54	1.78	6.32		0.15	0.15	4.54	6.46	6.46	4.54	11.00	4.54	21.33	0.00	21.33
JFCI Social Foundation	12.23	-	12.23		12.23	12.23	24.46	36.69	36.69	5.00	41.69	5.00	12.23	1.47	13.70
Indian Railway Finance Corporation Ltd	20.22	-	20.22		131.30	131.30	151.51	282.81	282.81	16.34	299.15	16.34	135.17	0.00	135.17
Engineers India Ltd	173.18	-	173.18		103.49	103.49	276.67	379.16	379.16	9.32	388.48	9.32	103.49	0.00	103.49
CONCOR AIR LIMITED-COVID 19 GRANT ACCOUNT	-	-	-		9.32	9.32	9.32	18.64	18.64		18.64		0.00	0.00	0.00
MIN OF S&IEE (Grants-XX) (2020-21) [PN-DAKSG-2 ACCOUNT]	-	-	-		639.00	639.00	639.00	1,278.00	1,278.00		1,278.00		639.00	0.07	639.07
MINISTRY OF S&IEE (FAIR & EXHIBITION) ACCOUNT	-	-	-		20.10	20.10	20.10	40.20	40.20		40.20		20.10	0.00	20.10
CDCOR COVID-19 CSR GRANT	-	-	-		25.33	25.33	25.33	50.66	50.66	25.33	76.00	25.33	0.00	0.00	0.00
Total	4,338.82	325.63	4,664.44	2,383.69	246.27	2,630.39	6,692.51	591.90	7,284.41	1,858.66	18,116.16	2,045.82	4,834.86	403.73	5,238.59

During the F.Y. 2020-21

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total
NBCFDC-MSI&E(VISVIA) YOJANA -2020 ACCOUNT	-	-	-		1,000.00	1,000.00	1,000.00	8.02	1,008.02	121.91	1,129.93	121.91	878.09	8.02	886.11
Total	-	-	-	1,000.00	8.02	1,008.02	1,008.02	8.02	1,016.04	121.91	1,137.95	121.91	878.09	8.02	886.11

During the F.Y. 2020-21

Particulars	Opening Balance			Receipt During the year			Grand Total			Recognized during the year (Releases)			Closing Balance		
	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total	Grant	Interest Income	Total
COVID-19 RELIEF FUNDS ACCOUNT	-	-	-		28.32	28.32	28.32	0.05	28.37	23.14	51.51	23.14	5.19	0.05	5.24
Total	-	-	-	28.32	0.05	28.37	28.32	0.05	28.37	23.14	51.51	23.14	5.19	0.05	5.24

Note 15.05 During the year 2018-19 the Corporation received Grant in Aid for training (Grant-I) of Rs. 50.00 lakhs (2017-18 Rs. 100.00 Lakhs) from the Administrative Ministry for imparting training to the baggais. The Corporation had carried interest of Rs. 26.85 lakhs (Previous year Rs. 5.55 Lakhs, 2019-20 of Rs. 47.86 Lakhs and 2018-19 Rs. 27.09 Lakhs). The Corporation stands committed to release grant in next financial year. As per terms of GFR-2017. The Corporation has been deposited the earning of entire interest of Rs. 21.27 Lakhs in consolidated funds of ministry.

Note 15.06 During the year 2018-19 the Corporation received Grant in Aid for training (Grant-II) of Rs. 1000.00 lakhs from the Administrative Ministry for imparting training to the beneficiaries in North Eastern Region. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation has earned interest of Rs. 3.18 lakh (Previous Year Rs. 32.46 Lakhs, Rs.62.62 Lakhs in 2019-2020) from bank. The Corporation has released Rs. 313.60 Lakhs (Previous year Rs. 212.27 Lakhs in consolidated funds of ministry during the year 2021-22).

Note 15.07 During the year 2018-19, the Corporation received Grant in Aid for training (Grant-III) of Rs. 90.00 lakhs from the Administrative Ministry for imparting training of society of transgender. The Corporation had earned interest of Rs. 3.94 lakh (Previous Year Rs. 6.07 lakhs and Rs. 6.16 Lakhs in 2019-20) from bank. The Corporation has released Rs. 14.19 Lakhs (Previous year Rs. 8.98) including monitoring cost of 10%. As per terms of GFR 2017, Rule 230 earning of interest of Rs. 15.17 lakh has been deposited in consolidated funds of Ministry. The Corporation stands committed to release remaining grant in next financial year.

Note 15.08 During the year 2018-19, the Corporation received Grant in Aid for training (Grant-IV) of Rs. 10.00 lakhs from the Administrative Ministry for imparting training of society of transgender in North Eastern Region of the Country. The Corporation had earned interest of Rs. 0.18 lakh (Previous Year Rs. 0.57 Lakhs and Rs. 0.69 Lakhs in 2019-20) from bank. The Corporation has released remaining fund of Rs. 7.76 Lakhs (Previous year Rs. 2.25 lakhs). Earning of interest of Rs. 1.44 has been deposited in consolidated funds of Ministry as per terms of GFR 2017, Rule 230.

Note 15.09 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-V) of Rs. 1500.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training to the beneficiaries. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 13.68 Lakhs (Previous Year Rs. 46.23 lakhs and Rs. 51.54 Lakhs in 2019-20) from bank. As per terms of GFR 2017, Rule 230 earning of interest of Rs. 113.50 lakh has been deposited in consolidated funds of Ministry during the year. The Corporation has released Rs. nil (previous year Rs. 1193.21 lakh and Rs. 306.79 Lakhs in 2019-20) and recognized during that year.

Note 15.10 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-VI) of Rs. 75.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training of transgender community. The Corporation had earned interest of Rs. nil (Previous Year Rs. 1.97 Lakhs (net) and Rs. 1.68 lakh from bank. As per sanction order earning of interest if any is to be utilized for monitoring of project. Further, as per instructions conveyed by M/O Social Justice and Empowerment an amount of Rs. 73.33 Lakhs had been appropriated in 2020-21 for Health & other of the community. The Corporation has released Rs. 0.00 Lakh (previous years Rs. 1.67 Lakhs) and recognized during that year. As per terms of GFR 2017, Rule 230 earning of interest of Rs. 3.65 lakh has been transferred in interest account of Grant-XII of transgender's health and deposited in consolidated funds of Ministry alongwith during the year 2021-22.

Note 15.11 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-VII) of Rs. 150 Lakhs from the Administrative Ministry for organizing training programme of victims of substance abuse under the National Action Plan for drug Demand Reduction under National policy on prevention of Alcoholism and drug abuse in India. The Corporation had earned interest of Rs. 4.68 Lakhs (Previous Year Rs. 13.81 Lakhs) from bank. As per Sanction earning of interest, if any is to be utilized for monitoring of project. The Corporation returned the whole unutilized grant fund alongwith earned interest amount of Rs. 168.49 lakh to administrative ministry.

Note 15.12 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-VIII) of Rs. 70.00 lakhs (2018-19 Nil/-) from the Administrative Ministry for imparting training to the buggers. The Corporation had earned interest of Rs. 2.15 Lakhs (Previous Years Rs. 4.54 Lakhs and Rs. 0.50 Lakh in 2019-20) from bank. The Corporation has released the unutilized fund of Rs. 70 Lakhs and earning of interest of Rs. 7.19 lakh to administrative ministry.

Note 15.13 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-IX) of Rs. 400.00 Lakhs) from the Administrative Ministry for imparting training to the beneficiaries. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 12.16 Lakhs (Previous Years Rs. 22.79 Lakhs and Rs. 0.08 in 2019-20) from bank. As per terms of GFR 2017, Rule 230 earning of interest, if any to be deposited in consolidated funds of Ministry and Rs. 38.03 lakh has been deposited in ministry account. The Corporation stands committed to release grant in next financial year.

Note 15.14 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-X) of Rs. 300.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training to the beneficiaries for North Eastern Region. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 7.76 lakh (Previous Year Rs. 19.34 Lakhs and 2019-20 Rs. 0.06 Lakh) from bank. As per terms of GFR 2017, Rule 230 earning of interest to the tune of Rs. 27.16 lakh has been deposited in consolidated funds of Ministry. The Corporation has released Rs. 132.21 Lakh. (previous years Rs. nil Lakhs) and recognized during that year. The Corporation stands committed to release grant if any in next financial year.

Note 15.15 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-XI) of Rs. 1200.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training to the beneficiaries. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 18.38 Lakh (Previous Years Rs. 48.02 lakh and Rs. 1.19 Lakh) from bank. As per terms of GFR 2017, Rule 230 earning of interest, if any to be deposited in consolidated funds of Ministry. The Corporation has deposited the same to the tune of Rs. 67.29 lakh in consolidated funds of ministry. The Corporation has released Rs. 300.88 lakhs (Previous year Rs. 122.91 Lakh). The Corporation stands committed to release remaining grant in next financial year.

Note 15.16 During the year 2019-20, the Corporation received Grant in Aid for training (Grant-XII) of Rs. 75.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for health check up & providing cash assistance for food, sanitizer, masks etc. in the backdrop of Covid-19 pandemic rehabilitation of transgender community. The Corporation had earned interest of Rs. 0.61 lakhs (Previous Years Rs. 1.21 Lakh and Rs. 2.65 lakh in 2019-20) from bank. Further an amount of interest to the tune of Rs. 3.65 lakh reapportioned from grant -vi above and as per terms of GFR 2017 earning of interest of Rs. 9.17 lakh has been deposited in consolidated fund of ministry further, during 2020-21 an amount of Rs. 73.33 Lakhs has been appropriated from grant -vi as per advice of M/O Social Justice & Empowerment. As per sanction earning of interest if any is to be utilized for the monitoring of project. The Corporation has released Rs. 23.13 Lakhs (previous year Rs. 107.74 Lakhs and 14.76 Lakhs during 2019-20) and recognized during the year. The Corporation stands committed to release grant in next financial year.

Note 15.17 During the year 2020-21, the Corporation received Grant in Aid for training (Grant-XIII) of Rs. 250.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training to the beneficiaries. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 6.30 Lakh (Previous Year Rs. 9.95 Lakh) from bank. As per terms of GFR 2017, Rule 230 earning of interest to the tune of Rs. 16.25 lakh has been deposited in consolidated fund of ministry. The Corporation has utilized the grant fund of Rs. 250.00 lakh (previous year nil/-) for intended purpose.

Note 15.18 During the year 2020-21, the Corporation received Grant in Aid for training (Grant-XIV) of Rs. 250.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training to the beneficiaries. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 7.41 Lakh (Previous Year Rs. 9.26 Lakh) from bank. As per terms of GFR 2017, Rule 230 earning of interest to the tune of Rs. 16.67 lakh has been deposited in consolidated fund of ministry. The Corporation has utilized the grant fund of Rs. 250.00 lakh (previous year nil/-) for intended purpose.

Note 15.19 During the year 2020-21, the Corporation received Grant in Aid for training (Grant-XV) of Rs. 250.00 Lakhs (previous year Rs. nil/-) from the Administrative Ministry for imparting training to the beneficiaries. As per the terms, the Corporation is required to contribute 10% of its share towards training cost. The Corporation had earned interest of Rs. 7.37 Lakh (Previous Year Rs. 8.03 Lakh) from bank. As per terms of GFR 2017, Rule 230 earning of interest of Rs. 15.40 lakh has been deposited in consolidated funds of Ministry. The Corporation has utilized the entire grant fund of Rs. 250 Lakh (previous year nil/-) for intended purpose.

Note 15.20 During the year 2020-21, the Corporation received Grant in Aid for training (Grant-XVI) of Rs. 639.00 Lakhs (previous year 2019-20 Rs. nil/-) from the Administrative Ministry P.M. Daksh scheme for imparting training to the beneficiaries. The Corporation had earned interest of nil (Previous Year Rs. 6.10 lakh) from bank. As per terms of GFR 2017, Rule 230 earning of interest of Rs. 9.92 lakh has been deposited in consolidated funds of Ministry. As per direction of administrative ministry an amount of Rs. 500 Lakh has been reapportioned in P.M. Daksh 2021-22 and on advice of administrative ministry the same has been re-appropriated from 2021-22. The Corporation has utilized an amount of Rs. 68.21 lakh including operating cost @3% on Rs. 66.22 lakh during the year and stands committed to release remaining grant in next financial year.



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Note 15.21 During the year 2020-21, the Corporation received Grant in Aid for training (Grant-XVII) of Rs. 639.00 Lakhs (previous year Rs. nil.) from the Administrative Ministry P. M. Dalsh scheme for imparting training to the beneficiaries. The Corporation stands committed to release grant in next financial year. Interest of Rs. 18.25 lakh (Previous Year Rs. 0.07 lakh) from bank. As per terms of GFR, 2017, Rule 230 earning of interest to the tune of Rs. 18.22 lakh has been deposited in consolidated funds of Ministry. The Corporation stands committed to release grant in next financial year.

Note 15.22 An amount of Rs. 500 lakh has been reappropriated from grant XVIII as per direction of administrative ministry during the year 2021-22 for imparting training to the beneficiaries. The Corporation had earned interest of Rs. 15.20 lakh (Previous Year nil.) from bank. As per terms of GFR, 2017, Rule 230 earning of interest to the tune of Rs. 15.20 lakh has been deposited in consolidated funds of Ministry. On the advice of administrative ministry the same has been reappropriated in grant 2020-21. The Corporation had utilized the entire grant fund for its intended purpose during the financial year 2021-22.

Note 15.23 During the year 2021-22, the Corporation received Grant in Aid for training (Grant-XIX) of Rs. 900.00 Lakhs (previous year Rs. nil.) from the Administrative Ministry P. M. Dalsh scheme for imparting training to the beneficiaries. The Corporation had earned interest of Rs. 8.76 lakh (Previous Year nil.) from bank. As per terms of GFR, 2017, Rule 230 earning of interest of Rs. 8.76 lakh has been deposited in consolidated fund of ministry. The Corporation has released the Rs. 592.75 lakh including administrative and monitoring cost @ 1% of Rs. 4.98 lakh (previous year nil.) for intended purpose. The Corporation stands committed to release grant in next financial year.

Note 15.24 During the year 2021-22, the Corporation received Grant in Aid for training (Grant-XX) of Rs. 1942.00 Lakhs (previous year Rs. nil.) from the Administrative Ministry P. M. Dalsh scheme for imparting training to the beneficiaries. The Corporation had earned interest of Rs. nil (Previous Year nil.) from bank. As per terms of GFR, 2017, Rule 230 earning of interest, if any to be deposited in consolidated fund of ministry. The Corporation stands committed to release grant in next financial year.

Note 15.25 As regards to CSR Funds received from Central Warehouse Corporation towards imparting training to the beneficiaries under their Corporate Social Responsibility Scheme, received grant of Rs. 10.00 lakhs (Previous year of Rs. 35.16 lakhs). The Corporation has adjusted towards operating cost @ 5% of Rs. 0.00 Lakh and released 34.44 lakh including arrear (previous year Rs. 6.84 Lakh) to training institution for intended purpose for previous year.

Note 15.26 As regards to CSR Funds from Concor Ltd. towards imparting training to the beneficiaries under their Corporate Social Responsibility Scheme, received grant of Rs. 35.46 lakhs (during 2019-20 of Rs. 52.87 lakhs). The Corporation has released Rs. 13.97 lakh (previous year Rs. 31.54 lakh) to training institution for intended purpose and stands committed to release remaining grant in next financial year.

Note 15.27 The Corporation had entered into a Memorandum of Understanding with Development Commissioner (Handicrafts), Ministry of Textiles for cluster development for upholding explicit identification of handicrafts products and base line survey to the beneficiaries and received during the year Rs. nil (2019-20 of Rs. 10.00 Lakhs). The Corporation earned interest of Rs. 0.04 lakhs for 2021-22 (Previous Year Rs. 0.09 Lakh and Rs. 0.31 Lakhs 2019-20, Rs. 1.07 lakhs during 2018-19). The Corporation has released during the year of Rs. 0.00 Lakhs including interest to the tune of Rs. 54 Lakh and Rs. 5.45 lakh during 2019-20) and stands committed to release remaining grant in next financial year.

Note 15.28 During the year 2017-18, the Corporation has entered into a Memorandum of Understanding with IFCI Social Foundation towards imparting training to the beneficiaries under their Corporate Social Responsibility Scheme and received grant of Rs. nil (Previous year cumulatively Rs. 69.99 lakh). The Corporation has released/reimbursed unutilized fund to the tune of Rs. 12.63 Lakhs including earning of interest of Rs. 0.41 lakh (Previous year cumulatively released to training partners of Rs. 57.27 lakh) to training institutions/ CSR fund provider.

Note 15.29 As regards to CSR Funds received from Indian Railway Finance Corporation Ltd. towards imparting training to the beneficiaries under their Corporate Social Responsibility Scheme, received grant of Rs. 44.57 lakh (net of PFA monitoring service charges) (Previous year of Rs. 131.30 Lakh and Rs. 85.65 lakhs during 2019-20). The Corporation has released Rs. 133.14 lakhs (Previous year Rs. 16.34 Lakh and Rs. 65.43 lakhs during 2019-20) to training institutions against which utilisation certificate is pending as on 31.03.2022 and stands committed to release remaining grant in next financial year.

Note 15.30 As regards to CSR Funds received from Concor Air Ltd., towards imparting training to the beneficiaries under their Corporate Social Responsibility Scheme, received grant of Rs. 19.96 lakh (net of PFA monitoring service charges) (Previous year of Rs. 9.22 Lakh). The Corporation has released Rs. 19.96 lakhs (Previous year Rs. 8.08 Lakh) to training institutions against which utilisation certificate is pending as on 31.03.2022.

Note 15.31 As regards to CSR Funds received from Engineers India Ltd during 2021-22 towards imparting training to the beneficiaries under their Corporate Social Responsibility Scheme, received grant of Rs. 51.29 Lakhs (previous year Rs. 103.49 Rs. 303.07 Lakh 2019-20 & 2018-19 Rs. 47.04 Lakhs). The Corporation has released to the tune of Rs. 177.09 lakhs including monitoring charges (Previous year Rs. 103.49 Lakh & Rs. 303.07 Lakhs in 2019-20 and Rs. 47.04 lakh in 2018-19) to training institutions and stands committed to release remaining grant in next financial year against which utilisation certificate is pending as on 31.03.2022.

Note 15.32 Total outstanding dues of creditors other than micro enterprises and small enterprises is net of prior period adjustment (refer note no 41)



Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i)MSME	4.47					4.47
(ii)Others	57.25		18.76			76.01
(iii)Disputed dues - MSME						
(v) Disputed Due others						
Total	61.72					80.48

Note: - 16

Other Current liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
TDS payable	45.88	49.79
GST payable	6.35	5.33
Provident fund payable	12.10	12.05
Pension & Post retirement medical fund	1.38	1.37
Employee Reimbursement & Others Payables	7.00	7.82
Total	72.71	76.36

Note: - 17

Revenue From Operations

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) RENDERING OF SERVICES:		
Interest on Loan to SCAs/others		
Interest on Loan and advances (General Loan)	4,155.99	4,120.82
Interest on Loan and advances (Micro Finance)	1,057.39	1,309.27
Penal Interest (General Loan)	54.40	13.62
Penal Interest (Micro Finance)	11.48	0.94
Donation Received	1.23	28.37
	5,280.49	5,473.02
b) Other Operating Income		
Provision /Allowances on Loans & Advances written back	-	84.19
Monitoring Cost on CSR Activities	24.05	11.69
Management Fee-Visvas Scheme	16.98	20.20
	41.04	116.08
Total	5,321.53	5,589.10

Note 17.1 The Corporation has adopted Ind AS -115 (revenue from contract with customers) in accordance with requirement of applicable financial reporting framework, due to adoption of this there is no material impact on financial statement of NBCFDC

Note 17.2 On the basis of annual sanction, Channel Partners can draw required amount of funds as advance which is converted into loan, in full or in part, on the basis of utilization details submitted by the Channel Partner. The advance is required to be converted into loan by the Channel Partners by way of loaning to the eligible beneficiaries under various scheme of the Corporation, the advance is provided to the Channel Partners at applicable interest rate on advances and from the date of its utilization, the interest rate of respective scheme in which funds have been utilized become applicable.

Note 17.3 Interest income on loan advanced/given is recognized on time proportion basis taking into account the amount outstanding and the rate applicable, using Effective Interest Rate method.

Note 17.4 Interest income on unutilized funds lying with the borrowing agencies is recognised as per prevailing rate of interest on advances from the date of advance of funds to a day before to letter date of utilisation of funds by the borrowing agencies

Note 17.5 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.

Note 17.6 Interest income on overdue of Loans is recognised as per prevailing rate of interest from the date of overdue to a day before receipt of repayment.

Note 17.7 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised an income of Rs. 1.23 Lakh (FY 21-22) & 28.37 Lakh (FY 20-21) respectively w.e.f 01.04.2021.

17.8 Accrual of Revenue & Terms of references are as under:

Particulars	(₹ in Lakhs)			
	As at 31st March 2022		As at 31st March 2021	
	Term Loan	Micro Finance	Term Loan	Micro Finance
Interest accrued & due as at beginning of the year	1,885.92	305.50	2,100.95	93.36
Add: Interest accrued & due during the year	4,155.99	1,057.39	4,120.82	1,309.27
Less: Interest Received during the year	4,230.99	1,292.91	4,335.85	1,097.13
Less: Adjustment, if any	-	-	-	-
Interest accrued & due as at Balance Sheet Date	1,810.92	69.98	1,885.92	305.50
Penal Interest receivable as at beginning of the year	264.75	3.52	264.75	3.56
Add: Recognized during the year	54.40	11.48	13.62	0.94
Less: Received during the year	54.40	11.48	13.62	0.94
Less: Adjustment, if any	22.55	-0.00	-	0.04
Penal Interest receivable as at Balance Sheet Date	242.20	3.52	264.75	3.52



Terms of references:

'General Loan includes Education loan ,New Swarnima, Term loan and Micro Finance includes MFS & Mahila Samridhi yojana.

Particulars	General Loan Scheme			Micro Finance Scheme		
	Education Loan	New Swarnima	Term Loan	Micro Finance	Mahila Samridhi/Sm all Loan Finance	NBFC-MFI-Loan
Rate of Interest *	1.5%/1%	2%	3%, 4% & 5% \$	2%	1%/3%	4%
Repayment Period	9.5 Year in 20 Quarterly Instt.	8 year in Quarterly Instt	8 year in Quarterly Instt.	4 year in Quarterly Instt.	4 year in Quarterly Instt. (w.e.f 01.04.2021 for SMF)	4 year in Quarterly Instt.
Moratorium Period	4.5 years inclusive of study period of 4 years	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal	2 quarter in r/o Principal
* 0.5% rebate on timely repayment of due						
\$ 4% interest charged in r/o loan above ₹ 5 lakh to 10 Lakh and 5% on above ₹ 10 Lakh						
Penal Interest shall attract @ 1% on default amount.						

B. Interest on Advance Fund : Funds are to be utilized within 120 days by SCAs. Banks may claim refinance of outstanding balance under Education loan irrespective of year of loan disbursement. For other schemes refinance can be claimed during current year only. The amount of refinance should be appropriated with in 10 working days of drawl from NBCFDC.

Period	ROI
1-120 days	3%
121-180 days	6%
Above 180 days	8%

Note 18 Other Income

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) Interest Income		
Interest on advances to employees	14.52	14.73
Interest subsidy on Education Loan	-	-
Sub Total (a)	14.52	14.73
b) Interest from Banks		
Interest on savings bank	181.57	202.91
Interest on fixed deposits	-	5.05
Sub Total (b)	181.57	207.96
c) Other Non-Operating Income		
Miscellaneous income	0.33	10.91
Sub Total (c)	0.33	10.91
Total (a+b+c)	196.42	233.60

*Note 18.1 Interest on short term deposit with banks is recognised from the date of short term deposit to date of maturity on accrual basis as per prevailing rate.

Note 18.2 Interest on loan to employees includes fair value adjustment of ₹ 3.49 Lakhs (₹ 3.45 lakhs as at 31.03.2021)

*Note 18.3 The Corporation has obtained 12A exemption certificate from Income tax authority for accepting donation for intend purpose to conduct skill development programme for target group of OBC in the month of July' 2017 and received ₹ 1.10 Lakh (Previous year 28.32 lakh) The Corporation has released ₹ 5.49 Lakh for current FY (Previous Year ₹ 23.14).

Note :- 19

Allowance/Reversal for Loans & advances

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Allowance for Loans & advances	433.73	-
Uncollectable Interest	92.36	-
Total	526.09	-

Note :- 20

Penal Interest waived off and others

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Penal Interest waived off	45.52	-
Interest Incentive under One time Settlement (OTS)	2.70	37.16
Total	48.23	37.16



Note :- 21

Employee Benefits Cost

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) Salary, Wages & Benefits		
- Salary and Allowances	919.52	1,000.41
b) Contribution to Provident Fund & Other Funds		
- Contribution to Provident and Superannuation Funds	148.13	146.10
c) Staff welfare expenses		
- Leave Travel Concession	0.61	11.09
- Medical Reimbursements /Policies	39.38	26.79
- Others	12.44	26.52
Total	1,120.09	1,210.91

Note 21.1 Others includes Interest on loan to employees fair value adjustment of ₹ 3.50 Lakhs (₹ 19.24 lakhs as at 31.03.2021)

Note :- 22

Depreciation & Amortization Costs

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation on Tangible Assets (refer note no. 3)	27.77	27.35
Amortization of Intangible assets (refer note no. 4)	8.54	7.83
Depreciation Charge for Right of Use Assets (refer note no. 3.1)	0.59	0.59
Total	36.89	35.77

Note :- 23

Training and Other Developmental Expenditure

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Training Expenditure on Beneficiaries & other developmental expenses	3,571.07	2,371.75
Less- Recognised/released during the year (Refer Note. No. 15.3)	3,400.63	2,045.82
Sub Total (a)	170.44	325.93
Fair, Exhibitions and Awareness Camps	34.71	-
Performance linked Grant in aid (SCAs)	173.50	161.76
Cluster Development Expenses	38.29	111.43
Publicity Grant to SCAs	7.91	3.59
Donation & Covid 19 Expenses (See Note 23.4)	5.49	23.14
Sub Total (b)	259.90	299.92
Total	430.34	625.85

Note 23.1 The Corporation has so far disbursed cumulative grant of ₹18548.02 lakhs (Previous year ₹14976.95 lakhs) including share of administrative ministry to State Channelising Agencies/ other institutions for imparting training to the target group & officials of SCAs, which is charged to revenue on disbursement as per policy. Out of the cumulative grants disbursed, utilization certificate(s) for ₹ 4913.02 lakhs (Previous year ₹3687.24 lakhs) are awaited as at year end.

Note 23.2 Since there is uncertainty of the amount and time lag in submission of training expenses claims by SSC/Training Institutions and multiple training programmes monitored by them, payments on account of grant from training programmes are charged to expenses in the year of acceptance of claim /year of disbursement.

Note 23.3 The Corporation has so far disbursed cumulative grant of ₹878.63 lakhs (Previous year ₹ 705.13 lakh) to incentivizing the State Channelising Agencies/ other institutions in better delivery mechanism, recoveries of loans and purchase of data processing units etc., which is charged to revenue on disbursement as per policy. Out of the cumulative grants disbursed, utilization certificate(s) for ₹ 7.00 lakhs (Previous year ₹130.54 lakhs) are awaited as at year end.

Note. 23.4 As per MCA notification dated 24.03.2020, Schedule III Division II, the Corporation has recognised expenditure of Rs. 5.49 Lakh (FY 21-22) & 23.14 Lakh (FY 20-21) respectively w.e.f 01.04.2021.

Note :- 24

Rebate on Interest on Loans & Advances

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Rebate	17.52	11.41
Total	17.52	11.41

Note 24.1 Incentive for Channel Partners as "Rebate on Interest": In order to encourage to channel partners for timely repayment of due, The Corporation has a scheme for them as "Rebate on interest". As per norms, rebate of 0.5% on Education Loan is provided.



Note :- 25

Other Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
A. Administrative Expenses		
Auditor Remuneration (Refer Note No-25.1)	1.48	1.48
Repair & Maintenance (Equipment & others)	7.94	10.32
Electricity & Water charges	11.69	8.51
Rent	184.92	160.03
Rates & Taxes	0.42	0.46
Insurance	0.85	1.15
Telephone	7.08	7.31
Travelling Expenses -Directors	0.26	0.43
Travelling Expenses -Staffs & others	10.44	8.49
Conveyance	5.70	6.17
Vehicle Running & Maintenance	1.17	1.51
Office Expenses & Maintenance	35.37	29.13
Legal & Professional charges	8.42	28.44
Printing & stationery	5.82	7.10
Advertisement	2.31	0.03
Conference and Meetings	0.13	0.51
Recruitment & Training	0.20	3.60
Monitoring & Evaluation	9.03	4.40
Security & Other Services Charges	62.19	62.06
Other Expenditure	24.12	16.31
Total	379.53	357.44

Note 25.1 Payment to the Auditor

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Statutory Auditor Remuneration	1.48	1.48
For taxation matters (Tax Audit) for company law matters	0.22	0.22
for other services (GST & Others) (see note 25.1.1)	0.41	0.41
for reimbursement of expenses		
Total	2.11	2.11

Note 25.1.1 The Corporation had incurred GST & 80G fee of Rs. 0.30 Lakh and Rs. 0.12 Lakh respectively.

Note: - 26

Components of Other Comprehensive Income (OCI)/ (Expenses)

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

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Remeasurement of Defined Benefit plans		
- Gratuity	8.93	(3.05)
Total	8.93	(3.05)

Note :- 27 Exceptional Items

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Excess Provision of Performance Incentive written back & other	(12.90)	(2.92)
Interest on Income Tax Refund	(0.44)	(1.11)
Loss /(Profit) on sale of assets	0.00	(0.05)
Leave Encashment Expenses written off (see note 27.1)	(51.43)	-
Excess Provision/Expenses written back	(11.50)	(17.71)
Expenses/Liability written off	(17.51)	
Other Exceptional Income (See Note No. 27.2)	(47.37)	
Total	(141.15)	(21.80)

Note 27.1 a sum of Rs. 51,43,073 has been received from LIC India during this Financial Year on account of Leave Encashment expenses paid by the Corporation earlier.

Note 27.2 Other Exceptional Income Comprises of Interest & Arbitration fee received w.r.t Pudduchery BC division amounting to Rs. 32.26 Lakh and 14.64 Lakh respectively & other exceptional fee of Rs. 0.47 Lakh only.

All the provisions written back are considered as Exceptional Items except Provision Written back on Loan & Advances.



Note :- 28 Corporate Social Responsibilities (CSR) Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Direct Expenses	43.96	132.44
Overheads	0.68	3.99
Total	44.64	136.43

Note 28.1 Disclosure in respect of CSR Expenses :

Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of The Companies Act, 2013 read with Schedule VII thereof.

a. Detail of amount required to be spent

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Average surplus/profit of the last three years	2,929.68	2,442.81
Un-spent amount as at Beginning of the Year	(121.16)	(33.59)
Gross Amount required to be spent during the year (2% of above 1)	58.59	48.86
Amount Spent during the year	44.64	136.43
Amount considered during the year		
Un-spent amount as at Year End	(107.21)	(121.16)
Total	(107.21)	(121.16)

b. No provision has been made for CSR Expenses during the year. The income earned, if any incidentally to the CSR projects have been netted off from the CSR expenses.

(b) Details of Average of Surplus/Profit of the last three Financial Years as follows:

(₹ in Lakhs)

Financial Years	Net Profit	Average Net Profit	Amount to be Spent for CSR Expenditure
2011-12	2410.56		
2012-13	2569.02		
2013-14	1984.83		
2014-15	3734.42	2321.47	46.43
2015-16	2407.64	2762.76	55.26
2016-17	2567.16	2708.96	54.18
2017-18	1960.63	2903.07	58.06
2018-19	2793.68	2311.81	46.24
2019-20	2574.11	2440.49	48.81
2020-21	3421.25	2442.81	48.86
2021-22	3054.70	2929.68	58.59

(c) CSR Disclosure as per Section 135 of the Companies Act, 2013

Particulars	(₹ in Lakhs)
amount required to be spent by the company during the year	58.59
amount of expenditure incurred,	36.17
shortfall at the end of the year,	22.42
total of previous years shortfall	Nil
reason for shortfall	Delay in submitting the proposal by channel partners.
nature of CSR activities,	Eradicating hunger, poverty and malnutrition; promoting health care including preventing health care and making available safe drinking water.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR Rules, 2014, the Corporation had transferred an unspent balance of Rs. 22.42 lacs to specially designated Unspent Corporate Social Responsibility Account within 30 days of the end of the Financial Year.



Note: - 29

Earnings per share (EPS)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Basic EPS		
From continuing operation	20.58	23.09
Diluted EPS		
From continuing operation	20.53	23.04

29.1 Basic Earning per Share

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit attributable to equity holders of the company: Continuing operations	3055.77	3429.54
Earnings used in calculation of Basic Earning Per Share	3055.77	3429.54
Weighted average number of shares for the purpose of basic earnings per share	148.51	148.51

29.2 Diluted Earning per Share

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

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit attributable to equity holders of the company: Continuing operations	3055.77	3429.54
Earnings used in calculation of diluted Earning Per Share from continuing operations	3055.77	3429.54

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity share used in calculation of basic earning per share as follows

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Weighted average number of shares for the purpose of basic earnings per share	148.82	148.51
Effect of Dilution :		
Share Application money pending allotment	-	0.31
Weighted average number of shares for the purpose of Diluted earnings per share	148.82	148.82



Notes - 30

30.1 Related Party Disclosures (Key managerial personnel)

- (a) Mr. Rajnish Jaisw, Managing Director
(b) Mr. Arvind Kathuria, Sr. General Manager (Planning) retired on 31/07/2021
(c) Mr. Ajit Kumar Samal, Company Secretary & Sr. GM (Finance)
(d) Mr. V. R. Chary Sr. General Manager (HR & Personal)
(e) Ms. Anupama Sood Sr. General Manager (Project)
(f) Mr. Suresh Kumar Dy. General Manager (SD)

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

Particulars	₹ in Lakhs	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Short Term Benefits (Salaries/PRPetc.)	228.19859	337.88
Sitting Fees to Independent Directors	0.42	
Post Employment Benefits	28.13	40.63
Other Long Term Benefits		
Termination Benefits		
Share Based Payment		
Medical	1.72	2.36
Others (Reimds)	1.55	2.33
Sub Total (1)	260.02	383.20
Loan to related party:		
Loan given during /at the end of the year	27.51	31.97
Interest	11.79	11.12
Repayment during the year	6.43	9.16
Sub Total (2)	32.85979	33.93
Amount owned by related parties at end of the year (1+2)	292.88	417.13

Loans or Advances granted to promoters, directors, KMPs and the related parties

Type of Borrower	₹ in Lakhs	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters		
Directors		
KMPs	27.51	0.01%
Related Parties		

Director sitting fees of ₹ 42480 FY 2020-22 against ₹ Nil including GST FY 2020-21 has been paid to two Non - Official Independent Directors (refer note no 25)

Total Compensation paid as per the guidelines of Dept. Of Public Enterprises (DPE)

TA/DA is paid /payable in normal course of business and paid on same terms which are applicable to other employees.

30.3 Transaction with the Government Related Entities

Apart from transactions reported above, the Corporation 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 (Significant influence over Corporation).

Certain Significant Transactions:

Party	Nature of Transaction	₹ in Lakhs	
		For the Year ended March 31, 2022	For the Year ended March 31, 2021
Ministry of Social Justice and Empowerment	Receipt towards Equity Share Capital during the year		5,540.00
Ministry of Social Justice and Empowerment	Receipt of Grant in Aid towards implementation of Skill Development Programme during the year	2,842.00	2,028.00
Ministry of Social Justice and Empowerment	Reimbursement of expenses of organizing events		
Total		2,842.00	7,568.00

30.4 Related Parties held equity of the Corporation

Name of Party	Relationship	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
		Number of share held	% holding in that class of shares	Number of share held	% holding in that class of shares
President of India	Shareholder	14994000	99.9%	14994000	99.9%



Notes - 31 Capital management

31.1 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. As on 31st March 2022 company does not have any liability towards borrowings. Company manages its working capital requirement through internal accruals.

31.2 Following changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 :

- i) Recognition of Corporate Social Responsibilities (CSR) expenses from utilization to disbursement.
- ii) Some other category of target group has been added in objective clause.

Note - 32 Fair Value measurements

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

(₹ in Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Cash and Cash Equivalents	-	-	4,037.62	-	-	4,117.35
(ii) Other Bank balances	-	-	-	-	-	-
(iii) Security Deposits	-	-	0.63	-	-	0.47
(iv) Other Financial Assets	-	-	2,277.94	-	-	2,676.21
(v) Loans	-	-	2,00,584.79	-	-	1,96,937.78
(vi) Staff Loans & advances	-	-	129.68	-	-	144.66
(vii) Cash & Cash Equivalents-Grant Fund	-	-	5,312.33	-	-	6,124.70
Total Financial Assets	-	-	2,12,342.99	-	-	2,10,001.18
Financial Liabilities						
(i) Other financial liabilities	-	-	5,182.54	-	-	6,208.15
(ii) Security deposit & retention money	-	-	0.72	-	-	1.38
Total Financial Liabilities	-	-	5,183.26	-	-	6,209.53

(ii) Fair value of financial assets and liabilities that are measured at fair value (but fair value disclosure are required)

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
(i) Loans	2,00,584.79	2,00,584.79	1,96,937.78	1,96,937.78
(ii) Staff Loans & advances	129.68	154.76	144.66	172.13
Total Financial Assets	2,00,714.47	2,00,739.56	1,97,082.45	1,97,109.92

i) The carrying amounts of cash and cash equivalents, other bank balances, security deposits, Other Receivables and payables 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.

iii) For financial assets and Liabilities that are measured at fair value, the carrying amount are equal to the fair values.

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 31-03-2022

(₹ in Lakhs)

Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial assets at Amortised Cost					
Loans	31st March 2022	-	-	2,00,584.79	2,00,584.79
Loans to employees	31st March 2022	-	-	129.68	129.68
		-	-	2,00,714.47	2,00,714.47

Fair Value hierarchy as on 31-03-2021

(₹ in Lakhs)

Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial assets at Amortised Cost					
Loans	31st March 2021	-	-	1,96,937.78	1,96,937.78
Loans to employees	31st March 2021	-	-	144.66	144.66
		-	-	1,97,082.45	1,97,082.45

(ii) Financial risk management

The Company's principal financial liabilities comprise Grant 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 SCAs/other entities that derive directly from its equity.

The Company is required to expose 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 companies policies and risk objectives. The board of directors review and agree on policies for managing each of these risk, which are summarised below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk. Financial instruments affected by market risk includes loan 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 instruments will fluctuate because of change in market interest rate. The company is not exposed to interest rate risk.



e) 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 /RRBs/PSBs and Others. The company is exposed to credit risk from its financial activities of loans given to SCA's /RRBs/PSBs and Others.

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), including changes in the payments status of the borrowers (SCA'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 1 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.

Note :- 33

Provision for Expected Credit Losses of Loans for the year ended 31st March, 2022

						(₹ in Lakhs)
Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount of Net 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	2,00,584.80	0%	-	2,00,584.80
		Interest on Loans	1,427.68	0%	-	1,427.68
	Financial Asset for which credit risk has increased significantly and not credibly impaired	Loans	-	15%	-	-
				25%	-	-
			649.11	100%	649.11	-
		Interest on Loans	-	15%	-	-
			25%	-	-	
			698.94	100%	698.94	-
		2,03,369.53		1,348.05	2,02,912.48	

Provision for Expected Credit Losses of Loans for the year ended 31st March, 2021

						(₹ in Lakhs)
Particulars	Asset Group	Estimated Gross Carrying Amount of Default	Expected Probability of Default	Expected Credit Losses	Carrying Amount of Net 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	1,96,795.66	0%	-	1,96,795.66
		Interest on Loans	1,804.08	0%	-	1,804.08
	Financial Asset for which credit risk has increased significantly and not credibly impaired	Loans	167.20	15%	25.08	142.12
				25%	-	-
			167.75	100%	167.75	-
		Interest on Loans	24.72	15%	3.71	21.01
			7.28	25%	1.82	5.46
			623.61	100%	623.61	-
		1,99,590.30		821.96	1,98,768.34	

a) Provisions for Expected Credit Losses of loans and interest thereon, where the amounts are overdue and are not covered by the State Government's Order/ Guarantee or any other security shall be made as per the Probability of default.

Period for which overdue	Probability of default
Upto 1 year	15%
1 to 3 year	25%
More than 3 year	100%

During the year, no repayment of principal or interest has been received from Assam Arfed and provision @ 100% has been created against principal & interest outstanding considered as unsecured as advance is against the post dated cheque (pdc) as a significant credit risk. Further, the total provision stands against the Loans and Advances is Rs. 1348.05 Lakh. The SCA wise detail is as follows:

Name of the SCA	Principal Outstanding	Interest Outstanding	Total	Provision @ 100%
Bihar BC		255.87	255.87	255.87
MP SC	56.87	67.97	124.84	124.84
MP BC	56.42	92.85	149.27	149.27
Maharashtra Mahatma Phule	48.67	20.69	69.32	69.32
Assam Arfed	481.36	11.91	493.27	493.27
Others NGO	5.83	3.92	9.76	9.76
Penal Interest		245.72	245.72	245.72
Total	649.11	698.94	1348.05	1348.05



b) Unrealized 'Penal Interest' upto 31/03/2007 has been provided in the financial statement whereas amount pertaining to subsequent period is recognized as and when received due to its uncertainty factor.

c) Overdue interest on Unsecured loans disbursed directly to NGO/Students at the end of financial year provided for.

Note :- 34

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

a) useful lives of Intangibles

As described in note 2 (j), company has estimated the useful live of intangible Assets. The financial impact of the above assessment may impact the amortisation expenses in subsequent financial years.

b) 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 judgment is required in establishing fair values. Judgments 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 30 for further disclosures.

Note 35 : Operating Segment reporting

The Corporation has only one Business segment and one Geographical segment, as it is engaged in providing finances at concessional rate of interest to eligible persons belonging to backward classes, through state Channelizing agencies and other financial institutions in the country. Hence, segment information as per IndAS is not required to be disclosed.

Note :- 36 :

Prior Period Errors

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Impact on equity (increase/(decrease) in equity)		
Trade Payables		
Other current & Non current Provision		
Trade Receivables		
Other Financial Assets (Current)		
Other Financial Liabilities		
Other current & Non - Current liabilities		
Other Receivable (Current)		
Intangible Assets		
Property, Plant & Equipment's		
Right of Use		
Provisions	0.00	1.00
Net Impact on Equity	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Impact on statement in Income and Expenditure loss (increase/(decrease) in Surplus)		
Other Expenses		
Employees Benefit Cost		1.00
Training & other Developmental Expenditure		
Depreciation & Amortization Costs		
CSR expenses		
Other Developmental Expenses		
Exceptional Items		
Interest income on Loan to Channel Partners		
		1.00
Attributable to Equity Holders	-	1.00

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

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Earnings per share for continuing operation		
Basic, profit from continuing operations attributable to equity holders	-	0.01
Diluted, profit from continuing operations attributable to equity holders	-	0.01

Note :- 37 :

Contingent Liabilities / Asset and commitments

Liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities and commitments (to the extent not provided for)		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances, if any) is Nil (Nil as at 31.03.2021)		

Assets:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Asset and commitments (to the extent not provided for)		
Estimated amount on account of and not provided for		

Note 38:

In accordance with the approval of the Board, surplus undischursed funds available with the Corporation are placed periodically in short term deposits with banks whom transaction are made, taking into account the Government guidelines issued from time to time for the purpose and the income generated by this has been ploughed back into the schemes for the welfare of target groups.

Note 39: The Corporation has waived off penal interest and incentive of interest of ₹ 45.52 lakh (₹ 37.16 lakh as at 31.03.2021), under One time Settlement Scheme (OTS). As per One Time Settlement Scheme (OTS) of the Corporation borrowers (SCAs/ NGOs and others), who have some overdues and ready to settle the overdues within the 3 months of sanction by NBCFDC. The Corporation will provide waiver of 100% of penal interest receivable as on cut off date. Further, the borrower would be eligible for getting interest incentive @3% on the settlement amount for the period of 9 months separately only after receipt of full repayment of settlement amount. The detail is as under:-



During the Financial Year 2021-22				(₹ in Lakhs)
Name of Channel Partners/other	For the Year Ended 31st March 2022 ₹ Lakh	Intt./Penal Interest waived off. ₹ Lakh	Interest Incentive ₹ Lakh	Recovery Affected (₹ Cr)
Assam HC	46.29	45.52	0.77	119.2
VJNT MAHARASHTRA	1.93		1.93	85.88
G. Total	48.22	45.52	2.70	205.08

During the Financial Year 2020-21				(₹ in Lakhs)
Name of Channel Partners/other	For the Year Ended 31st March 2021 ₹ Lakh	Intt./Penal Interest waived off. ₹ Lakh	Interest Incentive ₹ Lakh	Recovery Affected (₹ Lakh)
VJNT Maharashtra	26.64		26.64	870.18
Maharashtra Rajya Itar Meghas	10.52		10.52	870.03
SUB TOTAL	37.16		37.16	1,740.21
G. Total	37.16	0.00	37.16	1,740.21

Note :- 40

A property situated at x 29, Hauz Khas, New Delhi was purchased for residential purpose of Managing Director during 1994-95, which is lying vacated since 2014-15 and used for storage and other event purpose except one room. The room is used for official guest of the Corporation who belongs to official of Channel partner of the Corporation when they visit Corporation. The Corporation charges nominal charges for staying period. The said income is nominal & incidental nature. The Corporation is also registered under section 12 AA and gets 80 G certificate from Income Tax Authority. Hence the all incidental income and etc. is exempt from tax. In the opinion of the management the said property is still for residential purpose.

Note :- 41

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

Particulars	(₹ in Lakhs)	
	As at 31st March 2022	As at 31st March 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	4.07	4.47
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(iii) The amount of interest paid along with the amount of payment made beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when interest due as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note :- 42

42.1 The Corporation has filed legal cases against the defaulting Channel Partners/ NGOs and there is no case the Corporation has any obligation of any payments

42.2 The Corporation has initiated legal action against the defaulting Channel Partners / NGOs u/s 138 as well as for civil suits. The cumulative Status of legal cases is as under

Particulars	Criminal Suits	Civil Suit	Civil Suit filed by others	Arbitration	Total
Cases under Process	-	-	2	-	2
Decree Execution in process	-	3	-	-	3
Cases dismissed	-	-	-	-	-
Total	-	3	2	-	5

Note :- 43

The income of the Corporation is exempted from tax under section 10 (26b) of the Income Tax Act, 1961. Thus no provision for Income Tax is Required. Consequently the provision of Ind As - 12 Income Tax is not Applicable.

Note :- 44

Provision of 'Non - Banking Finance Companies Acceptance of Public Deposit (Reserve Bank) directions 1998' are not applicable to the Corporation.

Note :- 45

In the opinion of Board /Management, the assets, Loans and Advances have a realisable value of at least equal to the amount at which they are stated in the Balance sheet if realised in the ordinary course of business.

Note 46 : Consequent to constitutional amendment, there was bifurcation of the state of Madhya Pradesh and out of this state a new state of Chhattisgarh was formed in the year 2000. The loan was given to Madhya Pradesh State Channelising Agencies prior to division of the state and is guaranteed by the State Government of Madhya Pradesh for repayment to NBCFDC. The loan was given to the erstwhile State, however, the successor State has not repaid its liability of ₹ 391.27 lakhs (₹ 381.49 lakhs as at 31.03.2021) to NBCFDC and hence the loan outstanding is accounted for in the name of the erstwhile state.

Note 47 : Consequent to constitutional amendment, there was bifurcation of the state of Bihar and out of these states two new states of Jharkhand were formed respectively in the year 2000. Pending the apportionment of Assets and Liabilities between SCAs of successor States, the Corporation has shown the loan outstanding against the SCAs of erstwhile State, which is subject to confirmation.

Note 45 : 1. The company has adopted Ind AS 116 (Leases) in accordance with applicable financial reporting framework, due to adoption of this there is no material impact on financial statements of NBCFDC.

2. Expenses relating to the short-term operating leases as per Ind AS 116 are as follows:-

Nature of Expenses	Amount ₹ In Lakh
Rent	184.92
Hiring of Vehicle	5.70
Security & Other Services Charges	62.19
Total	252.81



Note No. 49

DISCLOSURE OF RATIOS:	2021-22		2020-21		Increase/ Decrease from Previous Year
Current Ratio:		10129.66%		11040%	-9%
Current Asset	56399.09		57,558.11		
Current Liabilities	556.77		511.35		
Debt-Equity Ratio:		2.77%		3.27%	-18%
Total Liabilities	5730.81		6651.848379		
Total Share Holder Equity	208864.55		203635.2691		
Debt Service coverage Ratio					
Operating income	53.23		55.61		
Short term debt & current portion of long term debt	-		-		
Return on Equity Ratio:		1.48%		1.68%	-14%
Net Income/surplus	3064.698797		3426.488314		
Share holder Equity	208864.55		203635.2691		
Inventory Turnover Ratio:					
cost of Good sold	-		-		
Average Inventory for same period	-		-		
Trade Receivable Ratio:					
Net Sale	-		-		
Average account receivable	-		-		
Trade Payable Ratio:					
Average No. of Days for amount due	-		-		
Average no of days i.e. 365	-		-		
Net Capital Turnover Ratio:		2.57%		2.74%	-7%
Total sales /Revenue from Operation	5,321.53		5,589.10		
Share Holder Equity	208864.55		203635.2691		
Net Profit / Surplus Ratio:		54.77%		60.97%	-11%
Revenue-Cost	2,914.62		3,407.74		
Revenue	5,321.53		5,589.10		
Return on Capital Employed Ratio:		1.48%		1.68%	-14%
Earning before intt. & tax	3,055.77		3429.54		
Capital Employed(Total Asset- Current Liability)	206890.8359		203644.0752		
Return on Investment:		1.48%		1.68%	-14%
Net Income/ Surplus	3,055.77		3429.54		
Cost of Investment(Total Asset- Current Liability)	206890.84		203644.08		


Note 50 : Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification/ disclosure.


Note 51: Approval of financial Statement

The Financial Statement were approved for issue by the Board of Directors on

Signatories to Note 1 to 51

For and on behalf of the Board of Directors


 Director
 (DIN No. 067227939)


 Rajnish Kumar Jenaw
 Managing Director
 (DIN No.09056582)

As per our Report of even date attached
 For MAP & Associates
 Chartered Accountants
 FRN 004143C


 Umesh Kumar Gupta
 Partner
 M. No. 085859



Place: New Delhi
 Date: June 28, 2022


 Ajit Kumar Samal
 SCM (Finance) & Company Secretary

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our financial statements included in the Draft Fund-Raising Document. You should also read the section entitled “Risk Factors” beginning on page 16, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our financial statements, which have been prepared in accordance with Indian Accounting Standards. Portions of the following discussion are also based on internally prepared statistical information and on other sources.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 16 and 13 respectively, and elsewhere in this Draft Fund-Raising Document. Accordingly, the degree to which the financial statements in this Draft Fund-Raising Document will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices.

OVERVIEW

National Backward Classes Finance & Development Corporation (NBCFDC) was established on 13 January 1992 with an objective to promote economic and developmental activities for the benefit of Backward Classes. NBCFDC operates under the aegis of the Ministry of Social Justice and Empowerment. By providing skill development training, members from disadvantaged groups can gain valuable knowledge and expertise, empowering them to improve their employment prospects and income-earning potential,

FINANCIAL KPIs OF OUR COMPANY

Particulars	For the Year ended on March 31		
	2024	2023	2022
Total Amount of Loan Disbursed During the Year (₹ in lakhs)	52,508.90	51,184.60	47,137.44
Growth in Amount Disbursed as compared to previous year (%)	2.59%	8.59%	1.00%
Interest On Loan to SCAs/ Others (₹ in lakhs)	5,478.81	5,275.57	5,280.49
Growth in Interest received as compared to previous year (%)	3.85%	-0.09%	-3.02%
Training & Development Expenses (₹ in lakhs)	132.17	192.95	430.34
Training & Development Expenses as a % of Total Income (%)	2.29%	3.48%	7.80%
Surplus/ (Deficit) during the year (₹ in lakhs)	3,083.06	3,037.79	3,064.70
Surplus/(Deficit) as a % of Total Income (%)	53.37%	54.71%	55.54%

Source: The Figure in ₹ in lakhs are as per the Audited Financial Statements of the Company.

ACHIEVEMENTS AGAINST MOU TARGETS (2023-24):

The Corporation had entered into Memorandum of Understanding (MOU) with Govt. of India for the year 2023-24 on 01 August, 2023. As per the achievements and based on the audited data, total aggregate score for financial year 2023-24 comes to 73.00 which conform to ‘Very Good’ category.

S.No.	Main Parameters	Target	Achievements
1.	Loan Disbursed/Total Funds Available	100%	100%
2.	Last Mile Disbursement to Ultimate Beneficiaries	100%	96.87%
3.	EBITA as a percentage of Revenue	62.43%	54.26%
4.	Return on Net Worth	1.91%	1.44%

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

As of the date of filing of this Draft Fund-Raising Document, the Company has not experienced any significant changes or developments subsequent to the last financial year ending on March 31, 2024.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our company is subjected to various risks and uncertainties, our results of operations and financial conditions are affected by numerous factors.

Please refer chapter titled “*Risk Factors*” on page 16 of this Draft Fund-Raising Document.

OUR SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

For Significant accounting policies and notes to accounts, please refer ‘Notes forming part of the financial statements’ under Chapter titled “*Financial Information*” beginning on page 72 of the Draft Fund-Raising Document.

OUR FINANCIAL OPERATIONS

Please refer ‘Statement of Income & Expenditure’ beginning under Chapter titled “*Financial Information*” beginning on page 72 of the Draft Fund-Raising Document.

Main Components of our Statement of Income and Expenditure

A. Interest On Loan to SCAs/ Others:

We have earned a total of ₹ 5,478.73 lakhs as Interest on Loan to SCAs/ Others in F.Y. 23-24.

B. Other Incomes:

Our other incomes comprise mainly of Interest Income on fixed/saving bank deposit and other miscellaneous income.

C. Expenses:

Our Expenses generally comprises of Employee benefit expenses, Allowance and reversal of loans and advances and some other Indirect expenses.

- Allowance and reversal of loans and advances primarily include expenses incurred on provisions for expected credit losses (ECL), adjustments for irrecoverable loans (write-offs), legal and recovery costs, and modifications for restructured loans. Additionally, reversals occur when risk profiles improve or actual recoveries exceed estimates.
- Employee Benefit Expenses includes salaries paid to staff, staff welfare expenses and any other expenses pertaining to employees. Majority of our employee benefit expenses are towards field-based staff deployed in our program geographies.
- Other Indirect expenses comprise of basic expenses required to operate office space such as Rent, maintenance of IT assets, Audit Fees, Repair and maintenance (Equipment and others), and Security and Other service charge. This also includes Travelling and Insurance Expenses.

FINANCIAL INDEBTEDNESS

As of the date of this Draft Fund-Raising Document, the Company does not have any Outstanding Borrowings. The Company has not entered into any loan agreements, issued any bonds, or incurred any other form of debt or borrowing.

For further details regarding the loans and borrowings, refer Chapter '*Financial Statements*' on page no. 72.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION

Except as stated in this section, there are no Outstanding Litigation; involving our Company and its Directors ('Relevant Parties') as on the date of filing of this Draft Fund-Raising Document.

DETAILS OF PENDING MATERIAL LITIGATIONS

As on the date of this Draft Fund-Raising Document, except as stated below, our Company and Director are not party to any pending litigation the outcome of which could have a material adverse effect on the financial position of our Company, which may affect the issue or the investor's decision to invest / continue to invest in the Issue;

A. COMPANY

- | | |
|---|-----|
| • Civil Litigations against the Company: | NIL |
| • Civil Litigations against the Company: | NIL |
| • Criminal Litigations by the Company: | NIL |
| • Criminal Litigations against the Company: | NIL |

B. DIRECTORS

- | | |
|---|-----|
| • Civil Litigations against the Directors: | NIL |
| • Civil Litigations by the Directors: | NIL |
| • Criminal Litigations against the Directors: | NIL |
| • Criminal Litigations by the Directors: | NIL |

DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES

As on the date of the Fund-Raising Document there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

DETAILS OF PENDING PROCEEDINGS INITIATED AGAINST THE COMPANY FOR ECONOMIC OFFENCES

There is no pending proceeding initiated against our Company for economic offences as on the date of filing of this Draft Fund-Raising Document.

DETAILS OF THE VARIATION IN THE UTILISATION OF THE FUND, PREVIOUSLY RAISED BY THE COMPANY, IF ANY

The company has not previously raised any funds through the Social Stock Exchange platform of the Stock Exchange.

OTHER LITIGATIONS

None of the relevant parties are party to any

- litigation or legal action pending or taken against the Promoters by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of this Draft Fund-Raising Document;
- inquiries, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013, or any previous companies' law and fines imposed or compounding of offences by our Company in the last three years immediately preceding the year of issue of this Draft Fund-Raising Document against our Company and
- Our Company, the Promoters /or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our operations or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

GOVERNMENT & OTHER APPROVALS

Our Company has received the necessary licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our activities. In view of the approvals listed below, we can undertake the Issue and our current activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made, or opinions expressed in this behalf.

The Company's registration under Section 25 of Companies Act, 1956 (validly existing under Section-8 of the Companies Act, 2013, the main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

I. Approvals for the Issue

- a. At the meeting of the Board of Directors of our Company held on March 28, 2024, the Board of Directors approved the registration of Our Company with Social Stock Exchanges i.e., NSE SSE and BSE SSE.
- b. Our Company has obtained Confirmation from D.C. Garg & Co., Chartered Accountants of eligibility criteria for being identified as Social Enterprise as specified under Regulation 292E of Chapter X-A of SEBI (ICDR) Regulations, 2018.
- c. Our Company has obtained valid registration as Not for Profit Organization on NSE Social Stock Exchange under the registration number NSESENPO0073 w.e.f. July 25, 2024.
- d. Our Company has obtained valid registration as Not for Profit Organization on BSE Social Stock Exchange under the registration number BSESENPO0065 w.e.f. November 19, 2024.
- e. Our Company has obtained an in-principal approval from the NSE and BSE dated [●] respectively for listing its ZCZP Instruments, pursuant to the Issue.
- f. Our Company has obtained ISIN for the ZCZP Instruments as on [●] i.e.; [●].

II. Approvals pertaining to Incorporation of Company

Particulars	CIN	Applicable Law	Issuing Authority	Date of Issue
Certificate of Incorporation	U74899DL1992NPL047146	Companies Act, 1956	ROC - Delhi	January 13, 1992

III. Tax Related Approvals

Particulars	Registration No.	Applicable Law	Issuing Authority	Date of Issue	Valid Till
Permanent Account Number	AABCN8953B	Income Tax Act, 1961	Income Tax Department	January 13, 1992	Until cancelled
Tax Deduction Account Number	DELN02092G	Income Tax Act, 1961	Income Tax Department	-	Until cancelled
80G Registration	AABCN8953BF2021901	Income Tax Act, 1961	Income Tax Department	March 10, 2022	AY 2026-27
12A Registration	AABCN8953BE2021101	Income Tax Act, 1961	Income Tax Department	February 8, 2022	AY 2026-27
GST Registration	07AABCN8953B	GST Act, 2017	Goods and Services Tax Department	June 26, 2017	Until cancelled


IV. Other Approvals

Particulars	Registration No.	Issuing Authority	Issue Date	Valid Till
NGO Darpan ID	DL/2024/0419656	NITI Aayog, Government	July 2, 2024	Until cancelled

		of India		
ISO Certificate	IS/ ISO 9001:2015	Bureau of Indian Standard	May 7, 2024	March 12, 2027

V. Intellectual Property

We have obtained various trademarks registrations in India, including for the logo of our Company. Details of such trademarks are provided herein below:

Trademark	Registration No.	Status	Class	Validity
NBCFDC Logo 	3315224	Registered	Class 45	July 22, 2026
Rashtriya Pichhara Varg Vitta Evam Vikas Nigam	3315225	Registered	Class 45	July 22, 2026

OTHER REGULATORY AND STATUTORY DISCLOSURES

ISSUER'S ABSOLUTE RESPONSIBILITY

“The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Fund-Raising Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Draft Fund-Raising Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.”

AUTHORITY FOR THE ISSUE

Corporate Approvals

At the meeting of the Board of Directors of our Company held on March 28, 2024, the Board of Directors approved the registration of Our Company with the Social Stock Exchanges i.e. NSE SSE and BSE SSE.

Our Company has received ‘in-principle’ approvals from NSE SSE and BSE SSE for the listing of the ZCZP Instruments pursuant to their letters dated [●] respectively.

The ZCZP Instruments will be issued on terms and conditions as set out in this Draft Fund-Raising Document, the issue of which is being made as decided by the Board of Directors.

Prohibition by SEBI, RBI or governmental authorities

1. Our Company, the Directors have not been debarred from accessing the securities market by SEBI.
2. None of our Directors is a promoter or director of another company which has been debarred from accessing the securities market or dealing in securities by SEBI.
3. Our Company and Directors and have not been categorized as a Wilful Defaulter.
4. None of our Directors and/or our Founder have been declared as a fugitive economic offender, under Section 12 of the Fugitive Economic Offenders Act, 2018.

Eligibility for the Issue

Our Company is eligible to undertake this Issue in compliance with Regulation 292E of the SEBI ICDR Regulations, as follows:

- a) Our Company is engaged in:
 - i. promoting education, employability and livelihoods;
 - ii. promoting livelihoods for rural and urban poor including enhancing income of small and marginal farmers and workers in the non-farm sector;
 - iii. promotion of financial inclusion;
 - iv. any other area as identified by the Board or Government of India from time to time
- b) Our Company targets underserved or less privileged population segments or regions recording lower performance in the development priorities of Central or State Governments; and
- c) The Social enterprise shall have at least 67% of its activities, qualifying as eligible activities to the target population, to be established through one or more of the following:

i. At least 67% of the immediately preceding 3-year average of revenues comes from providing eligible activities to members of the target population:

The Average revenue for the preceding three years:

(₹ in Lakhs)

Financial Year	Revenue from Operations	Composition of revenue from Lending Activity	% of the Composition
2023-24	5,491.03	5,478.81	99
2022-23	5,312.74	5,275.46	99
2021-22	5,321.52	5,279.26	99
Total	16,125.29	16,033.53	99

Average of the three (3) preceding years is ₹ 5,375.09 Lakhs.

67% of the Average Revenue is ₹ 3,601.31 Lakhs.

Since, more than 67% of the immediately preceding 3-year average of revenues comes from providing eligible activities to the members of the target population. Therefore, the company satisfies the given condition.

ii. At least 67% of the immediately preceding 3-year average of expenditure comes from providing eligible activities to members of the target population:

The Corporation has released the concessional finance to the targeted communities of Backward classes and details of last three years are as under:

(₹ in Lakhs)

Financial Year	Disbursement to the target group	% of the disbursement
2023-24	52,508.90	100.00
2022-23	51,184.60	100.00
2021-22	47,137.44	100.00
Total	1,44,992.51	100.00

iii. Members of the target population to whom the eligible activities have been provided constitute at least 67% of the immediately preceding 3-year average of the total customer base and/or total number of beneficiaries:

The Corporation assisted the targeted communities of Backward classes and details of last three years are as under:

(₹ in Lakhs)

Financial Year	Disbursement to the target group	% of the disbursement
2023-24	52,508.90	100.00
2022-23	51,184.60	100.00
2021-22	47,137.44	100.00
Total	1,44,992.51	100.00

D.C. Garg & Co., Chartered Accountants pursuant to their certificate dated July 16th, 2024 have confirmed the eligibility of our Company under Regulation 292E of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

DISCLAIMER CLAUSE OF NSE

AS REQUIRED, A COPY OF THIS DRAFT FUND-RAISING DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE) AND BOMBAY STOCK EXCHANGE OF INDIA (HEREINAFTER REFERRED TO AS BSE). NSE AND BSE HAS GIVEN VIDE ITS LETTER REF.: [●] AND [●], PERMISSION TO THE ISSUER TO USE THE EXCHANGE’S NAME IN THIS DRAFT FUND-RAISING DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER’S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS DRAFT FUND-RAISING DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE DRAFT FUND-RAISING DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE AND BSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS DRAFT FUND-RAISING DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER’S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER.

EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE

ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.”

DISCLAIMER IN RESPECT OF JURISDICTION

THE ISSUE IS BEING MADE IN INDIA, TO CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY I. THIS DRAFT FUND-RAISING DOCUMENT AND THE FUND-RAISING DOCUMENT WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE ZCZP INSTRUMENTS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFEROR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS DRAFT FUND-RAISING DOCUMENT AND THE FUND-RAISING DOCUMENT COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT,AND TO OBSERVE, ANY SUCH RESTRICTIONS.

DISCLAIMER STATEMENT FROM THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS DRAFT FUND-RAISING DOCUMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SOAT THEIR OWN RISK.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE ISSUE INCLUDING THE RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE 14 OF THIS DRAFT FUND-RAISING DOCUMENT.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS ISSUE DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE OUR COMPANY AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS DRAFT FUND-RAISING DOCUMENT IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS DRAFT FUND-RAISING DOCUMENT AS AWHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE ISSUER HAS NO SIDE LETTER WITH ANY ZCZP INSTRUMENT HOLDERS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE’S WEBSITES WHERE THE ZCZP INSTRUMENTS ARE LISTED.

OUR COMPANY DECLARES THAT NOTHING IN THIS DRAFT FUND-RAISING DOCUMENT IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013, THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

LISTING

The ZCZP instruments are proposed to be listed on the NSE Social Stock Exchange and BSE Social Stock Exchange, NSE Social Stock Exchange is the Designated Stock Exchange.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing at the Stock Exchange mentioned above are taken within 10 (ten) trading days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors , (b) the Registrar to the Issue, (c) Advisor to the Issue have been obtained from them. Further, such consents have not been withdrawn up to the time of delivery of this Draft Fund-Raising Document with the Stock Exchanges.

EXPERT OPINION

Except for the following, our Company has not obtained any expert opinions in connection with this Draft Fund-Raising Document.

MINIMUM SUBSCRIPTION

In terms of the SEBI ICDR Regulations, for an issuer undertaking a public issue of zero coupon zero principal instruments the minimum subscription for such public issue of zero coupon zero principal instruments shall be 75% of the Issue Size.

If our Company does not receive the minimum subscription of 75% of Issue Size, prior to the Issue Closing Date, the entire Application Amount shall be refunded to the Applicants.

In case the subscription above 75% of the Issue Size but below 100% of the Issue Size is not arranged, the balance fund shall be sourced from the other unrestricted fund available to the organisation to facilitate the achievement of the object of the issue, provided that the funds shall be refunded in case the subscription is less than 75% of the issue size.

UNDERWRITING

The Issue is not underwritten.

ISSUE RELATED EXPENSES

The expenses of the Issue include, *inter alia*, fees payable to the Registrar to the Issue, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for the Issue shall be as specified in this Draft Fund-Raising Document. For further details see, “*Objects of the Issue*” on page 35 of this Draft Fund-Raising Document.

UTILISATION OF ISSUE PROCEEDS

Our Board of Directors certifies that:

- (i) all monies received out of the Issue of the ZCZP Instruments to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act;
- (ii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;
- (iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form of financial assets in which such unutilised monies have been invested; and
- (iv) we shall utilize the Issue proceeds only after (a) receipt of the minimum subscription of 75% of the Issue Size pertaining to the Issue; (b) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; and (c) receipt of listing approval from the Stock Exchanges.

PUBLIC / RIGHTS ISSUES OF SECURITIES IN THE THREE YEARS PRECEDING THE DATE OF THIS DRAFT FUND-RAISING DOCUMENT RIGHTS ISSUES / PUBLIC ISSUES BY OUR COMPANY

Our Company has not undertaken any public issue or rights issue of securities in the three years preceding the date of this Draft Fund-Raising Document.

PUBLIC / RIGHTS ISSUES BY OUR LISTED GROUP COMPANIES IN THE THREE YEARS PRECEDING THE DATE OF THIS DRAFT FUNDRAISING DOCUMENT:

Our Company does not have any Group Companies as on the date of this Draft Fund-Raising Document.

PUBLIC ISSUES / RIGHTS ISSUES BY OUR LISTED SUBSIDIARIES IN THE THREE YEARS PRECEDING THE DATE OF THIS DRAFT FUND-RAISING DOCUMENT

Our Company does not have any Subsidiaries as on the date of this Draft Fund-Raising Document.

REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD.

There has been no refusal of listing of any security of our Company during the last three years prior to the date of this Draft Fund-Raising Document by any Stock Exchange in India.

DIVIDEND

Our Company being registered under Section 8 of the Companies Act, 2013 and is not allowed to declare dividends.

REVALUATION OF ASSETS

Our Company has not revalued its assets in the last three years.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement dated [●] between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number address of the Applicant, Permanent Account Number number of ZCZP Instruments applied for and amount paid on Application, Depository Participant name and client identification number and ASBA Account number (for Bidders other than Retail Individual Investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors bidding through the UPI mechanism.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centers, giving full details such as name, address of Applicant, Application Form number, series applied for, number of ZCZP Instruments applied for, amount blocked on Application

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the ZCZP Instruments made through the Online Stock Exchange Mechanism (app based / web interface platform) or through Trading Members of the Stock Exchanges may be addressed directly to the relevant Stock Exchange with a copy to the Registrar to the Issue.

The Registrar shall endeavor to redress complaints of the investors within three (3) days of receipt of the complaint and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary cooperation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed seven (7) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

Investors may contact the Registrar to the Issue in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, etc.

Our Company shall obtain authentication on the Securities and Exchange Board of India Complaints Redress System (“SCORES”) and shall comply with the SEBI circulars in relation to redressal of investor grievances through SCORES, if required.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company may issue an advertisement on or before the Issue Opening Date. This advertisement will be issued in compliance with Section 30 of the Companies Act, 2013.

AUDITORS' REMARKS

There are no reservations or qualifications or adverse remarks in the auditors' report on the financial statements of our Company in the last three Fiscals immediately preceding this Draft Fund-Raising Document.

TRADING

The ZCZP Instruments of our Company are proposed to be listed on the Stock Exchanges. The ZCZP Instruments shall not be made available for trading in the secondary market.

CAUTION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447.”

DISCLAIMER IN RESPECT OF JURISDICTION

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Delhi, India.

SECTION VIII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The ZCZP Instruments being offered as part of the Issue are subject to the provisions of the SEBI Regulations read with the NSE and BSE Norms as applicable, the SSE Framework Circular, the Act, the Memorandum of Association and Articles of Association of our Company, the terms of this Draft Fund-Raising Document, the Final Fund-Raising Document, the Application Forms, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/NSE/BSE, and/or other statutory/regulatory authorities relating to the offer, issue and listing of ZCZP Instruments and any other documents that may be executed in connection with the ZCZP Instruments., as in force on the date of the Issue and to the extent applicable.

AUTHORITY FOR THE PRESENT ISSUE

At the meeting of the Board of Directors of our Company held on [●], the Board of Directors approved the issuance of ZCZP Instruments of the face value ₹ 1 each, for an amount up to [●]

The ZCZP Instruments pursuant to this Issue will be issued on terms and conditions as set out in the Draft Fund-Raising Document.

RANKING OF ZCZP INSTRUMENTS

The ZCZP Instruments being issued shall be subject to the provisions of the SEBI ICDR Regulations, the Act, the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* inter se.

ZCZP INSTRUMENT HOLDER NOT A MEMBER

The ZCZP Holders will not be entitled to any of the rights and privileges available to the members of our Company, except to rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

JURISDICTION

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Delhi, India.

APPLICATION IN THE ISSUE

Applicants shall apply in the Issue in physical form, through a valid Application Form filled in by the Applicant along with attachment, as applicable and shall be submitted to the Registrar to the Issue or the ASBA Application Form.

FORM OF ALLOTMENT AND DENOMINATION OF ZCZP INSTRUMENTS

The listed ZCZP Instruments will not be made available for trading in secondary market. Allotment in the Issue to all Allottees, will be in electronic form i.e., in dematerialized form and in multiples of one ZCZP Instrument.

For details of allotment refer to chapter titled “*Issue Procedure*” beginning on page 228 of this Draft Fund-Raising Document.

TRANSFER/TRANSMISSION OF ZCZP INSTRUMENTS

The ZCZP Instruments shall be transferred only to the legal heirs of the Allottees, subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof.

TITLE

The ZCZP Holder(s) for the time being appearing in the record of beneficial owners maintained by the Depository shall be treated for all purposes by our Company, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes.

SUCCESSION

In the event of demise of the sole or first holder of the ZCZP Instruments, our Company will recognize the executors or administrator of the deceased ZCZP Instrument Holders, or the holder of the succession certificate or other legal representative as having title to the ZCZP Instruments only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. Where ZCZP Instruments are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the ZCZP Instrument Holder(s). It will be sufficient for our Company to delete the name of the deceased ZCZP Instrument Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the

deceased ZCZP Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the ZCZP Instruments. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

JOINT HOLDERS

Where two or more persons are holders of any ZCZP Instruments, they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Applications should be made in single name. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

MODE OF PAYMENT OF INTEREST TO ZCZP INSTRUMENT HOLDERS

The Issue, being an issue of zero coupon zero principal instruments in terms of Chapter X-A of the SEBI ICDR Regulations, there is no coupon rate, or redemption amount applicable.

APPLICATION SIZE

Each application should be for a minimum of ₹ 10,000, i.e., 10,000 ZCZP Instruments and in multiples of ₹ 1 (1 ZCZP Instrument) thereafter. Applicants can apply for the ZCZP Instruments offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and or regulatory provisions.

TERMS OF PAYMENT OF APPLICATION AMOUNT

Applicants may pay their Application Amounts by direct credit / NACH / NEFT / RTGS or may issue cheque / demand draft in respect of their application:

Escrow Account Details: *

Bank Name: [●]

Account No.: [●]

Account Name: [●]

IFSC Code: [●]

Account Type: [●]

**To be populated in the Final Fund-Raising Document.*

In case of payment by way of cheque / demand draft, the same shall be attached to the Application Form. In case the Applicants transferred the Application Amount by way of an electronic transfer to the Escrow Account, then the Applicant shall necessarily mention the UTR no. and date of transfer in the Application Form.

All Applications where payment is being made by cheque / demand draft should be submitted to the Registrar to the Issue before the Issue Closing Date. Further, Applications where payment is being made by electronic bank transfer should reach the Registrar to the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date.

Participation by any of the investor classes as mentioned in this Draft Fund-Raising Document in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and/or regulatory provisions.

Applications should be made in single name. Applications should be made by Karta in case the Applicant is an HUF. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

IMPERSONATION

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

“Any person who —

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
 - (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
 - (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*
- shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakhs or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 5 lakhs or with both.

PRE-CLOSURE

Our Company reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Draft Fund-Raising Document. Our Company shall allot ZCZP Instruments with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

MINIMUM SUBSCRIPTION

In terms of the SEBI ICDR Regulations, for an issuer undertaking a public issue of zero coupon zero principal instruments the minimum subscription for such public issue of zero coupon zero principal instruments shall be 75% of the Issue Size.

If our Company does not receive the minimum subscription of 75% of Issue Size, prior to the Issue Closing Date, the entire Application Amount shall be refunded to the Applicants or shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight working days from the Issue Closing Date.

Further, no separate arrangements have been made in case of subscription above 75% of the Issue Size but below 100% of the Issue Size.

In case the subscription above 75% of the Issue Size but below 100% of the Issue Size, the balance fund shall be sourced from the the surplus generated for the respective financial year to facilitate the achievement of the object of the issue.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or the Registrar, refunds will be made to the account prescribed. However, where our Company and/or the Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

UTILISATION OF APPLICATION AMOUNT

The proceeds from the Issue will be kept in the Escrow Account and we will have access to such funds only upon Allotment or refunds of the ZCZP Instruments, whichever is later and on receipt of listing approval from the Stock Exchange as per applicable provisions of law(s), regulations and approvals.

UTILISATION OF ISSUE PROCEEDS

- (a) All monies received pursuant to the issue of ZCZP Instruments to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- (b) Our Company shall submit to the Stock Exchanges a statement in respect of utilisation of the Net Proceeds, on a quarterly basis.

basis, containing (a) category-wise amount of monies raised, (b) category-wise amount of monies utilized, (c) Balance amount remaining unutilized, until the utilization of the Net Proceeds in accordance with this Draft Fund-Raising Document;

- (c) Our Company confirms that the unutilized amounts from the Net Proceeds shall be kept in a separate bank account and shall not be co – mingled with other funds;
- (d) Our Company shall utilize the Issue proceeds only up on (i) receipt of minimum subscription; (ii) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; and (iii) receipt of listing approval from Stock Exchanges; and
- (e) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property.

LISTING

The ZCZP Instruments offered through this Draft Fund-Raising Document are proposed to be listed on the NSE SSE and BSE SSE. Our Company has obtained ‘in-principle’ approvals for the Issue from NSE *vide* its letter dated [●] and BSE *vide* its letter dated [●]. For the purposes of the Issue, NSE SSE shall be the Designated Stock Exchange.

Our company is committed to exerting its best efforts to facilitate the completion of all necessary formalities for listing on the Stock Exchange, within 10 (ten) trading days from the Issue Closing Date.

TERMINATION OF LISTING OF THE ZCZP INSTRUMENTS

The tenure of the ZCZP Instruments will be the date on which the Objects of the Issue have been met or 12 months from the deemed date of allotment. For further details, please refer “*Objects of the Issue*” on page 35 of this Draft Fund-Raising Document. Our Company shall submit a certificate to this extent to the Stock Exchanges.

ISSUE STRUCTURE

The Issue is being made in terms of Chapter X-A ‘Social Stock Exchange’ of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Details of the Issue as well as the terms and conditions of the ZCZP Instruments has been mentioned below:

PARTICULARS	DETAILS
Issuer	National Backward Classes Finance and Development Corporation
Type / Nature of Instrument	Zero Coupon Zero Principal (‘ZCZP’) Instruments
Mode of the Issue	Public Issue
Depositories	NSDL and CDSL
Registrar	KFin Technologies Limited
Issue	Public issue of 2,00,00,000 ZCZP instruments of our Company of face value of ₹1/- each aggregating up to Rs.2,00,00,000 , on the terms and in the manner set forth herein.
Minimum Subscription	Minimum subscription is 75% of the Issue, i.e., [●]
Basis of allotment	<p>(i) In case of undersubscription, the balance fund shall be sourced from the surplus generated from the financial year to facilitate the achievement of the object of the issue, provided that the funds shall be refunded in case the subscription is less than 75% of the issue size.</p> <p>(ii) In case of oversubscription, the allotment shall be made on pro-rata basis. For further details please refer “<i>Issue Procedure – Basis of Allotment</i>” on page 248 of this Draft Fund-Raising Document.</p>
Issue Size	Upto ₹ 2.00 Crore
Eligible Investors	<p>(a) Institutional Investors (b) Non-Institutional Investors & (c) Retail Investors</p> <p>For further details please refer “<i>Issue Procedure – Who can apply?</i>” on page 228 of this Draft Fund-Raising Document.</p>
Objects of the Issue	<p><i>Gram Lakshmi Project:</i></p> <p>The project emphasizes the development of technology and learning modules to support the initiative. Key components include community cadre honorarium, incentives, training, and the provision of devices. Travel arrangements, along with monitoring and evaluation, will ensure effective implementation and progress tracking.</p> <p>For further details please refer “<i>Objects of the Issue</i>” on page 35 of this Draft Fund-raising document.</p>
Programme under which funds raised will be utilized	For further details please refer “ <i>Objects of the Issue</i> ” on page 35 of this Draft Fund-raising document.
Details of Utilization of the Proceeds	Please see “ <i>Objects of the Issue</i> ” on page 35 of this Draft Fund-raising document.
Tenor	The tenure of the ZCZP Instruments will be the date on which the Objects of the Issue have been met or 12 months from the date of listing. For further details, please see “ <i>Objects of the Issue</i> ” on page 35 of this Draft Fund-Raising Document.
Face Value	₹ 1/- per ZCZP Instrument

Issue Price	₹ 1/- per ZCZP Instrument
Minimum Application size	₹ 10,000 (i.e., 10,000 ZCZP Instruments).
Market Lot / Trading Lot	The ZCZP Instruments are not tradable in the secondary market.
Pay-in date	Application Date. The entire Application Amount is payable on Application.
Listing	The ZCZP Instruments are proposed to be listed on the Social Stock Exchange Platform of NSE and BSE. The ZCZP Instruments shall be listed within 10 (ten) trading days from the Issue Closing Date. NSE SSE has been appointed as the Designated Stock Exchange.
Issuance mode of the Instrument	In dematerialised form only
Issue opening date	As will be specified in the Final Fund-Raising Document
Issue closing date*	As will be specified in the Final Fund-Raising Document

PARTICULARS	DETAILS
Issue Documents**	This Draft Fund-Raising Document, the Final Fund-Raising Document, read with any notices, corrigenda, addenda thereto and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with the other intermediaries for the purpose of the Issue including but not limited to the Tripartite Agreements and the Agreement with the Registrar.
Deemed Date of Allotment	The date on which the Board of Directors approves the Allotment of the ZCZP Instruments for the Issue or such date as may be determined by the Board of Directors and the Stock Exchanges. The actual Allotment of ZCZP Instruments may take place on a date other than the Deemed Date of Allotment.
Risk factors pertaining to the Issue	Investment in zero coupon zero principal instruments is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking a subscription decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under section “ <i>Risk Factors</i> ” on page 16 of this Draft Fund-Raising Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the ZCZP Instruments or investor’s decision to purchase such securities.
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction is Delhi, India respectively.
Maturity	The tenure of the ZCZP Instruments will be the date on which the Objects of the Issue have been met or 12 months from the Deemed Date of Allotment, being the timeline for completion of the Objects of the Issue. For further details, please see “ <i>Objects of the Issue</i> ” on page 35 of this Draft Fund-Raising Document.
Lock-in	The ZCZP Instruments cannot be transferred and the investors (including corporates) will continue to hold them till maturity.

Notes:

* The subscription list shall remain open at the commencement of banking hours and close at the close of banking hours for the period as indicated. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time). For further details please refer “General Information” on page 28 of this Draft Fund-Raising Document.

***For the list of documents executed/ to be executed, please refer “Material Contracts and Documents for Inspection” on page 267 of this Draft Fund-Raising Document.*

Terms of payment of Application Amount

Applications made using the Physical Application Forms

Applicants may pay their Application Amounts by direct credit / NACH / NEFT / RTGS or may issue cheque / demand draft in respect of their Application:

Escrow Account Details:

Account Name: [●]

Account Number: [●]

Bank Name: [●]

Branch: [●]

Account No.: [●]

Account Name:

IFSC Code: [●]

Scheme Code: [●]

Account Type: [●]

In case of payment by way of cheque / demand draft, the same shall be attached to the Application Form. In case the Applicant has transferred the Application Amount by way of an electronic transfer to the Escrow Account, then the Applicant shall necessarily mention the UTR no. and date of transfer in the Application Form.

All Applications where payment is being made by cheque / demand draft should be submitted to the Registrar to the Issue before the Issue Closing Date. Further, Applications where payment is being made by electronic bank transfer should reach the Registrar to the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date.

Participation by any of the investor classes as mentioned in this Draft Fund Raising Document in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and/or regulatory provisions.

Applications should be made in single name. Applications should be made by Karta in case the Applicant is an HUF. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

Applications made using the ASBA Application Forms

The entire face value per ZCZP applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Category IV Investors, i.e. the retail individual investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of ZCZP than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in “Terms of the Issue“ on page 221.

Participation by any of the investor classes as mentioned in this Final Fund Raising Document in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and/or regulatory provisions.

Applications should be made in single name. Applications should be made by Karta in case the Applicant is an HUF. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

ISSUE PROCEDURE

This section applies to all Applicants. Please note that all Applicants are required to pay the full Application Amount while making an application. Applicants should note that they shall submit their Applications to the Registrar to the Issue as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their applications do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable law or as specified in this Draft Fund-Raising Document.

ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an application. Further in terms of the NSE February 2025 Circular, retail individual investor may use the Unified Payment Interface (“UPI”) to participate in the public issue for an amount up to ₹500,000 through the app/web interface of the Stock Exchange or through the Designated Intermediaries.

Please note that this section has been prepared based on the NSE Norms, NSE April 2025 Circular, NSE February 2025 Circular and the notifications issued by NSE in relation to the UPI Mechanism, each as amended, from time to time

Our Company does not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Fund-Raising Document. Investors are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws.

OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE REGISTRAR TO THE ISSUE IN CONNECTION WITH THE COLLECTION OF APPLICATION FORMS IN RESPECT OF THE ISSUE. FURTHER, THE REGISTRAR TO THE ISSUE WILL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS. FURTHER, OUR COMPANY IS NOT LIABLE FOR ANY ADVERSE OCCURRENCES’ CONSEQUENT TO THE UPI MECHANISM FOR APPLICATION IN THE ISSUE.

Please note that for the purposes of this section, the term “Working Day” shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and holiday of commercial banks in Mumbai. Furthermore, for the purpose of post issue period, i.e., period beginning from Issue Closing Date to listing of the ZCZP Instruments, Working Days shall mean all trading days of Stock Exchanges excluding Saturdays, Sundays, and bank holidays in Mumbai.

Availability of this Draft Fund-Raising Document, Final Fund-Raising Document and Application Forms

The copies of this Draft Fund-Raising Document, the Final Fund-Raising Document, together with Application Forms may be obtained from our Registered Office and the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, this Draft Fund-Raising Document and the Application Forms will be available for download on from the website of NSE at www.nseindia.com. and BSE at www.bsesocialstockexchange.com. A Unique Application Number (“UAN”) will be generated for every Application Form downloaded from the website of the Stock Exchanges.

Our Company may provide Application Forms for being filled and downloaded at such websites as we may deem fit. The Issuer may also provide Application Forms for being downloaded and filled at such websites as it may deem fit.

Who can apply?

The following categories of persons are eligible to apply in the Issue.

A. Category I Investors

- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in ZCZP Instruments ;
- Provident funds and pension funds each with a minimum corpus of ₹250 million, superannuation funds and gratuity funds, which are authorised to invest in the ZCZP Instruments;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, which are authorised to invest in the ZCZP Instruments;
- Resident Venture Capital Funds registered with SEBI, which are authorised to invest in the ZCZP Instruments;

- Insurance companies registered with the IRDAI, which are authorised to invest in the ZCZP Instruments;
- State industrial development corporations, which are authorised to invest in the ZCZP Instruments;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India, which are authorised to invest in the ZCZP Instruments;
- Insurance funds set up and managed by the Department of Posts, the Union of India, which are authorised to invest in the ZCZP Instruments;
- Systemically important non-banking financial companies, which are authorised to invest in the ZCZP Instruments;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005, of the Government of India published in the Gazette of India, which are authorised to invest in the ZCZP Instruments; and
- Mutual funds registered with SEBI, which are authorised to invest in the ZCZP Instruments.

B. Category II Investors

- Companies within the meaning of Section 2(20) of the Companies Act, 2013, which are authorised to invest in the ZCZP Instruments;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the ZCZP Instruments;
- Co-operative banks and regional rural banks, which are authorised to invest in the ZCZP Instruments;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the ZCZP Instruments;
- Scientific and/or industrial research organisations, which are authorised to invest in the ZCZP Instruments;
- Partnership firms in the name of the partners, which are authorised to invest in the ZCZP Instruments; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), which are authorised to invest in the ZCZP Instruments.
- Association of Persons, which are authorised to invest in the ZCZP Instruments; and
- Any other incorporated and/ or unincorporated body of persons, which are authorised to invest in the ZCZP Instruments

C. Category III Investors

- Resident Indian individuals or hindu undivided families through the karta applying for an amount aggregating to above ₹ 10,00,000 for ZCZPs, which are authorised to invest in the ZCZP Instruments.

D. Category IV

- Resident Indian individuals resident Indian individuals or hindu undivided families through the karta applying for an amount aggregating up to and including ₹10,00,000 for ZCZP Instruments in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their karta and does not include NRIs), which are authorised to invest in the ZCZP Instruments through UPI Mechanism.

Note: Foreign investors are not permitted to participate in the Issue. Further, Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

For further details, see “*Issue Procedure*” on page 228 of this Draft Fund-Raising Document.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the ZCZP Instruments must be also accompanied with the certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorizing investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

Application by Scheduled Commercial Banks

Scheduled Commercial Banks can apply in the Issue based upon their own investment limits and approvals. Applications by them

for Allotment of the ZCZP Instruments must be accompanied with the certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorizing investment; and (iv) a letter of authorization. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the ZCZP Instruments in whole or in part, in either case, without assigning any reason thereof.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in the Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied with the certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorizing investments/containing operating instructions; and (iv) specimen signatures authorized signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Applications by Alternative Investments Funds

Applications made by alternative investment funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) for Allotment of the ZCZP Instruments must be accompanied with the certified true copies of (i) SEBI registration certificate; (ii) a resolution authorizing investment and containing operating instructions; and (iii) specimen signatures authorized persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Applications by Alternative Investments Funds

Applications made by alternative investment funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) for Allotment of the ZCZP Instruments must be accompanied with the certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures authorized persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favors of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for the ZCZP Instruments pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in ZCZP Instruments, (b) they have obtained all necessary approvals, consents or other authorizations, which may be required under applicable statutory and/or regulatory requirements to invest in ZCZP Instruments, and (c) Applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and/ or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason, thereof.

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favor of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for the ZCZP Instruments pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in ZCZP Instruments, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required

under applicable statutory and/or regulatory requirements to invest in ZCZP Instruments, and (c) Applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and/or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Public Financial Institutions, which are authorized to invest in the ZCZP Instruments

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorizing investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) Board Resolution authorizing investments; and (iii) Specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the ZCZP Instruments in whole or in part, in either case, without assigning any reason thereof.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Applicants, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, reserves the right to reject such Applications. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company may deem fit.

Applications by provident funds, pension funds, which are authorized to invest in the ZCZP Instruments

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the ZCZP Instruments, for Allotment of the ZCZP Instruments must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) a power of attorney, if any, in favor of one or more trustees thereof, (ii) a board resolution authorizes investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the ZCZP Instruments in whole or in part, in either case, without assigning any reason thereof.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the ZCZP Instruments must be accompanied by certified true copies of: (i) a resolution authorizes investment and containing operating instructions; and (ii) specimen signatures of authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the ZCZP Instruments in whole or in part, in either case, without assigning any reason thereof.

Applications by Systematically Important Non-banking financial companies

Applications made by systematically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) board Resolution authorizes investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of ZCZP Instruments pursuant to the Issue.

Applications by High-Net Worth Individuals (Category III Investors)

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of ZCZP Instrument which are authorised to invest in the ZCZP Instrument for SSE.

Note: Foreign investors are not permitted to participate in the Issue. Further, Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applications by Retail Investors (Category IV Investors)

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 10,00,000 across all series of ZCZP Instrument and shall include Retail Individual Investors, or any other investment limit, as applicable and prescribed by SEBI from time to time, in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) which are to invest in the ZCZP Instrument for SSE.

Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of ZCZP Instruments pursuant to the Issue.

Escrow Mechanism for Applications made through the Physical Application Form

We shall open an Escrow Account with the Escrow Collection Bank in whose favors the Applicants shall transfer through direct credit / NACH / NEFT / RTGS or shall issue cheque / demand draft in respect of their Application. Cheques or demand drafts received for the application Amount from investors would be deposited in the respective Escrow Account. The Escrow Collection Bank will act in terms of this Draft Fund-Raising Document and the Escrow Agreement. The Escrow Collection Bank shall not exercise any lien whatsoever over the monies deposited therein. Upon completion of the Allotment or refunds, whichever is later, the Escrow Collection Bank shall transfer the monies from the Escrow Account to the bank account of our Company as per the terms of the Escrow Agreement. Payments of refund to the Applicants shall also be made from the Escrow Account as per the terms of the Escrow Agreement and this Draft Fund-Raising Document.

The information below is given for the benefit of Applicants. Our Company is not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Fund-Raising Document.

How to apply?

Copies of the Fund-Raising Document together with Application Form may be obtained from our Registered Office, the Registrar to the Issue and the Designated Branches. Additionally, the Fund-Raising Document and the Application Forms will be available for download on the website of NSE at www.nseindia.com and on the website of BSE www.bsesocialstockexchange.com

Application Forms will also be available on the website of the Stock Exchange. A unique application number (“UAN”) will be generated for every Application Form downloaded from the websites of the Stock Exchange.

Method of Application

Applicants shall apply in the Issue (a) in physical form, through a Physical Application Form filled in by the Applicant along with attachment, as applicable which shall be submitted to the Registrar to the Issue, or (b) by way of bids submitted through the web-based e-IPO Platform through the ASBA facility in accordance with the NSE April 2024 Circular, or (c) by way of bids submitted through the UPI Mechanism in accordance with the NSE February 2025 Circular.

Accordingly, an application (whether physical or electronic) may be submitted to subscribe to the ZCZP Instruments offered pursuant to the Issue may be made by (a) submission of a Physical Application Form, or (b) submission of a valid ASBA Application Form and authorizing an SCSB to block the Application Amount in the ASBA Account, or (c) blocking the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of up to ₹500,000; which will be considered as the application for Allotment in terms of this Final Fund Raising Document.

Applications made using the Physical Application Forms

All Applications where payment is being made by cheque / demand draft should be submitted to the Registrar to the Issue before the Issue Closing Date. Further, Applications where payment is being made by electronic bank transfer should reach the Registrar to the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date.

All Physical Application Forms duly completed together with cheque/demand draft, if applicable for the amount payable on application must be delivered before the Issue Closing Date to the Registrar to the Issue. In case the Applicant has transferred the Application Amount by way of an electronic transfer to the Escrow Account, then the Applicant shall necessarily mention the UTR no. and date of transfer in the Application Form.

Applications made using the ASBA Application Forms

In accordance with the NSE April 2024 Circular, application may also be submitted through the web interface developed by NSE wherein the Application is automatically uploaded onto the Stock Exchange bidding platform. Applicants may also submit the Application Form to the self-certified syndicate banks (“SCSBs”) and the syndicate members with (3-in-1 account) registered on the electronic-IPO Platform of NSE.

Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or the Escrow Collection Bank.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

In accordance with the NSE February 2025 Circular, for retail individual investors using UPI Mechanism, the NSE shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to the Category IV Investors for blocking of funds. For retail individual investors using UPI Mechanism, NSE shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request retail individual investors for blocking of funds.

An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by the Stock Exchange wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

For Applicants who submit the Application Form, in physical mode, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the

Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to the Issue should be made by Applicants directly to the relevant Stock Exchange.

Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a retail individual investor who is not Bidding in the Issue.

Application Size

Each Application should be for a minimum of ₹ 10,000, i.e., 10,000 ZCZP Instruments and in multiples of ₹ 1 (1 ZCZP Instrument) thereafter. Applicants can apply for the ZCZP Instruments offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of ZCZP Instruments that can be held by them under applicable statutory and or regulatory provisions.

Applications cannot be made by:

Foreign investors (including persons resident outside India, foreign nationals, non-resident Indians, overseas citizens of India, foreign institutional investors, foreign portfolio investors, foreign venture capital investors).

Terms of Payment

Applications made using the Physical Application Form

The entire issue price for the ZCZP Instruments is payable on application only. In case of allotment of lesser number of ZCZP Instruments than the number applied, our Company shall refund the excess amount paid on application to the applicant.

Applications made using the ASBA Application Form

The entire issue price for the ZCZP Instruments applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for retail individual investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In case of allotment of lesser number of ZCZP Instruments than the number applied, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in this Final Fund Raising Document.

Payment instructions for Applicants

Physical application

Our Company shall open an Escrow Account with the Escrow Collection Bank for the collection of the application amount payable upon submission of the Application Form.

Payment shall be made by way of direct credit / NACH / NEFT / RTGS / cheque / demand draft. Outstation cheques / demand drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or demand drafts are liable to be rejected. Any payment by way of cash or stock invest will not be accepted. In case payment is affected in contravention of the conditions mentioned herein, the Application is liable to be rejected and application money will be refunded and no interest will be paid thereon.

All Application Forms received with outstation cheques, post-dated cheques, cheques / demand drafts drawn on banks not participating in the clearing process shall be rejected and the Registrar shall not be responsible for such rejections.

The Escrow Collection Bank shall transfer the funds from the Escrow Account, as per the terms of the Escrow Agreement, into a separate bank account after the completion of the Allotment or refunds, whichever is later.

All cheques / demand drafts accompanying the application should be crossed "A/c payee only" .

The Applicants shall ensure that the bank account linked with the Depositories is used for making the payment for Application.

ASBA

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant (belonging to Category IV) may also submit the Application Form with a SCSB, or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 lakh or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchange wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

Payment mechanism for Direct Online Applicants

In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant “know your customer” details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number (“UAN”) and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit ZCZP Instruments to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant’s bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of ZCZP Instruments and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

Payment mechanism for Applicants using Physical Application Form

An Applicant may submit the completed Application Form to Registrar to the Issue along with cheque / demand draft.

The Applicants may also pay their Application Amounts by direct credit / NACH / NEFT / RTGS or may issue cheque / demand draft in respect of their application to the below bank account:

Escrow Account Details: *

Bank Name: [●]
Account No.: [●]
Account Name: [●]
IFSC Code: [●]
Account Type: [●]

****To be populated in the Final Fund-Raising Document.***

In case of payment by way of cheque / demand draft, the same shall be attached to the Application Form. In case the Applicant has transferred the Application Amount by way of an electronic transfer to the Escrow Account, then the Applicant shall necessarily mention the UTR no. and date of transfer in the Application Form.

All Applications where payment is being made by cheque / demand draft should be submitted to the Registrar to the Issue before the Issue Closing Date. Further, Applications where payment is being made by electronic bank transfer should reach the Registrar to

the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. All applications Forms duly completed and accompanied by account payee cheques / demand drafts shall be submitted with the Registrar to the Issue before the Issue Closing Date. The Registrar to the Issue will not accept payments made in cash. However, Application Forms duly completed together with cheque/demand draft drawn on/payable at a local bank in Mumbai for the amount payable on application, if applicable, shall be sent by Registered Post or by hand delivery to the Corporate Office of the Registrar, so as to reach the Registrar prior to the Issue Closing Date. Applications where payment is being made by electronic bank transfer should reach the Registrar to the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date. No separate receipts will be issued for the money to be paid on the submission of Application Form.
3. Application Forms submitted by Applicants shall be for allotment of ZCZP Instruments only in dematerialized form.

Additional Instructions for retail individual investors using the UPI mechanism:

1. Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
2. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface.
3. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
4. Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
5. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.
6. Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
7. Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by our Company.
8. The Sponsor Bank shall initiate a mandate request on the investor i.e., request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
9. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his/ her mobile no. / mobile app, associated with the UPI ID linked bank account.
10. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Issue.
11. The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Issue period or any other modified closure date of the Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
12. The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
13. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1 pm.
14. The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
15. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investor account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
16. The information containing status of block request (e.g., accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
17. The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.

18. Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
19. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category application (with and without the use of UPI) and prepare the basis of allotment.
20. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the Escrow Account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
21. Upon confirmation of receipt of funds in the Escrow Account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
22. Thereafter, Stock Exchange will issue the listing and trading approval.

Filing of the Final Fund-Raising Document with ROC

A copy of the Final Fund-Raising Document shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013 and the rules framed thereunder, each as amended.

Instructions for completing the Application Form

1. Applications must be made in the prescribed Application Form.
2. Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Draft Fund-Raising Document and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Registrar will not be liable for errors in data entry due to incomplete or illegible Application Forms.
3. Applications are required to be for a minimum of 10,000 ZCZP Instruments and in multiples of 1,000 ZCZP Instruments thereafter as specified in the Issue Documents
4. ASBA Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the Stock Exchange(s) at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not SCSB) or to the Company or the Registrar to the Issue.
5. ASBA Applicants should ensure that the Application Form is signed by the ASBA Account holder in case the ASB Applicant is not the account holder. ASBA Applicants should ensure that they receive an acknowledgement from the Designated Branch or the concerned Members of the Syndicate or Trading Members of the Stock Exchange(s), as the case may be, for the submission of the Application Form.
6. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
7. Applications should be in single name. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
8. Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the ZCZP Instruments.
9. Applicants must ensure that their Application Forms are made in a single name.
10. The minimum number of Applications and minimum application size shall be specified in this Draft Fund-Raising Document. Applicants may apply for ZCZP Instruments Applied for in a single Application Form.
11. All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
12. Applicants should correctly mention the ASBA Account number and UPI ID in case applying through UPI mechanism,

and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and also ensure that the signature in the Application Form matches with the signature in Applicants bank records, otherwise the Application is liable to be rejected.

13. Applicants must provide details of valid and active DP ID, UPI ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID, Client ID and PAN provided in the Application Form, and entered into the electronic Application system of Stock Exchanges by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the . If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account;

Applicants should note that the Registrar will not be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the ZCZP Instruments, as specified in this Draft Fund-Raising Document for the Issue to all valid Applications.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE ZCZP INSTRUMENTS SHOULD MENTION THE IRDP ID, CLIENT ID PAN AND UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID PAN AND UPI ID AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID, PAN and UPI ID provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and unblocking intimations, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in authorizing, to Applicants, delivery of Allotment Advice at the Applicants' sole risk, and neither the Registrar, nor our Company shall have any responsibility and undertake any liability for the same.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue. By signing the Application Form, Applicants applying for the ZCZP Instruments would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by post or e-mail at the address of the Applicants in accordance with the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, nor the Registrar to the Issue shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of ZCZP Instruments pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

Applicants should note that the ZCZP Instruments will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected.

APPLICATIONS FOR ALLOTMENT OF ZCZP INSTRUMENTS IN THE DEMATERIALIZED FORM

Submission of Physical Application Forms

All Application Forms duly completed together with cheque/demand draft, drawn on/payable at a local bank in Mumbai for the

amount payable on application, if applicable, shall be sent by Registered Post or by hand delivery to the Corporate Office of the Registrar, so as to reach the Registrar prior to the Issue Closing Date.

In case the Applicant has transferred the Application Amount by way of an electronic transfer to the Escrow Account, then the Applicant shall necessarily mention the UTR no. and date of transfer in the Application Form.

All Applications where payment is being made by cheque / demand draft should be submitted to the Registrar to the Issue before the Issue Closing Date. Further, Applications where payment is being made by electronic bank transfer should reach the Registrar to the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date.

In case of hand delivery of the Application Form, an acknowledgement shall be issued by Registrar to the Applicant as proof of having accepted the Application.

Applications shall be deemed to have been received by us only when submitted to the Registrar as detailed above and not otherwise.

Online Applications

Our Company has also provided a facility to submit applications in online mode. In accordance with the NSE April 2024 Circular, Application may also be submitted through the web interface developed by NSE wherein the Application is automatically uploaded onto the Stock Exchange bidding platform. Applicants may also submit the Application Form to the self-certified syndicate banks (“SCSBs”) and the syndicate members with (3-in-1 account) registered on the electronic-IPO Platform of NSE.

A UPI Investor may also submit the Application Form for the Issue, wherein the Application will be automatically uploaded onto the Stock Exchange’s bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Designated Intermediaries (other than SCSBs and the designated syndicate members) shall not accept any Application Form from a retail individual investor who is not Bidding in the Issue. For further details on the registration process and the submission of bids through the web interface, the National Stock Exchanges has issued operational guidelines and circular available at NSE: <https://nsearchives.nseindia.com/content/circulars/IPO61843.pdf>.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Application Forms must be completed in block letters in English, as per the instructions contained in this Draft Fund-Raising Document, the Fund-Raising Document and the Application Form;
- Applicants must apply for Allotment in dematerialised form and must provide details of valid and active DPID, Client ID and PAN clearly and without error. On the basis of such Applicant’s active DP ID, Client ID and PAN provided in the Application Form
- The minimum number of Applications and minimum application size shall be specified in the Fund-Raising Document.
- Applications should be in single name. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta;
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution need to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
- No separate receipts will be issued for the money payable on the submission of the Application Form.

- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form;
- All Applications where payment is being made by cheque / demand draft should be submitted to the Registrar to the Issue before the Issue Closing Date. Further, Applications where payment is being made by electronic bank transfer should reach the Registrar to the Issue within up to 3 (three) Working Days from the Issue Closing Date, provided that such extended time shall be available only if the Application Amount has been received in the Escrow Account prior to the Issue Closing Date.

Applicants should note that the Registrar will not be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the ZCZP Instruments, as specified in the Fund-Raising Document for the Issue to all valid Applications`.

Our Company would allot the series of ZCZP Instruments, as specified in the Fund-Raising Document to all valid Applications.

B. Applicant's Beneficiary Account and Bank Account Details

Applicants applying for Allotment in dematerialized form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form for Allotment in dematerialized form, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, Magnetic Ink Character Recognition ("MICR") Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same. The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice. Allotment Advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the mailing of Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

The beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of ZCZP Instruments pursuant to the Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

C. Permanent Account Number ("PAN")

The Applicant should mention his or her PAN allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008, and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006, may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir- 05/2007 dated April 27, 2007, issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e., either Sikkim category or exempt category.

Electronic registration of Applications

- (a). The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. Our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the Designated Intermediaries, (ii) the Applications uploaded by the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the Designated Intermediaries, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by the Designated Intermediaries for which the Application Amounts are not blocked by the SCSBs.
- (b). The Stock Exchange will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Syndicate Members and the other Designated Intermediaries during the Issue Period. On the Issue Closing Date, the Syndicate Members and the other Designated Intermediaries shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Syndicate Members and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- (c). Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the ZCZP Instruments, as available on the websites of the Stock Exchange, would be made available at the Application centers as provided in the Application Form during the Issue Period.
- (d). At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of ZCZP Instruments applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchange.
- (e). With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - UPI ID (if applicable)
 - Number of ZCZP Instruments applied for
 - Price per ZCZP Instrument
 - Bank code for the SCSB where the ASBA Account is maintained
 - Bank account number
 - Application amount
- (f). With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - UPI ID (if applicable)
 - Number of ZCZP Instruments applied for
 - Price per ZCZP Instructions
 - Bank code for the SCSB where the ASBA Account is maintained
 - Location
 - Application amount
- (g). A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is

the Applicant's responsibility to obtain the Acknowledgement Slip from the Syndicate Members or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the ZCZP Instruments shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.

- (h). The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the ZCZP Instruments will be listed or will continue to be listed on the Stock Exchanges.
- (i). In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid, or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.
- (j). Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment.

The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Process for investor application submitted with UPI as mode of payment

- (a). Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.
- (c). The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.
- (d). Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- (e). The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.
- (g). Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.
- (h). The Sponsor Bank shall initiate a mandate request on the investor.
- (i). The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- (j). The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.
- (k). An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock

- exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
- (l). An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- (m). For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.
- (n).The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- (o).Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- (p).The information containing status of block request (e.g., accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.
- (q).The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (r). Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- (s). The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
- (t). Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the Escrow Account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- (u).Upon confirmation of receipt of funds in the Escrow Account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked, and application amount would be unblocked for the investor.
- (v).Thereafter, Stock Exchange will issue the listing and trading approval.
- (w). Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of UPI.

General Instructions

Do's

1. Check if you are eligible to apply as per the terms of the Fund-Raising Document and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of ZCZP Instruments pursuant to the Issue;
4. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of ZCZP Instruments in dematerialized form. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form;

6. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Intermediaries, as the case may be.
7. Check if you are eligible to Apply under ASBA;
8. Ensure that your Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or Trading Members of the Stock Exchange at the Specified Cities;
9. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
10. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form and that your signature in the Application Form matches with your available bank records;
11. Ensure that you have been given an acknowledgement as proof of the Registrar having accepted the Application Form in case of hand delivery of Application Forms;
12. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
13. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN of the HUF should be mentioned in the Application Form and not that of the Karta;
14. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
15. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
16. Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
17. Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface.
18. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.
19. Ensure that your Application Form is submitted with the Registrar to the Issue; and
20. Ensure that you have correctly ticked, provided or checked the authorization box in the Application Form.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not fill up the Application Form such that the ZCZP Instruments applied for exceeds the Issue size and/or investment limit or maximum number of ZCZP Instruments that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
3. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
4. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
5. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;

6. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
7. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
8. Do not submit more than five Application Forms per ASBA Account;
9. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
10. Do not submit an application in case you are not eligible to acquire ZCZP Instruments under applicable law or your relevant constitutional documents or otherwise;
11. Do not apply if you are a person ineligible to apply for ZCZP Instruments under the Issue;
12. Do not make an application of the ZCZP Instrument on multiple copies taken of a single form;
13. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third-party linked bank account UPI ID;
14. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI.
15. Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the ZCZP Instruments in authorized form.

In this context:

1. Tripartite Agreement dated [●], between us, the Registrar to the Issue and CDSL for offering depository option to the Applicants.
2. Tripartite Agreement dated [●], between us, the Registrar to the Issue and NSDL for offering depository option to the Applicants.
3. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
4. ZCZP Instruments Allotted to an Applicant will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
5. Non-transferable Allotment Advice will be directly sent to the Applicant by the Registrar to the Issue.

For further information relating to Applications for Allotment of the ZCZP Instruments in authorized form, please see this section titled "*Issue Procedure*" on page 228 of this Draft Fund-Raising Document.

Communications

All future communications in connection with Applications made in the Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact the Registrar to the Issue in case of any pre – Issuerelated problems and/or post-Issue related problems such as non-receipt of Allotment Advice non-credit of ZCZP Instruments in depository's beneficiary account/ etc.

Undertaking by the Issuer

Statement by the Board:

- (a) All monies received pursuant to the Issue of ZCZP Instruments to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- (b) Details of all monies utilized out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilized.
- (c) Details of all unutilized monies out of issue of ZCZP Instruments, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilized monies have been invested.
- (d) Our Company shall submit to the Stock Exchanges a statement in respect of utilization of the Net Proceeds, on a quarterly basis, containing (a) category-wise number of monies raised, (b) category-wise number of monies utilized, balance amount remaining unutilized, until the utilization of the Net Proceeds in accordance with this Draft Fund-Raising Document.
- (e) We shall utilize the Issue proceeds only after (a) receipt of the minimum subscription of 75% of the Issue Size; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; and (c) receipt of listing approval from the Stock Exchanges.

Other Undertakings by our Company

Our Company undertakes that:

- (a) Complaints received in respect of the Issue will be attended to by our Company expeditiously and satisfactorily.
- (b) Our Company will take necessary steps for the purpose of getting the ZCZP Instruments listed within the specified time, i.e., within 10 (ten) trading days of the Issue Closing Date.
- (c) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue.
- (d) We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minor having valid Depository Account as per Demographic Details provided by Depositories);
- Applications by foreign investors;
- Applications not being signed by the sole Applicant;
- Application Amount blocked being higher or lower than the value of ZCZP Instruments Applied for. However, our Company may allot ZCZP Instruments up to the number of ZCZP Instruments Applied for, if the value of such ZCZP Instruments Applied for exceeds the minimum application size;
- Applications where a registered address in India is not provided for the Applicant;
- In case of partnership firms (except LLPs), ZCZP Instruments applied for in the name of the partnership and not the names of the individual partners(s);
- DP ID and Client ID not mentioned in the Application Form;

- GIR number furnished instead of PAN;
- Applications for an amount below the minimum application size;
- Applications by persons who are not eligible to acquire ZCZP Instruments of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;
- Applications accompanied by Stock invest/cash;
- Signature of sole Applicant missing;
- Submission of more than five ASBA Forms per ASBA Account;
- Application Forms not being signed by the ASBA Account holder if the account holder is different from the Applicant;
- If the signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB Bank's records where the ASBA Account mentioned in the Application Form is maintained;
- ASBA Applications not having details of the ASBA Account to be blocked;
- Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- SCSB making an ASBA application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is authorized solely for the purpose of applying in public issues;
- Authorization to the SCSB for blocking funds in the ASBA Account not provided;
- Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, ClientID and PAN or if PAN is not available in the Depository database;
- Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by any person outside India;
- Applications by other persons who are not eligible to apply for ZCZP Instruments under the Issue under applicable Indian or foreign statutory/regulatory requirements;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Fund-Raising Document;
- Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010;

- Where PAN details in the Application Form are not as per the records of the Depositories;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- The UPI Mandate Request is not approved by the Retail Individual Investor.
- Applications providing an inoperative demat account number.
- Applications being received post the Issue Closing Date where the payment of Application Amount is being made by cheque / demand draft.
- Applications being received upon expiry of 3 (three) Working Days where the payment of the Application Amount is being done by way of electronic bank transfer, provided the Application Amount was received in the Escrow Account prior to the Issue Closing Date.

Mode of making refunds

The Registrar to the Issue shall make refunds to the relevant bank accounts of the Applicants as per the Demographic details given by the Depositories.

The mode of refund shall be undertaken in the following order of preference:

1. Direct Credit

Applicants having their bank account with the Escrow Collection Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Escrow Collection Bank.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose refund amounts exceed ₹200,000, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive refund through RTGS are required to provide the Indian Financial System Code (“IFSC”) in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant’s bank receiving the credit would be borne by the Applicant. In the event the same is not provided, refund shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of refunds shall be undertaken through NEFT wherever the Applicants’ banks have been assigned the IFSC, which can be linked to a Magnetic Ink Character Recognition (“MICR”), if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the applicants through this method.

Basis of Allotment

If the Issue is oversubscribed (i.e., if the subscription received is greater than the Issue Size), the allocation of ZCZP Instruments, in consultation with the Designated Stock Exchange, shall be on a proportionate basis.

Issuance of Allotment Advice

Our Company shall ensure dispatch of Allotment Advice as per the Demographic Details received from the Depositories within 8-10 Working Days of the Issue Closing Date. Instructions for credit of ZCZP Instruments to the beneficiary account with Depository Participants shall be made within 8-10 Working Days of the Issue Closing Date. Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants can withdraw their Applications till the Issue Closing Date by submitting a request for the same to the Registrar, through whom the Application had been placed. In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment.

Pre-closure: Our Company reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the Fund-Raising Document. Our Company shall allot ZCZP Instruments with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

If our Company does not receive the minimum subscription of 75% of Issue Size prior to the Issue Closing Date the entire Application Amount shall be refunded to the Applicants.

Section IX - Key Provision of Articles of Associations

ARTICLES OF ASSOCIATION

**NATIONAL BACKWARD CLASSES FINANCE AND
DEVELOPMENT CORPORATION**

I. INTERPRETATIONS

1. In the interpretation of these Articles, the following words and expressions shall have the following meanings, unless repugnant to the subject or context:

"The Company" means **National Backward Classes Finance and Development Corporation**.

"The Act" or "the said Act" means the Companies Act 1956 (1 of 1956) as may be in force from time to time and include all rules made thereunder.

"The Office" means the Registered Office of the Company. "The Government" means the Government of India.

"President" means the President of India.

"Backward Class" means those castes/communities that are notified as socially and educationally backward classes by the State Governments or those that may be notified as such by the Central Government from time to time.

"The Director" means the Directors for the time being of the Company.

"Executor" or "Administrator" means persons who has obtained Probate or Letters of Administration, as the case may be, from some Competent Court.

"Capital" means the capital of the time being raised or authorized to be raised for the purpose of Company.

"Shares" means the shares or stock into which the capital is divided and the interest corresponding with such shares or stocks.

"Board" means a meeting of the Directors duly called and constituted or, as the case may be, the Directors assembled at a Board.

"The Register" means the register of members to be kept pursuant to the Act.

"Seal" means the Common seal for the time being of the Company.

**EXPRESSIONS IN THE ACT TO
BEAR THE SAME MEANING IN
ARTICLES**

"Financial Year" means the period in respect of which any income and expenditure account of the Company laid before it in Annual General Meeting is made up whether that period is a year or not.

Words importing the singular number include the plural number and vice –versa.

Words importing the masculine gender also include the feminine gender.

Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

**COMPANY TO BE A GOVERNMENT
COMPANY**

2. The Company will be a Government Company within the definition of Section 617 of the Companies Act, 1956.

**TABLE 'A' TO APPLY EXCEPT
OTHERWISE PROVIDED**

3. The regulations contained in Table 'A' in the First Schedule to the Act shall apply except in so far as they have been specifically excluded by/or under these Articles.

4. The Company will be Private Company, and accordingly:

(a) The number of members of the Company for time being (exclusive of persons who are in the employment of the Company, persons who having been formerly in the employment of the company, were its members while in such employment, and have continued and after such employment ceased

to be members of the Company) is not to exceed fifty but when two or more persons hold one or more shares in the Company jointly, they shall for the purpose of this paragraph be treated as a single member.

(b) Any invitation to the public to subscribe for any shares in or debentures of the Company is hereby prohibited

(c) This right to transfer of shares shall be restricted as hereinafter provided. The Management of the Company will be as per these articles

COMPANY TO BE GOVERNED BY THESE ARTICLES

II. SHARE CAPITAL

CAPITAL

6. The Authorised share capital of the Company is Rs.17,25,00,00,000/- (Rupees Seventeen Crores twenty-five lakhs only) divide into 1,72,50,000 (One Hundred Fifty Lacs) equity shares of Rs. 1,000/- (Rupees One Thousand) each with a power to increase or reduce the Share Capital.

COMPANY'S SHARE NOT TO BE PURCHASED

7. No part of the funds of the Company shall be employed in the purchase of or in giving loans upon the security of the Company's shares. No share shall be transferred by any holder without prior consent of the Government but this restriction shall not apply to transfers in favours of nominees of the Government.

ALLOTMENT OF SHARES

8. Subject to provisions of the Act and these Articles and to the directions of the President, the Shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions as it may think fit. The Board shall have full discretion to fix the amount of each sum called in respect of a share and to determine the interval between two calls.

SHARE CERTIFICATES

- 9.
- (a) Every person whose name is entered as a member in the register of members shall be entitled to receive within three months after allotment or within two months of application for registration or transfer (or within such periods as the conditions of issue shall provide) one certificate, for all his shares without payment. Several certificates, each for one or more of his shares, upon payments of one rupee for every certificate after the first.
 - (b) Every Certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

ISSUE OF NEW SHARE CERTIFICATES

10. If a share certificate is defaced, lost or destroyed, it may be renewed or a duplicate of a certificate may be issued on payment of such fee, if any, and on such terms, if any, as to evidence and indemnity as the Directors think fit

TRANSFER AND TRANSMISSION OF SHARES

11. The right of members to transfer their shares shall be restricted as follows:
- (a) A share can be transferred only to a person approved by the President;
 - (b) No fee need be charged for transfer, this being restricted to Government nominees; and
 - (c) A notification would be issued by the Company Secretary or other authorized representative of the Company whenever the share transfer takes place on the basis of above.

III. ALTERATION OF CAPITAL

- POWER TO INCREASE CAPITAL
- ON WHAT CONDITIONS NEW SHARES TO BE ISSUED
- HOW FAR NEW SHARES TO RANK WITH SHARES IN ORIGINAL CAPITAL
- REDUCTION OF CAPITAL ETC.
- SUB-DIVISION AND CONSOLIDATIONS OF SHARE
12. Subject to the approval of the Central Government, Board may, with the sanction of the Company in a general meeting, increase the share capital by such sum, to be divided into shares of such amount, as the resolutions shall prescribe.
13. Subject to such directions as may be issued by the President in this behalf, new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon creation thereof shall direct, and it on directions be given, as the Board shall determine.
14. Except so far as otherwise provided by the conditions of issue, or by these articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, lien, voting surrender and otherwise.
15. Subject to the provisions of Sections 100 to 104 of the Act, and to such directions as may be issued by the President in this behalf, the company may, from time to time, by special resolution, reduce its capital by paying off capital or cancelling capital, which has been lost or is unrepresented by available assets, or is superfluous, or by reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise, and the Board may, subject to the provisions of the Act, accept surrender to shares.
16. Subject to the approval of the President, the Company in general meeting may, from time to time, sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by the Section 94 of the Act and shall file with the Registrar such notice of exercise of such power as may be required by the Act.

IV. POWER TO RAISE FUNDS

- POWER TO BORROW
- SECURITIES MAY BE ASSIGNABLE FREE FROM EQUITIES
- ISSUE AT DISCOUNT OR WITH SPECIAL PRIVILEGES
- PERSONS NOT TO HAVE PRIORITY OVER ANY PRIOR CHARGE
17. Subject to the Provisions of Section 58A and 292 of the Act and subject to the maximum limits as may be imposed by the Board, from time to time, the Company may receive grants, borrow or secure moneys on such terms and conditions and from such sources as determined by the Board, for advancing the objectives of the Company.
18. Debentures, debentures stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
19. Subject to such directions as may be issued by President in this behalf and subject to Section 76 of the Act, any debentures, debentures stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of share, appointment of Directors and otherwise
20. Whenever any uncalled capital of the Company is charged, all persons taking any subsequent charges thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise also obtain over such prior charge.

V. GENERAL MEETING

GENERAL MEETING

21. The Company shall, in each year, hold, in addition to any other meeting, a General Meeting as its Annual General Meeting.

Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next.

The first Annual General Meeting of the company shall be held within eighteen months from the date of its incorporation and, thereafter, subject to the provisions of Section 166 read with Section 210 of the Act, the Annual General Meeting of the Company shall be held within 6 months after the expiry of each financial year.

EXTRA-ORDINARY MEETING

22. All General Meetings other than Annual General Meetings shall be called "Extra-ordinary General Meetings".

BOARD TO CALL EXTRA-ORDINARY MEETING

23. The Board may call an Extra-ordinary General Meeting whenever it thinks fit.

EXTRAORDINARY MEETING ON REQUISITION

24. The Board shall call an Extra-ordinary General Meeting whenever a requisition in writing is received in accordance with Section 169 of the Act.

WHEN REQUISITIONISTS CAN HOLD EXTRAORDINARY MEETINGS

25. If the Board does not proceed to call a meeting within 21 days from the date of requisition being so deposited to be held not later than 45 days from the date of such deposit, then the requisitions or the majority of them in value or as permitted by Sub-clause (b) of sub-Section (6) of Section 169 of the Act may themselves call the meeting, but any meetings so called shall not be held after 3 months from the date of such requisition. Any meeting convened under this Article by the requisitions shall be convened in the same manner as far as possible as that in which meetings are to be convened by the Board.

NOTICE OF MEETING

26. At least seven days' notice specifying the place, the day and the hour of meeting and in the case of special business, the general nature of such business accompanied by a explanatory statement under Section 173 of the Act, shall be given in the manner hereinafter mentioned and as required by Section 172 of the Act to such members as are entitled in law to receive notice from the Company.

Provided that the accidental omission to give such notice to, or the non-receipt of such notice by any member shall not invalidate any resolution passed or proceedings held at any such meeting.

VI. PROCEEDING OF GENERAL MEETINGS

BUSINESS OF GENERAL MEETINGS

27. The business of a Annual General Meeting shall be to receive and consider the income and expenditure account, the balance sheet and the report of the Board and of the auditor, and to transact any other business which under these Articles ought to be transacted at Annual General Meeting. All other business transacted at such meetings and all business transacted at an Extraordinary General Meeting shall be deemed special.

QUORUM

28. Two members present in person of whom one shall be a representative of the President shall be a quorum for a general meeting

RIGHT OF PRESIDENT TO APPOINT ANY PERSON AS HIS REPRESENTATIVE

29.

- (1) The President, so long as he is a share-holder of the Company may, from time to time, appoint one or more persons (who need not be a member or members of the Company) to represent him at all or any meetings of the Company
- (2) Only one of the persons appointed under Sub-clause (1) of this Article who is personally present at the meeting shall be deemed to be a member entitled to vote and be present in person and exercise the same right and powers (including the right to vote proxy) as he could exercise as a member of the Company.
- (3) The President may, from time to time, cancel any appointment made under Sub-clause (1) of the Article and make fresh appointments.
The Chairman of the Board or, in his absence, a Director on the Board shall be entitled to take the Chair at every general meeting.

CHAIRMAN OF GENERAL MEETING

30. The Chairman of the Board or, in his absence, a Director on the Board shall be entitled to take chair at every general meeting.

WHEN IF QUORUM NOT PRESENT, MEETING TO BE DISSOLVED AND WHEN TO BE ADJOURNED

31. If within half an hour from the time appointed for the meeting quorum is not present, the meeting if convened upon such requisition as aforesaid, shall be dissolved, but in any other case it shall adjourn to the same day in the next week at the same time and place and, if at such adjourned meeting, quorum is not present, the members present shall be a quorum and may transact the business for which the meeting was called.

HOW QUESTIONS TO BE DECIDED AT MEETING

32. Every question submitted to a meeting shall be decided in the first instance by a show of hands, and in the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have casting vote in addition to the vote or votes to which he may be entitled as a member

WHAT IS TO BE DONE IN EVIDENCE OF THE PASSING OF RESOLUTION WHERE POLL NOT DEMANDED

33. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorized representative, and, unless a poll is so demanded a declaration by the Chairman that resolution has, on a show of hands, been carried unanimously or by a particular majority or lost.

An entry to that effect in the book of proceedings of the company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favors of or against that resolution.

POLL

34. If a poll is duly demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn

POWER TO ADJOURN GENERAL MEETING

35. The Chairman of a general meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place.

- IN WHAT CASES POLL TAKEN WITHOUT ADJOURNMENT** 35. Any poll duly demanded on the election of a Chairman of the meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
- BUSINESS MAY PROCEED NOTWITHSTANDING DEMAND OF POLL** 36. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which poll has been demanded.
- CHAIRMAN'S DECISION CONCLUSIVE** 37. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
- VOTE OF MEMBER** 38. Upon the show of hands every member present in person shall have one vote and upon poll every member present in person or by proxy or by duly authorized representative shall have one vote for every share held by him.
- NO VOTING BY PROXY ON SHOW OF HANDS** 39. No member who is not personally present shall be entitled to vote on a show of hands.
- VOTE IN RESPECT OF SHARES OF DECEASED, BANKRUPT MEMBERS** 40. Any person entitled under the transmission clause to any share may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy-two hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares
- JOINT HOLDERS** 41. Where there are joint registered holders of any share, any one of them may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, and if more than one such joint holders be present at any meeting personally or by proxy, then one of the said persons present, whose name stands first on the register in respect of such share, shall alone be entitled to vote in respect thereof. Several executors or Administrators of a deceased member in whose name any share stands, shall, for the purpose of this clause, be deemed to be joint holders thereof.
- VOTE IN RESPECT OF SHARE OF MEMBERS OF UNSOUND MIND** 43. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on poll, by his legal guardian.
- PROXIES PERMITTED** 44. On a poll, votes may be given either personally or by proxy or by duly authorized representative.
- INSTRUMENT APPOINTING PROXY TO BE IN WRITING** 45. A member entitled to attend and vote a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not be entitled to speak at a meeting or to vote except on a poll. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or any attorney duly authorized by it.
- INSTRUMENT APPOINTING PROXY TO BE DEPOSITED AT OFFICE** 46. The instrument appointment a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy, shall not be treated as valid.

WHEN VOTE BY PROXY VALID

47. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the

THOUGH AUTHORITY REVOKED

previous death of the principal, or revocation of the proxy provided no intimation in writing of the death or revocation shall have been received at the office of the Company before the meeting.

FORM OF PROXY

48. An instrument appointing a proxy may be in the following:

NATIONAL BACKWARD CLASSES FINANCE AND DEVELOPMENT CORPORATION

I..... of
.....
at
.....being a member of the National Backward Classes Finance and Development Corporation hereby appoint.....as my proxy to vote for me and on my behalf at the (ordinary or extraordinary, as the case may be) general meeting of the company to be held on the day of and at any adjournment thereof..... signed this.....day of

NO MEMBERS ENTITLED TO VOTE ETC. WHILE CALLS DUE TO COMPANY

49. No member shall be entitled to be present, or to vote on any question either personally or by proxy, or as proxy for another member, at any general meeting or upon poll or in a quorum, whilst any call or other sum be due and payable to the company in respect of any of the shares of such to the company in respect of any of the shares of such member.

TIME FOR OBJECTION TO VOTE

50. No objection shall be made to the validity of any vote except at the meeting or poll, at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever

RESOLUTION IN WRITING OF BOARD IN CERTAIN CASES TO BE EQUIVALENT TO RESOLUTION OF GENERAL MEETING

51. Any resolution passed by the Board notice whereof shall be given to the members in the manner in which notices are hereinafter directed to be given and which shall within one month after it, shall have been so passed, be rectified and confirmed in writing by members entitled at a poll to three-fifths of the vote, shall be as valid, and effectual as a resolution of a general meeting. Gut this clause shall not apply to a resolution for winding up of the Company or to a resolution passed in respect of any matter which by the Act or by these Articles ought to be dealt with by a special resolution.

**VII. BOARD OF DIRECTORS
NUMBER OF DIRECTORS**

52. Subject to the provision of Section 252 of the Companies Act, 1956 and until otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than four and not more than thirteen. The Directors are not required to hold any a qualification shares. The first Directors will be.

APPOINTMENT OF DIRECTORS

53.

- (1) The Directors shall be appointed by the President.
- (2) The President shall appoint one of the non-official Directors of Act as a Chairman of the Board of Directors. Till Chairman is appointed by the President, the Board will appoint one of its directors to Act as a Chairman.
- (3) The non-official Directors and other part-time Directors to be appointed by rotation out of the Managing Directors of State level Backward Classes Corporations or State level Corporations dealing with backward classes shall have tenure of three years. The functional Directors including the Managing Director shall be appointed for a period of five years. The earlier Directors including the Chairman shall be eligible for reappointment. An official Director shall automatically retire on attaining the age of superannuation. The tenure of part-time Government Director will be co-terminus with his/her tenure in the Ministry/Department.
- (4) The President may appoint any one possessing requisite qualifications and experience of financial matters and procedures to be a full-time Director(Finance) for a period of five years on such remuneration and terms & conditions as he may think fit.
- (5) The President shall have the power to remove a Director including the Chairman at any time.
- (6) The President shall have the right to fill any vacancy in the office of a Director caused by retirement, removal, resignation, death or otherwise.

REMUNERATION OF DIRECTORS

54.

- (1) The remuneration of each Director shall be such fee for each meeting of the Board or of a Committee thereof attended by him as may be determined by the Board.
- (2) The Board may allow and pay to the Director who has to travel on Company's business or for the purpose of attending a meeting such sums as the Board may consider fair for traveling, boarding, lodging and other expenses in addition to his fee for attending such meeting as may be specified.

GENERAL POWERS OF THE COMPANY VESTED IN BOARD

55.

- (1) Subject to the provisions of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such Acts and things as the Company is authorized to exercise and do. Provided the Board shall not exercise any power or do any act or thing which is required, by the Act or by any other Act or by the Memorandum or Articles of Association of the Company or otherwise, to be exercised or done by the Company in General Meeting. Provided further that in exercising any such power or doing any such Act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other Act. or in the Memorandum or Articles of the Company or in the regulations not inconsistent therewith and duly made there under including Regulations made by the Company in General Meeting.
- (2) No regulation made by the Company in General Meeting shall invalidate any prior Act of Board, which would have been validated if that regulation had not been made.
- (3) The Company shall pursue the main objects as laid down in its Memorandum of Association keeping in view the extent of budgetary allocation made to it by the Government for the purpose of grant of concessional finance to the Backward Classes in selected cases. It shall work in close coordination with similar bodies in the States for developing a network. It shall also avoid overlapping in the disbursement of Government money on the same target Group.

SPECIFIC POWERS TO THE BOARD

56. Without prejudice to the general powers conferred by the preceding Article and other powers conferred by these articles and subject to the provisions of the Act, the Board shall have the following powers:

TO ACQUIRE PROPERTY

(1) To purchase, take on lease or otherwise acquire for the Company, property rights or privileges which the Company is authorized to acquire at such price, and generally on such terms and conditions as it thinks fit.

WORK OF CAPITAL NATURE

(2) To authorize the undertaking of works of capital nature, subject to the condition that a special budget involving expenditure on acquisition of fixed assets other than the replacement of existing assets and assets costing more than Rs. 50.00 lakhs shall be submitted to administrative Department for obtaining prior approval of Government.

TO PAY FOR PROPERTY IN DEBENTURES ETC

(3) To pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures, or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such bonds, debentures or other securities may be either specifically charges upon all or any part of the property of the Company and its uncalled capital, or not so charged.

TO SECURE CONTRACT BY MORTGAGE

(4) To secure the fulfillment of any contracts or commitments entered into by the Company by mortgage or charge and its uncalled capital for the time being or in such manner as they may think fit.

TO CREATE POSTS AND APPOINT OFFICER ETC.

(5) (i).To create posts of officers and staff for the Company from time to time; and
(ii).To appoint and, at their discretion, remove or suspend such officers and staff for permanent, temporary or special services as it may from time to time think fit and to determine its powers and duties and keeping in view the general guidelines issued by the Bureau of Public Enterprises on the subject and fix their salaries or emoluments and to require security in such instances and to such amount as it thinks fit.

TO APPOINT TRUSTEES

(6) To appoint any person or persons (whether incorporate or not) to accept and hold in trust for the Company, any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and other things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee of trustees.

TO BRING AND DEFEND ACTION ETC.

(7) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the company and also to compound an allow time for payment or satisfaction of any claims or demands by or against the Company.

TO REFER TO ARBITRATION

(8) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards.

TO GIVE RECEIPTS

(9) To make and give receipts, release and other discharges for money payable to the Company and for the claims and demands of the Company.

TO AUTHORISE ACCEPTANCE ETC

(10) The determine who shall be entitled to sign on Company's behalf bills, receipts, acceptances, endorsements, cheques, release contracts and documents.

TO APPOINT ATTORNEYS

(11) To provide from time to time for the management of the affairs of the Company in such manner as it thinks fit, and in particular to appoint any person to be the attorney or agent of the Company (power to sub-delegate) and upon such terms as may be thought fit.

TO INVEST MONEY

(12) To invest, subject to such general or special directive, if any, given by the Government, in this behalf in securities or in any other Scheduled

Bank or Banks or their subsidiaries and in Government Companies to be specifically decided by the Board for having call deposit and opening saving/current accounts and deal with any of the money of the Company upon such investment authorized by the Memorandum of Association of the Company (not being shares in this Company) and in such manner as it thinks fit, and from time to time to vary or release such investment.

**TO SELL OR
TRANSFER THE
BUSINESS OR
PROPERTY**

- (13) Subject to the provisions regarding consent of the President to sell or dispose of or transfer the business activity or property, if any of the Company or any part thereof for such consideration as the Company may deem proper and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to these of the Company.

**TO EXECUTE
MORTGAGES BYWAY
OF INDEMNITY**

- (14) To execute after obtaining the previous approval of the Government in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any liability for the benefit of the Company such mortgages of the Company's property (present and future) as it thinks fit and any such mortgages may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

TO MAKE BYE-LAWS

- (15) To make, vary and repeal from time to time byelaws for the regulation of the business of the Company, its officers and servants.

**TO MAKE CONTRACTS
ETC.**

- (16) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matter aforesaid or otherwise for the purpose of the Company.

**TO DELEGATE
POWERS**

- (17) To delegate all or any of the powers, authorities and discretion for the time being vested in it, subject, however, to the ultimate control and authority being retained by it.

**SPECIFIC POWER OF
BOARD**

57. Without prejudice to the generally of the above provisions, the Board shall reserve for decision of the President-
- (1) Sale, lease or disposal otherwise of the whole or substantially the whole of the undertaking of the Company;
 - (2) Formation of subsidiary Company.

X. APPOINTMENT OF MANAGING DIRECTOR

58.

- (1) The President may appoint any one of the Directors of the Board (other than those who may be members of the State Legislature or parliament) to be the Managing Director for such period and upon such terms as he may think fit; for the conduct of management of the business of the Company subject to the control and supervision of the Board of Directors. The selection of first incumbent to the post of Managing Director shall be made by the Ministry of Social Justice and Empowerment with the Approval of the Appointment Committee of Cabinet (A.C.C.). Subsequent selections will be made through the Public Enterprises Selection Board (PESB). The Managing Director so appointed may be authorized by the Board to exercise such of the powers and discretion in relation to the affairs of the Company as are specifically delegated to him by the Board and are not required to be done by the Board of Directors of the Company at the General Meeting under the Act.
- (2) The Managing Director shall be paid salary in the scale of pay of Rs. 7300-7600 and other usual allowances.
- (3) In the absence of Managing Director on leave or otherwise, the Board may

empower any other Director or an principal officer of the Company to perform all of his functions provided that the previous approval of President shall be necessary when such absence is likely to exceed 3 months.

XI. COMPANY SECRETARY

59. Subject to the applicable provisions of the Act, a Company Secretary may be appointed by the Board with the prior approval of the Government for such time and at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board.

XII. MINUTES

THE BOARD SHALL CAUSE
MINUTES TO BE MADE IN BOOKS

60. The Directors shall cause minutes to be made in books provided for the purpose in accordance with the provisions of Section 193 of the Act:

- (a). of all appointments of officers made by the Directors;
- (b). of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;
- (c). of all resolutions and proceedings at the meetings of the Company, and of the Directors, and of the Committees of Directors; and every Director present at any meeting of Directors or Committee of Directors shall sign his name in a book to be kept for purpose

XIII. SEAL

SEAL

61. The Seal shall not be affixed to any instrument (other than a Share Certificate) except by the authority of a resolution of the Board of Directors and in the presence of one Director at the least provided, however, the Board of Director may authorize by resolution the Managing Director or any other Director to affix the Seal on any instrument (other than a Share Certificate) whenever it is legally required. In the case of Share Certificate, the Seal shall be affixed in the presence of (i) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose.

XIV. DISQUALIFICATION OF DIRECTORS

DISQUALIFICATION
OF DIRECTORS

62. The office of a Director shall become vacant if:

- (a). he is found to be of unsound mind by a court of competent jurisdiction;
- (b). he applies to be adjudicated an insolvent;
- (c). he is adjudged an insolvent;
- (d). he is convicted by a Court in India for any offence and is sentenced in respect thereof to imprisonment for not less than six month.
- (e). he fail to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for payment of the call;
- (f). he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of 3 months, whichever is longer, without obtaining leave of absence from the Board;
- (g). he or any firm in which he is a partner or any private company of which he is Director, accepts a loan or any, guarantee or security for a loan, from the Company;
- (h). he fails to disclose the nature of his concern or interest in any contract or agreement or proposed contract or arrangement entered into by/or on behalf of the Company as required under Section 299 of the Act;
- (i). he becomes disqualified by order of the Court under Section 203 of the Act;
- (j). he is removed in pursuance of Section 284 of the Act;
- (k). he has retired resigned or otherwise removed from the official position on account of which he was nominated to the Board.

- (l). he is concerned or participates in the profits of any contract with Company provided, however; No Director shall vacate his office by reason of his becoming a member of any Company which has entered into contract with or done any work for the Company of which he is Director but a Director shall not vote in respect of any such contract or work and if he does so, his vote shall not be counted.
- Disqualification referred to in Sub-clauses (c), (d) and (i) above shall not take effect:
- (a). for thirty days from the date of adjudication, sentence or order;
 - (b). where any appeal or petition is preferred within 20 days aforesaid against the adjudication, or conviction resulting in the sentence or order; until the expiry of seven days from the date on which such appeal or petition is disposed of; or
 - (c). Where within the seven days of aforesaid, any further appeal or petition in respect of the adjudication, sentence, conviction, or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

XV. PROCEEDING OF BOARD OF DIRECTORS

MANAGING
DIRECTOR MAY
SUMMON MEETING
HOW QUESTION TO BE
DECIDED

63. The Managing Director or in his absence the Secretary may at any time convene a meeting of the Board of Directors. Questions arising at any meeting shall be decided by majority of votes. The Chairman shall have second or casting vote.

MEETINGS OF THE
BOARD AND THEIR
NOTICE

64. A meeting of the Board of Director shall be held for the dispatch of the business of the Company at least once in every three calendar months and at least four such meeting shall be held every calendar year as required under Section 285 of the Act.

QUORUM FOR
MEETING

65. The quorum for a meeting of the Board of the Company shall be one-third of its strength (total strength as determined by the Act and any fraction in that one-third being rounded off as one) or two directors whichever is higher; provided that where at any time, the number of interested Directors exceeds or is equal to two-third of the total strength, the number of remaining Directors who are not interested not being less than two shall be quorum during such time.

CHAIRMAN OF
DIRECTORS
MEETING

66. The President may, from among the Directors, nominate one as Chairman of the Board of Director's meetings and determine the period for which he is to hold office. In any meeting , if the Chairman is not present, a senior Director shall preside over the meeting.

DELEGATION OF
POWERS TO
COMMITTEE

67. The Board of Directors may, subject to the provisions of Section 292 and 297 of the Act, delegate any of the powers to a Committee consisting of such member or members of their body as they think fit. Proceedings of such committees shall be placed before the Board of Directors at the next meeting.

WHEN ACTS OF
DIRECTORS OF
COMMITTEE VALID
NOTWITHSTANDING
DEFECTIVE
APPOINTMENT ETC.

68. All acts done by any meeting of the Board or of a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be Director. Provided that nothing in this Article shall be deemed to give validity to acts done by Director after his appointment has been shown to the Company to be invalid or to have terminated

RESOLUTION
WITHOUT BOARD
MEETING VALID

69. A resolution in writing signed by all the Directors shall, subject to Section 289 of the Act, be as valid and effectual as if it has been passed at a meeting of the Board of Director duly called and constituted.

XVI. RESERVE FUND

RESERVE FUND

70. The Board may set aside, out of the profits of the Company or otherwise, such sums as they may think proper as a reserve fund, to meet contingencies or for repairing, improving and maintaining any of the property of the Company and for such other purpose as the Board shall in its absolute discretion think conducive to the interest of the Company and may invest the several sums so set aside upon such investments (other than shares of the company) as it thinks fit from time to time deal with and vary such investments and dispose of all or any part thereof in the business of the Company; and that without being bound to keep the same separate from the other assets.

XVII. ACCOUNTS

ACCOUNTS TO BE KEPT

71. The Company shall cause to be kept proper books of accounts with respect to :
All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place.
- (a). All sales and purchase of goods by the Company.
 - (c) The assets and liabilities of the Company.

INSPECTON OF BOOKS OF ACCOUNTS

72. The books of accounts shall be kept at the Registered Office of the Company or at such other place as the Board shall think fit and shall be open to inspection by Directors during business hours as per conditions laid down by the Board subject to provisions of law in this respect.

ANNUAL ACCOUNT AND BALANCE SHEET

73. The Board shall at some date not later than 18 months after the incorporation of the Company and subsequently once at least in every financial year lay before the company in Annual General Meeting a Balance Sheet and Income and Expenditure Account as per provisions of Section 210 of the Act.

In the case of the first Annual General Meeting of the Company to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months; and

In the case of any subsequent Annual General Meeting of the Company to the period beginning with the day immediately after the period for which the account was last submitted and ending with a day which shall not precede the day of the meeting by more than six months, or in case where an extension of time has been granted for holding the meeting under the second provision of Sub-Section (1) of Section 166, by more than six months and the extension so granted.

ANNUAL ACCOUNT
AND BALANCE
SHEET

73. The Board shall at some date not later than 18 months after the incorporation of the Company and subsequently once at least in every financial year lay before the company in Annual General Meeting a Balance Sheet and Income and Expenditure Account as per provisions of Section 210 of the Act. In the case of the first Annual General Meeting of the Company to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months; and

In the case of any subsequent Annual General Meeting of the Company to the period beginning with the day immediately after the period for which the account was last submitted and ending with a day which shall not precede the day of the meeting by more than six months, or in case where an extension of time has been granted for holding the meeting under the second provision of Sub-Section (1) of Section 166, by more than six months and the extension so granted.

ANNUAL REPORT OF
THE BOARD

74. The Board shall make out and attach to every Balance Sheet a report with respect to the state of the Company's affairs, the amount, if any, which it recommends should be paid by way of dividend and the amount, if any, which it proposes to carry to the Reserve Fund, General Reserve or Reserve Account shown specifically on the Balance Sheet or to a Reserve Fund, General Reserve or Reserve Account to be shown specifically in subsequent Balance Sheet.

The report shall be signed by the Chairman of the Board of the Directors on behalf of the Board. if authorised in that behalf by the Board

CONTENTS OF
INCOME AND
EXPENDITURE
ACCOUNTS

75. The Income and Expenditure account subject to the provisions of Section 211 of the Act and Schedule VI referred to therein show, arranged under the most convenient heads the amount of gross income distinguishing the several sources from which it has been derived.

And the amount of gross expenditure distinguishing expenses of the establishment, salaries and other like matters every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of income and expenditure may be laid before the meeting and in case 'where any item of expenditure which may in fairness be distributed over several year have been incurred in any one year, the whole amount of such item shall be stated with the addition of the reason why only a portion of such expenditure is charged against the income of the year

BALANCE SHEET
INCOME AND
EXPENDITURE
ACCOUNT TO BE
SENT TO MEMBERS

76. The Company shall send a copy of such Balance Sheet and Income and Expenditure account together with a copy of the auditor's report to the registered address of every member of the Company in the manner in which notices are to be given there under at least four days before the meeting at which it is to be laid before the members of the Company.

BOARD TO COMPLY
WITH SECTIONS 209
TO 222 OF THE ACT

77. The Board shall in all respects comply with the provisions of Section 209 and 222 of the Act or any statutory, modifications thereof for the time being in force.

XVIII. AUDIT

<p>ACCOUNT TO BE AUDITED ANNUALLY</p> <p>APPOINTMENT OF AUDITORS AND THEIR REMUNERATION AUDITORS' RIGHT TO ATTEND MEETING POWER OF THE COMPTROLLER AND AUDITOR GENERAL</p>	<p>78. Once at least in every financial year the accounts of the Company shall be examined and the correctness of Income and Expenditure Account and Balance Sheet ascertained by one or more auditors.</p> <p>79. The auditors of the company shall be appointed or reappointed by the Central Government on the advice of the Comptroller and Auditor General of India and his/their remuneration, rights and duties shall be regulated by Sections 224 to 233 of the Act.</p> <p>80. The Auditors of the Company shall be entitled to receive notice of and to attend any general meetings of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and any make any statement or explanation, they desire with respect to the Account</p> <p>81. The Comptroller and Auditor General of India shall have Power: (a). to direct the manner in which the Company's account shall be audited by the auditor/auditors appointed in pursuance of Article 79 hereof and to give such auditor/auditors instructions in regard to any matter relating to the performance of his/their functions as such; and (b). to conduct a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf, and for the purpose of such audit to have access at all reasonable times to all accounts, Accounts Books, Vouchers, Documents and other papers of the Company and to require information or additional information to be furnished to any person or persons so authorised on such matters, by such person or persons and in such form as the Comptroller and Auditor General may by general or special order, direct</p>
<p>COMMENTS UPON OR SUPPLEMENT TO AUDIT REPORT BY THE COMPTROLLER & AUDITOR GENERAL TO BE PLACED BEFORE GENERAL MEETING</p>	<p>82. The auditor/auditors aforesaid shall submit a copy of his/their audit report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement to the audit report in such manner as he may think fit. Any such Comments upon or supplement to the audit report shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Audit Report.</p>
<p>ANNUAL REPORT TO BE LAID BEFORE PARLIAMENT</p>	<p>83. The Central Government shall cause an annual report on the working and affairs of the Company to be: (a). Prepared within the three months of its Annual General Meeting before which the audit report as placed; and (b). as soon as may be after such preparation, laid before both the Houses of the Parliament with a copy of the audit report and comments or supplement referred to in Article 82.</p>
<p>WHEN ACCOUNTS DEEMED FINALLY SETTLED</p>	<p>84. Every Account of the Board, when audited and approved by a general meeting, shall be conclusive except as regard any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period, the accounts shall forthwith be corrected and thenceforth shall be conclusive.</p>

XIX. RIGHTS OF THE PRESIDENT

RIGHTS OF THE PRESIDENT

85. Notwithstanding anything contained in any of these Articles, the President may, from time to time, issue such directives as he may consider necessary in regard to the finance, conduct of business and affairs of the Company and in like manner may vary and annual such directives. The Company shall give immediate effect to the directives so issued. In particular the President will have the power-

- (i). to give directions to the Company as to the exercise and performance of its functions in matters involving national security and substantial public interest;
- (ii). to call for such returns, accounts and other information with respect to the property and activities of the Company as may be required from time to time;
- (iii). to approve agreements involving foreign collaboration proposed to be entered into by the Company;
Provided that all directives issued by the President shall be in writing addressed to the Chairman. The Board shall except where the President considers that the interest of the national security requires otherwise, incorporate the contents of directives issued by the president in the annual report of the Company and also indicate its impact on the financial position of the Company.

XX. NOTICES

**HOW NOTICE TO BE
SERVED ON**

86. A notice may be given by the Company to any member either personally or by sending it by post to him at his registered address.

MEMBERS

**WHEN NOTICE MAY
BE GIVEN BY**

87. If a member has no registered address and has not supplied to the Company an address for the giving of notices to him, a notice addressed to him and advertised in newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears.

ADVERTISEMENT

**NOTICE TO JOINT
HOLDERS**

88. A notice may be given by Company to the joint holders of a share by giving the notice to the joint holder whose name appears first in the register in respect of the share.

**HOW NOTICE TO BE
SIGNED**

89. The signature to any notice to be given by the Company may be written or printed.

**PERIOD OF NOTICE
HOW CIRCULATED**

90. Where a given number of days' notice or notices extending over any other period is required to be given, the day of service shall unless it is otherwise provided, be counted in such number of days or other period.

XXI. WINDING UP

**DISTRIBUTION OF
ASSETS ON
WINDING UP**

91. The President may wind up the Company, if he is satisfied that the Company is no longer required to pursue the objectives for which it has been set-up or is convinced that it is unable to manage its affairs as per provisions made hereunder these Articles and in accordance with law. For winding up, the President shall issue a gazette notification which will also spell out the manner in which the assets and liabilities of the Company will be, disposed of and/or handled.

**XXII. SECRECY CLAUSE
SECRECY CLAUSE**

92. No member shall be entitled to require discovery of or any information respecting any detail of the Company's activities which in the opinion of the Board it will be inexpedient in the interest of the members of the Company to communicate to the public.

XXIII. INDEMNITY

INDEMNITY

93. subject to the provision of Section 201 of the Act every Director, Manager, Auditor, Secretary and other Officer or Servant of the Company shall be indemnified by the Company and it shall be the duty of Directors out of the funds of the Company to pay all costs, losses and expenses which any such Officer or Servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such Officer or Servant, or in any way in the bonafide discharge of his duties; and the amount for which indemnity is provided shall immediately attach as a lien of the property of the Company, and have priority as between the members over all other claims.

**INDIVIDUAL
RESPINSIBILITY OF
DIRECTORS**

94. No Director, or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer of the Company or for joining in any receipt or other act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by the order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys securities or effects shall be deposited or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own negligence or dishonesty.

We, the several persons whose names and addresses are subscribed below are desirous of being formed into a Company not for profit in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

Sl. No.	name, address, description and occupation of subscriber	Number of equity shares taken by each subscriber	Signature of subscriber	Name, address description and occupation of witness and their signature
1.	President of India represented by Mrs. Usha Vohra W/o Mr. N.N. Vohra Secretary, to Govt. of India, Ministry of Welfare Shastri Bhawan New Delhi.	Nine (9)	Sd/-	I witness that the subscribers have signed in my presence at New Delhi.
2.	Sh. M.S. Pandit S/o (Late) Mr. M.M.Pandit Joint Secretary to Govt. of India Ministry of Welfare Shastri Bhawan, New Delhi.	One (1)	Sd/-	Sd/- Rakesh Dhingra S/o Shri C.L.Dhingra R/o 324, Tarun Enclave,Pitampura Delhi-110034 FICWA /6446 ACS/ 6008

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered into by our Company. These contracts and the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company between 10:00 am to 5:00 pm on any Working Day from the date of the filing of this Draft Fund-Raising Document with the Stock Exchanges till the date of closure of the Issue. Any of the contracts or documents mentioned in this Draft Fund-Raising Document may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

MATERIAL CONTRACTS

1. Registrar Agreement dated [●] between our Company and the Registrar to the Issue.
2. Escrow Agreement dated [●] between our Company, the Registrar to the Issue and the Escrow Collection Bank.
3. Tripartite agreement dated [●], among our Company, the Registrar to the Issue and CDSL.
4. Tripartite agreement dated [●], among our Company, the Registrar to the Issue and NSDL.

MATERIAL DOCUMENTS

1. Certified true copy of Memorandum of Association and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation of our Company dated January 13, 1992, issued by the RoC Delhi.
3. Copy of the resolution passed by the Board of Directors on March 28, 2024 authorizing the issue of ZCZP Instruments & Other related matters.
4. Copy of the resolution passed by the Board of Directors dated January 31, 2025 approving this Draft Fund-Raising Document.
5. Registration certificate as a Not-for-Profit Organisation with NSE SSE and BSE SSE with following details:

Social Stock Exchange	Registration Number	Registration Date
NSE SSE	NSESSENPO0073	July 25, 2024
BSE SSE	BSESSENPO0065	November 19, 2024
6. Permanent Account Number card.
7. Certificate issued under section 12A of the Income-tax Act, 1961.
8. Consents of the Directors, Advisor to the Issue and Registrar to the Issue, dated [●] to act in their respective capacities;
9. Statement of Tax Benefits dated [●] from an independent chartered accountant is included in this Draft Fund-Raising Document.
10. The Audited Financial Statements for the year ended March 31, 2024, March 31, 2023 & March 31, 2022.
11. Annual reports of our Company for the Fiscal Years 2024, 2023, and 2022.
12. In-principle listing approval from NSE by its letter no. [●] dated [●] and from BSE by its letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Fund-Raising Document may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the investors, subject to compliance of the provisions contained in the Companies Act and other applicable law.

DECLARATION

We, the Directors of the Company, hereby certify that all applicable legal requirements in connection with the Issue, including under the Companies Act, 2013, and the rules made thereunder, the provisions of Chapter X A of ICDR Regulations and amendments to SEBI (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2022 (“ICDR Amendment Regulations”), under the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, the requirements of the NSE – SSE and BSE – SSE, as applicable and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Fund-Raising Document contravenes any such requirements. We further certify that all the statements in this Draft Fund-Raising Document are true, correct and complete in all material aspects that will enable the investor to make an informed decision with respect to the Issue.

Signed by the Directors of our Company

Name	Designation	Signature
Rajan Sehgal	Managing Director	Sd-
Stanley Samuel Vaseeharan	Nominee Director	Sd/-
Amit Ghosh	Nominee Director	Sd/-
Mrs. Debolina Thakur	Nominee Director	Sd/-

Signed by Key Managerial Persons of our Company

Name	Designation	Signature
Ajit Kumar Samal	Company Secretary	Sd/-

Place: Delhi

Date: February 28, 2025