

CAG & PAC paras [F.No.1/6/2011-IR dated 15.4.2013]

2.6	'CAG & PAC paras {F.No.1/6/2011-IR dated 15.4.2013}	2.6.1. CAG and PAC paras and the action taken reports (ATRS) after these have been laid on the table of both houses of Parliament.	The comments of C&AG on Annual Account of NBCFDC for financial year 2019-20 is enclosed at Annexure-A. Annual Report for the financial year 2019-20 has already been laid before both Houses of Parliament.
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NATIONAL BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION

Addendum to the Director's Report (2019-20)

Replies of Management of NBCFDC on the observation of Observation

of Comptroller and Auditor General of India given in their Report for the year 2019-20

(Required under section 143 (6)(b) of the Companies Act 2013)

Observation/comments of Comptroller and Auditor General of India (C&AG)	Information and Explanation on Comment of CAG
<p>Revenue From Operation : Rendering of Services : Interest on Loans and Advances (General Loan) Rs. 3497 Lakh</p> <p>The above included Rs. 54.60 Lakh Interest on Education Loan, which was neither accrued nor due. This resulted in overstated of Revenue from Operations (Note 17) by Rs. 54.60 lakh and overstatement of other non-current assets (Note 7) by the same amount.</p>	<p>This omission in excess accrual of income/ non-current assets happened due to a minor technical bug in the newly introduced Loan Accounting Software, which has since been corrected. The software is currently under up-gradation subsequent to which a comprehensive IT audit will also be carried out to eliminate any chances of recurrence.</p> <p>It is also mention worthy that in terms of IND AS, the overstated revenue has been incorporated in the Books of Accounts in the FY 2020-21.</p>

For and on behalf of the Board of Directors

Place : New Delhi
Date : 29-12-2020

Sd/-
K. NARAYAN
Managing Director