

KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
BALANCE SHEET AS AT 31ST MARCH 2025

(Rupees in Lakhs)

Particulars	Note no.	As at 31st March, 2025	As at 31st March, 2024
A ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	5,725.55	3,890.43
(b) Bank Balances other than (a) above	4	12.50	-
(c) Loans	5	1,84,049.28	1,95,585.94
(d) Other financial assets	6	224.69	184.32
		1,90,012.02	1,99,660.69
(2) Non Financial Assets			
(a) Current tax assets (Net)	7	0.05	0.39
(b) Property, plant and equipment	8	355.10	212.39
(c) Capital work - in - progress	9	1.81	1.81
(d) Intangible assets	10	0.32	0.46
(e) Other non-financial assets	11	101.01	8.66
		458.29	223.71
TOTAL ASSETS		1,90,470.31	1,99,884.40
B LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables	12		
(i) Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		104.14	86.99
(b) Borrowings (other than debt securities)	13	1,50,805.95	1,46,511.33
(c) Other financial liabilities	14	1,483.75	1,297.21
		1,52,393.84	1,47,895.53
(2) Non Financial Liabilities			
(a) Provisions	15	604.19	393.92
(b) Other non financial liabilities	16	47.71	45.47
		651.90	439.39
(3) EQUITY			
(a) Equity Share Capital	17	15,263.80	15,113.80
(b) Other Equity	18	22,160.77	36,435.68
		37,424.57	51,549.48
TOTAL LIABILITIES AND EQUITY		1,90,470.31	1,99,884.40

Accompanying notes forms part of the Financial Statements.

As per our report of events date attached
For Ananthan & Sundaram
Chartered Accountants
Firm Registration Number : 000148S

CA.HARIKRISHNAN.R.S. FCA,DISA
Partner
Membership No. : 230338

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For and on behalf of the Board of Directors
Kerala State Backward Classes Development Corporation Limited

ANJU DAS
Managing Director
(DIN:10362485)

Adv K Prasad
Chairman
(DIN: 07851556)

Sujith S
Company Secretary
(M.No.A31205)

Preethy Joseph
GM (Finance & Accounts)

UDIN : 25230338BMHVDM5104

Place : Thiruvananthapuram
Date: 14/11/2025



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
STATEMENT OF PROFIT AND LOSS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

(Rupees in Lakhs)

Particulars	Note No	Year ended 31st March, 2025	Year ended 31st March, 2024
Revenue from Operations			
(i) Interest Income	19A	12,895.38	12,008.39
(ii) Fees and Commission Income	19B	333.92	298.51
I Total Revenue from operations		13,229.30	12,306.90
II Other Income	20	106.21	72.67
III Total Income (I+II)		13,335.51	12,379.57
Expenses			
(i) Finance Costs	21	3,986.81	3,864.89
(ii) Employee Benefits Expenses	22	2,309.32	1,926.63
(iii) Depreciation, amortization and impairment	8 & 10	121.10	111.86
(iv) Impairment on financial instruments	23	20,087.31	693.59
(v) Other Expenses	24	758.22	528.62
IV Total Expenses		27,262.76	7,125.59
V Profit/(Loss) Before Tax (III-IV)		(13,927.25)	5,253.98
VI Tax Expense:			
(i) Current Tax		-	-
(ii) Deferred Tax		-	-
VII Profit/(Loss) for the year (V-VI)		(13,927.25)	5,253.98
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of post employee benefit obligations		(28.20)	44.21
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
IX Total Comprehensive Income for the year (IX+X)		(13,955.45)	5,298.19
X Earnings per Share			
(i) Basic (Rs)		(92.05)	34.78
(ii) Diluted (Rs)	25	(92.05)	34.78

Accompanying notes forms part of the Financial Statements.

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As per our report of events date attached

For Ananthan & Sundaram

Chartered Accountants

Handwritten Signature
CA. HARIKRISHNAN, R.S. FCA, DISA 14/11/25

Partner

Membership No. : 230338

UDIN : 25230338BMHVDM5104

Place: Thiruvananthapuram

Date : 14/11/2025

For and on behalf of the Board of Directors

Kerala State Backward Classes Development Corporation Limited

Handwritten Signature
ANJU IAS

Managing Director
(DIN:10363466)

Handwritten Signature
Sujith S
Company Secretary
(M.No.A31205)

Handwritten Signature

Adv K Prasad
Chairman
(DIN: 07851556)

Handwritten Signature
Preethy Joseph
GM (Finance & Acc)



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

(Rupees in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
A CASH FLOW FROM OPERATING ACTIVITIES:		
Total Comprehensive Income	(13,955.45)	5,298.19
Adjustments for reconciling profit before tax to net cash flow:		
Impairment on financial instruments	20,087.31	693.59
Profit on sale of Property, Plant and Equipment	(0.83)	(1.46)
Depreciation	121.10	111.86
Provision for Gratuity	80.93	36.03
Provision for Earned Leave	140.95	66.27
Provision for Corporate Social Responsibility	93.13	12.59
Grant Income	(32.98)	(16.11)
Finance Cost	3,986.81	3,864.89
Operating Profit before Working Capital Changes	10,520.97	10,065.85
Adjustment for (Increase)/ Decrease in Working Capital:		
(Increase) / Decrease in earmarked bank balances	(12.50)	-
(Increase) / Decrease in Other Financial assets	(40.37)	41.82
(Increase) / Decrease in Current Tax Assets [Net]	0.34	0.48
Increase / (Decrease) in Provisions	(104.74)	(185.48)
(Increase) / Decrease in Loans Granted [Net]	(8,870.11)	(13,014.97)
Increase / (Decrease) in Other non financial liabilities	2.24	(3.75)
(Increase) / Decrease in Other non-financial assets	(27.42)	(4.93)
Increase / (Decrease) in Payables	17.15	10.58
Increase / (Decrease) in Other Financial Liabilities	164.59	(39.15)
Cash used in operating activities	1,650.15	(3,129.55)
Finance Cost paid	(4,224.72)	(3,901.92)
Net cash used in operating activities (A)	(2,574.57)	(7,031.47)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment (including Capital Advance)	(174.45)	(16.52)
Sale of Property Plant and Equipment	-	0.87
Sale of non-current asset held for sale	1.26	1.24
Net cash used in investing activities (B)	(173.19)	(14.41)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Issue of equity shares	150.00	-
Payment of lease liabilities	(84.43)	(70.73)
Repayment/Proceeds from Borrowings(Net)	4,484.33	578.75
Grant in aid received	32.98	16.11
Grant in aid received for purchase of assets	-	8.89
Dividend paid	-	(600.00)
Net cash used in financing activities (C)	4,582.88	(66.98)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	1,835.12	(7,112.86)
Cash and Cash Equivalents at the beginning of the year	3890.43	11,003.29
Cash and Cash Equivalents at the end of the year	5,725.55	3,890.43

Notes

- 1) The above Cash Flow statement has been prepared under the indirect method as set out in IND AS 7 on 'Statement of Cash Flows'.
- 2) Components of cash and cash equivalents are disclosed in Note no. 3

Accompanying notes forms part of the Financial Statements.

As per our report of events date attached

For Ananthan & Sundaram

Chartered Accountants

Firm Registration Number : 000148S

[Signature]
14/11/25

CA.HARIKRISHNAN.R.S. FCA,DISA

Partner

Membership No. : 230338

UDIN : 25230338 BMHVDM5104

Place: Thiruvananthapuram

Date : 14/11/2025

For and on behalf of the Board of Directors
Kerala State Backward Classes Development

[Signature]
ANJU-AS
Managing Director
(DIN:10363465)

[Signature]
Adv K Prasad
Chairman
(DIN: 07851556)

[Signature]
Sujith S
Company Secretary
(M.No.A31295)

[Signature]
Preethy Joseph
GM Finance & Accounts



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	Amount in lakhs	No. of shares	Amount in lakhs
Balance at the beginning of the reporting year	1,51,13,800	15,113.80	1,50,00,000	15,000.00
Changes in Equity Share capital during the year	1,50,000	150.00	1,13,800	113.80
Balance at the end of the reporting year	1,52,63,800	15,263.80	1,51,13,800	15,113.80

B. Other Equity

Particulars	Share Application Money pending allotment	Reserves and Surplus				Other Comprehensive Income		Total
		General Reserve	Profit/(Loss) in Statement Profit and Loss	BCDC LDRF Special Reserve	Statutory Reserve as per section 45-IC of the RBI Act 1934	Impairment Reserve	Remeasurement of defined benefit plans	
Balance as at 1st April, 2023	113.80	25,169.37	-	505.42	3,214.26	3,092.84	36.99	32,132.68
Profit for the year	-	-	5,253.98	-	-	-	-	5,253.98
Transfer from BCDC LDRF Special Reserve	-	-	(281.39)	-	-	-	-	(281.39)
Transfer from Profit/(Loss)	-	1,708.67	(4,653.98)	176.36	1,050.80	1,718.15	-	-
Alotment of shares	(113.80)	-	(600.00)	-	-	-	-	(113.80)
Payment of interim dividend	-	-	-	-	-	-	-	(600.00)
Other Comprehensive Income for the year	-	-	-	-	-	-	44.21	44.21
Balance as at 31st March, 2024	-	26,878.04	-	400.39	4,265.06	4,810.99	81.20	36,435.68
Balance as at 1st April, 2024	-	26,878.04	-	400.39	4,265.06	4,810.99	81.20	36,435.68
Profit for the year	-	-	(13,927.25)	-	-	-	-	(13,927.25)
Transfer from BCDC LDRF Special Reserve	-	-	-	(319.46)	-	-	-	(319.46)
Transfer from Profit/(Loss)	-	(14,125.52)	13,927.25	198.27	-	-	-	(0.00)
Other Comprehensive Income for the year	-	-	-	-	-	-	(28.20)	(28.20)
Balance as at 31st March, 2025	-	12,752.52	-	279.20	4,265.06	4,810.99	53.00	22,160.77

(Rupees in Lakhs)



Accompanying notes forms part of the Financial Statements.

As per our report of events date attached

For Ananthan & Sundaram

Chartered Accountants

Firm Registration Number : 0001488

Handwritten signature 14/11/25

CA. HARIKRISHNAN, R.S. FCA, DISA

Partner

Membership No. : 230338

Place: Thiruvananthapuram

Date: 14/11/2025

For and on behalf of the Board of Directors

Kerala State Backward Classes Development Corporation Limited

Handwritten signature

ANJU IAS

Managing Director

(DIN:-10363465)

Handwritten signature

Sujitha

Company Secretary

(M.No.A31205)

Handwritten signature

Preethy Joseph

GM (Finance & Accounts)

Handwritten signature

Adv K Prasad

Chairman

(DIN: 07851556)

UDIN : 25230338BMHVDM5104

KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

CIN - U75122KL1995SGC008705

CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICIES

1 Corporate Information

Kerala State Backward Classes Development Corporation Ltd, herein after referred to as the Company is a Government Company Registered under the Companies Act, 1956 with 100% shares held by the Government of Kerala. The Company was incorporated in the year 1995 for giving loans to the people who belong to backward and minority communities and is a Non-Banking Finance Company registered under Section 45-IA of the Reserve Bank of India Act, 1934.

2 Basis of preparation & material accounting policies

The Financial Statements of the company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standards) Rules 2015 as amended from time to time and notified under section 133 of the Companies Act 2013 (the Act) along with other relevant provisions of the Act and The Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

The Financial Statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.1 Presentation of Financial Statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Financial Companies ("NBFC"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and directions issued by RBI or other regulators.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where ever permitted by Ind AS.

All assets and liabilities have been classified as Financial and Non – Financial as per the relevant IND AS. Assets and Liabilities are not classified as current and non-current in line with Division III to Schedule III of Companies Act 2013.

2.2 Functional and presentation currency

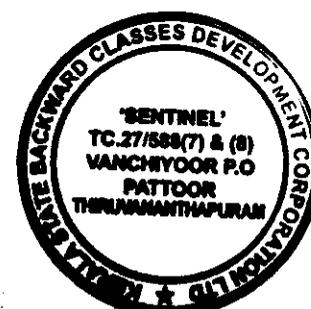
These financial statements are presented in Indian rupees (INR) which is also the Company's functional currency. All accounts are rounded-off to the nearest lakh with two decimals, unless otherwise stated.

2.3 Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods.

In particular, information about material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICIES

i) Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan & earned leave and the present value of the gratuity & earned leave obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

iii) Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models 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.

iv) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary

v) Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

vi) Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

2.4 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair values as required by relevant Ind AS.



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICIES

2.5 Fair value measurement

Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable.

All 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 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.

2.6 Summary of Material Accounting Policies

2.6.1 Property, Plant and Equipment and Intangible Assets

- i) Property, Plant and Equipment are stated at cost less depreciation. Costs comprise of cost of acquisition, cost of improvements and any cost attributable for bringing the asset into the condition or situation of its intended use.
- ii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.
- iii) Depreciation has been provided on written down value method on all Property, plant and equipment in accordance with Schedule II of the Companies Act, 2013. In respect of assets added/ disposed of during the year, depreciation is charged on pro-rata basis with reference to the date of addition/ disposal.

Estimated useful life of assets is as follows:

Category of PPE	Useful Life
Building	30 years
Computers And Data Processing Units	3 years
Electrical Fittings	10 years
Electrical Equipment	10 years
Furniture And Fixtures	10 years
Intangible Assets	5 years
Motor Vehicles	8 years
Office Equipment	5 years

- iv) The Company recognizes internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Company and the expenditure incurred for development of such intangible assets can be measured reliably. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the company.
- v) Assets acquired out of Grant in Aid which are adjusted against Grant received in the year itself and is shown at nominal value of Rs. 1.00 for each asset and no depreciation is charged in respect of these assets.
- vi) Capital work in progress comprises the cost of PPE that are not ready for intended use at the reporting date



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
CORPORATE INFORMATION AND MATERIAL ACCOUNTING POLICIES

2.6.2 Leases

The Company follows Ind AS 116-Leases for accounting for contracts which are in the nature of leases.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The right-of-use assets are depreciated using the straight-line method from the commencement date over the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.6.3 Impairment of Non-Financial Assets

Carrying amount of assets is reviewed at each balance sheet date based on the indications of impairment, which comprises of both internal and external factors. The assets are treated as impaired when the carrying amount of the assets exceeds its recoverable amount and such impairment loss is charged to Statement of Profit and Loss account in the year in which such impairment is identified. The impairment loss recognized in prior accounting period(s) is reversed to the extent of decrease in the impairment loss.

2.6.4 Financial Instruments

A. Financial Assets

(i) Recognition of financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

(ii) Initial measurement of financial instruments

All financial assets and financial liabilities are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value, as appropriate, on initial recognition except in the case of financial assets and financial liabilities recorded at fair value through profit or loss (FVTPL) where the transaction costs are recognized immediately in Statement of profit or loss.

A financial asset and a financial liability is offset and presented on a net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(iii) Classification & subsequent measurement

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- (a) Amortised cost
- (b) Fair value through other comprehensive income ('FVOCI')
- (c) Fair value through profit or loss ('FVTPL')

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Financial assets carried at amortised cost

The Company measures its financial assets at amortised cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Interest income and impairment expenses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

Financial assets carried at FVOCI

The Company subsequently classifies its financial assets as FVOCI, only 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
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the nature of portfolio, the period for which the interest rate is set and other factors which are integral to a lending arrangement.

Financial assets carried at FVTPL

Financial assets, which do not meet the criteria for categorization as at amortized cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognized in Statement of profit and loss. Net gains and losses, including any interest or dividend income, are recognized in Statement of profit and loss.

The company reviews the credit quality of its loans based on the ageing of the loan at the period end. There is no significant credit risk of any individual customer that may impact adversely, and hence the Company has calculated its ECL allowances on a collective basis.

B. Financial Liabilities & Equity Instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognized at the proceeds received, net of directly attributable transaction costs.

Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is held-for-trading or it is a derivative or it is designated as such on initial recognition. However, financial liabilities classified as 'financial liabilities at amortised cost' are subsequently measured at amortised cost. Interest expense and other gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

2.6.5 Impairment of Financial Assets

Expected credit losses ('ECL') are recognized for applicable financial assets held under amortized cost.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1'. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is objective evidence of impairment are considered to be in 'stage 3'.

Financial assets (and the related impairment allowances) are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.

The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience.

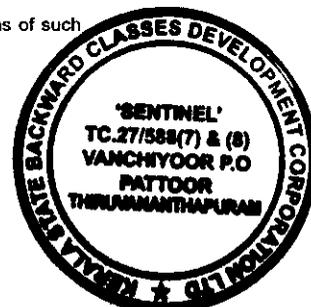
Treatment of the different stages of financial assets and the methodology of determination of ECL

1) Credit Impaired (Stage 3)

The Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily with respect to-

- a) Contractual payments of principal and/or interest are past due for more than 90 days
- b) The loan is otherwise considered to be in default

Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3. Life time ECL is provided for Stage 3 assets.



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2) Significant Increase in Credit Risk (Stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, any overdue of more 30 days and up to 90 days during the life of the asset is considered as an indication of financial assets to have suffered a significant increase in credit risk. The default risk is assessed using PD (probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. Life time ECL is provided for Stage 2 assets.

3) Without significant increase in credit risk since initial recognition. (Stage 1)

A financial asset is considered to not have any significant increase in credit risk since initial recognition if it is not overdue for a period up to 30 days. ECL resulting from default events that are possible in the next 12 months are recognized for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends.

Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD.

- a) Determination of PD is covered above for each stage of ECL
- b) EAD represents the expected balance at default taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities
- c) LGD represents expected losses on the EAD given the event of default taking into account among other attributes the mitigating effect of collateral value at the time it is expected to be realized and the time value of money

2.6.6 Revenue Recognition

(i) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable. For credit impaired financial assets the interest is accrued net of allowance for expected credit losses.

(ii) Any other income such as interest on SB, Short –Term Deposits etc. are also recognized on accrual basis.

(iii) The Company has also recognized Pre-Fixed Interest i.e.: - the interest which is cumulated between instalments, for loans which are disbursed over multiple instalments till the date of fixing the EMI as per Ind AS.

(iv) Penal interest is accounted on receipt basis.

(v) Fees and Commission is recognised in accordance with the terms of the relevant contracts/agreements and when it is probable that the company will collect the consideration.

2.6.7 Grant In Aid

Grants sanctioned by Government or the channel partners for programmes undertaken for the development of the target group are recognized in the Statement of Profit and Loss Account as income and matching expenses are disclosed separately in the profit and loss account. Unspent grants and grants received in advance are taken to other financial liabilities. Grants receivable as compensation for expenses incurred in a previous accounting period are recognised in the profit and loss account of the period in which it becomes receivable.



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2.6.8 Employee Benefits

1) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and allowances, etc. are recognized in the period in which the employee renders the related service.

2) Defined Benefit Plans: Leave Encashment & Gratuity

The present value of the obligation under such defined benefit plans are determined based on actuarial valuation. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Re-measurement gains and losses on net defined benefit liability/ assets are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3) Defined Contribution Benefits: Provident Fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

2.6.9 Finance Cost

Finance costs include interest and other ancillary borrowing costs. It also includes guarantee commission paid to the Government of Kerala for providing guarantee for the corporation's borrowings. Finance costs are charged to the Statement of Profit and Loss.

2.6.10 Taxation

Provision for income tax has not been made in the accounts as the income of the Corporation is exempt under section 10(26B) & 10(26BB) of the Income Tax Act, 1961. Consequently the Indian Accounting Standard 12 on Income Taxes issued by the Institute of Chartered Accountants of India on deferred taxes is not applicable to the Corporation.

2.6.11 Provisions, Contingent Liabilities, and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to the balance sheet. Provision is made in the accounts in respect of those contingencies that are likely to materialize into liabilities after the year-end, until the finalization of the accounts that have material effect on the position stated in the balance sheet.

Contingent assets are recognized in the financial statements where there is certainty and documentation in support of the same.



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2.6.12 Books of Accounts in electronic mode:

The Corporation has online in-house software 'BCDC Online' to monitor its lending business all over the State of Kerala. The statutory financial books of account are maintained with the aid of Tally Accounting Software in the Head Office and Branches of the Corporation. Back-up of the books of account and other books and papers of the company maintained in electronic mode are kept in servers physically located in India on a periodic basis.

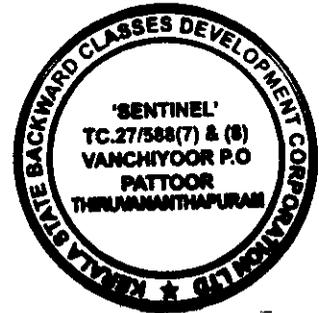
2.6.13 Statement of Cash Flows

Cash flows are reported using indirect method as permitted under Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash and cash equivalent shown in the financial statement exclude items which are not available for general use as on reporting date.

2.6.14 Earnings per share

Basic Earnings per equity share are calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares. Diluted Earnings per equity share are calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

3 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Cash on hand	110.05	67.07
Balance with Banks:-		
In Current Accounts	4,601.15	3,307.01
In Term Deposit Accounts with original maturity upto 3 months	1,000.43	502.13
Balance with Government of Kerala Treasury SB Account	13.76	14.01
Others:-		
Stock of Stamps	0.16	0.21
	5,725.55	3,890.43

3.1 Cash on Hand and Stock of Stamps are physically verified and certified by Individual Unit Heads.

4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Earmarked balances with banks		
For Corporate Social Responsibility expenditure	12.50	-
	12.50	-

5 LOANS (at amortized cost)

Particulars	As at 31st March, 2025	As at 31st March, 2024
(A) Loans Secured by tangible assets		
General Term Loans:		
Loans out of NBCFDC Funds - Secured	17,020.19	19,980.55
Loans out of NMDFC Funds - Secured	21,582.90	20,912.26
Loans out of KSBCDC Funds - Secured	82,258.41	71,348.44
Employees House Building Advance	224.21	264.96
Less: Impairment allowance	(23,432.44)	(7,172.59)
	97,653.27	1,05,333.62
Unsecured Loans		
General Term Loans:		
Loans out of NBCFDC Funds - Unsecured	8,215.30	6,451.26
Loans out of NMDFC Funds - Unsecured	12,165.30	10,028.58
Loans out of KSBCDC Funds - Unsecured	25,919.62	23,583.23
Micro Finance Scheme:		
Loans out of NBCFDC Funds - Micro	6,742.12	6,742.12
Loans out of NMDFC Funds - Micro	10,422.76	10,422.76
Loans out of NSKFDC Funds - Micro	28,947.10	35,215.38
Employees Personal Loan Scheme	127.21	124.93
Less: Impairment allowance	(6,143.40)	(2,315.94)
	86,396.01	90,252.32
	1,84,049.28	1,95,585.94
(B) Loans		
Loans in India		
(i) Public Sector	-	-
(ii) Others	2,13,625.12	2,05,074.47
Less: Impairment allowance	(29,575.84)	(9,488.53)
	1,84,049.28	1,95,585.94
Loans outside India	-	-



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

- 5.1 Secured loans are secured by Equitable mortgage against Land/ Property.
- 5.2 Unsecured loans under Micro Finance schemes to CDS are guaranteed by inter se agreement between beneficiaries.
- 5.3 Unsecured loans under Micro Finance schemes to NGOs are guaranteed by assets of NGO.
- 5.4 Secured loans to employees under EHBA are secured by Equitable mortgage against Land/ Property.
- 5.5 Unsecured loans to employees under EPLS are guaranteed by employee surety.
- 5.6 There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL
- 5.7 Impairment allowance are computed based on Ind AS 109
- 5.8 Bifurcation of NBCFDC loans into General Term Loan and Micro Finance term loans are based on utilisation of the company
- 5.9 Refer Note 36.3 relating to credit risk on Loan asset

6 OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Term Deposits with banks	180.25	180.25
Less: Provision for Doubtful Term Deposits (Refer Note 6.1)	(180.25)	(180.25)
Crafts Village (Refer Note 6.2)	38.67	38.67
Resumption of Government of Kerala	111.15	60.82
Subsidy Receivable From NORKA	-	16.35
Claim receivable (Refer note 6.3)	24.33	24.33
Other Financial Assets	50.54	44.15
	224.69	184.32

- 6.1 The amount of Rs 180.25 lakhs represents balance of terms deposits with bank which could not be reconciled with confirmations received from banks in earlier years. Considering the uncertainty regarding the nature and recoverability of the balance, the Company has created a provision for the entire amount of ₹180.25 lakhs in the books of account.
- 6.2 **Crafts Village**
The Govt. of Kerala had decided to set up a CRAFT VILLAGE at 5.1 acres of land of Survey number: 422 (1 to 9), Block Number 35. 11 Ward of Kannambra Village, Kannambra Panchayath, Palakkad district and gave a provisional sanction under KIIFB project vide order no. G.O.(Ms)10/2018/BCDD dated 10-12-2018. The Company was selected as the Special Purpose Vehicle for the project and KITCO Ltd prepared the DPR with an estimated cost of Rs 3,480 Lakhs. A resolution dated 17/02/2017 has been passed by Kannambra Panchayath to grant land under ward no 11 in Chillaparamb for the project. The Company had paid Rs. 38.67 Lakhs as the cost of preparation of the DPR to KITCO Ltd. KIIFB had issued approval and funding sanction and was directed to proceed with the work. However, District Collector of Palakkad, sent a report to Revenue Department stating that since the the Company is not a service department of the Government ownership and control of the land cannot be transferred without charging the market price. Further actions on implementation of Crafts Village Project can be initiated only after transfer of ownership of the land to the Company.
As per letter no. RE2/246/2023-LSGD dated 07-06-2024, Project viability report is pending to be submitted to the government for transfer of ownership of land.
- 6.3 Construction of building in Kollam is treated as claim receivable as the work has been suspended and the information relating to completion schedule and any overrun of time / cost exceeding initial estimates is not ascertainable at this stage due to practical difficulties. Refer Note 31 for more details.

7 CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2025	As at 31st March, 2024
TDS Receivable	0.05	0.39
	0.05	0.39

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

8 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land (Refer Note 8.1 below)	Building		Vehicles	Computers And Data Processing Units	Furniture And Fixtures	Electrical Fittings	Office Equipment	Electrical Equipment	Total
		Freehold	Right of use under lease (Refer Note 8.6 below)							
GROSS CARRYING AMOUNT										
Balance as at 01 April, 2023	32.59	3.39	199.52	20.74	50.13	125.40	17.87	81.94	14.67	546.25
Additions during the year	-	-	21.60	-	1.55	5.18	2.50	5.03	0.40	36.26
Disposals/Deductions during the year	-	-	-	4.40	3.80	-	-	7.40	-	15.60
Balance as at 31 March, 2024	32.59	3.39	221.12	16.34	47.88	130.58	20.37	79.57	15.07	566.91
Balance as at 01 April, 2024	32.59	3.39	221.12	16.34	47.88	130.58	20.37	79.57	15.07	566.91
Additions during the year	58.00	-	132.63	-	25.00	33.64	1.64	14.09	0.57	265.57
Disposals/Deductions during the year	-	-	-	-	0.91	-	-	3.07	-	3.98
Balance as at 31 March, 2025	90.59	3.39	353.75	16.34	71.97	164.22	22.01	90.59	15.64	828.50
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES										
Balance as at 01 April, 2023	-	1.33	51.33	17.03	38.35	69.00	9.21	52.47	10.49	249.21
Additions during the year	-	0.20	78.18	0.51	3.64	14.46	2.32	11.27	1.02	111.60
Disposals/Deductions during the year	-	-	-	4.08	-	-	-	2.21	-	6.29
Balance as at 31 March, 2024	-	1.53	129.51	13.46	41.99	83.46	11.53	61.53	11.51	354.52
Balance as at 01 April, 2024	-	1.53	129.51	13.46	41.99	83.46	11.53	61.53	11.51	354.52
Additions during the year	-	0.18	81.75	0.17	13.82	12.45	2.65	9.11	0.83	120.96
Disposals/Deductions during the year	-	-	-	0.30	-	-	-	1.78	-	2.08
Balance as at 31 March, 2025	-	1.71	211.26	13.33	55.81	95.91	14.18	68.86	12.34	473.40
NET CARRYING AMOUNT										
As at 31 March, 2025	90.59	1.68	142.49	3.01	16.16	68.31	7.83	21.73	3.30	355.10
As at 31 March, 2024	32.59	1.86	91.61	2.88	5.89	47.12	8.84	18.04	3.56	212.39

8.1 During the previous year land has been assigned to KSBDC by the GoK for Institutional purposes at subsidized rate below the market value for a cost of Rs 27.76 lakhs. As per para 24 of IND AS 20 (Notification No. G.S.R. 903(E) dated 20th September, 2018), Government grants related to assets, including non-monetary grants at fair value, can be presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

Fair Market Value of Land = 325.86 Lakhs
Less: Grant from Government = (293.27 Lakhs)

Value of Land = 32.59 Lakh

8.2 Leasehold Land in which building is constructed in Kollam is shown at nominal value of Rs. 1.00 in books of accounts.

8.3 Property, Plant & Equipment are physically verified at unit level. Property, Plant & Equipment register is maintained online

8.4 There are 112 Assets acquired out of Grant in Aid which are adjusted against Grant received in the respective year

8.5 Building represents Compound wall built on Leasehold property at Kollam.

8.6 Refer Note 34 for additional disclosure related to Rights-of-use assets required pursuant to Ind AS 116.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

9 CAPITAL WORK IN PROGRESS

Particulars	Amount (in lakhs)
Balance as at 01 April, 2023	-
Additions during the year (Refer Note 9.1)	1.81
Disposals/Deductions during the year	-
Balance as at 31 March, 2024	1.81
Balance as at 01 April, 2024	1.81
Additions during the year (Refer Note 9.1)	-
Disposals/Deductions during the year	-
Balance as at 31 March, 2025	1.81

9.1 Capital Work in Progress comprises of permit fee paid in connection with construction of building at Pettah

Capital Work In Progress Aging

As at 31st March, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Construction of building		1.81	-	-	1.81

10 INTANGIBLE ASSETS - SOFTWARE

Particulars	Amount (in lakhs)
GROSS CARRYING AMOUNT	
Balance as at 01 April, 2023	2.88
Additions during the year	-
Disposals/Deductions during the year	-
Balance as at 31 March, 2024	2.88
Balance as at 01 April, 2024	2.88
Additions during the year	-
Disposals/Deductions during the year	-
Balance as at 31 March, 2025	2.88
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES	
Balance as at 01 April, 2023	2.16
Additions during the year	0.26
Disposals/Deductions during the year	-
Balance as at 31 March, 2024	2.42
Balance as at 01 April, 2024	2.42
Additions during the year	0.14
Disposals/Deductions during the year	-
Balance as at 31 March, 2025	2.56
NET CARRYING AMOUNT	
As at 31 March, 2025	0.32
As at 31 March, 2024	0.46



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

11 OTHER NON-FINANCIAL ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Assets held for sale (Refer note 11.1)	0.11	0.32
GST Receivable	4.44	4.05
Prepaid Expenses	3.30	3.09
Capital Advances (Refer note 11.2)	65.63	0.27
Employee Advances	27.53	0.93
	101.01	8.66

- 11.1 Asset held for sale comprises of four vehicles as on 31 March,2025, for which the company is in the process of finding suitable buyers.
11.2 Capital advance of Rs.65.36 lakhs is paid towards construction of Head Office building, civil work of the building commenced during FY 24-25, however the invoices for the same has not been received, therefore the amount paid towards construction is treated as capital advance.

12 PAYABLES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises & small enterprises	104.14	86.99
	104.14	86.99

Payables Aging schedule 31st March, 2025

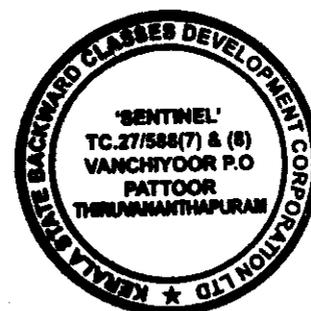
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	104.14	-	-	-	104.14
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Payables Aging schedule 31st March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
Others	86.99	-	-	-	86.99
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

12.1 Micro, Small and Medium Enterprise:

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small Enterprise which are outstanding for more than the stipulated period are Nil.



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

13 BORROWINGS (other than debt securities)

Particulars	As at 31st March, 2025	As at 31st March, 2024
At Amortised cost		
(A) Unsecured Loans:-		
Term Loan from other Parties:-		
Term Loan Schemes:-		
National Backward Class Finance and Development Corporation	31,954.78	29,362.70
National Minority Development and Finance Corporation	43,233.07	41,769.99
	75,187.85	71,132.69
Micro Finance Schemes:		
National Backward Class Finance and Development Corporation - Micro Finance	12,151.61	14,146.30
National Minority Development and Finance Corporation - Micro Finance	22,881.21	20,755.67
National Safai Karmachari Financial Development Corporation - Micro Finance	40,463.57	40,403.16
	75,496.39	75,305.13
(B) Lease Liabilities		
Lease liabilities	121.71	73.51
	1,50,805.95	1,46,511.33

13.1 Lender-wise breakup of borrowings:

Particulars	As at 31st March, 2025	As at 31st March, 2024
National Backward Class Finance and Development Corporation	44,106.39	43,509.00
National Minority Development and Finance Corporation	66,114.28	62,525.66
National Safai Karmachari Financial Development Corporation	40,463.57	40,403.16
	1,50,684.24	1,46,437.82

13.2 All the above Loans are unsecured and Guaranteed by Government of Kerala to the tune of Rs.1,50,684.24 (March 2024: Rs.1,46,437.82 Lakhs) as on Balance Sheet Date.

13.3 There are no borrowings measured at FVTPL or designated at FVTPL

13.4 These loans are under various schemes, the repayment of which ranges from 4 to 10 years

13.5 The Company has not defaulted in repayment of principal and interest on above borrowings

13.6 There are no loans from related parties

13.7 The Corporation is paying 0.75 percentage of the total actual loan, including interest penal interest etc., which remain outstanding as on 31st March of the preceding year, as Guarantee Commission to the Government of Kerala (GO(MS) No. 487/04/Fin. Dated Thiruvananthapuram 16th October 2004).

13.8 Repayment Terms:

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Interest Range	Amount	Interest Range	Amount
Repayable in Instalments				
Quarterly				
Maturing within 1 year	1% - 5.5%	11,875.79	1% - 5.5%	8,098.09
Maturing after 1 year	1% - 5.5%	1,38,808.45	1% - 5.5%	1,38,339.73
Total		1,50,684.24		1,46,437.82



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

14 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Subsidies received (Refer note 14.1)		
Subsidy from NORKA	397.57	532.15
Relife Subsidy from Backward Class Development Department	-	2.00
Subsidy from Small Farmers Agri Business Consortium	14.54	14.54
Subsidy from Backward Class Development Department	39.89	2.87
Subsidy-Punarjani	12.07	-
Fishermen Debt Relief Fund Payable	21.39	21.39
Refund of Excess Collection (Refer note 14.2)	87.48	81.77
Performance Incentive Payable	177.08	84.33
Earnest Money Deposit	0.20	0.25
Creditors for Capital Goods	22.17	0.22
Security Deposits	1.65	1.26
Pay Revision Arrear Payable (Refer note 14.3)	709.71	556.43
	1,483.75	1,297.21

14.1 Subsidy received will be credited to the loanees account on last year of repayment period.

14.2 Where the Corporation receives an amount in excess than what is required at the time when such loan is closed, then the Corporation, after scrutinizing such payment so received, being satisfied, intimate the concerned person to collect such excess payment from the company within a stipulated period and even in cases where they become late for such collection, the company releases the payment to them as and when they made the demand.

14.3 As per the Government order dt. 10th February 2021 G.O.(P)No.27/2021/Fin, salaries and allowance of government employees were revised with retrospective effect from 1st July 2019 as per the recommendations of 11th Pay commission. The Board of Directors on their meeting held on 4th June 2021, approved the revision of the salaries and allowances of the company's employees in line with the increase recommendation by the above government order. The increase of salaries and allowance will be disbursed to employees subject to approval of Government of Kerala.

The company has created provision for retrospective revision of salaries and allowance based on estimate of the management.

The year wise breakup of pay revision is given below:

Financial Year	Amount (in Lakhs)
2019-2020	58.07
2020-2021	91.34
2021-2022	134.79
2022-2023	129.64
2023-2024	142.59
2024-2025	153.28
Total	709.71



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

15 PROVISIONS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Employee Benefits (Refer Note 26):		
Compensated Absences	388.09	339.88
Gratuity	93.76	24.74
Other Provisions		
Provision for Corporate Social Responsibility (Refer Note 15.1 & 15.2)	122.34	29.30
	604.19	393.92

15.1 Movement in Provisions for Unspent Amount on Corporate Social Responsibility:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	29.30	57.78
Add: Additions	93.13	29.30
Less: Deletions	(0.09)	(57.78)
Closing Balance	122.34	29.30

15.2 Corporate Social Responsibility payable for the year ended 31st March 2025, includes Rs.71.68 lakhs (including 12.50 lakhs of FY 2023-24 in CSR escrow account) towards ongoing projects which was transferred to separate escrow account by April 30, 2025, and balance of Rs.50.66 lakhs will be transferred to PM CARES fund

Ongoing project of Rs.59.18 lakhs includes :

- (a) Open Gym Project implemented by Chembilode Grama Panchayath in Kannur District - Rs.15 lakhs
- (b) Bio Gas Plant in Kottayam Medical College - Rs.39.18 lakhs
- (c) Menstrual Cup Distribution through HLL Management Academy in Mananthavady, Wayanad - Rs.5 lakhs

15.3 Balance of Rs.12.50 lakhs in CSR escrow account pertaining to FY 2023-24 will be spent towards an ongoing project of NISH (National Institute of Speech and Hearing).

16 OTHER NON FINANCIAL LIABILITIES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Statutory Dues	47.71	45.47
	47.71	45.47

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

CIN - U75122KL1995SGC008705

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

17 Equity Share Capital

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
Authorized Capital: (2,00,00,000 Equity shares of Rs. 100 each)	2,00,00,000	20,000.00	2,00,00,000	20,000.00
	2,00,00,000	20,000.00	2,00,00,000	20,000.00
Issued, Subscribed and Paid Up Capital: (1,52,63,800 Equity shares of Rs. 100 each)	1,52,63,800	15,263.80	1,51,13,800	15,113.80
	1,52,63,800	15,263.80	1,51,13,800	15,113.80

17.1 Rights Attached to Each Class of Equity Shares

The Company has issued only one class of equity shares having a par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

17.2 Reconciliation of the No. of Shares outstanding at the beginning & at the end of the reporting period

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
Shares outstanding at the beginning of the year	1,51,13,800	15,113.80	1,50,00,000	15,000.00
Shares Issued during the period	1,50,000	150.00	1,13,800	113.80
Shares Bought back during the period	-	-	-	-
Shares Outstanding at the end of the year	1,52,63,800	15,263.80	1,51,13,800	15,113.80

17.3 Particulars of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Number	Amount (in lakhs)	Number	Amount (in lakhs)
Government of Kerala	1,52,63,800	15,263.80	1,51,13,800	15,113.80

17.4 Share application money for pending allotment

Particulars	As at 31st March, 2025	As at 31st March, 2024
Share application money for pending allotment	-	-

17.5 Equity Shares held by promoters at the end of the financial year

Name of the promoter	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Government of Kerala	1,52,63,800	100%	1,51,13,800	100%	-
Total	1,52,63,800		1,51,13,800		

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

18 OTHER EQUITY

Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Share Application Money pending allotment		
Opening balance	-	113.80
Less: Allotment of shares	-	113.80
Closing balance	-	-
(b) General Reserve		
Opening balance	26,878.04	25,169.37
Add: Transfer from Statement of Profit and Loss	(14,125.52)	1,708.67
Closing balance	12,752.52	26,878.04
(c) Profit/ (Loss) for the year		
Opening Balance	-	-
Add: Transfer from General Reserve	-	-
Add: Profit for the year	(13,927.25)	5,253.98
Less: Transfer to BCDC LDRF Special Reserve	198.27	176.36
Less: Transfer to Statutory Reserve as per 45-IC of the RBI Act 1934	-	1,050.80
Less: Transfer to Impairment Reserve	-	1,718.15
Less: Dividend paid (Refer Note 18.6)	-	600.00
Less: Transfer to General Reserve	(14,125.52)	1,708.67
Closing balance	-	-
(d) BCDC LDRF Special Reserve		
Opening Balance	400.39	505.42
Add: Additions	198.27	176.36
Less: Transferred	319.46	281.39
Closing balance	279.20	400.39
(e) Statutory Reserve as per section 45-IC of the RBI Act 1934		
Opening Balance	4,265.06	3,214.26
Add: Additions	-	1,050.80
Closing balance	4,265.06	4,265.06
(f) Impairment Reserve		
Opening Balance	4,810.99	3,092.84
Add: Additions	-	1,718.15
Less: Transferred	-	-
Closing balance	4,810.99	4,810.99
(g) Other Comprehensive Income		
Opening Balance	81.20	36.99
Other Comprehensive Income for the year	(28.20)	44.21
Closing Balance	53.00	81.20
	22,160.77	36,435.68

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

CIN - U75122KL1995SGC008705

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

18.1 Share Application Money pending allotment

The delay in share allotment of Rs. 113.80 lakhs in FY 2022-23 was due to a delay in receiving government sanction for increasing the authorized share capital. The authorized share capital was subsequently increased and approval for the share allotment was received from the ROC on 25th April 2023.

18.2 General Reserve

General reserve is created through annual transfer of profits after appropriations to Statutory Reserve as per 45-IC of the RBI Act 1934, Transfer to BCDC Loan Distress Relief Fund Special Reserve and Transfer to Impairment Reserve

18.3 Statutory Reserve as per 45-IC of the RBI Act 1934

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

18.4 BCDC LDRF Special Reserve

BCDC LDRF Special Reserve is maintained for addressing the loanees in distress due to death/ incapacitation of loanees. During the current year, Rs. 319.46 lakhs were adjusted against the dues of 270 loanees (Previous year Rs.281.39 lakhs for 270 loanees). The BCDC LDRF Reserve is prepared in general by transferring 2/3 part of the processing fee in the case of new loans except self employment loans above 10 lakhs and in the case of self employment loans above 10 lakhs, 1/3 of the processing fee is earmarked to LDRF Reserve. Processing fee charged on the micro credit scheme and Ente Veedu Scheme is excluded.

In respect of processing fees, the fee collected upfront is segregated as 2/3rd towards LDRF fund and transferred to LDRF Special Reserve. The balance 1/3rd of the fee is recognised upfront as income instead of amortisation under effective interest rate method as per Ind AS 109 since the impact is not considered as material in nature by the management.

18.5 Impairment Reserve

As per Prudential Floor for ECL as per 2(b) & (c) Annex to RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Circular dated 13th March 2020, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI. The requirement for 'Impairment Reserve' shall be reviewed, going forward.

18.6 Dividend paid

Dividend of Rs.600 lakhs was declared and paid during FY 23-24 to Government of Kerala based on the directions of Government Order vide G.O (P) No. 61/2023/Fin dated 23.06.2023 relating to the financial year 2021-22

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

19 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
On Financial Instruments measured at Amortized cost		
(A) Interest Income:-		
(i) Interest Income on Loans		
Interest on Term Loans/Micro Finance	11,769.45	10,884.35
Interest on EHBA	15.91	18.37
Interest on EPLS	9.70	8.87
Penal Interest on Scheme Loans	452.97	446.19
Pre Fixed Interest	419.22	446.49
(ii) Interest on fixed deposits with banks		
Interest from Fixed deposit with maturity period less than 3 months	228.13	204.12
	12,895.38	12,008.39
(B) Fees and commission income:		
Processing Fee Collected	333.92	298.51
	333.92	298.51
	13,229.30	12,306.90

19.1 There is no loan asset measured at FVTPL or FVOCI

19.2 2/3rd part of Processing Fee Collected from new loans other than self-employment loans above 10 lakhs is appropriated to LDRF Reserve and in the case of self-employment loans above 10 lakhs 1/3 of the processing fee is earmarked to LDRF Reserve. The balance 1/3rd of the fee is recognised upfront as income instead of amortisation under effective interest rate method as per Ind AS 109 since the impact is not considered as material in nature by the management.

20 OTHER INCOME

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Miscellaneous Income	106.21	72.67
	106.21	72.67

21 FINANCE COSTS

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Interest on Borrowings:		
Interest on NBCFDC Fund	1,053.66	1,024.46
Interest on NMDFC Fund	1,419.64	1,341.75
Interest on NSKFDC Fund	408.04	387.55
Other Interest expense:		
Guarantee Fee to Govt. of Kerala	1,096.01	1,088.99
Interest on Lease liabilities	9.46	22.14
	3,986.81	3,864.89

22 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Salaries and wages	2,120.10	1,781.08
Contribution to Provident and Other Funds	185.28	142.34
Staff Welfare Expenses	3.94	3.21
	2,309.32	1,926.63



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

23 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
On Financial Instruments measured at Amortized cost		
Loans	20,087.31	693.59
	20,087.31	693.59

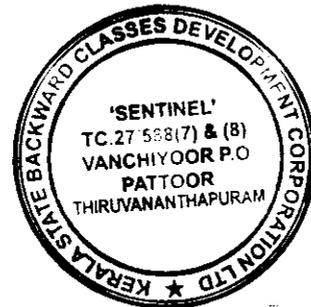
- 23.1 The Reserve bank of India vide circular dated 10th October 2023 has extended the 'Prompt corrective Action (PCA) framework to Non-Banking Financial (Companies) to Government NBFCs with effect from 1st October 2024. Based on the same an additional one-time provision of Rs 21,000 lakhs over and above the provision required has been made towards impairment of financial instruments for the year ended 31st March 2025.

24 OTHER EXPENSES

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Rent, taxes and energy costs	45.25	35.35
Repairs and maintenance	54.39	51.39
Communication Costs	38.35	35.29
Printing and Stationery	44.66	47.16
Advertisement and publicity	18.64	56.45
Director's fees, allowances and expenses	19.64	16.86
Auditor's fees and expenses (Refer note 24.1)	3.13	1.75
Insurance	5.69	2.85
Travelling and Conveyance	106.67	82.07
Loan Mela and Awareness and EXPO Programme Expenses	7.59	12.19
Filing Fee	3.46	0.48
Bank Charges	2.71	5.79
Power and Fuel	33.10	41.93
CSR Expenditure (Refer Note 24.2)	124.34	104.62
Contribution to Chief Minister's Relief Fund	100.00	-
General Expenses	150.60	34.44
	758.22	528.62

24.1 Payment to auditors

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
As auditor:		
Statutory Audit fees	2.75	1.75
For Reimbursement of expense	0.38	-
	3.13	1.75



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

24.2 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company has constituted a CSR committee. The details for CSR activities are as follows:

24.2.1 Detail of amount spent towards CSR activities

S.No	Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a)	Gross amount required to be spent by the Company during the year	124.34	104.62
(b)	Amount spent during the year on:		
(i)	Construction/Acquisition of assets		
	- In Cash	-	-
	- Yet to be paid in cash	-	-
(ii)	On purpose other than (i) above		
	- In Cash	31.21	75.32
	- Yet to be paid in cash	93.13	29.30
(c)	Shortfall at the end of the year (Refer Note 15.1)	93.13	29.30
(d)	Reason for shortfall (Refer Note 15.2)		

24.2.2 Details of Ongoing Projects

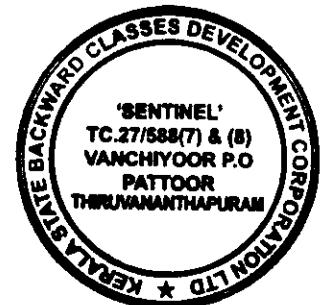
Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Opening Balance		
With Company	12.50	-
In Separate Unspent CSR A/C		-
Transfer to Separate CSR Unspent A/C	(12.50)	-
Amount required to be spent during the year	59.18	12.50
Amount spent during the year		
From Company's Bank A/C	-	-
From Separate Unspent CSR A/C	-	-
Closing Balance		
With Company	59.18	12.50
In Separate Unspent CSR A/C	12.50	-

24.2.3 Nature of CSR Activities

CSR activities include activities for eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, ensuring environmental sustainability and ecological balance.

24.3 Prior Period Adjustment

- i. The Corporate Social Responsibility (CSR) liability for the financial year 2023-24 was originally computed at 2% of the average net profits of the preceding three financial years, based on the restated financial statements of those years. During the supplementary audit conducted by the Comptroller and Auditor General of India (CAG) for the financial year 2023-24, vide comments dated 13th August 2025, it was recommended that the provision for CSR expenditure should be computed based on the profits as per the original audited financial statements, and not on the profits as per the restated financial statements. In compliance with the said recommendation and based on legal opinion obtained, the Company has, during the current year, recomputed the provision for CSR expenditure for the financial year 2023-24 based on the profits disclosed in the original audited financial statements of the respective preceding years. Consequently, the CSR expense for the year 2023-24 has increased from Rs.87.91 lakhs to Rs.104.62 lakhs. The differential amount of Rs.16.71 lakhs arising on such recomputation has been adjusted by restating the comparative figures of the previous year in the financial statements, in accordance with the requirements of Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.
- ii. Expenses pertaining to FY 2023-24 identified during the year, consequently previous year's financial statements have been restated to give effect for this prior period adjustment in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates, and Errors



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

The impact on the restatement on the comparative financial statements for the year ended March 31, 2024 is as follows:

Particulars	Other Equity	Profit After Tax
Balance as per Audited Financial Statements for the year ended March 31, 2024	36,454.45	5,272.75
Less : Additional CSR provision created	16.71	16.71
Less: Regrouping of an expense head to liability	2.87	2.87
Less: Prior period expenses restated	(0.81)	(0.81)
Restated Balance	36,435.68	5,253.98

25 Earnings per share

Basic Earnings per equity share is calculated by dividing the profit attributable to the equity shareholders by the number of equity shares outstanding at the end of the year. Diluted Earnings per equity share are calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding. The numbers used in calculating basic and diluted earnings per equity share are as stated below.

Sl.No	Description	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(a)	Net Profit available for equity shareholders (in lakhs Rupees)	(13,927.25)	5,253.98
(b)	Weighted average number of equity shares outstanding (in lakhs)	151.30	151.06
(c)	Basic Earnings per share (Face Value Rs 100 each) (in Rs.)	(92.05)	34.78
(d)	Diluted Earnings per share (Face Value Rs 100 each) (in Rs.)	(92.05)	34.78



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

26 Employee Benefit Obligations

Particulars	Gratuity		Earned Leave	
	For the year ended		For the year ended	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
I Change in defined benefit obligation				
Defined benefit obligation at the beginning of the period	841.59	812.80	339.88	376.78
Current service cost	52.23	37.62	68.58	61.76
Past service cost	-	-	-	-
Interest expense	56.71	59.27	21.25	24.06
Acquisition/ Divestiture	-	-	-	-
Re-measurement (gains)/ losses arising due to:	-	-	-	-
a. change in financial assumptions	-	-	-	-
b. change in demographic assumptions	-	-	-	-
c. experience adjustments	-	-	-	-
Benefits Paid	(116.52)	(23.84)	(92.73)	(103.17)
Actuarial (Gains)/Loss	30.17	(44.25)	51.12	(19.55)
Defined benefit obligation at the end of period	864.18	841.60	388.09	339.88
II Change in fair value of plan assets during the year				
Fair value of plan assets at the beginning of the period	828.84	791.88	-	-
Interest Income	56.22	57.83	-	-
Expected return on plan assets	-	-	-	-
Employer contributions	11.90	3.02	-	-
Re-measurement gains/ (losses) arising due to:	-	-	-	-
- Actuarial gain/(loss) on plan assets	1.96	(0.05)	-	-
Benefits paid	(116.52)	(23.84)	-	-
Fair value of plan assets at the end of the period	782.41	828.84	-	-
III Actual return on plan assets				
Return on plan assets	58.18	57.78	-	-
Actuarial gain/(loss) on plan assets	1.96	(0.05)	-	-
Actual return on plan assets	60.15	57.73	-	-
Net Defined benefit obligation				
Defined benefit obligation at the end of the year	(864.18)	(841.59)	(388.09)	(339.88)
Fair value of plan assets at the end of the year	782.41	828.84	-	-
Surplus/ (deficit)	(81.77)	(12.75)	(388.09)	(339.88)
Effect of Asset Ceiling	-	-	-	-
Net Defined benefit (liability)/asset	(81.77)	(12.75)	(388.09)	(339.88)



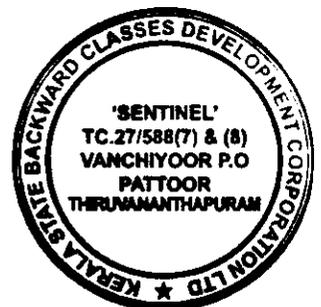
KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

Particulars	Gratuity		Earned Leave	
	For the year ended		For the year ended	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
IV Amounts recognised in the Statement of Profit & Loss				
Current service cost	52.23	37.62	68.58	61.76
Past service cost	-	-	-	-
Interest cost (net)	0.49	1.44	21.25	24.06
Immediate Recognition of (Gain)/Losses-Other Long Term Benefits	-	-	51.12	(19.55)
Total expense for the year	52.72	39.06	140.95	66.27
V Amounts recognised in the Other Comprehensive Income				
Re-measurement (gains)/ losses arising due to:				
a. change in financial assumptions	17.24	6.36	-	-
b. change in demographic assumptions	-	-	-	-
c. experience adjustments	12.93	(50.62)	-	-
d. difference in actual return and interest on plan assets	(1.96)	0.05	-	-
Total re-measurement recognized in OCI	28.20	(44.21)	-	-
VI Key Actuarial Assumptions				
Discount rate (p.a.)	6.80%	7.24%	6.80%	7.24%
Attrition rate	10%	10%	10%	10%
Expected rate of return on plan assets (p.a.)	7.24%	7.40%	0%	0%
Expected salary increase rate (p.a.)	8%	8%	8%	8%
VII Sensitivity analysis for change in significant assumptions				
Discount rate: Increase by 100 basis points	(36.22)	(36.78)	(22.36)	(19.67)
Discount rate: Decrease by 100 basis points	39.21	39.82	24.71	21.59
Salary increase rate: Increase by 100 basis points	24.93	26.64	23.48	20.72
Salary increase rate: Decrease by 100 basis points	(26.44)	(29.11)	(21.67)	(19.24)
Attrition rate: Increase by 100 basis points	(3.10)	(1.38)	(2.48)	(1.84)
Attrition rate: Decrease by 100 basis points	3.30	1.33	2.71	1.99
VIII Expected Cash flows for the following year				
(i) Expected contribution/ additional provision next year	53.00	35.74	-	-
(ii) Expected total benefit payments				
Year 1	93.25	101.33	46.20	41.26
Year 2	96.23	81.76	44.09	36.58
Year 3	64.06	92.56	38.13	37.47
Year 4	90.52	62.56	33.64	31.48
Year 5	200.39	87.60	105.82	28.45
Years 6 to 10	492.63	629.50	245.13	306.81
IX Category of Plan assets				
Insurer managed funds	100%	100%	NA	NA

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

Note

- (a) The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting years
- (b) The defined benefit plans are exposed to a number of risks. Most significant risks being asset volatility, change in bond yields, inflation risk and life expectancy. Any change in the assumptions will cause a change in the plan liabilities and plan
- (c) The estimates of future salary increases, considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) **Gratuity Provision for contract employees**

Gratuity payable for contract employees is estimated based on number of years of service and consolidated pay per month on an undiscounted basis

Particulars	As at 31st March 2025	As at 31st March 2024
Balance at the beginning of the year	11.99	9.03
Benefits paid during the year	-	-
Additional provision made during the year	-	2.96
Balance at the end of the year	11.99	11.99

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

27 (A) CONTINGENT LIABILITIES

(Rupees in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Claims against the Company not acknowledged as debt:		
(a) The Corporation has filed Service Tax appeal No. ST/20438/2019-DB against the Order No.TVM-EXCUS-000-APP-07-2019 dtd 16/01/2019 with CESTAT, Bengaluru on 09/04/2019 ,where decision still pending.	4.07	4.07
(b) The Corporation has filed Service Tax appeal No. ST/20439/2019-DB against the Order No.TVM-EXCUS-000-APP-1151-2019 dtd 03/01/2019 with CESTAT, Bengaluru on 09/04/2019 ,where decision still pending.	12.43	12.43
(c) The Corporation has filed Service Tax Appeal No.78/ST/TVM/2019 against the Order No.89/ST/DC/DIV/2018-19 dtd 21/01/2019 with The Commissioner [Appeals], Cochin on 02/04/2019, where decision still pending.	0.32	0.32
(d) Order in Original No 15/2020-21 ST(JC) dated 02-11-2020 passed by the Joint Commissioner regarding Service Tax on Guarantee Commission. The corporation has filed Appeal with the Commissioner(Appeals), Cochin on 15-01-2021 which has been decided against the assessee. The company has filed the appeal with the tribunal against the order of the Commissioner(Appeals).	175.98	175.98
(e) Order in Original No 09/ST/(DC)/DIV/2020-21 dated 24-06-2020 passed by the Deputy Commissioner regarding Service Tax on Processing fees, Notice charges, postal charges, legal fee, RR Commission, Misc Income and Sitting fee and travelling expenses paid to Directors. The corporation has filed Appeal with the Commissioner(Appeals), Cochin on 02-11-2020	9.45	9.45
(f) Koppara Enterprises before Hon'ble High Court of Kerala	6.00	6.00
(g) Order in Original No.01/GST(AC)/DIV/2021-22 dated 24.03.2022 passed by the Assistant Commissioner of Central Tax and Central Excise, Thiruvananthapuram North Division for being the GST short-paid under reverse charge mechanism on an amount paid by KSBCDC as guarantee commission for the period from 01.07.2017 to 26.07.2018	76.41	76.41

In case of occurrence of acceptance of claims against the company, the net surplus of the company will be reduced to the extent of Rs. 284.66 lakhs plus interest thereof and the liability will be increased to such extent.

(B) COMMITMENTS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	263.77	-



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

CIN - U75122KL1995SGC008705

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

28 BCDC Loanees Distress Relief Fund

The Corporation has set up a fund styled 'BCDC Loanees Distress Relief Fund' to meet any future contingencies that may arise out of death or accidental disablement of the loanees. The Fund is raised out of one-time marginal contribution from the beneficiaries, appropriation of a certain portion of the annual profits of the Corporation as determined by the Board of Directors of the Corporation from time to time, and out of possible contributions from Related Parties. The reserve is not represented by any earmarked investments.

29 In the opinion of the Directors, the Current Assets, Loans & Advances have the value as stated in the balance sheet if realized in the ordinary course of business.

30 Segment Reporting

The Corporation has only one reportable business segment which is providing finances at concessional rate of interest to eligible persons belonging to the backward classes and minority communities of Kerala State. Accordingly, no separate disclosures of segment information have been made as per Accounting Standard Ind AS-108 "Operating Segments" issued by the Institute of Chartered Accountants of India.

31 Claim Receivable from Hindustan Prefab Ltd

Landed Property of extent 4.05 ares was allotted on lease at Kollam Village (Resurvey 2), in Kollam Taluk of Kollam District for the construction of KSBCDC Kollam District Office vide GO (Ms)No.360/14/Rev dated 20/08/2014. Hindustan Prefab Ltd was engaged by the company for the construction of Kollam office building at a cost of Rs.198 lakhs, sanction accorded by the Govt. As per the order, lease rent of Rs 0.93 Lakhs per annum was payable for the financial years from 2013-14 to 2015-16.

An amount of Rs 34.50 lakhs were already spent against the construction of basement of office building. Accordingly, Hindustan Prefab Limited completed the basement work of the building on the above-mentioned property. However, as the land allocated came under the park and open space of the Kollam Development Master Plan, stop memo was issued from the Kollam Municipal Corporation pointing out the violation of KMBR Rules.

As per the govt order (No.36/2020/LSGD) dated 06-05-2021, the dispensation was granted by the Govt of Kerala and permit was issued and the building was allowed to be constructed at a revised estimate of Rs 164 lakhs with a maximum coverage of 40% of the land. A new agreement was entered with Hindustan Prefab Ltd with above mentioned revised terms as on 19-05-2021. However, Hindustan Prefab Ltd could not resume the work and the agreement with the company was terminated as on 29-05-2022. Hindustan Prefab Ltd. has returned Rs.9.80 lakhs on 15th July 2022 after deducting the cost for the basement work. The Board of Directors has decided to take legal steps against the company. Request has been made to the PWD Executive Engineer to determine the value of the construction work done. The Board of Directors has decided to engage Kerala State Housing Board to resume the construction work of the Kollam office building.

At this stage, no technical assessment was formally conducted by engineers of the management in order to evaluate whether the existing cost incurred can result in value addition to buildings and steps are under process for due evaluation of the project and currently is classified as project under suspension. Based on final technical evaluation under the supervision of the board of directors, decision shall be made in the accounting treatment and hence according to the management, no change in classification is necessary as compared to previous year.

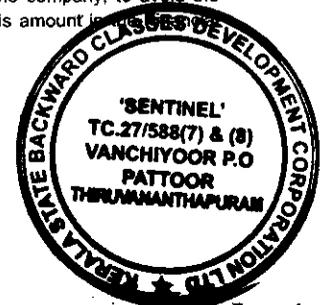
As per the letter (No. DCKLM/7736/2020-L2) from the district collector, Kollam dated 18-09-2021, below demand was raised with respect to lease rent for the above-mentioned property for the period from 2016-17 to 2021-22.

Arbitration claim filed U/s 23 of Arbitration and Conciliation Act, 1996 before the honourable Arbitrator V Bhaskaran (Rt Judge), total claim of Rs.80.05 Lakhs with interest at 12% due from 29/05/2022 till realization from the respondent, Hindustan Prefab Kollam. Final Arbitration award was received on 08.09.2025, resulting in a receivable of Rs.52.77 lakhs (Net of arbitration cost of Rs.2.38 lakhs)

(Amount in Rs. Lakhs)

Year	Actual lease as per the existing market value	Amount Remitted	Amount to be paid by the lessee
2016-17	1.40	0.93	0.47
2017-18	1.40	0.93	0.47
2018-19	1.61	0.93	0.68
2019-20	1.78	0.93	0.85
2020-21	1.95	-	1.95
2021-22	1.95	-	1.95
	10.09	3.72	6.37

Against the above demand, the company requested vide letter no 2758/E2(E3)/2015, dated 16-05-2022 to Backward Classes Development Department to waive the lease rent and transfer the ownership of the land in the name of the company, to avoid the difficulties faced in the renewal of lease agreement in every three years. The company has provided for this amount in the Financial Statements.



32 Date of approval of financial statements

Financial Statements as per INDAS including Balance Sheet, Profit & Loss Account, Cash Flow Statement, Statement of Changes in Equity, Significant Accounting Policy and Notes for the FY 2024-25 thereon has been approved by the Board of Directors in its meeting held on - 14th November ,2025 .Annual general meeting for adoption of accounts for the year ended 31st March 2024 is pending to be convened.

33 Details of related party transaction with Key Management Personnel (KMP)

As per Ind AS-24, Related Party Transactions, disclosures issued by the Institute of Chartered Accountants of India there are no transactions to be reported except for compensation paid to Key Managerial Personnel

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees. Accordingly, the Company considers any Director, including independent and non-executive Directors, to be key management personnel for the purposes of Ind AS 24 – Related Party Disclosures.

Details of related party transaction with Key Management Personnel (KMP) for the financial year 2024-25

(Amount in Rs. Lakhs)				
Sl no.	Particulars	Name of Party	Amount	Relationship
1	Salaries & Allowances (Managing Director)	ANJU IAS	-	Managing Director (w.e.f 07-07-2025)
2	Salaries & Allowances (Managing Director)	Anjana M IAS	-	Managing Director (Resigned from 07-07-2025)
3	Salaries & Allowances (Company Secretary)	Sujith S	12.22	Company Secretary
4	Honorarium to Chairman	K Prasad	2.40	Chairman
5	Travelling Expenses (Managing Director)	Anjana M IAS	0.52	Managing Director
6	Travelling Expenses (Directors)		2.70	Directors
7	Travelling Expenses (Company Secretary)	Sujith S	-	Company Secretary
8	Travelling Expenses (Chairman)	K Prasad	0.59	Chairman
9	Sitting Fee		1.22	Directors

Details of related party transaction with Key Management Personnel (KMP) for the financial year 2023-24

(Amount in Rs. Lakhs)				
Sl no.	Particulars	Name of Party	Amount	Relationship
1	Salaries & Allowances (Managing Director)	Anjana M IAS	-	Managing Director
2	Salaries & Allowances (Company Secretary)	Sujith S	10.10	Company Secretary
3	Honorarium to Chairman	K Prasad	2.83	Chairman
4	Travelling Expenses (Managing Director)	Anjana M IAS	0.17	Managing Director
5	Travelling Expenses (Directors)		1.58	Directors
6	Travelling Expenses (Company Secretary)	Sujith S	0.10	Company Secretary
7	Travelling Expenses (Chairman)	K Prasad	0.53	Chairman
8	Sitting Fee		1.55	Directors



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

34 Rights-of-use assets

As a lessee, the Company's lease asset class consists of office premises. The office premises taken on lease for period of upto one year is categorised under short term lease and hence no right-of-use assets has been recognized.

(i) Amounts recognized in the Balance Sheet

Particulars	(Amount in Rs. Lakhs)	
	As at 31st March 2025	As at 31st March 2024
(a) Right-of-use assets (net)	142.49	91.61
(b) Lease liabilities	121.71	73.51
(c) Additions to the Right-of-use assets	132.63	21.60

(ii) Amounts recognized in Statement of Profit and Loss

Particulars	(Amount in Rs. Lakhs)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
(a) Interest on lease liabilities	9.46	22.14
(b) Depreciation charge of Right-of-use asset	81.75	78.18

(iii) Amounts recognized in Statement of Cash flows

Particulars	(Amount in Rs. Lakhs)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Total cash outflow of leases	84.43	70.73

(iv) Maturity analysis - Contractual undiscounted cash flow

Particulars	(Amount in Rs. Lakhs)	
	As at 31st March 2025	As at 31st March 2024
(a) Less than one year	57.73	13.18
(b) Between one to three years	61.99	67.25
(c) More than three year	14.54	-
	134.26	80.43

(v) The rate used for discounting lease liabilities is 6.58%.

(vi) The disclosure required by Ind AS 116 – "Leases": The Corporation has taken various offices and residential premises under operating lease. These are generally not non-cancellable and range between 11 months to 3 years and are renewable by mutual consent on mutually agreeable terms. The Corporation has given refundable, interest free security deposits under these agreements. Lease payments are recognized in the Statement Profit and Loss Account under 'Rent'.



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

35 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
(1) Financial assets						
(a) Cash and cash equivalents	5,725.55	-	5,725.55	3,890.43	-	3,890.43
(b) Bank Balances other than (a) above	12.50	-	12.50	-	-	-
(c) Loans	6,633.26	2,06,991.86	2,13,625.12	55,600.27	1,49,474.20	2,05,074.47
Adjustments on account of ECL	-	-	(29,575.84)	-	-	(9,488.53)
(d) Other financial assets	-	224.69	224.69	-	184.32	184.32
(2) Non-financial assets						
(a) Current tax assets (net)	-	0.05	0.05	-	0.39	0.39
(b) Property, plant and equipment	-	355.10	355.10	-	212.39	212.39
(c) Capital work-in-progress	-	1.81	1.81	-	1.81	1.81
(d) Intangible assets	-	0.32	0.32	-	0.46	0.46
(e) Other Non-financial Assets	30.83	70.18	101.01	3.09	5.57	8.66
Total Assets	12,402.14	2,07,644.01	1,90,470.31	59,493.79	1,49,879.14	1,99,884.40
Liabilities						
(1) Financial liabilities						
(a) Payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	104.14	-	104.14	86.99	-	86.99
(b) Borrowings (other than debt securities)	11,875.79	1,38,930.16	1,50,805.95	8,098.09	1,38,413.24	1,46,511.33
(c) Other financial liabilities	996.44	487.31	1,483.75	722.75	574.46	1,297.21
(2) Non-financial liabilities						
(a) Provisions	122.34	481.85	604.19	29.30	364.62	393.92
(b) Other non-financial liabilities	47.71	-	47.71	45.47	-	45.47
Total Liabilities	13,146.42	1,39,899.32	1,53,045.74	8,982.60	1,39,352.32	1,48,334.92



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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

36 Financial Risk Management

Financial risk management objectives and policies

The Company has operations in Kerala, India. As a financial lending institution, the Company is exposed to various risks that are related to lending business and operating environment. The Company's activities expose it to credit risk, liquidity risk and market risk.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company is exposed to following risks:

1. Market Risk
2. Liquidity Risk
3. Credit Risk
4. Operational and business Risk

1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises Interest rate risk. A major portion of the Company's assets and liabilities are interest bearing. Interest rate risk is managed by way of regular monitoring of all interest rate bearing assets and liabilities. The major portion of Company's assets and liabilities are on fixed interest rate basis and hence not subject to interest rate risk.

2 Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its financial obligations on time. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Ultimate responsibility for liquidity risk rests with the board of directors. The company manages by continuously monitoring forecast and actual cash flows and by matching the maturities of financial liabilities.

The table below summarizes the maturity profile of the Company's financial liabilities as at reporting date.

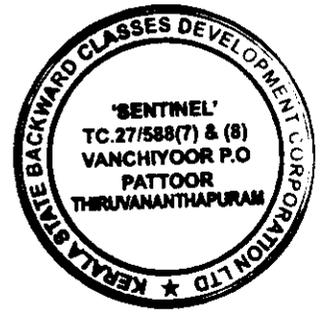
Particulars	Within 12 months	After 12 months	Total
As at 31 March 2025			
Trade Payables	104.14	-	104.14
Borrowings (Other than Debt Securities)	11,875.79	1,38,930.16	1,50,805.95
Other financial liabilities	996.44	487.31	1,483.75
Total financial liabilities	12,976.37	1,39,417.47	1,52,393.84
As at 31 March 2024			
Trade Payables	86.99	-	86.99
Borrowings (Other than Debt Securities)	8,098.09	1,38,413.24	1,46,511.33
Other financial liabilities	722.75	574.46	1,297.21
Total financial liabilities	8,907.83	1,38,987.70	1,47,895.53

3 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

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 throughout each reporting period.

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

3(A) Impairment Assessment

The company assesses the impairment of loan assets under ECL Model, the loans have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial instrument.

The Company has calculated ECL allowance using three main components: exposure at default (EAD), probability of default (PD) and loss given default (LGD) using the below methodology:

$ECL = Exposure\ at\ Default * Probability\ of\ Default * Loss\ Given\ Default$

- **Exposure at default (EAD):** EAD represents the gross carrying amount of the financial assets subject to the impairment calculation. The Company determines EAD as gross carrying amount as at reporting date including interest accrued.

- **Probability of default (PD):** The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD.

- **Loss given default (LGD):** LGD is the estimated loss that the company might bear if the borrower defaults. The LGD determined is common for all three Stages and is based on historical recoveries of the credit impaired accounts.

- **Default:** The company considers a financial instrument as defaulted and therefore Stage 3 (Credit impaired) for Expected Credit Loss (ECL) calculations in all cases where the borrower becomes 90 days past due on account of its contractual payments or for which there is an objective evidence of impairment.

Significant increase in credit risk

The Company continuously monitors all the assets subject to ECL in order to determine whether there has been a significant increase in credit risk since initial recognition. This is performed by monitoring the days past due as on reporting date.

In assessing the impairment of financial assets under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. These three stages reflect the general pattern of credit deterioration of a financial asset.

Classification into these three stages is based on fulfilment of following conditions:

Stage 1 - Exposures with days past due less than and equal to 30 days and with no significant objective evidence of impairment is classified as Stage 1. The allowance will be based on 12-month PD, based on default events possible within 12 months after the reporting date.

Stage 2 - Exposures with days past due more than 30 days but upto 90 days will be treated as significant increase in credit risk and are classified as Stage 2, on which a lifetime ECL is recognized.

Stage 3 - Exposures with days past due more than 90 days or with significant objective evidence of impairment will be treated as credit impaired and are classified as Stage 3.

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

3(B) Credit quality analysis

The following table sets out information about the credit quality of financial assets measured at amortised cost:

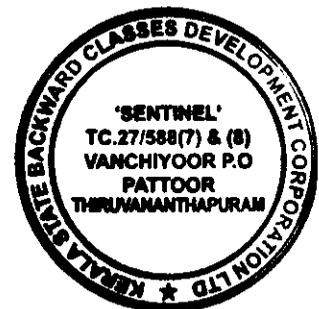
Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
(a) Loans				
- Secured	89,964.29	1,546.85	29,574.57	1,21,085.71
- Unsecured	84,504.74	643.44	7,391.23	92,539.41
Total - Gross	1,74,469.03	2,190.29	36,965.80	2,13,625.12
(Less): Impairment allowance	(2,328.87)	(189.60)	(27,057.37)	(29,575.84)
Total - Net	1,72,140.16	2,000.69	9,908.43	1,84,049.28

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
(a) Loans				
- Secured	82,011.30	2,113.39	28,381.52	1,12,506.21
- Unsecured	83,525.35	836.00	8,206.91	92,568.26
Total - Gross	1,65,536.65	2,949.39	36,588.43	2,05,074.47
(Less): Impairment allowance	(2,373.13)	(286.53)	(6,828.87)	(9,488.53)
Total - Net	1,63,163.52	2,662.86	29,759.56	1,95,585.94

3(C) Movement of loan assets

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,65,536.65	2,949.39	36,588.43	2,05,074.47
New asset originated (net of repayment)	74,489.05	620.06	1,888.94	76,998.05
Asset derecognised or repaid	(57,533.83)	(633.49)	(10,280.08)	(68,447.40)
Transfer to Stage 1	5,020.15	(834.50)	(4,185.65)	-
Transfer to Stage 2	(1,512.68)	1,821.36	(308.68)	-
Transfer to Stage 3	(11,530.31)	(1,732.53)	13,262.84	-
Gross carrying amount closing balance	1,74,469.03	2,190.29	36,965.80	2,13,625.12

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	1,26,361.45	17,847.28	48,132.16	1,92,340.89
New asset originated (net of repayment)	72,981.59	789.13	1,662.13	75,432.85
Asset derecognised or repaid	(49,346.11)	(1,982.62)	(11,370.54)	(62,699.27)
Transfer to Stage 1	16,243.59	(10,036.35)	(6,207.24)	-
Transfer to Stage 2	(576.74)	1,106.90	(530.16)	-
Transfer to Stage 3	(127.13)	(4,774.95)	4,902.08	-
Gross carrying amount closing balance	1,65,536.65	2,949.39	36,588.43	2,05,074.47



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

Movement of expected credit loss on loan assets

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
Expected credit loss opening balance	2,373.13	286.53	6,828.87	9,488.53
Expected credit loss new asset originated (net of repayment)	994.30	53.68	1,382.62	2,430.60
Expected credit loss reversed on asset derecognised or repaid	(767.97)	(54.84)	(7,524.57)	(8,347.38)
Transfer to Stage 1	3,135.96	(72.24)	(3,063.72)	-
Transfer to Stage 2	(20.19)	246.13	(225.94)	-
Transfer to Stage 3	(153.91)	(149.98)	303.89	-
Impact on year end ECL exposures transferred between stages	(3,232.45)	(119.68)	29,356.22	26,004.09
Expected credit loss closing balance	2,328.87	189.60	27,057.37	29,575.84

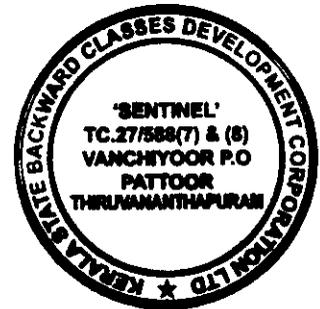
Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
Expected credit loss opening balance	661.45	944.84	7,188.65	8,794.94
Expected credit loss new asset originated (net of repayment)	1,044.25	11.31	23.83	1,079.39
Expected credit loss reversed on asset derecognised or repaid	(705.42)	(28.42)	(163.01)	(896.85)
Transfer to Stage 1	232.87	(143.88)	(88.99)	-
Transfer to Stage 2	(8.27)	15.87	(7.60)	-
Transfer to Stage 3	(1.83)	(68.45)	70.28	-
Impact on year end ECL exposures transferred between stages	1,150.08	(444.74)	(194.29)	511.05
Expected credit loss closing balance	2,373.13	286.53	6,828.87	9,488.53

3(D) Collateral held and other credit enhancements

Collateral is an important risk mitigant of credit risk. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of assessment of the customer's ability to repay than placing primary reliance on collateral. Depending on its form, collateral can have a significant effect in mitigating the Company's credit risk.

4 Operational and Business Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

37 Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair values hierarchy

The fair value of financial instruments has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

Valuation framework

The fair valuation of the financial instruments and its ongoing measurement for financial reporting purposes is ultimately the responsibility of the management. The management ensures that final reported fair value figures are in compliance with Ind AS and will propose adjustments wherever required.

A. Valuation methodologies of financial instruments measured at fair value

For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

There are no such investments outstanding as at March 31, 2025 and March 31, 2024.

B. Valuation methodologies of financial instruments not measured at fair value

Fair value of instruments measured at amortised cost

Fair value of instruments that are initially measured at fair value and subsequently carried at amortised cost is disclosed as follows. This table does not include the fair values of investments in subsidiary measured at cost.

Particulars	Level	As at March 31, 2025		As at March 31, 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Cash and cash equivalents	1	5,725.55	5,725.55	3,890.43	3,890.43
Bank Balances Other than cash and cash equivalents	1	12.50	12.50	-	-
Loans	3	1,84,049.28	1,84,049.28	1,95,585.94	1,95,585.94
Other financial assets	3	224.69	224.69	184.32	184.32
Total		1,90,012.02	1,90,012.02	1,99,660.69	1,99,660.69
Financial liabilities					
Trade payables	3	104.14	104.14	86.99	86.99
Borrowings (other than debt securities)	3	1,50,805.95	1,50,805.95	1,46,511.33	1,46,511.33
Other financial liabilities	3	1,483.75	1,483.75	1,297.21	1,297.21
Total		1,52,393.84	1,52,393.84	1,47,895.53	1,47,895.53

38 Analytical Ratios

1) Capital to risk (weighted) assets Ratio (CRAR)

Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reason for Variance
CRAR	34,662.93	2,26,334.27	15.31%	20.20%	24.21%	Increase in ECL Provision
Tier I CRAR	32,334.06	2,26,334.27	14.29%	19.21%	25.61%	Increase in ECL Provision
Tier II CRAR	2,328.87	2,26,334.27	1.03%	0.99%	-4.04%	

2) Liquidity Coverage Ratio :

The guidelines on liquidity coverage ratio as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 is not applicable to the Company, as the Company is a Non Deposit taking NBFC with asset size is less than Rs.5,000 crores



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

39 Disclosures required as per Master Direction – Reserve Bank of India
(Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

(A) Liabilities side

1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid

(Amount in Rs. Lakhs)

Particulars	As at 31st March 2025		As at 31st March 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	31 March 2025	31 March 2025	31 March 2024	31 March 2024
(a) Debentures:	-	-	-	-
Secured	-	-	-	-
Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred credits	-	-	-	-
(c) Term Loans	1,50,684.24	-	1,46,437.82	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public deposits	-	-	-	-
(g) Other Loans: -	-	-	-	-
- Other term loans	-	-	-	-
Overdraft against Deposit with Banks	-	-	-	-

2 Break up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):

Particulars	As at 31st March 2025		As at 31st March 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	31 March 2025	31 March 2025	31 March 2025	31 March 2024
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

(B) Assets side

3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :

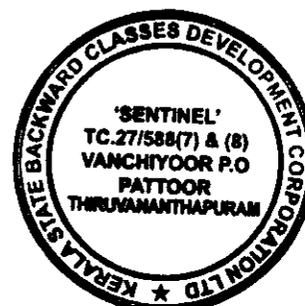
Particulars	As at 31st March 2025	As at 31st March 2024
(a) Secured	1,21,085.71	1,12,506.21
(b) Unsecured	92,539.41	92,568.26
TOTAL	2,13,625.12	2,05,074.47

4 Break-up of Leased Assets and stock on hire and other assets counting towards Asset financing activities (AFC):

Particulars	As at 31st March 2025	As at 31st March 2024
(i) Lease assets including lease rentals under sundry debtors	-	-
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors	-	-
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities	-	-
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

5 Break-up of Investments :

Particulars	As at 31st March 2025	As at 31st March 2024
Current Investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	As at 31st March 2025			As at 31st March 2024		
	Amount (Principal, Net of provisioning)			Amount (Principal, Net of provisioning)		
	Secured	Unsecured	Total as on 31 March 2025	Secured	Unsecured	Total as on 31 March 2024
1. Related Parties **						
(a) Subsidiaries				-	-	-
(b) Companies in the same group				-	-	-
(c) Other related parties				-	-	-
2. Other than related parties	97,653.27	86,396.01	1,84,049.28	1,05,333.62	90,252.32	1,95,585.94
Total	97,653.27	86,396.01	1,84,049.28	1,05,333.62	90,252.32	1,95,585.94

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31st March 2025		As at 31st March 2024	
	Fair Value	Book Value (Net of provisioning)	Fair Value	Book Value (Net of provisioning)
1. Related Parties **	-	-	-	-
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	-	-	-	-

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KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

8 Other information

Particulars	As at 31st March 2025	As at 31st March 2024
Gross Non-Performing Assets		
(a) Related parties		
(b) Other than related parties	36,965.80	36,588.43
Net Non-Performing Assets		
(a) Related parties		
(b) Other than related parties	9,908.43	29,759.56
Assets acquired in satisfaction of debt		

9 Other Disclosures

a. Capital Risk to Asset Ratio ('CRAR')

Particulars	As at 31st March 2025	As at 31st March 2024
Tier - I capital	32,334.06	46,275.21
Tier - II capital	2,328.87	2,373.13
Total Capital	34,662.93	48,648.34
Aggregate of Risk Weighted Assets	2,26,334.27	2,40,857.30
Tier - I CRAR	14.29%	19.21%
Total CRAR	15.31%	20.20%

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Aggregate Risk Weighted Assets - Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off-balance sheet assets. Hence, the value of each of the on-balance sheet assets and off-balance sheet assets required to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio.

b. Investments

The Company has no transactions / exposure in investments in the current and previous year.

c. Derivatives

The Company has no transactions / exposure in derivatives in the current and previous year.

The Company has no unhedged foreign currency exposure as on March 31, 2025 and March 31, 2024.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

d Asset Liability Management:

Maturity pattern of certain items of assets and liabilities as on 31st March, 2025

	1 - 7 Days	8 - 14 Days	15- 30 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 Years	Over 5 years	Total
Liabilities											
Borrowings from banks and financial institutions	2,528.69	-	-	811.20	-	874.36	7,661.54	48,372.19	53,826.71	36,609.55	1,50,884.24
Assets											
Advances	958.43	3.30	17.41	192.75	45.26	876.67	4,539.44	55,876.78	69,348.98	54,708.73	1,86,567.75

Maturity pattern of certain items of assets and liabilities as on 31st March, 2024

	1 - 7 Days	8 - 14 Days	15- 30 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 Years	Over 5 years	Total
Liabilities											
Borrowings from banks and financial institutions	1,481.24	-	71.16	71.16	-	496.19	5,978.34	53,873.31	42,923.28	41,543.14	1,46,437.82
Assets											
Advances	2,416.37	11.16	3.97	114.25	54,061.21	51.67	406.06	69,901.80	50,022.15	21,256.96	1,98,245.60



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

e. Exposure to Capital Market

Particulars	As at 31 March 2025	As at 31 March 2024
1) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

2) The Company has no exposure to real estate sector, directly or indirectly as on March 31, 2025 and March 31, 2024.

f. Details of financing of parent company products Not applicable

g. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC Not applicable

h. Unsecured Advances Refer Note 5

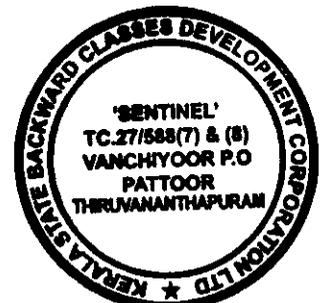
i. Disclosure of Penalties imposed by RBI and other regulators

No Penalties were imposed by RBI and other regulators during current year.

j. Provisions and contingencies (shown under the head expenditure in Statement of Profit and Loss):

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Provision for standard assets (Expected Credit Loss on Stage 1 and Stage 2)	(141.19)	(1,690.80)
Provision for non-performing assets (Expected Credit Loss on Stage 3)	20,228.50	2,384.39
Provision for income tax	-	-
Provision for gratuity	52.72	42.02
Provision for leave encashment	140.95	66.27
Provision for depreciation on investment	-	-
Provision for other losses	-	-

k. Draw down from reserves: Nil



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

I. Concentration of Advances & Exposures stood as follows:

(a) Concentration of Advances

Particulars	Current Year	Previous Year
Total advances to twenty largest borrowers	6,172.58	6,198.99
Percentage of advances to twenty largest borrowers to total advances	2.89%	3.12%

(b) Concentration of exposures (including off - Balance Sheet exposure)

Particulars	Current Year	Previous Year
Total exposure to twenty largest borrowers / customers	6,172.58	6,198.99
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers	2.89%	3.12%

(c) Concentration of NPAs

Particulars	Current Year	Previous Year
Total exposure to top four NPA accounts	1,070.07	1,022.30

m. Sector-wise NPAs

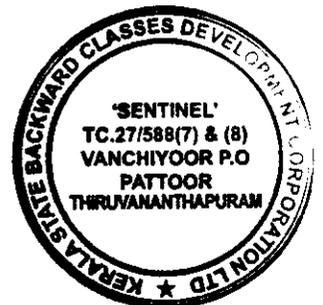
Sector	Percentage of NPAs to Total Advances in that sector as at 31st March 2025	Percentage of NPAs to Total Advances in that sector as at 31st March 2024
(i) Agriculture & allied activities	32.25%	31.85%
(ii) Services	29.85%	28.25%
(iii) Unsecured personal loans	9.52%	23.76%
(iv) Auto loans	8.67%	12.06%
(v) Others	16.57%	10.07%

n. Movement of NPAs

Particulars		As at 31st March 2025	As at 31st March 2024
i	Net NPAs to Net Advances (%)	5.38%	15.22%
ii	Movement of NPAs (Gross)		
	a) Opening Balance	36,588.43	30,137.61
	b) Additions during the year	15,151.78	15,871.61
	c) Reductions during the year	14,774.41	9,420.79
	d) Closing balance	36,965.80	36,588.43
iii	Movement of Net NPAs		
	a) Opening Balance	29,759.56	25,693.13
	b) Additions during the year	(15,890.95)	12,822.67
	c) Reductions during the year	3,960.18	8,756.24
	d) Closing balance	9,908.43	29,759.56
iv	Movement of provisions for NPAs (ECL Provision excluding provisions on standard assets)		
	a) Opening Balance	6,828.87	4,444.48
	b) Additions during the year	31,042.73	3,048.94
	c) Reductions during the year	10,814.23	664.55
	d) Closing balance	27,057.37	6,828.87

o. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There is no Overseas Asset (for those with Joint Ventures and Subsidiaries abroad)



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

p. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There is no Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

q. Disclosure of Complaints

S. No.	Particulars	As at 31st March 2025	As at 31st March 2024
i	No. of complaints pending at the beginning of the year	-	-
ii	No. of complaints received during the year	-	-
iii	No. of complaints redressed during the year	-	-
iv	No. of complaints pending at the end of the year	-	-

r. Information on instances of fraud:

S. No.	Particulars	As at 31 March 2025	As at 31st March 2024
i	Nature of Fraud	-	-
ii	No. of Cases	-	-
iii	Amount of fraud	-	-
iv	Recovery	-	-
v	Amount written-off/Provided	-	-

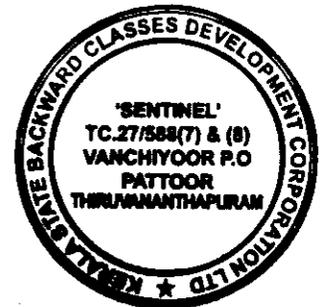
s. Loan against security of gold

The Company has not disbursed any loans against the security of gold and gold jewellery.

t. Sectoral Exposure

Sr. No.	Sectors	Current Year			Previous Year		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	13,809.90	4,453.37	32.25%	14,863.63	4,734.51	31.85%
2	Industry	-	-	-	-	-	-
3	Services	-	-	-	-	-	-
4	Personal Loans:	-	-	-	-	-	-
5	Others	-	-	-	-	-	-
	- Business	24,789.38	7,025.15	28.34%	26,346.99	7,657.01	29.06%
	- Housing	17,641.17	1,917.83	10.87%	14,057.39	1,551.67	11.04%
	- Others	1,57,384.67	23,569.45	14.98%	1,49,806.44	22,645.24	15.12%
	Total	2,13,625.12	36,965.80		2,05,074.45	36,588.43	

u. The disclosures given in the above notes pursuant to RBI Notifications are only to the extent they are applicable to the Company.



40 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

a. Funding Concentration based on significant counterparty (both deposits and borrowings)*

Sr. No	No of Significant Counterparties	As at 31 March 2025			As at 31 March 2024		
		Amount	% of total Deposits	% of Total Liabilities*	Amount	% of total Deposits	% of Total Liabilities*
1	NBCFDC Loan	44,106.39	-	28.82%	43,509.00	-	29.34%
2	NMDFC Loan	66,114.28	-	43.20%	62,525.66	-	42.16%
3	NSKFDC Loan	40,463.57	-	26.44%	40,403.16	-	27.24%
	Total	1,50,684.24	-	98.46%	1,46,437.82	-	98.74%

*this covers the disclosure requirements of top 10 borrowers

b. Top 20 large deposits – Not Applicable

c. Funding Concentration based on significant instrument/product

Name of the instrument	As at 31 March 2025		As at 31 March 2024	
	Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
Loans from National Agencies	1,50,684.24	98.46%	1,46,437.82	98.74%
Total	1,50,684.24	98.46%	1,46,437.82	98.74%

d. Stock Ratios

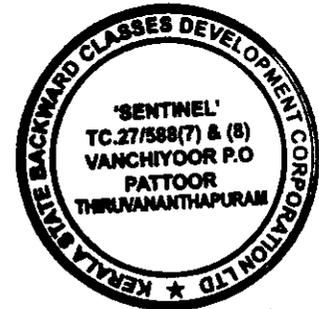
Sr No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Commercial Papers to Total Liabilities*	-	-
2	Commercial Papers to Total Assets	-	-
3	NCDs (Original Maturity < 1 year) to Total Liabilities*	-	-
4	NCDs (original Maturity < 1 year) to Total Assets	-	-
5	Other Short Term Liabilities to Total Liabilities*	0.0068	0.0046
6	Other Short Term Liabilities to Total Assets	0.0055	0.0034

* Total Liabilities does not include Net Worth.

e. Institutional set-up for liquidity risk management:

The Company's Board has the overall responsibility for management of liquidity risk. The Board decides the strategy, policies and procedures of the NBFC to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it. The Company's top management is responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the Company.

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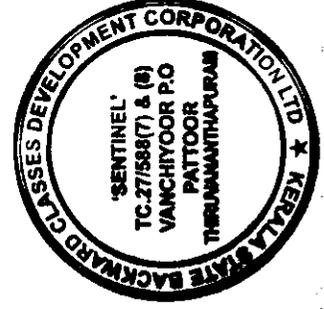


KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

41 The disclosures as required by the NBFC Master Directions issued by RBI - A comparison between provision required under Income recognition, asset classification and provisioning (IRACP) and Impairment allowances and per Ind AS 109 'Financial Instruments' as of 31 March 2025.

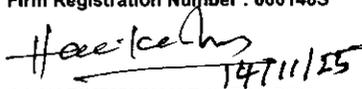
Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance (provisions) as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
a) Performing assets						
Standard	Stage 1	1,74,469.03	2,328.87	1,72,140.16	696.42	1,632.45
	Stage 2	2,190.29	189.60	2,000.69	8.76	180.84
Subtotal (a)		1,76,659.32	2,518.47	1,74,140.85	705.18	1,813.29
b) Non-performing assets (NPA)						
i) Substandard	Stage 3	13,571.33	9,973.24	3,598.09	1,545.83	8,427.41
ii) Doubtful up to 1 year						
	Stage 3 - Secured	7,499.56	5,489.74	2,009.82	1,694.14	3,795.60
	Stage 3 - Unsecured	1,730.03	1,271.65	458.38	1,730.03	(458.38)
1 to 3 years						
	Stage 3 - Secured	7,347.18	5,338.43	2,008.75	2,534.98	2,803.45
	Stage 3 - Unsecured	1,459.88	1,070.60	389.28	1,459.88	(389.28)
More than 3 years						
	Stage 3 - Secured	1,558.63	1,113.36	445.27	885.94	227.42
	Stage 3 - Unsecured	157.45	114.59	42.86	157.45	(42.86)
iii) Loss						
	Stage 3	3,641.74	2,685.76	955.98	3,641.74	(955.98)
Subtotal (b)		36,965.80	27,057.37	9,908.43	13,649.99	13,407.38
c) Other Items (Standard)						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal (c)		-	-	-	-	-
Total (a+b+c)		1,74,469.03	2,328.87	1,72,140.16	696.42	1,632.45
	Stage 2	2,190.29	189.60	2,000.69	8.76	180.84
	Stage 3	36,965.80	27,057.37	9,908.43	13,649.99	13,407.38
Total		2,13,625.12	29,575.84	1,84,049.28	14,355.17	15,220.67



KERALA STATE BACKWARD CLASSES DEVELOPMENT CORPORATION LIMITED
CIN - U75122KL1995SGC008705
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2025

- 42 Other Information
- (a) The Company does not hold any Benami Properties during the year
- (b) The Company does not have any Wilful Defaulters during the year
- (c) The Company does not have any relationship with Struck Off Companies during the year
- (d) The Company does not have any pending charges to be registered or satisfaction with Registrar of Companies beyond the statutory period during the year
- (e) The Company has not revalued their Property, Plant & Equipment (Including Right of use assets) and Intangible assets during the year
- (f) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other persons or entities including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (g) The Company has not given any loans or advances to Promoters or Related Parties during the year
- (h) The Company has no instances of non compliance of Section 185 or 186 of the Companies Act, 2013 during the year
- (i) The Company has not accepted any deposits during the year
- (j) The company has no undisclosed income during the year
- (k) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year
- (l) The Company has not raised any short term funds which were then used for long term purposes during the year
- (m) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
- (n) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year which were applied for the purposes for which those are raised
- (o) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year
- (p) The Company has not entered into any non-cash transactions with directors or persons connected with the director during the year
- (q) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934
- (r) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
- (s) The company has not incurred any cash losses in the financial year and in the immediately preceding financial year
- (t) There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- (u) The previous year's figures have been recast/and regrouped wherever necessary to suit current year's groupings. Current year figures have been rounded off to the nearest lakhs of rupees and with two decimals.

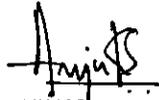
For Ananthan & Sundaram
Chartered Accountants
Firm Registration Number : 000148S


CA. HARIKRISHNAN.R.S. FCA, DISA
Partner
Membership No. : 230338

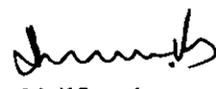
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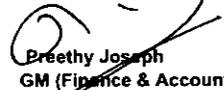
Place : Thiruvananthapuram
Date : 14/11/2025

For and on behalf of the Board of Directors
Kerala State Backward Classes Development Corporation Ltd


ANJU IAS
Managing Director
(DIN: 10362485)


Sujith S
Company Secretary
(M.No. A31205)


Adv K Prasad
Chairman
(DIN: 07851556)


Preethy Joseph
GM (Finance & Accounts)

