

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED

Regd. Office: B-14, A-Block, 3rd Floor, Local Shopping Complex, Ring Road, Naraina Vihar, New Delhi – 110028
Phone No.: 011-25771170, 011-25770108 | Email: contactus@nucfdc.in | Website: www.nucfdc.in
Corporate Office: 04, Ground Floor, Windfall, Sahar Plaza, J B Nagar, Andheri Kurla Road, Andheri (East),
Mumbai- 400 059 | Phone: +91 86557 21727
CIN: U65990DL2020PLC363322

5TH ANNUAL REPORT

BOARD OF DIRECTORS:

1. Mr. Jyotindra Mansukhlal Mehta (DIN: 00387212) : Chairman
2. Mr. Hanumantgouda Krishnagouda Patil (DIN: 02323401) : Director
3. Ms. Rachana Rahul Parikh (DIN: 10063393) : (Additional) Independent Director
4. Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) (w.e.f. 18th March, 2025) : (Additional) Independent Director
5. Mr. Pankaj Kumar Bansal, IAS (DIN: 05197128) (w.e.f. 21st April, 2025) : (Additional) Director
6. Mr. Sunil Vitthal Saudagar (DIN: 10799955) (w.e.f. 21st April, 2025) : (Additional) Director
7. Dr. Rajeev Uberoi (DIN:01731829) (w.e.f. 4th August, 2025) : (Additional) Independent Director
8. Col. Vinod Shah (DIN: 11210055) (w.e.f. 20th August, 2025) : (Additional) Independent Director

WHOLE-TIME KEY MANAGERIAL PERSONNEL:

1. Mr. Prabhat Kumar Chaturvedi (w.e.f. 14th September, 2024) : Chief Executive Officer
2. Ms. Hetal Tejas Faldu (w.e.f. 8th August, 2024 till 30th June, 2025) : Chief Financial Officer
3. Mrs. Nyra Hardik Hinduja (ACS: 62852) (w.e.f. 23rd March, 2024 till 30th June, 2025) : Company Secretary
4. Mr. Pranav Desai (w.e.f. 1st July, 2025) : Chief Financial Officer
5. Mr. Vikas Tarekar (ACS: 31670) (w.e.f. 1st July, 2025) : Company Secretary

COMPOSITION OF COMMITTEES OF THE BOARD OF DIRECTORS:

AUDIT COMMITTEE:

Name of Director	Directorship	Role in Committee
Ms. Rachana Rahul Parikh	Independent Director	Chairperson
Mr. CH S. S. Mallikarjunarao	Independent Director	Member
Mr. Sunil V. Saudagar	Director	Member
Mr. Krishnakumar Subramanyam	Independent Director	Member (upto 29 th January 2025)
Mr. Ajai Kumar	Independent Director	Member (upto 17 th March, 2025)

Name of Director	Directorship	Role in Committee
Mr. Radha Binod Barman	Independent Director	Member (upto 17 th March, 2025)
Mr. Jyotindra Mansukhlal Mehta	Director	Member (upto 23 rd May, 2025)

NOMINATION AND REMUNERATION COMMITTEE:

Name of Director	Directorship	Role in Committee
Mr. CH S. S. Mallikarjunarao	Independent Director	Chairman
Ms. Rachana Rahul Parikh	Independent Director	Member
Mr. Jyotindra Mansukhlal Mehta	Director	Member
Mr. H. K. Patil	Director	Member
Mr. Krishnakumar Subramanyam	Independent Director	Member (upto 29 th January, 2025)
Mr. Ajai Kumar	Independent Director	Member (upto 17 th March, 2025)
Dr. Radha Binod Barman	Independent Director	Member (upto 17 th March, 2025)

BUSINESS DEVELOPMENT COMMITTEE:

Name of Director	Directorship	Role in Committee
Mr. Jyotindra Mansukhlal Mehta	Director	Member
Mr. Hanumantgouda Krishnagouda Patil	Director	Member
Mr. Krishnakumar Subramanyam	Independent Director	Member (upto 29 th January, 2025)
Mr. Ajai Kumar	Independent Director	Member (upto 17 th March, 2025)
Dr. Radha Binod Barman	Independent Director	Member (upto 17 th March, 2025)

STATUTORY AUDITORS:

M/s P. K. Modi & Co,
Chartered Accountants,
Ahmedabad

SECRETARIAL AUDITORS:

SPANJ & ASSOCIATES,
Company Secretaries,
Ahmedabad

BANKERS:

ICICI Bank Limited
New Delhi

REGISTERED OFFICE:

B-14, A-Block, 3rd Floor, Local Shopping
Complex, Ring Road, Naraina Vihar,
South West Delhi, New Delhi-110028

CORPORATE OFFICE:

04, Ground Floor, Windfall,
Sahar Plaza, J B Nagar, Andheri
Kurla Road, Andheri (East),
Mumbai - 400059
Phone: +91 86557 21727

Phone: 011-25771170, 25770108
Email ID: compliance@nucfdc.in
Website: www.nunfdc.in

**NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT
CORPORATION LIMITED**

Regd. Office: B-14, A-Block, 3rd Floor, Local Shopping Complex, Ring Road, Naraina Vihar, New Delhi – 110028
Phone No.: 011 -25771170, 011-25770108 | Email: contactus@nucfdc.in | Website: www.nucfdc.in
Corporate Office: 04, Ground Floor, Windfall, Sahar Plaza, J B Nagar, Andheri Kurla Road, Andheri (East),
Mumbai- 400 059 | Phone: +91 86557 21727
CIN: U65990DL2020PLC363322

NOTICE

Notice is hereby given that 5th (Fifth) Annual General Meeting of the Members of **NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED** having its registered office at B-14, A - Block, 3rd Floor, Local Shopping Complex, Ring Road, Naraina Vihar, New Delhi – 110 028 will be held on Monday, 29th September, 2025 at 11.00 a.m. through Video Conferencing /Other Audio Visual Means (OAVC) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the period from 1st April, 2024 to 31st March, 2025 together with the Directors' and Auditors' Report thereon.
2. To appoint a director in place of Mr. Hanumantgouda Krishnagouda Patil (DIN: 02323401), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, under the Act, (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to Circular no. RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021 issued by the Reserve Bank of India ("RBI") on Guidelines for appointment of Statutory Auditors (RBI Circular / Guidelines) and the rules, regulations, circulars, directions and other guidelines/clarifications if any issued by the RBI, from time to time for the appointment of Statutory Auditors, M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 106655W), be and are hereby appointed as the Statutory Auditors of the Company for a term of 3 (Three) consecutive years from the conclusion of this 5th (Fifth) Annual General Meeting till the conclusion of the 8th (Eighth) Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company in the place of M/s. P K Modi & Co, Chartered Accountants, Ahmedabad, who has ceased to be auditors due to resignation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things and to take all decisions as it may deem fit in its absolute discretion to give effect to the above resolution."

SPECIAL BUSINESS:

4. **Appointment of Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) as Director of the company:**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 160 of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company, Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641), who was appointed as an Additional Director of the Company effective from 18th March, 2025 at the meeting of Board of Directors held on 4th March, 2025 to hold office upto ensuing Annual General Meeting of the Company, be and is hereby appointed as Director of the Company not liable to retire by rotation."

5. **Appointment of Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) as Independent Director of the company:**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) on the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company having appointed Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641), as Additional (Non-Executive Independent) Director of the Company with effect from 18th March, 2025 in terms of provisions of Section 161 of the Act and Articles of Association of the Company for a period of 2 (two) years from the date of his appointment and in respect of whom the Company has received a notice under Section 160 of the Act from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Non- Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 2 (two) year i.e., from 18th March, 2025 till 17th March, 2027."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and matters incidental thereto."

6. **Appointment of Ms. Rachana Rahul Parikh (DIN: 10063393) as Director of the company:**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 160 of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company, Ms. Rachana Rahul Parikh (DIN: 10063393), who was appointed as an Additional Director of the Company effective from 27th March, 2025 at the meeting of Board of Directors held on 4th March, 2025 to hold office upto ensuing Annual General Meeting of the Company, be and is hereby appointed as Director of the Company not liable to retire by rotation."

7. **Appointment of Ms. Rachana Rahul Parikh (DIN: 10063393) as Independent Director of the company:**

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) on the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company having appointed Ms. Rachana Rahul

Parikh (DIN: 10063393), as Additional (Non-Executive Independent) Director of the Company with effect from 27th March, 2025 in terms of provisions of Section 161 of the Act and Articles of Association of the Company for a period of 3 (three) years from the date of her re-appointment for the second and final term and in respect of whom the Company has received a notice under Section 160 of the Act from a member proposing her candidature for the office of the Director, be and is hereby appointed as an Non- Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 3 (three) year i.e., from 27th March, 2025 till 26th March, 2028."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and matters incidental thereto."

8. **Appointment of Mr. Pankaj Kumar Bansal (DIN: 05197128) as Director of the company:**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 160 of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company, Mr. Pankaj Kumar Bansal (DIN: 05197128), representing National Cooperative Development Corporation (NCDC) and who was appointed as an Additional Director of the Company effective from 21st April, 2025, being the effective date of approval of Reserve Bank of India and appointed at the meeting of Board of Directors held on 27th September, 2024 to hold office upto ensuing Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. **Appointment of Mr. Sunil Vitthal Saudagar (DIN: 10799955) as Director of the company:**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 160 of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company, Mr. Sunil Vitthal Saudagar (DIN: 10799955), representing Saraswat Co-operative Bank Limited and who was appointed as an Additional Director of the Company effective from 21st April, 2025, being the effective date of approval of Reserve Bank of India and appointed at the meeting of Board of Directors held on 27th September, 2024 to hold office upto ensuing Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

10. **Appointment of Dr. Rajeev Uberoi (DIN: 01731829) as Director of the company:**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 160 of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company, Dr. Rajeev Uberoi (DIN: 01731829), who was appointed as an Additional Director of the Company effective from 4th August, 2025 to hold office upto ensuing Annual General Meeting of the Company, be and is hereby appointed as Director of the Company not liable to retire by rotation."

11. Appointment of Dr. Rajeev Uberoi (DIN: 01731829) as Independent Director of the Company:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) on the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company having appointed Dr. Rajeev Oberoi (DIN: 01731829), as Additional (Non-Executive Independent) Director of the Company with effect from 4th August, 2025 in terms of provisions of Section 161 of the Act and Articles of Association of the Company for a period of 2 (two) years from the date of his appointment and in respect of whom the Company has received a notice under Section 160 of the Act from a member proposing his candidature for the office of the Director, be and is hereby appointed as Non- Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 2 year i.e., from 4th August, 2025 till 3rd August, 2027."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and matters incidental thereto."

12. Appointment of Col. Vinod Shah (DIN: 11210055) as Director of the company:

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 160 of the Companies Act, 2013 and the rules made there under and the Articles of Association of the Company, Col. Vinod Shah (DIN: 11210055), who was appointed as an Additional Director of the Company effective from 20th August, 2025 to hold office upto ensuing Annual General Meeting of the Company, be and is hereby appointed as Director of the Company not liable to retire by rotation."

13. Appointment of Col. Vinod Shah (DIN: 11210055) as Independent Director of the Company:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, sections, rules of Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) on the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company having appointed Col. Vinod Shah (DIN: 11210055), as Additional (Non-Executive Independent) Director of the Company with effect from 20th August, 2025 in terms of provisions of Section 161 of the Act and Articles of Association of the Company for a period of 2 (two) years from the date of his appointment and in respect of whom the Company has received a notice under Section 160 of the Act from a member proposing his candidature for the office of the Director, be and is hereby appointed as Non- Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 2 year i.e., from 20th August, 2025 till 19th August, 2027."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and matters incidental thereto."

Date: 4th September, 2025
Place: Mumbai

Registered Office:
B-14, A - Block, 3rd Floor,
Local Shopping Complex,
Ring Road, Naraina Vihar,
New Delhi - 110 028

**By order of the Board
For National Urban Co-operative Finance
and Development Corporation Limited**

VIKAS
PURUSHOTT
AM TAREKAR

Digitally signed by
VIKAS PURUSHOTTAM
TAREKAR
Date: 2025.09.04
18:26:06 +05'30'

Vikas Tarekar
Company Secretary & Compliance officer

NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/ 2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, General Circular No. 10/ 2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 11/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and 09/2024 dated 19th September, 2024 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and in compliance with the provision of the Companies Act, 2013, the Company has decided to hold its 5th (Fifth) Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), without physical presence of the Members at a common venue.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM, pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Notice of the AGM and the annual report for the F.Y. 2024-25 are being sent electronically to the Members whose email Id's are registered with the Company unless any Member has requested for a physical copy of the same.
4. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.
6. The Company will provide separately the link of VC / OAVM facility to its members for participating at the AGM. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
7. As the Company is not a listed company nor have more than one thousand shareholders, the provisions of section 108 read with the Companies (Management and Administration) Rules, 2014 relating to providing facility to the members to exercise their right to vote through electronic means, are not applicable.
8. Since the Company has more than 50 members and in accordance with the aforesaid circulars, the voting on the resolution may be conducted by show of hand only when not more than 50 members attend the meeting. If the need arises to conduct the voting through poll or the poll is ordered or demanded, it shall only be conducted through the designated email ID of the Company i.e. compliance@nucfdc.in
9. During the meeting held through VC or OAVM facility, where a poll on any item is required, the members shall cast their vote on the resolutions only by sending emails through their email addresses which are

registered with the company. The said emails shall only be sent to the designated email address of the company.

10. Shareholders who would like to speak during the meeting must register their request with the company at least 7 days before the date of the Meeting. Depending upon the time availability, the management may decide the number of speakers and also the time allotted to each speaker.
11. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out at Item Nos. 3 to 10 in the Notice is annexed.

**NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT
CORPORATION LIMITED**

Regd. Office: B-14, A-Block, 3rd Floor, Local Shopping Complex, Ring Road, Naraina Vihar, New Delhi – 110028
Phone No.: 011-25771170, 011-25770108 | Email: contactus@nucfdc.in | Website: www.nucfdc.in
Corporate Office: 04, Ground Floor, Windfall, Sahar Plaza, J B Nagar, Andheri Kurla Road, Andheri (East),
Mumbai- 400 059 | Phone: +91 86557 21727
CIN: U65990DL2020PLC363322

EXPLANATORY STATEMENT

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER
APPLICABLE PROVISIONS**

ITEM NO. 3:

Pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014, as amended, M/s P. K. Modi & Co. Chartered Accountants, Ahmedabad (FRN: 106484W), were appointed as Statutory Auditors of the Company at the 1st Annual General Meeting, to hold office till the conclusion of the 6th Annual General Meeting of the Company..

The Reserve Bank of India ("RBI") issued a Circular RBI/2021- 22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021 ("Circular"/"Guidelines") for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors ("Statutory Auditors") of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ("RBI Guidelines").

The RBI Guidelines, inter-alia, have stipulated that NBFCs will have to appoint statutory auditor for a continuous period of 3 (three) years only. Also, an audit firm that has completed full or part of one term of the audit tenure shall not be eligible for re-appointment in the same entity for a period of 6 (six) years thereafter.

RBI subsequently also issued a clarification/FAQ on 11th June 2021. Based on the said clarification/FAQs issued by RBI, the existing Statutory Auditors can continue only if they fulfil the eligibility criteria and have not completed the stipulated tenure of three years. M/s P. K. Modi & Co., the existing Statutory Auditors of the Company already completed continuous audit of three years (four years of continuous audit) and has vide letter dated September 2, 2025 resigned and step down as Statutory Auditors of the Company effective from the conclusion of the ensuing 5th (Fifth) Annual General Meeting of the Company.

To comply with the aforesaid RBI Guidelines and the provisions of Act, the Board of Directors of the Company, on the recommendation of the Audit Committee (the "Committee"), has recommended for the approval of the Members, the appointment of M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 106655W), as the Statutory Auditors of the Company, for a term of 3 (three) consecutive years from the conclusion of 5th (Fifth) Annual General Meeting till the conclusion of the 8th (Eighth) Annual General Meeting.

M/s. Mukund M Chitale & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made at the 5th (Fifth) Annual General Meeting will be within the limits specified under section 141(3)(g) of the Act and will be in compliance with the eligibility criteria / requirements specified under the Companies Act, 2013 and the RBI Guidelines.

The proposed fees to be paid to M/s. Mukund M Chitale & Co., Chartered Accountants, for statutory audit is ₹4 Lakhs p.a. for 2025-26 and the Board will decide the audit fee for the next years.

Brief profile and credentials of M/s. Mukund M Chitale & Co., Chartered Accountants, are as under:

M/s. Mukund M Chitale & Co., Chartered Accountants, have the 51 years legacy. An audit driven Firm – 7 out of 11 partners focus exclusively on audits. All the partners are the fellow members of the ICAI. 9 out of 11 partners have been with the Firm for minimum 15 years. Staff of around 200 people.

ITEM NO. 4 & 5:

Appointment of Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) as Independent Director of the company:

The Board of Directors of the Company at its meeting held on 4th March, 2025, on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) as an Additional Director (Non-Executive, Independent) with effect from 18th March, 2025 pursuant to the provisions of Section 149, 161(1) and the Articles of Association of the Company. In terms of Section 161 of the Companies Act, 2013, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013, from a member proposing his candidature for appointment as an Independent Director of the Company.

Mr. Chamarty has submitted a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfils the conditions for appointment as an Independent Director and is independent of the management and be paid such remuneration by way of sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees thereof, as may be approved by the Board within the limits prescribed under the Act and directions issued by the RBI, in this regard, from time to time.

Mr. CH S. S. Mallikarjunarao, age 61 years, is a professional banker with more than 37 years of experience. He retired as Managing Director & CEO (MD & CEO) of Punjab National Bank (PNB) in January 2022. During his tenure at PNB, he successfully completed the amalgamation of Oriental Bank of Commerce and United Bank of India into PNB in terms of the notification issued by the Government of India. Prior to assuming the position of MD & CEO of PNB, he was MD & CEO of Allahabad Bank from September 2018 to September 2019. Before this, he served as Executive Director of Syndicate Bank since 2016. Mr. Mallikarjunarao has held various positions in Oriental Bank of Commerce including as General Manager, Chief Financial Officer, Head of Information Technology, Digital Banking and Risk Department, etc. He has requisite qualification, skills, experience and expertise in specific functional areas viz. Accountancy, Agriculture & Rural Economy, Banking, Finance, Small-Scale Industry, Information Technology, Human Resource, Risk Management, Business Management and Insurance. He holds a Bachelor degree in science and general laws and is a Certified Associate of Indian Institute of Bankers.

The Board considers that the association of Mr. Mallikarjunarao as Independent Director would be beneficial and in the best interest of the Company, considering his experience and expertise.

Pursuant to Section 149(10) of the Companies Act, 2013, an Independent Director can be appointed for a term of up to five consecutive years and shall not be liable to retire by rotation.

Accordingly, the Board recommends the appointment of Mr. CH S. S. Mallikarjunarao as a director in terms of item No. 4 of the Notice and as an Independent Director of the Company for a term of two years, in terms of item no. 5 of the Notice.

None of the Directors and/or Key Managerial personnel of the Company and their relatives, except Mr. CH S. S. Mallikarjunarao, being appointee is concerned or interested, financially, or otherwise, in the resolution set out at Item No. 4 and 5 of the accompanying the Notice seeking approval of the members by way of Ordinary Resolutions.

The Board recommends the resolutions set out at Item No. 4 and 5 of the accompanying Notice for your approval as Ordinary Resolution.

ITEM NO. 6 & 7:

To re-appoint Ms. Rachana Rahul Parikh (DIN: 10063393) as Independent Director of the Company:

Ms. Rachana Rahul Parikh (DIN: 10063393) was appointed as an Additional Independent Woman Director on the Board of the Company by the Board of Directors of the company at its meeting held on 21st March, 2024 for a period of 1 year from 27th March, 2024 and held office upto 26th March, 2025.

The Board of Directors of the Company at its meeting held on 4th March, 2025 considered her appointment as an Independent Director for the second and final term for a period of 3 years effective from 27th March, 2025 till 26th March, 2028, subject to requisite approval of the members at a general meeting.

Ms. Rachana Rahul Parikh, is a qualified CA with more than 2 decades experience. She satisfies the fit and proper criteria as stipulated by the Reserve Bank of India for assuming the role of Director applicable to Non-Banking Financial Company (NBFC) sector. Moreover, she has also furnished the requisite declaration and undertaking, as mandated for individuals aspiring to serve as directors in an NBFC and is registered with IICA as Independent Director.

In accordance with Section 149(10) read with Section 149(11) of the Companies Act, 2013, re-appointment of an Independent Director for a second term requires approval of members by way of a **Special Resolution**.

None of the Directors and/or Key Managerial personnel of the Company and their relatives except Ms. Rachna Rahul Parikh, being appointee, are concerned or interested, financially, or otherwise, in the resolution set out at Item No. 6 and 7 of the accompanying the Notice.

The Board recommends the resolution set out at Item No. 6 of the accompanying Notice as an Ordinary Resolution and Item No. 7 as Special Resolution for approval by the members of the Company.

ITEM NO. 8

Appointment of Mr. Pankaj Kumar Bansal (DIN: 05197128) as Director of the company:

The Board of Directors of the Company at its meeting held on 27th September, 2024, based upon the recommendation of the Nomination and Remuneration Committee and on seeking approval of Reserve Bank of India, appointed Mr. Pankaj Kumar Bansal (DIN: 05197128) as an Additional Director of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and his appointment as additional director became effective from 21st April, 2025.

Pankaj Kumar Bansal is a 1997 batch IAS Officer of Tamil Nadu Cadre, who has held many key positions in various departments in the Government of Tamil Nadu. He has worked as a Collector of Thiruvallur, Dharmapuri and Sivagangai districts. He has also worked as Project Director in implementation of various projects funded by the World Bank, Japan International Cooperation Agency, Asian Development Bank and DANIDA in the fields of Metrorail, power, health, drinking water and sanitation. His expertise lies in monitoring and implementation of large Infrastructure Projects.

His previous posts include Director of Town and Country Planning, Mission Director of National Rural Health Mission, Managing Director of Chennai Metro Rail Limited, Principal Secretary/Commissioner of Land Administration, Chairman and Managing Director of TNEB LTD./TANGEDCO and Chairman and Managing Director, Tamilnadu Industrial Development Corporation Limited (TIDCO).

He was also a director in the Tamilnadu Power Finance and Infrastructure Development Corporation during period 2020-21, a Non-Banking Finance Company registered with Reserve Bank of India (RBI) and classified as a Public Financial Institution by the Ministry of Corporate Affairs, Government of India.

Presently, Pankaj Kumar Bansal is the Additional Secretary at Ministry of Cooperation, Government of India and Managing Director of National Cooperative Development Corporation (NCDC) since June, 2022. NCDC is a statutory organisation set up under an Act of Parliament for financing and developing Cooperatives in the country. National Co-operative Development Corporation (NCDC) is the largest shareholder of the company holding approx. 20% of the Paid-up share capital of the company. He represents NCDC on the Board of the Company.

Mr. Pankaj Kumar Bansal holds office as an Additional Director up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a member proposing his candidature for appointment as Director of Company.

The Board recommends the resolution set out at items no. 8 of the accompanying Notice for appointment of Mr. Pankaj Kumar Bansal as a Director of the Company, liable to retire by rotation, for the approval of the members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Pankaj Kumar Bansal, is concerned or interested, financially or otherwise, in the resolution set out at item No. 8.

ITEM NO. 9:

Appointment of Mr. Sunil Vitthal Saudagar (DIN: 10799955) as Director of the company:

The Board of Directors of the Company at its meeting held on 27th September, 2024, based upon the recommendation of the Nomination and Remuneration Committee and on seeking approval of Reserve Bank of India, appointed Mr. Sunil Vitthal Saudagar (DIN: 10799955) as an Additional Director of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and his appointment as additional director became effective from 21st April, 2025.

Shri Sunil Vitthal Saudagar is a practicing CA for the past 44 years and has extensive experience and is Consultant in the fields of Audit, Taxation and Project Finance. He is a Director on the Board of Saraswat Co-operative Bank Ltd since 2008. He is presently Chairman of Risk

Management Committee and member of the Audit Accounts and NPA management committee of the Board of Saraswat Co-operative Bank Limited. Saraswat Co-operative bank Limited is one of the large shareholders of the company and he represents Saraswat Co-operative Bank Limited on the Board of the Company.

Shri Sunil Vithal Saudagar holds office as an Additional Director up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a member proposing his candidature for appointment as Director of Company.

The Board recommends the resolution set out at items no. 9 of the accompanying Notice for appointment of Shri Sunil Vithal Saudagar as a Director of the Company, liable to retire by rotation, for the approval of the members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Shri Sunil Vithal Saudagar, is concerned or interested, financially or otherwise, in the resolution set out at item No. 9.

ITEM NO. 10 & 11:

Appointment of Dr. Rajeev Uberoi (DIN: 01731829) as Independent Director of the company:

The Board of Directors of the Company vide its circular resolution 2025-26/4 approved by majority of Directors on 4th August 2025, on the recommendation of the Nomination and Remuneration Committee, has appointed Dr. Rajeev Uberoi (DIN: 01731829) as an Additional Director (Non-Executive, Independent) with effect from 4th August, 2025 pursuant to the provisions of Section 149, 161(1) and the Articles of Association of the Company. In terms of Section 161 of the Companies Act, 2013, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013, from a member proposing his candidature for appointment as an Independent Director of the Company.

Dr. Uberoi has submitted a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfils the conditions for appointment as an Independent Director and is independent of the management and be paid such remuneration by way of sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees thereof, as may be approved by the Board within the limits prescribed under the Act and directions issued by the RBI, in this regard, from time to time.

Dr. Rajeev Uberoi is a career Banker with more than four decades of experience with Reserve Bank of India, Foreign Banks and establishing of a private sector Bank and NBFC's. He has been working as Senior Group President – Governance and Controls of Yes Bank Limited since July, 2019. Prior to joining Yes Bank Limited, he has worked with IDFC Bank Limited as General Counsel and Group Head-Legal and Compliance since 2009. In his previous experiences, he has worked with several domestic and multinational banks such as Standard Chartered Bank, Union Bank of India, State Bank of India, Reserve Bank of India as Asst. General Manager, Dept. of Banking Supervision, Citibank as Vice President & Regulatory Head; ANZ Grindlays Bank as Head-Risk Management & Compliance – India. Dr. Uberoi is a lawyer and a Canadian Commonwealth Scholar with a Masters from McMaster University and a Ph.D. in Economics. He also possesses a Post Graduate Diploma in Business Administration from the Management Development Institute (MDI).

The Board considers that considering the experience and expertise, the association of Dr. Rajeev Uberoi as Independent Director would be beneficial and in the best interest of the Company.

Pursuant to Section 149(10) of the Companies Act, 2013, an Independent Director can be appointed for a term of up to five consecutive years and shall not be liable to retire by rotation.

Accordingly, the Board recommends the appointment of Dr. Rajeev Uberoi as Directors and as an Independent Director of the Company for a term of 2 years, in terms of item no. 10 & 11 of the Notice.

None of the Directors and/or Key Managerial personnel of the Company and their relatives, except Dr. Rajeev Uberoi, being appointee is concerned or interested, financially, or otherwise, in the resolutions set out at Item No. 10 & 11 of the accompanying the Notice seeking approval of the members by way of Ordinary Resolution.

The Board recommends the resolutions set out at Item No. 10 & 11 of the accompanying Notice for your approval as Ordinary Resolution.

ITEM NO. 12 & 13:

Appointment of Col. Vinod Shah (DIN: 11210055) as Independent Director of the Company:

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, vide its circular resolution 2025-26/5 approved by majority of Directors on 20th August 2025, has appointed Col. Vinod Shah (DIN: 11210055) as an Additional Director (Non-Executive, Independent) with effect from 20th August, 2025 pursuant to the provisions of Section 149, 161(1) and the Articles of Association of the Company. In terms of Section 161 of the Companies Act, 2013, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under Section 160(1) of the Companies Act, 2013, from a member proposing his candidature for appointment as an Independent Director of the Company.

Col. Shah has submitted a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfils the conditions for appointment as an Independent Director and is independent of the management and be paid such remuneration by way of sitting fees and reimbursement of expenses for attending the meetings of the Board and Committees thereof, as may be approved by the Board within the limits prescribed under the Act and directions issued by the RBI, in this regard, from time to time.

Col. Shah a seasoned IT & Telecom professional with long experience in setting up IT & Telecomm networks and managed services operations of IT & telecommunications projects. Have managed large teams of more than 1200 people at different levels. A Certified Quality management expert with experience in manufacturing, training & implementation of ISO 9000 systems in manufacturing and & ISO 27001 in IT/Software companies. Cyber security expert with good experience of setting up of IT networks for Banks and also implementing defense in depth architecture for IT networks. Experience of Formulating of various Cyber security policies for banks in India. Col. Shah is an excellent collaborator across multiple disciplines including: business stakeholders, executive level technology risk areas, regulatory agencies, compliance partners & the Board of Directors.

The Board considers that considering his experience and expertise, the association of Col. Vinod Shah as Independent Director would be beneficial and in the best interest of the Company which being a Fintech company,

Pursuant to Section 149(10) of the Companies Act, 2013, an Independent Director can be appointed for a term of up to five consecutive years and shall not be liable to retire by rotation.

Accordingly, the Board recommends the appointment of Col. Vinod Shah as Directors and as an Independent Director of the Company for a term of 2 years, in terms of item no. 12 & 13 of the Notice.

None of the Directors and/or Key Managerial personnel of the Company and their relatives, except Col. Vinod Shah, being appointee is concerned or interested, financially, or otherwise, in the resolutions set out at Item No. 12 & 13 of the accompanying the Notice seeking approval of the members by way of Ordinary Resolution.

The Board recommends the resolutions set out at Item No. 12 & 13 of the accompanying Notice for your approval as Ordinary Resolution.

Date: 4th September, 2025
Place: Mumbai

Registered Office:
B-14, A - Block, 3rd Floor,
Local Shopping Complex,
Ring Road, Naraina Vihar,
New Delhi – 110 028

By order of the Board
For **National Urban Co-operative Finance
and Development Corporation Limited**

VIKAS
PURUSHOTTAM
TAREKAR
AM TAREKAR
Digitally signed by
VIKAS PURUSHOTTAM
TAREKAR
Date: 2025.09.04
18:27:00 +05'30'

Vikas Tarekar
Company Secretary & Compliance officer

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED

Regd. Office: B-14, A-Block, 3rd Floor, Local Shopping Complex, Ring Road, Naraina Vihar, New Delhi - 110028
Phone No.: 011 -25771170, 011-25770108 | Email: contactus@nucfdc.in | Website: www.nucfdc.in
Corporate Office: 04, Ground Floor, Windfall, Sahar Plaza, J B Nagar, Andheri Kurla Road, Andheri (East), Mumbai-
400 059 | Phone: +91 86557 21727
CIN: U65990DL2020PLC363322

DIRECTORS' REPORT

To
The Members,
**NATIONAL URBAN CO-OPERATIVE FINANCE
AND DEVELOPMENT CORPORATION LIMITED**

Your directors are pleased to present their 5th (Fifth) Annual Report together with audited Balance Sheet and statement of Profit & Loss for the year commencing on 1st April, 2024 and ended on 31st March, 2025 and the report of the Auditors thereon.

FINANCIAL PERFORMANCE:

	(₹ in Lakh)	
	Current Year 2024-2025	Previous Year 2023-2024
Revenue from operations	423.92	-
Other Income	314.54	183.57
Less: Expenditure	878.21	161.07
Profit/(loss) before Interest, Depreciation & Taxation	(131.14)	23.28
Less: Interest	-	-
Depreciation	8.62	0.80
Taxation (incl: Deferred Tax)	3.45	(5.15)
Extraordinary Items	-	-
Net Profit/(Loss)	(143.20)	27.64
Proposed Dividend	-	-
Transfer to General Reserve	-	-

During the year under report, your Company has reported the total revenue of ₹ 738.46 Lakh (Previous year ₹ 183.57 Lakh). The expenses incurred by the Company amounts to ₹ 878.21 Lakh (Previous year ₹ 161.07 Lakh). The Company has incurred a Net loss of ₹ 143.20 Lakh (Previous year's Net profit ₹ 27.64 Lakh).

UMBRELLA ORGANISATION FOR URBAN CO-OPERATIVE BANKS (UCBS):

The Reserve Bank of India vide its Letter dated August 11, 2023 has granted its approval to the Company for issuance of CoR. as a Type II Non-Deposit taking NBFC, subject to raising the paid-up share capital of the company to minimum Rs. 100 Crores within a period of 6 months from the date of approval. The Board of Directors of the Company at its meeting held on 10th January, 2023 had approved the allotment of 10,45,99,996 Equity Shares of Rs. 10/- each for cash at par, under private placement and the paid - up share capital of the Company stood at Rs. 117,95,05,960/-. The Reserve Bank of India on an application made by the Company had granted its permission vide No. N-14 03609 dated 8th February, 2024 permitting the company to commence and carry on the business of Type II Non-Deposit Taking NBFC on terms and conditions forming part of the registration. As the Company is mandated to act as Umbrella Organisation for UCBs, the Paid-up share capital of the Company is required to be not less than Rs. 300 crores within one year from the date of registration of the company as NBFC.

The Board of Directors of the Company at its meeting held on 23rd May, 2025 has made allotment of 11,77,63,272 equity share of Rs. 10/- each to 97 UCBs on private placement basis and as on the said date, the paid-up share capital stood at Rs. 235,71,38,680/-. The Company has made an application to Reserve Bank of India seeking an extension of time to reach a capital target of Rs. 300 crores for recognition of the company as Umbrella Organisation of Urban Co-operative Banks.

As you are aware, NUCFDC as Umbrella organization (UO) for the nation's UCB sector was inaugurated by Hon'ble Union Minister for Home & Cooperation at a function held in Vigyan Bhawan, New Delhi on March 02, 2024 which was attended by dignitaries from Government, RBI and top management of many UCBs and state federations spread across the country. Hon'ble Minister lauded the launch of NUCFDC and hoped that it would be catalytic, game changer and play an important role in enhancing the sector's operational efficiency through professionalism and innovative technology, thereby facilitating its healthy growth while meeting the challenges of competition from differentiated players in the market.

We are pleased to inform that your company is actively engaged in the important task of organization building to undertake the various functions and provide various fund-based and non-fund-based services. The company is setting up its Corporate Office at Mumbai and has undertaken the important task of hiring experienced professionals and Key Managerial Persons for managing the operations of the company.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY:

No material change affecting the financial position of the Company has occurred between the end of financial year to which the statement relates and the date of this Directors' Report.

DIVIDEND:

The Company being in nascent stage as NBFC and yet to generate revenue from Technology segment, your directors do not recommend dividend on the equity shares of the Company for the year ended March, 2025.

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES:

Since the Company does not have any Subsidiary / Joint Venture / Associate Company as such the provisions of Companies (Accounts) Rules, 2014 relating to providing details, performance &

financial position of the subsidiaries, joint venture and Associate Companies are not applicable to the Company.

TRANSFER TO RESERVES:

During the year under review, neither any amount was transferred to any Reserve, nor did the Board propose the transfer of any amount to the General Reserve or any other Reserves of the Company.

CHANGES IN SHARE CAPITAL:

With the approval of the members at the 4th Annual General Meeting held on 24th September, 2024, the authorised share capital of the Company was increased from Rs. 200 crores to Rs. 1,000 crores.

The Paid-Up Equity Share Capital of the Company as at 31st March, 2025 stood at Rs. 117,95,05,960/-. With the allotment of equity shares under private placement on 23rd May, 2025, the Paid-up share capital of the Company stood at Rs. 235,71,38,680/-.

ANNUAL RETURN:

Pursuant to Sections 92 and 134 (3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return is available on the Company's website <https://www.nucfdc.in>.

DEPOSITS:

The Company has not accepted any deposits to which provisions of Section 73 of the Companies Act, 2013 or the rules made thereunder are applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year, under report the Company has not granted any Loans or provided Guarantees. Additionally, there are no Investments made by the Company during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

As per the provisions of section 188 of the Companies Act, 2013, the Company had not entered into any transaction with the related parties during the year.

There were no material related party transactions entered by the Company during the financial year. Hence, Form AOC-2 as per the provisions of section 134(3)(h) of the Companies Act, 2013 is not provided.

AUDITORS

Statutory Auditors:

In terms of Section 139 of the Companies Act, 2013, M/s P. K. Modi & Co. Chartered Accountants, Ahmedabad (FRN: 106484W), were appointed as Statutory Auditors of the Company at the 1st

Annual General Meeting, to hold office till the conclusion of the 6th Annual General Meeting of the Company.

The Audit Report does not contain any qualifications, reservations or adverse remarks and hence no comments or explanations are required to be made. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

Pursuant to the Reserve Bank of India vide its Circular dated 27th April, 2021 issued guidelines for appointment of statutory auditors of NBFC ("RBI Circular") and mandated the appointment of statutory auditors of NBFCs for a continuous tenure of 3 years subject to firms satisfying eligibility norms each year.

Accordingly, since M/s P. K. Modi & Co. Chartered Accountants, had completed more than 3 years as Statutory Auditors of the Company, and in view of the RBI mandate, M/s P. K. Modi & Co. Chartered Accountants tendered their resignation at the conclusion of the Fifth AGM.

In view of the same, the Company has proposed to appoint M/s. Mukund M Chitale & Co., Chartered Accountants (Firm Registration No. 106655W) as statutory auditor of the Company for a period of 3 (three) years commencing from conclusion of Fifth AGM till the conclusion of Eighth AGM in terms of RBI Circular and the Act, subject to ratification by shareholders. M/s. Mukund M Chitale & Co., Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made would be within the limits as specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141 (2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the RBI Circular. The Audit Committee and Board of Directors recommend the appointment of M/s. Mukund M Chitale & Co., Chartered Accountants, as Statutory Auditors of the Company from the conclusion of Fifth AGM till the conclusion of Eighth AGM, subject to ratification of approval of appointment and fixing of remuneration by shareholders of the Company. Shareholders are requested to approve appointment and fix their remuneration.

SECRETARIAL AUDITORS:

Pursuant to Section 204 of the Companies Act, 2013, M/s. SPANJ & Associates, Company Secretaries, Ahmedabad were appointed as Secretarial Auditor of the Company to conduct Secretarial Audit for the year 2024-25 and the Secretarial Audit Report is annexed to this Report.

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks and hence no comments or explanations are required to be made.

INTERNAL AUDITORS:

Pursuant to the provision of Section 138 and other applicable provisions, if any, of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014 (including any modification or re-enactment thereof), the Company has appointed M/s Bhatia & Bhatia, Chartered Accountants as an Internal Auditor of the Company for the financial year 2024-25.

Maintenance of Cost Records

The Maintenance of Cost Records pursuant to Section 148(1) of the Companies Act, 2013 is not required by the Company and accordingly such accounts and records are not made and maintained by the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, the Directors confirm that:

- i. in the preparation of the annual accounts for the financial year ended 31st March, 2025 the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates in that regard, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for detecting and preventing fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

All the appointments of the Directors of the Company are in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder.

Director retiring by rotation

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Hanumantgouda Krishnagouda Patil (DIN: 02323401), retires by rotation at the fifth Annual General Meeting and being eligible, has offered himself for re-appointment.

The Nomination and Remuneration Committee of the Company and the Board of Directors have recommended the re-appointment of Mr. Hanumantgouda Krishnagouda Patil.

Appointment & Re-appointment of Independent Directors and Directors

- Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) was appointed as Additional Non-Executive Independent Director on the Board of the Company with effect from 18th March, 2025 for a period of 2 years.
- Ms. Rachana Rahul Parikh (DIN: 10063393), a Chartered Accountant in practice was re-appointed as Independent Woman director on the Board of the Company with effect from 27th March, 2025 for a period of 3 years.
- Dr. Rajeev Uberoi (DIN: 01731829) was appointed as Additional Non-Executive Independent Director on the Board of the Company with effect from 4th August, 2025 for a period of 2 years and
- Col. Vinod Shah (DIN: 11210055) was appointed as Additional Non-Executive Independent Director on the Board of the Company with effect from 20th August, 2025 for a period of 2 years.

The Board recommends their appointment and re-appointment as independent Directors of the Company at the ensuing Annual General Meeting.

- Mr. Pankaj Kumar Bansal, IAS (DIN: 05797775) and Mr. Sunil Vitthal Saudagar (DIN: 10799955) were appointed as Additional Non-Executive Non-Independent Director on the Board of the Company with effect from 21st April, 2025.

The Board recommends their appointment as directors at the ensuing Annual General Meeting.

During the year under report, Mr. S Krishnakumar had ceased to be a director due to his demise on 29th January, 2025 and Mr. Ajai Kumar and Dr. R. B. Barman had ceased to be directors on the Board of the Company effective from 17th March, 2025 due to completion of their second term as Independent Directors. The Board places its deep appreciation for the immense contribution made by the outgoing directors in shaping the growth of the Company.

Fit and Proper Criteria

All the Directors meet the fit and proper criteria stipulated under the RBI Master Directions, as amended.

Declaration by Independent Directors

The Board has received declarations from the Independent Director as per the requirement of Section 149(7) of the Companies Act, 2013 and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013. In the opinion of the Board, the Independent Director possess the requisite integrity, experience, expertise and proficiency required under all applicable laws.

Key Managerial Personnel

With a view to strengthen the management by adopting restructuring at the top level, Mr. Atul Khirwadkar, Chief Executive Officer, Ms. Franky Arora and Ms. Hetal Faldu Chief Financial Officers of the Company had submitted their resignation with effect from 13th September, 2024, 7th August, 2024 and 30th June, 2025 respectively. Mr. Prabhat Kumar Chaturvedi, Mr. Pranav Desai and Mr. Vikas Tarekar were appointed as Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary respectively of the Company, with effect from 14th September, 2024 and 1st July, 2025 respectively.

NUMBER OF BOARD MEETINGS:

As per the provisions of section 173 of the Companies Act, 2013, every Company is required to hold a minimum number of four meetings of its Board of Directors every year in such manner that not more than 120 days shall intervene between two consecutive meetings of the Board.

During the year under review, the Company had 6 (Six) Board Meetings and the interval between none of the meetings of the Board exceeded the prescribed time limit of 120 days.

NUCFDC - BOARD MEETING - 2024-25								
Meeting No.	Board Meeting - Date & Time	Mr. Jyotindra Mehta	Mr. Hanumant-gouda K. Patil	Mr. S Krishna -kumar*	Dr. Radha B. Barman ^	Mr. Ajai Kumar ^	Ms. Rachana R. Parikh	Mr. CH S. S. Malli-karjuna Rao#
32 ND	17/07/2024 & 06:30 PM	✓	✓	✓	✓	✓	✓	N.A.

NUCFDC - BOARD MEETING - 2024-25								
Meeting No.	Board Meeting - Date & Time	Mr. Jyotindra Mehta	Mr. Hanumant-gouda K. Patil	Mr. S Krishna-kumar*	Dr. Radha B. Barman^	Mr. Ajai Kumar^	Ms. Rachana R. Parikh	Mr. CH S. S. Mallikarjuna Rao#
33 RD	27/09/2024 & 03:15 PM	✓	L	✓	✓	✓	✓	N.A.
34 TH	08/01/2025 & 03:00 PM	✓	L	L	✓	✓	✓	N.A.
35 TH	24/02/2025 & 02:30 PM	✓	L	N.A.	L	✓	✓	N.A.
36 TH	04/03/2025 & 05:30 PM	✓	L	N.A.	L	✓	✓	N.A.
37 TH	24/03/2025 & 07:00 PM	✓	✓	N.A.	N.A.	N.A.	✓	✓

L: Leave of absence

*: Ceased to be Independent Director effective from 29th January, 2025

^: Retired as Independent Directors effective from 17th March, 2025

#: Appointed as Independent Director effective from 18th March, 2025

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

There being no qualifications raised by the Statutory Auditors, no clarifications/explanations/comments are needed to be given.

COMMITTEES OF BOARD:

1. Audit Committee:

The Board of Directors of the Company has re-constituted the Audit Committee on 23rd May, 2025 and the Audit Committee consisted the following members during the year:

Name of Director	Directorship	Role in Committee
Ms. Rachana Rahul Parikh	Independent Director	Chairperson
Mr. CH S. S. Mallikarjunarao	Independent Director	Member
Mr. Sunil V. Saudagar	Director	Member
Mr. Krishnakumar Subramanyam	Independent Director	Member (upto 29 th January 2025)
Mr. Ajai Kumar	Independent Director	Member (upto 17 th March, 2025)
Mr. Radha Binod Barman	Independent Director	Member (upto 17 th March, 2025)
Mr. Jyotindra Mansukhlal Mehta	Director	Member (upto 23 rd May, 2025)

During the year under review, 2 (Two) Audit Committee Meetings were held.

NUCFDC - AUDIT COMMITTEE (AC) MEETING - 2024-25						
Meeting No.	Meeting Date & Time	Mr. Jyotindra Mehta	Mr. S Krishnakumar	Dr. Radha B. Barman	Mr. Ajai Kumar	Ms. Rachana R. Parikh*

NUCFDC - AUDIT COMMITTEE (AC) MEETING - 2024-25						
Meeting No.	Meeting Date & Time	Mr. Jyotindra Mehta	Mr. S Krishnakumar	Dr. Radha B. Barman	Mr. Ajai Kumar	Ms. Rachana R. Parikh*
2 ND	17/07/2024 & 05:30 PM	✓	✓	✓	✓	N.A.
3 RD	27/09/2024 & 10:00 AM	✓	✓	✓	✓	✓

*: Appointed as the Chairperson of the committee effective from 17th July, 2024.

Terms of Reference of the Audit Committee:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company, which are at arm's length, in ordinary course of business and repetitive in nature.
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.

2. Nomination and Remuneration Committee:

The Board of Directors of the Company has re-constituted the Nomination and Remuneration Committee on 23rd May, 2025 and the said Committee consisted the following members during the year:

Name of Director	Directorship	Role in Committee
Mr. CH S. S. Mallikarjunarao	Independent Director	Chairman
Ms. Rachana Rahul Parikh	Independent Director	Member
Mr. Jyotindra Mansukhlal Mehta	Director	Member
Mr. H. K. Patil	Director	Member
Mr. Krishnakumar Subramanyam	Independent Director	Member (upto 29 th January, 2025)
Mr. Ajai Kumar	Independent Director	Member (upto 17 th March, 2025)
Dr. Radha Binod Barman	Independent Director	Member (upto 17 th March, 2025)

During the year under review, the Company had 3 (Three) Nomination and Remuneration Committee Meeting:

NOMINATION & REMUNERATION COMMITTEE (NRC) MEETING - 2024-25						
Meeting No.	Meeting Date & Time	Mr. Jyotindra Mehta	Mr. S Krishnakumar^	Dr. Radha B. Barman	Mr. Ajai Kumar	Ms. Rachana R. Parikh*
6 TH	16/07/2024	✓	✓	✓	✓	N. A.

NOMINATION & REMUNERATION COMMITTEE (NRC) MEETING - 2024-25						
Meeting No.	Meeting Date & Time	Mr. Jyotindra Mehta	Mr. S Krishnakumar^	Dr. Radha B. Barman	Mr. Ajai Kumar	Ms. Rachana R. Parikh*
	& 05:30 PM					
7 TH	27/09/2024 & 02:00 PM	✓	✓	✓	✓	✓
8 TH	04/03/2025 & 04:45 PM	✓	N.A.	L	✓	✓

*: Appointed as a member of the committee effective from 17th July, 2024.

^: Ceased to a member of the committee effective from 29th January, 2025.

L: Leave of absence.

Terms of Reference of the Nomination and Remuneration Committee:

- (i) The Committee shall consist of minimum of three directors with all directors of the committee shall be non-executive directors; and at least fifty percent of the directors shall be independent directors.
- (ii) The Chairperson of the nomination and remuneration committee shall be an independent director.
- (iii) The quorum for a meeting of committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
- (iv) The nomination and remuneration committee shall meet at least once in a year.
- (v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in the NRC Policy.
- (vi) Recommending to the Board, appointment, remuneration and removal of directors and senior management.
- (vii) Formulating the criteria for evaluation of independent directors and the Board and carrying out evaluation of every director's performance.
- (viii) Formulating the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- (ix) Devising a policy on Board diversity.
- (x) To do such act as specifically prescribed by Board and
- (xi) Carry out such functions, and is empowered to act, in terms of Companies Act 2013, read with rules framed there under, including any amendment or modification thereof.

3. Business Development Committee:

The Board of Directors of the Company had also voluntarily constituted a Business Development Committee of the Board of Directors and its constitution is as under:

Name of Director	Directorship	Role in Committee
Mr. Jyotindra Mansukhlal Mehta	Director	Member
Mr. Hanumantgouda Krishnagouda Patil	Director	Member
Mr. Krishnakumar Subramanyam	Independent Director	Member (upto 29 th January, 2025)

Name of Director	Directorship	Role in Committee
Mr. Ajai Kumar	Independent Director	Member (upto 17 th March, 2025)
Dr. Radha Binod Barman	Independent Director	Member (upto 17 th March, 2025)

The committee, being a non- statutory committee did not meet during the year under review.

4. Meeting of Independent Directors:

A meeting of the Independent Directors was held on 4th March, 2025 to review the performance of Non - Independent Directors and the Board as a whole, to review the performance of Chairperson of the Company, taking into account the views of directors and to assess the quality, quantity and timeliness of flow of information between the management of the company and the Board under Para VII of Schedule IV of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES:

Details of employee remuneration as required under provisions of Section 197(12) of the Act read with Rules 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report and will be provided upon request by a Member. Further, having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, this Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

ANALYSIS OF REMUNERATION:

The Company is not listed on any Recognized Stock Exchange; hence disclosure regarding the ratio of the remuneration of each Director to the employee's median remuneration and other details are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY:

According to the provisions of section 135(1) of the Companies Act, 2013, the Company is not required to constitute Corporate Social Responsibility Committee (CSR Committee) as it does not fall under the purview of the said section and hence is not bound to formulate a CSR policy.

AMOUNT TRANSFERRED TO INVESTORS EDUCATION AND PROTECTION FUND:

The Company did not have any surplus fund lying in the unpaid or unclaimed dividend account for the period of seven years as per the provisions of section 125 of the Companies Act, 2013 established by the Central Government. Therefore, there was no fund required to be transferred to the Investor Education and Protection Fund.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

During the year under review, there was no litigation which was significant and material impacting the going concern status and company's operations in future.

CHANGE IN NATURE OF BUSINESS:

The Reserve Bank of India (RBI) has granted registration to the company as non-deposit accepting NBFC and with investment of funds in Government Securities, the Company has commenced the NBFC activities and an intimation has been given to RBI.

RISK MANAGEMENT POLICY:

The Board of Directors of the Company endeavors to review the risk at regular intervals in the Board Meetings held during the financial year. The Board of Directors of the Company ensures the measurement and control of risk factors and advice on the same to the Company. As a matter of precaution, these risks are assessed and steps as appropriate are taken to mitigate the same.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 are not applicable. The NIL statement is annexed as Annexure-A. The Company has not earned any foreign currency income nor has expensed any foreign currency.

INTERNAL FINANCIAL CONTROL:

The Company has appointed a firm of Chartered Accountants as Internal Auditors of the Company to conduct the Internal audit. The Company management is keeping control over the internal functions of the Company. The internal financial matters are closely observed and monitored by the management.

VIGIL MECHANISM:

As the Company is neither a Listed Company, nor falling under the criteria laid down under rule (7) of the Companies (Meetings of Boards and its Powers) Rules, 2014, hence the provision of Vigil Mechanism is not applicable to the Company during the financial year under review.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace for the Prevention, Prohibition & Redressal Act, 2013. The Company did not receive any complain during the year 2024-25 under the review.

APPOINTMENT OF DESIGNATED PERSON:

Pursuant to sub-rule (4) of rule 9 of the Companies (Management and Administration) Rule, 2014, every Company shall be responsible for furnishing and extending co-operation for providing information to the Registrar or any other authorised officer with respect to beneficial interest in shares of the Company, in accordance to the same and sub-rule (5) of the aforementioned rule the Company may designate a person a person to fulfil the obligation under this rule.

However, the Company is yet to formally designate someone through a duly convened Board meeting hence in accordance to sub-rule (6) of rule 9 of the Companies (Management and Administration) Rule, 2014, Mr. Vikas Tarekar the Company Secretary and Compliance Officer of the Company is deemed to be the designated person.

SECRETARIAL STANDARDS:

Your Company is in compliance with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013 for FY 2024-25.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year, no application was made and/or any proceeding has been initiated or pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company. As on the date of this report there were no details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

ACKNOWLEDGEMENT:

The Board places on record its gratitude for the continued co-operation & assistance extended by NAFCUB, NCDC, RBI, Ministry of Home Affairs, Ministry of Agriculture, Ministry of Corporate Affairs, Urban Co-operative Banks, Industry experts and Members of the Company.

We would be failing in our duty if the active participation of all our Stakeholders is not appreciated. We express our gratitude to all the stakeholders for their wholehearted co-operation & support for us all the time. We on behalf of the Company assure the Stakeholders that the Company will make every effort to meet their aspirations.

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

**SD/-
Jyotindra Mehta
Chairman
DIN: 00387212**

**Date: 4th September 2025
Place: Rajkot**

ANNEXURE – A

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information pursuant to section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended 31st March, 2025.

A. Conservation of energy-

1. Steps taken and impact on conservation of energy:
 - a) Energy Conservation measure like minimum idle machine time, putting off lights when not needed, etc. are in place.
 - b) The adoption of energy conservation measures above has resulted in awareness amongst the employees. It will have long term impact on saving of extra costs on energy.
2. Steps taken by the company for utilizing alternate sources of energy.
No such step is taken by the company.
3. The capital investment on energy conservation equipment;
No capital Investment is made in such equipment.

B. Technology absorption-

1. The efforts in brief towards technology, absorption: NIL
2. Benefits: NIL
3. Details of imported technology:
The company has not imported any technology since incorporation (18th April, 2020).
4. The expenditure incurred on Research and Development: NIL

C. Foreign exchange earnings and Outgo-

During the year under review, the Company did not earn any foreign income and there was no foreign outgo.

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

**SD/-
Jyotindra Mehta
Chairman
DIN: 00387212**

**Date: 4th September 2025
Place: Rajkot**

SPANJ
& ASSOCIATES
Company Secretaries
Peer Reviewed Firm

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members

**NATIONAL URBAN CO-OPERATIVE FINANCE AND
DEVELOPMENT CORPORATION LIMITED**

CIN: U65990DL2020PLC363322

Regd. Off: B-14, A-BLOCK, 3RD FLOOR,
LOCAL SHOPPING COMPLEX, RING ROAD,
NARAINA VIHAR, SOUTH WEST DELHI,
NEW DELHI -110028, DELHI, INDIA.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED [CIN: U65990DL2020PLC363322]** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the **Financial Year ended on March 31, 2025** according to the provisions of:

- i) The Companies Act, 2013 (Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act);
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



SPANJ
& ASSOCIATES
Company Secretaries
Peer Reviewed Firm

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED
[CIN: U65990DL2020PLC363322]

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point no. (ii), (iv) and (v) mentioned hereinabove during the period under review as the said regulations were not applicable to the company.

- v) The Reserve Bank of India (RBI) Act, 1934 and rules, regulations, master directions and guidelines issued by the Reserve Bank of India as applicable to Non Deposit taking Non-Banking Financial Companies (NBFC) and which are specifically applicable to the Company on test check basis and relying upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange and The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

However, it was noted that the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 were not applicable to the Company as securities of the Company are not listed on any recognized stock exchange and the company has not entered into any Listing Agreement with any of the Stock Exchange also as securities of the Company are not listed on any recognized stock exchange. We have been informed that the company is complying with the applicable clauses of secretarial standards; however, relevant documents were not available for our verification.

We further report that, we have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under the laws and regulations applicable to the Company as referred hereinabove and verification of documents and records on test check basis. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is an adequate compliance management system for the purpose of laws applicable to the Company.



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED
[CIN: U65990DL2020PLC363322]

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Non-executive Directors and Independent Directors. The changes in the composition of the Board that took place during the period under review as mentioned below were carried out in compliance with the provisions of the Act:

- (A) Ms. Rachana Rahul Parikh [DIN: 10063393] was appointed (Regularization) as Non-Executive Independent Director of the Company for a period of one year from March 27, 2024 to March 26, 2025 by passing Ordinary Resolution at the 4th Annual General Meeting of the Company held on September 24, 2024.
- (B) the Board of Directors of the Company at its meeting held on July 17, 2024, accepted the resignation of Mr. Atul Narayan Khirwadkar (PAN: AFRPK9041H) as CEO (Chief Executive Officer) and Whole time Key Managerial Personnel of the company with effect from the close of the working hours on September 13, 2024.
- (C) the Board of Directors of the Company at its meeting held on July 17, 2024, approved the appointment of Mr. Prabhat Kumar Chaturvedi (PAN: AGIPC2448J) as Chief Executive Officer (CEO) and Whole time Key Managerial Personnel of the company with effect from September 14, 2024.
- (D) the Board of Directors of the Company at its meeting held on July 17, 2024, accepted the resignation of Ms. Franky Arora (PAN: BRRPA9377D) as CFO (Chief Financial Officer) and whole-time key managerial personnel of the Company with effect from the close of the working hours on August 07, 2024.
- (E) the Board of Directors of the Company at its meeting held on July 17, 2024, approved the appointment of Ms. Hetal Tejas Faldu (PAN: ABHPS5280N) as CFO (Chief Financial Officer) and whole-time key managerial personnel of the Company with effect from August 08, 2024.
- (F) the Board of Directors of the Company at its meeting held on February 24, 2025 took note of death and cessation of Mr. Krishnakumar Subramanyam [DIN: 01785323] an Independent Director of the company with effect from January 29, 2025.
- (G) Ms. Rachana Rahul Parikh [DIN: 10063393] ceased to be an Independent Director of the company with effect from March 26, 2025, on completion of her first term.
- (H) the Board of Directors of the Company at its meeting held on March 04, 2025, appointed Mr. Seshabhadrasrinivasa Mallikarjunarao Chamarty (DIN: 07667641) as Additional Director (Non -Executive Independent Director) of the Company for a period of two years with effect from March 18, 2025.



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED
[CIN: U65990DL2020PLC363322]

- (I) the Board of Directors of the Company at its meeting held on March 04, 2025, reappointed Ms. Rachana Rahul Parikh [DIN: 10063393] as Additional Director (Non-Executive Independent Women Director) of the Company for the second Term of three years with effect from March 27, 2025. [Note: All Form DIR 12 with respect to appointment, regularization and retirement of Ms. Rachana Rahul Parikh [DIN: 10063393] has been filed by the company, however due to technical issues on MCA portal, in master data, the Date of Appointment at current designation shown as March 27, 2024 (initial date of appointment) instead of March 27, 2025 as additional director (actual date of appointment for Second Term)].
- (J) the Board of Directors of the Company at its meeting held on March 24, 2025, took note of cessation of Mr. Radha Binod Barman [DIN: 02612871] and of Mr. Ajai Kumar [DIN: 02446976] as Independent Directors of the company with effect from March 17, 2025, due to completion of their Second term as Independent Directors.

Adequate notice is given to all the Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. However, we were given to understand that in urgent cases, the meetings of Board and general meetings of members were convened at a shorter notice for which advance notices were served in accordance with the gap between the notice and the meeting on case-to-case basis.

All decisions at Board and Committee meetings have been carried out with requisite majority of the members of the Board or Committees as the case may be, while the dissenting Members' views are captured and recorded as part of the minutes, wherever required.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable sector specific laws, rules, regulations and guidelines referred hereinabove.

We further report that during the audit period of the Company, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

- (A) The Company has commenced Non-Banking Financial Activities (NBFC Activities) with effect from May 24, 2024, as its financial assets consequent to making investment in Government Securities Treasury bonds of more than 50% of its total assets and the income from financial assets assured to be more than 50% of its total income.

SPANJ
& ASSOCIATES
Company Secretaries
Peer Reviewed Firm

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LIMITED
[CIN: U65990DL2020PLC363322]

- (B) the Company had taken on lease the Corporate Office premises at 04, Ground Floor, Windfall, Sahar Plaza, J B Nagar, Andheri Kurla Road, Andheri (East), Mumbai - 400059, Maharashtra, India effective from September 09, 2024.
- (C) the Authorised Share Capital of the Company increased from Rs. 200,00,00,000/- (Rupees Two Hundred Crore) divided into 20,00,00,000 (Twenty Crore) Equity Shares of Face Value of Rs. 10/- (Rupees Ten) each to Rs.1000,00,00,000/- (Rupees One Thousand Crore) divided into 100,00,00,000 (One Hundred Crore) Equity Shares of Face Value of Rs.10/- (Rupees Ten) by passing of ordinary resolution at the 4th Annual General Meeting of the Company held on September 24,2024.
- (D) the company has obtained approval of members of the Company to issue, offer and allot upto 14,40,04,922 (Fourteen Crore Forty Lakhs Four Thousand Nine Hundred Twenty-Two) Equity Shares of Rs. 10/- (Rupees Ten) each for cash at par aggregating to Rs. 144,00,49,220/- (Rupees One Hundred Forty Four Crore Forty Nine Thousand Two Hundred Twenty Only) through Private Placement by Special Resolution passed in Extra Ordinary General Meeting of the Company dated March 24,2025.
- (E) the company has made Private Placement offer to issue 12,44,70,272 (Twelve Crore Forty-Four Lakhs Seventy Thousand Two Hundred Seventy-Two) Equity Shares of Rs. 10/- (Rupees Ten) each for cash at par aggregating to Rs. 124,47,02,720/- (Rupees One Hundred Twenty-Four Crore Forty-Seven Lakhs Two Thousand Seven Hundred Twenty Only) in terms of Board Resolution dated March 24,2025 and Shareholders Resolution passed in Extra Ordinary General Meeting dated March 24,2025.

Place: Ahmedabad
Date: June 20, 2025



Signature : *Nirali Patel*
Name of practicing C S: Nirali Patel, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No. : F9092
C P No : 10644
Peer Review Certi No.: 6467/2025
UDIN Number: F009092G000639337

Note: This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

SPANJ
& ASSOCIATES
Company Secretaries
Peer Reviewed Firm

Annexure - I

To,
The Members,
**NATIONAL URBAN CO-OPERATIVE FINANCE AND
DEVELOPMENT CORPORATION LIMITED**
CIN: U65990DL2020PLC363322
Regd. Off: B-14, A-BLOCK, 3RD FLOOR,
LOCAL SHOPPING COMPLEX, RING ROAD,
NARAINA VIHAR, SOUTH WEST DELHI,
NEW DELHI -110028, DELHI, INDIA.

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on March 31, 2025

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we follow provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: June 20, 2025



Signature : *Nirali*
Name of practicing C S: Nirali Patel, Partner
SPANJ & ASSOCIATES
Company Secretaries

ACS/FCS No. : F9092

C P No : 10644

Peer Review Certi No.: 6467/2025

UDIN Number: F009092G000639337



P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A/ 411 Sahel Begum, Anand Nagar Road, Jhalod Road,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 90065204 email : support@pkmodi.com
web : www.pkmodi.com

INDEPENDENT AUDITOR'S REPORT

To

The Members

National Urban Co-operative Finance and Development Corporation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **National Urban Co-operative Finance and Development Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its "loss" and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements. We have also complied with the eligibility criteria and declarations mandated by the Reserve Bank of India (RBI) for auditors of Non-Banking Financial Companies (NBFCs).





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-417 Sakal Regency, Anand Nagar Road, Panchsheel Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 40055204 email : support@pkmodi.com
web : www.pkmodi.com

Emphasis of Matter

We draw attention to Note: 27 (Notes to Cash flow statement) and reported in Clause No.3(xvii) of CARO (the "Order") to the financial statements, which describes the Company's "cash loss" incurred during the financial year ended March 31, 2025, amounting to ₹ 1,22,43,282, as compared to a cash profit of ₹ 23,29,577 in the immediately preceding financial year ended March 31, 2024. As explained to us, the management has prepared the financial statements on a going concern basis considering their plans to deploy the fund in a productive activity to carry NBFC business and explore avenues of earnings after RBI Approval, which, in our opinion, are appropriate. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Our audit procedures included:

- (1) Obtaining and reviewing the Company's detailed asset register and income statements to verify the composition of total assets and gross income.
- (2) Specifically analysing and valuing the nature of financial assets, including treasury bonds, and confirming they exceed 50% of total assets.
- (3) Verifying the source and amount of income from these financial assets (e.g., interest from treasury bonds) and confirming it exceeds 50% of gross income.
- (4) Reviewing the Company's Certificate of Registration (CoR) from the RBI and assessing its continued eligibility as an NBFC based on the 50:50 test.
- (5) Discussing with management their strategic plans regarding the commencement of the lending business and its potential impact on the 50:50 criteria in future periods.

Our audit procedures included:

- (1) Analysing the Company's cash flow projections and underlying assumptions.
- (2) Discussing with management their plans to address the cash loss, including strategies for managing operating expenses, and securing additional capital infusion to meet Reserve Bank of India prescribed condition to start business activities.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-411 Sakal Pigeons, Ahmed Nagar Road, Pheonix Nagar,
Satellite, Ahmedabad-380015, Gujarat (India)
Tel : +91 400653204 email : support@pkmodi.com
web : www.pkmodi.com

- (3) Reviewing post-balance sheet events for any indicators impacting the going concern assumption. Found the management opinion in order that the Company will continue as a going concern.

Information Other than the financial statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information, which comprises the Management Discussion and Analysis, Directors' Report, and other reports included in the Annual Report, but does not include the financial statements and the auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Accounting Standards specified under Section 133 of the Act and other accounting principles generally accepted in India.

This responsibility also includes the design, implementation, and maintenance of internal financial controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A- 411 Satel Heights, Anand Nagar Road, Prahlad Nagar,
Saket, Ahmedabad - 380015, Gujarat (India)
Tel : +91 079 5291 email : support@pkmodi.com
web : www.pkmodi.com

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A/ 411 Satal Pegasus, Anand Nagar Road, Panchsheel Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 40065204 email : support@pkmodi.com
web : www.pkmodi.com

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide Those Charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order ('the Order') to the extent applicable,
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A/ 111, Sahil Hospital, Ahmed Nagar Road, Prahlad Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 40065264 email : support@pkmodi.com
web : www.pkmodi.com

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. It is important to note that Indian Accounting Standards (Ind AS) are not applicable to the Company for the financial year ended March 31, 2025, as its net worth is less than ₹500 crores, and it is a non-listed, non-systemically important, non-deposit taking NBFC. The applicability thresholds for Ind AS for NBFCs generally commence at a net worth of ₹250 crore or ₹500 crore, depending on listing status and the phase of adoption. Therefore, the Company correctly applies the Accounting Standards (AS) under Indian GAAP (Generally Accepted Accounting Principles).
- (e) As informed by the Management No director is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, our separate Report in **"Annexure B "(Clause 3(xiv) of the Order)** is provided. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- g) The Company has not paid or provided for any managerial remuneration during the year in contravention of qualified amount u/s 197 read with schedule under Companies Act, 2013.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given:
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A- 411 Sakal Pigeon, Anand Nagar Road, Panchsheel Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 400652304 email : support@pkmodi.com
web : www.pkmodi.com

(iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

iv) A. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(vi) The Company has not declared or paid any dividend during the year.

(vii) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) of all transactions recorded in the software and the audit trail feature has not been tampered with and the records have been preserved by the Company in accordance with the law for record retention.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-411 Satsa Pigeon, Anand Nagar West, Panchsheel Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 40065204 email : support@pkmodi.com
web : www.pkmodi.com

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, a statement on the matters specified in paragraphs 3 and 4 of the Order is given in **Annexure A**.

For, P.K. Modi & Co.
Chartered Accountants
Firm Registration No : 106484W

(Pradip Modi)
Proprietor
Membership No.:43672



UDIN: 25043672BMNSFB5411

Place: Osaka, Japan
Date: 20 June, 2025



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirement's section] of our Report of even date to the Members of National Urban Co-operative Finance and Development Corporation Limited on the financial statements for the year ended March 31, 2025)

In terms of the information and explanations sought by us and given by National Urban Co-Operative Finance and Development Corporation Limited ("the Company") and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

3(i) Property, Plant and Equipment (PPE) and Intangible Assets

- (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) There is no immovable registered in the name of company.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year. Hence, this clause of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence, this clause of the Order is not applicable to the Company.

3(ii) Inventory and Working Capital

This company is NBFC and therefore clause (a) and (b) are not applicable.

3(iii) Investments, Guarantees, Security, Loans, or Advances

- (a) There is no loan and advances given to other parties. Hence this clause is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the investments made are not prejudicial to the Company's interest. As the lending business is yet to commence, the terms and conditions of the grant of loans and advances in the nature of loans are not applicable.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-511 Satal Pegasus, Avasari Nagar Road, Thablad Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 40065204 email : support@pkmodi.com
web : www.pkmodi.com

- (c) In respect of loans and advances in the nature of loans, this of the Order is not applicable to the Company as the lending business is yet to commence.
- (d) In respect of loans and advances in the nature of loans, this clause of the Order is not applicable to the Company as the lending business is yet to commence.
- (e) This clause of the Order is not applicable to the Company as the lending business is yet to commence.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

3(iv) Compliance with Sections 185 and 186 of Companies Act, 2013

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to investments made.

3(v) Deposits accepted

In our opinion and according to the information and explanations given to us, the Company, being a non-deposit accepting NBFC, has not accepted any deposits or deemed deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013, or the Companies (Acceptance of Deposits) Rules, 2014, or directives issued by the Reserve Bank of India. Furthermore, the Board of Directors has passed a resolution for non-acceptance of any public deposits as required by RBI Master Directions.

3(vi) Maintenance of costing records

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, for the business activities carried on by the Company. Accordingly, this Clause of the CARO 2020 is not applicable.

3(vii) Deposit of statutory liabilities

- (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Income-tax, and other statutory dues to the appropriate authorities. No arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they become payable were noticed.
- (b) There are no disputed statutory dues that have not been deposited on account of any dispute.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

411 Sahal Begowas, Ahmed Nagar Road, Pratishad Nagar,
Satellite, Ahmedabad - 380015 Gujarat (India)
Tel : +91 43065204 email : support@pkmodi.com
web : www.pkmodi.com

3(viii) Undisclosed income

No transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

3(ix) Default in repayment of borrowings

- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender (bank, financial institution, Government, or debenture holders).
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not raised any term loans during the year. Hence, this clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company has not utilized funds raised on a short-term basis for long-term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

3(x) Funds raised and utilisation

- (a) The Company has not raised money by way of preferential/private placement during the year.
- (b) The Company has not made a preferential allotment of equity shares during the year. Therefore, the provisions of this clause 3(x)(a) &(b) not applicable.

3(xi) Fraud and whistle-blower complaints

- (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.
- (c) No whistle-blower complaints were received by the Company during the year.

3(xii) Compliance by a Nidhi Company

The Company is not a Nidhi Company. Therefore, the provisions of, this clause 3(xii) of the CARO 2020 are not applicable.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A: 411 Safal Bhagat, Arund Nagar Road, Pratikshya Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 90065204 email : support@pkmodi.com
web : www.pkmodi.com

3(xiii) Compliance on transactions with related parties

In our opinion and according to the information and explanations given to us, Section 177 and 188 of the Companies Act, 2013 are not applicable to the company for the year under review as there is no Related Party Transactions made during the period; However, the details of related parties and Nature of Relationship have been disclosed in the financial statements at Note No-25 as required by the applicable Accounting Standards.

3 (xiv) Internal audit system

- (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have perused the reports of the Internal Auditors for the year under audit

3(xv) Non-cash transactions

The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year. Accordingly, clause 3(xv) of the Order is not applicable.

3(xvi) Registration under Section 45-IA of RBI Act, 1934

- (a) The Company has received Certificate of Registration (COR) u/s 45IA (5) of Reserve Bank of India Act, 1934 on February 8, 2024 and the Company commenced principal business activities of NBFC on May 24, 2024 by complying criteria of twin conditions i.e. Company's financial assets more than 50% its total assets and financial income more than 50% of its total income to remain eligible to hold the COR. As verified from the Company's records, these twin conditions are satisfied by the Company.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group does not have any CIC. Hence, Clauses 3(xvi)(c) & (d) of the Order is not applicable to the Company.

3(xvii) Cash losses

The Company has incurred a cash loss of ₹1,22,43,282 during the financial year ended March 31, 2025, as compared to a cash profit of ₹ 23,29,577 in the immediately preceding financial year.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-411 Satol Pagaras, Anand Nagar Road, Panchsai Nagar,
Sardar, Ahmedabad - 380015 Gujarat (India)
Tel : +91 40065204 email : support@pkmodi.com
web : www.pkmodi.com

3(xviii) Resignation of statutory auditors

There has been no resignation of the statutory auditors during the year.

3(xix) Material uncertainty

On the basis of the financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

3(xx) Transfer to fund specified under Schedule VII of Companies Act, 2013

- (a) The Company is not required to transfer any unspent amount to a Special Account in compliance with the provision of sub-section (5) of section 135 of the Companies Act, 2013, in respect of other than ongoing projects.
- (b) The Company is not required to transfer any unspent amount to the Special Account in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013, in respect of ongoing projects.

Hence, this clause of the Order is not applicable to the Company.

3(xxi) Qualifications/Adverse Remarks of Other Auditors (Group Companies)

The Company does not have any subsidiaries, associates, or joint ventures.
Hence, the provisions of this clause of the Order is not applicable to the Company.

For, P.K. Modi & Co.

Chartered Accountants

Firm Registration No : 106484W

(Pradip Modi)

Proprietor

Membership No.:43672

UDIN: 25043672BMNSFB5411



Place: Osaka, Japan

Date: 20 June, 2025



P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A- 411 Saki Pigeon, Around Pigeon Road, Pashahi Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : + 91 40065204 email : support@pkmodi.com
web : www.pkmodi.com

**Annexure "B" to the Independent Auditor's Report
(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report of even data to the Members of National Urban Co-Operative Finance and Development Corporation Limited**

Report on the internal financial controls over financial reporting under clause (i) of subsection 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **National Urban Co-Operative Finance and Development Corporation Limited** ("the Company") as at March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over the financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-411 Satish Bhagwati, Anand Nagar Road, Panchsheel Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 90065204 email : support@pkmodi.com
web : www.pkmodi.com

and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.





P. K. MODI & CO.
CHARTERED ACCOUNTANTS

A-411 Sola Pegasus, Ahmed Nagar Road, Panchsheel Nagar,
Satellite, Ahmedabad - 380015, Gujarat (India)
Tel : +91 40065204 email : support@pkmodi.com
web : www.pkmodi.com

Opinion

In our opinion and according to the information and explanations are given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, P.K. Modi & Co.
Chartered Accountants
Firm Registration No: 106484W

(Pradip Modi)
Proprietor
Membership No.:43672



UDIN:25043672BMNSFB5411

Place: Osaka, Japan
Date: 20 June, 2025

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.			
CIN:U65990DL2020PLC363322			
BALANCE SHEET AS ON 31ST MARCH 2025			

Amount in Rs. Lakh

PARTICULARS	Note No.	As at 31st March 2025	As at 31st March 2024
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	11,795.06	11,795.06
(b) Reserves and Surplus	3	(164.62)	(21.42)
(c) Money Received Against Shares Warrants		-	-
Total shareholders' funds		11,630.44	11,773.64
(2) Share Application Money Pending for Allotment		1,907.34	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-Term Liabilities		-	-
(d) Other Long term Provisions	4-A	8.05	-
Total Non-current Liabilities		8.05	-
(4) Current Liabilities			
(a) Short-Term Borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	5	148.58	125.59
(d) Short Term Provisions	4-B	0.65	-
Total Current Liabilities		149.23	125.59
Total Equity and Liabilities			
TOTAL		13,695.07	11,899.23
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	6	39.67	0.97
(ii) Intangible Assets	7	2.26	-
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non - Current Investments		-	-
(c) Deferred Tax Assets (Net)	20	1.70	5.15
(d) Long term Loans and Advances		-	-
(E) Other Non-Current Assets	8	244.33	1,270.26
Total Non-Current Assets		287.96	1,276.37
(2) Current Assets			
(a) Current Investments	9	7,169.53	-
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Cash equivalents	10	5,687.58	10,578.55
(e) Short-Term Loans and Advances	11	5.88	0.21
(f) Other Current Assets	12	544.16	44.10
Total Current Assets		13,407.11	10,622.85
TOTAL		13,695.07	11,899.23

Notes to Accounts

1 to 31

The accompanying Notes form an integral part of the financial statements

As per Our Report of even date

For, P.K. MODI & CO.

CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
National Urban Co-Operative Finance and Development Corporation Ltd.

P.K. MODI
PROPRIETOR



Jyotindra Mansukhlal Mehta
Chairman
(DIN: 00387712)

Prabhat Kumar Chaturvedi
Chief Executive Officer

Hetal Faldu
Chief Financial Officer

Nyra
Nyra Hinduja
Company Secretary
ACS:62852

Membership No.: 043672
Firm Reg. No.: 106484W
UDIN: 25043672BMNSFB5411

Place: Osaka Japan
Date: 20 June, 2025

Place: Mumbai
Date: 20 June, 2025



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.

CIN:U65990DL2020PLC363322

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2025

Amount in Rs. Lakh

PARTICULARS	Note No.	2024-25	2023-24
Finance Income	13	423.92	-
Other Income	14	314.54	183.57
Total Income		738.46	183.57
EXPENSES			
Employee Benefit Expenses	15	368.47	44.94
Financial Costs			-
Depreciation & Amortisation Expense	16	8.62	0.80
Other Expenses	17	501.12	115.33
Total Expenses		878.21	161.07
Profit before exceptional and extraordinary items and tax		(139.75)	22.50
Exceptional Items			-
Profit before extraordinary items and tax (V-VI)		(139.75)	22.50
Extraordinary Items			-
Profit before tax (VII-VIII)		(139.75)	22.50
TAX EXPENSES			
(a) Current Tax			
(b)(Deferred Tax Asset)/Liability		3.45	(5.15)
(c) Tax adjustment of earlier years			-
Profit/ (Loss) for the year		(143.20)	27.64
Earning per equity share :			
(1) Basic		(0.12)	-
(2) Diluted		(0.12)	-

1 to 31

Notes to Accounts

The accompanying Notes form an integral part of the financial statements

As per Our Report of even date

For, P.K. MODI & CO.

CHARTERED ACCOUNTANTS

P.K. MODI

PROPRIETOR

Membership No.: 043672

Firm Reg. No.: 106484W

UDIN: 25043672BMNSFB5411



For and on behalf of the Board of Directors of
National Urban Co-Operative Finance and Development Corporation Ltd

Jyotindra Mansukhlal Mehta
Jyotindra Mansukhlal Mehta
Chairman
(DIN: 00387212)

Prabhat Kumar Chaturvedi
Prabhat Kumar Chaturvedi
Chief Executive Officer

Hetal Faldu
Hetal Faldu
Chief Financial Officer

Nyra Hinduja
Nyra Hinduja
Company Secretary
ACS:62852



Place: Osaka Japan
Date: 20 June, 2025

Place: Mumbai
Date: 20 June, 2025

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.

CIN:U65990DL2020PLC363322

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2025

Amount in Rs. Lakh

PARTICULARS	2024-25		2023-24	
A. Cash Flow from Operating Activities:				
Net Profit before Tax and Extraordinary Items adjustment	(139.75)		22.50	
- Depreciation	8.62		0.80	
- Provisions				
Operating Profit before working capital changes:		(131.13)		23.30
Changes in Working Capital				
Adjustments for (Increase)/ Decrease in Operating Assets				
- Trade Receivables	-		-	
- Long Term Loans and Advances	-		-	
- Short Term Loans and Advances	(5.68)		(0.14)	
- Other Current Assets	(500.06)		(27.83)	
- Other Non - Current Assets	1,029.37		(537.09)	
Adjustments for increase/ (Decrease) in Operating Liabilities				
- Other Current Liabilities	22.99		9.09	
- Trade Payables	-		2.41	
- Long term Provisions	8.05			
- Short term provisions	0.65		-	
Cash Generated from/ (used in) Operations		555.33		(553.56)
- Direct Tax paid including Deferred Tax		424.20		(530.26)
		3.45		(5.15)
A Net cash generated from/ (used in) Operating Activities		420.75		(525.12)
B. Cash Flow from Investing Activities:				
- Capital Expenditure of Fixed Assets		(49.58)		(1.77)
- Proceeds from Sale of Fixed Assets				-
- Investment in Fixed Deposit Government Bonds		(7,169.53)		-
B Net Cash Flow Generated from/ (used in) Investing Activities		(7,219.11)		(1.77)
C. Cash Flow from Financing Activities:				
Cash Flow from Financing Activities				
- Issue proceeds from Equity Shares		1,907.34		10,480.00
- Long Term Borrowing-Unsecured Loan				-
C Net Cash Flow Generated from/ (used in) Financing Activities		1,907.34		10,480.00
Net Increase/(Decrease) in Cash and Cash Equivalent [A+B+C]		(4,891.02)		9,953.12
Cash and Cash Equivalents at the beginning of the year		10,578.55		625.43
Cash and Cash Equivalents at the End of the year		5,687.53		10,578.55

Notes to Accounts

1 to 31

The accompanying Notes form an integral part of the financial statements

As per our report of even date attached herewith

For, P K Modi & Co

CHARTERED ACCOUNTANTS

P.K. Modi

P.K. MODI

PROPRIETOR

Membership No.: 043672

Firm Reg. No.: 106484W

UDIN: 25043672BMNSFB5411

Place: Osaka Japan

Date: 20 June, 2025



For and on behalf of the Board of Directors of

National Urban Co-Operative Finance and Development Corporation Ltd

Jyotindra Mansukhlal Mehta
Jyotindra Mansukhlal Mehta
 Chairman
 (DIN: 00387212)

Prabhat Kumar Chaturvedi
Prabhat Kumar Chaturvedi
 Chief Executive Officer

Place: Mumbai

Date: 20 June, 2025

Hetal Faldu
Hetal Faldu
 Chief Financial Officer



Nyra Hinduja
Nyra Hinduja
 Company Secretary
 ACS:62852

NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.
CIN:U65990DL2020PLC363322
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025

Note - 2 : Share Capital

Sr. No.	PARTICULARS	Amount in Rs. Lakh	
		As at 31st March 2025	As at 31st March 2024
1	AUTHORISED 100,00,00,000 Equity Shares of Rs. 10 each (March 31, 2024- 20,00,00,000 Equity Shares of Rs. 10/- each)	1,00,000.00	20,000.00
		1,00,000.00	20,000.00
2	ISSUED, SUBSCRIBED & PAID UP 11,79,50,596 Equity Shares of Rs. 10 Each	11,795.06	11,795.06

Terms/Rights attached to Equity Shares

The company has single class of equity shares with face value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and shares in the company's residual assets. The equity shares are entitled to receive dividend declared from time to time. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held.

1A.	List of Shareholders holding more than 5% share in the Company	2024-25				2023-24			
		No. of Shares	% to Total Shares	Face Value/Share	Total Value Rs. Lakh	No. of Shares	% to Total Shares	Face Value/Share	Total Value Rs. Lakh
1	Surat Peoples Coop Bank Ltd	62,50,000	5.30%	10	625	62,50,000	5.30%	10	625
2	The Kalupur Commercial Co-op Bank Ltd.	1,00,00,000	8.48%	10	1,000	1,00,00,000	8.48%	10	1,000
3	Saraswat Cooperative Bank Ltd.	1,50,00,000	12.72%	10	1,500	1,50,00,000	12.72%	10	1,500
4	National Cooperative Development Corporation	2,00,00,000	16.96%	10	2,000	2,00,00,000	16.96%	10	2,000
5	SVC Cooperative Bank Ltd	75,00,000	6.36%	10	750	75,00,000	6.36%	10	750
6	TJSB Sahakar Bank Ltd.,	90,00,000	7.63%	10	900	90,00,000	7.63%	10	900
	TOTAL	6,77,50,000	57.44%		6,775	6,77,50,000	57.44%		6,775

As per the records of the Company, including its Register of shareholding/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



Note-1:

Notes to Financial Statements

These notes provide detailed information and explanations that are an integral part of the financial statements, offering a comprehensive understanding of the Company's financial position, performance and cash flows.

General Information about the Company

National Urban Cooperative and Finance Development Corporation Company ("the Company") is a Non-Banking Financial Company (NBFC) incorporated in India on. Its registered office is located at B-14, A - Block, 3rd Floor, Local Shopping Complex, Ring Road, Naraina Vihar, New Delhi – 110 028 and corporate office at Office: 04, Ground Floor, Windfall, Sahar Plaza, J B Nagar, Andheri Kurla Road, Andheri (East), Mumbai- 400 059. The Company is primarily engaged in financial and non-financial activities to support, assist and guide urban cooperative banks. It is an umbrella organisation for Urban Cooperative Banks and light house for Cooperative Banking sector. While the Company has obtained its Certificate of Registration as an NBFC, its lending business is yet to commence. The financial statements cover the period for the year ended March 31, 2025.

1. Summary of Significant Accounting Policies

1.1 Basis of Preparation and Measurement

The financial statements of the Company have been prepared on a going concern basis, following the accrual system of accounting, and under the historical cost convention. The preparation of these financial statements follows the Companies Act, 2013, and the Accounting Standards (AS) notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

It is explicitly stated that Indian Accounting Standards (Ind AS) are not applicable to the Company for the financial year ended March 31, 2025. This non-applicability is due to the Company's net worth being less than ₹250 crores, and its classification as a non-listed, non-systemically important, non-deposit taking NBFC. The thresholds for mandatory Ind AS applicability for NBFCs typically apply to those with a net worth of

₹250 crore or more (for unlisted NBFCs) and to listed NBFCs or those in the process of listing. The functional and presentation currency of the financial statements is the Indian Rupee (INR).

1.2 Revenue Recognition

Interest income from investments (primarily treasury bonds) and fixed deposit with Banks is recognized on a time proportion basis, taking into account the amount outstanding and the



applicable rates. As a matter of prudence, interest income on credit-impaired financial assets is not recognized unless it is actually realized. Dividend income from shares of corporate bodies and units of mutual funds is recognized on an accrual basis when the right to receive payment is established. Other operating revenues, such as processing fees (if any), are recognized when the service is rendered. No significant interest income from lending activities has been recognized as the lending business is yet to commence.

1.3 Property, Plant and Equipment (PPE) and Intangible Assets

The Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost includes the purchase price, directly attributable costs of bringing the asset to its working condition for its intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Depreciation is provided on written down value method, calculated on the basis of estimated useful life of the assets using the indicative useful life as prescribed under part C of Schedule II to the Companies Act, 2013. The Company has used the following useful life to provide depreciation on fixed assets:

Types of Property, Plant and Equipment	Useful life
Office Equipments	5 years
Furniture and Fixtures	10 years
Computer equipment	3 years
Software	3 years

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. 5% of cost of acquisition of the assets has been taken as the residual value which is line with the provisions of Act.

Leasehold improvements are depreciated over the lease term i.e.3 years Intangible assets are amortized on a straight-line basis over their estimated useful lives.

1.4 Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.



On initial recognition, all investments are measured at cost i.e. Purchase price. Long-term investments are carried out at cost. Provision for diminution in value is made to recognize a decline, other than temporary, in the value of such investments. Current investments are however carried out in financial statements at the lower of cost or fair value determined on an individual investment basis.

On disposal of investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

1.5 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

1.6 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equities shares outstanding during the period. To calculate diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.7 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

1.8 Taxation

Current tax is the amount of income tax payable in respect of the taxable profit for a period. Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.



1.9 Retirement and other employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard (AS) 15, Employee Benefits.

The company operates a defined benefit plan for its employees, viz., gratuity liability. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. A separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the Statement of Profit and Loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as a short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

1.10. Preliminary Expenses:

The Company follows the method of writing off Preliminary Expenses in equal amount over a period of 5 years.

1.11 Prior Period Expense:

Prior Period Expenses for FY 2024-2025 and FY 2023-2024 represent GST Reversal expenses and Professional Fees expenses respectively, which are related to the period prior to respective financial years.



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.									
CIN:U65900DL2020PLC363322									
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025									
Shareholding of Promoters		2024-25			2023-24				
Sr. No.	Promoter Name	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year		
1	Gujarat Urban Co-Operative Banks Federation	4,00,000	0.34%	-	4,00,000	0.34%	-		
2	The Karnataka State Co-Operative Urban Banks Federation Ltd.	4,00,000	0.34%	-	4,00,000	0.34%	-		
3	National Federation of Urban Co-Operative Banks and Credit Societies Ltd.	5,00,000	0.42%	-	5,00,000	0.42%	-		
4	Federation of West Bengal Urban Co-Operative Bank and Credit Societies Ltd.	2,50,000	0.21%	-	2,50,000	0.21%	-		
5	Hanumantgouda Patil	10,000	0.01%	-	10,000	0.01%	-		
6	Jyotindra Manshukhlal Mehta	10,000	0.01%	-	10,000	0.01%	-		

1C Reconciliation of No. of Shares outstanding at the beginning and at the end of the reporting period		Amount in Rs. Lakh			
Sr.No.	PARTICULARS	As at 31st March 2025		As at 31st March 2024	
		Number	Amount	Number	Amount
1	Shares outstanding at the beginning of the year	11,79,50,595	11,795.06	71,10,600	711.06
2	Shares issued during the year	-	-	11,08,39,996	11,084.00
3	Shares outstanding at the end of the year	11,79,50,595	11,795.06	11,79,50,596	11,795.06



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.	
CIN:U65990DL2020PLC363322	
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025	

Note : 3 Reserves & Surplus

Amount in Rs. Lakh

Sr No	PARTICULARS		As at 31st March 2025		As at 31st March 2024
1	<u>Profit & Loss Account :</u>				
	Opening balance		(21.42)		(49.06)
	Add : Profit /(Loss) for the period		(143.20)		27.64
	Closing Balance		(164.62)		(21.42)
	Total In ₹		(164.62)		(21.42)



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.
CIN:U65990DL2020PLC363322
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025

Note - 4 : Provisions

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
	Provision for Employee Benefits		
4-A	<i>Long Term Provisions</i>		
	Gratuity	3.08	-
	Leave Encashment	4.97	-
	Long Term Provisions A	8.05	-
4-B	<i>Short Term Provisions</i>		
	Gratuity	0.01	-
	Leave Encashment	0.64	-
	Short Term Provisions B	0.65	-

Note - 5 : Other Current Liabilities

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
1	Duties & Taxes Payable	16.24	3.28
2	Payable to NAFCUB	113.09	113.09
3	Other payables	11.05	6.81
4	Sundry Creditors		
	Due to Micro, Small and Medium Enterprise*	3.93	-
	Others	4.27	2.41
	(*including the interest payable for late payment Rs. Nil)		
	Total In ₹	148.58	125.59



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.

CIN:U65900DL2020PLC363322

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Amount in Rs. Lakh

Note - 6 : PROPERTY, PLANTS AND EQUIPMENTS & INTANGIBLE ASSETS										NET BLOCK	
Description of Assets	Rate of Depreciation	GROSS BLOCK			DEPRECIATION			Closing balance as on 31-03-25	deletions during the year	Closing balance as on 31-03-25	as on 31-03-25 as on 31-03-24
		Op Balance as on 01-04-24	additions during the year	deletions during the year	Closing balance as on 31-03-25	Op Balance as on 01-04-24	additions during the year				
TANGIBLE ASSETS											
1 Lessehold Improvements	33.13%	-	30.48	-	30.48	-	4.18	4.18	-	26.30	-
2 Office Equipment	45.07%	-	3.44	-	3.44	-	0.39	0.39	-	3.05	-
3 Furniture & Fixture	25.89%	0.15	0.65	-	0.80	0.01	0.15	0.16	-	0.64	0.14
4 Computer & Printer	63.16%	1.62	12.38	-	14.00	0.79	3.53	4.32	-	9.68	0.83
Total		1.77	46.95	-	48.72	0.80	8.25	9.05	-	39.67	0.97
Total of previous year		-	1.77	-	1.77	-	0.80	0.80	-	0.97	-

Amount in Rs. Lakh

Note - 7 :										NET BLOCK	
Description of Assets	Rate of Depreciation	GROSS BLOCK			DEPRECIATION			Closing balance as on 31-03-25	deletions during the year	Closing balance as on 31-03-25	as on 31-03-25 as on 31-03-24
		Op Balance as on 01-04-24	additions during the year	deletions during the year	Closing balance as on 31-03-25	Op Balance as on 01-04-24	additions during the year				
INTANGIBLE ASSETS											
1 Website Development Charges	33.13%	-	2.63	-	2.63	-	0.37	0.37	-	2.26	-
Total		-	2.63	-	2.63	-	0.37	0.37	-	2.26	-
Total of previous year		-	-	-	-	-	-	-	-	-	-



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.

CIN:U65990DL2020PLC363322

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

Note : 8 Other Non - Current Assets

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
1	Security Deposit	25.73	0.73
2	Preliminary Expense	218.60	159.53
3	Fixed Deposits Having Maturity Of More Than 12 Months	-	1,110.00
	Total in ₹	244.33	1,270.26

Note : 9 Current Investments

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
1	Investments in Treasury Bills (Non-Trade, At cost) (Market value Rs. 7,169.53 lakh)	7,169.53	-
	Total in ₹	7,169.53	-

Note : 10 Cash & Cash Equivalent

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
1	Cash in Hand	-	-
2	Bank Balance	2,077.53	10,578.55
3	Fixed Deposits:		
	with maturity less than 3 months	2,500.00	-
	with maturity more than 3 months but less than 12 months	1,110.00	-
	Total in ₹	5,687.53	10,578.55

Note : 11 Short Terms Loans and Advances

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
1	Loans & Advances to Others	5.21	0.21
2	Other Receivables	0.68	-
	Total in ₹	5.89	0.21

Note : 12 Other Current Assets

Amount in Rs. Lakh

Sr No	PARTICULARS	As at 31st March 2025	As at 31st March 2024
1	Due Receivable From Government Authorities	92.28	37.66
2	Interest Accrued but not due on Fixed Deposits	176.15	6.44
3	Income accrued but not due on Treasury Bills	269.63	-
4	Prepaid Expenses	6.10	-
	Total in ₹	544.16	44.10



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.	
CIN:U65990DL2020PLC363322	
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025	

Note - 13 : Finance Income

Amount Rs. In Lakh

Sr No	PARTICULARS	2024-25	2023-24
1	Interest Income from Treasury Bills	423.92	-
	Total	423.92	-

Note - 14 : Other Income

Amount Rs. In Lakh

Sr No	PARTICULARS	2024-25	2023-24
1	Interest on Fixed Deposit	308.28	183.45
2	Tender Fees	6.10	-
3	Income from Services	0.15	-
4	Interest on Income Tax Refund	-	0.12
5	Miscellaneous Income	0.01	-
	Total	314.54	183.57

Note - 15 : Employee Benefit Expenses

Amount Rs. In Lakh

Sr No	PARTICULARS	2024-25	2023-24
1	Salaries and Wages	359.77	44.94
2	Gratuity	3.09	-
3	Leave Encashment	5.61	-
	Total	368.47	44.94

Note - 16 : Depreciation and Amortisation Expense

Amount Rs. In Lakh

Sr No	PARTICULARS	2024-25	2023-24
1	Depreciation of Tangible Assets	8.25	0.00
2	Amortisation of Intangible Assets	0.37	-
	Total	8.62	0.00



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.
CIN:U65990DL2020PLC363322
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025

Note - 17 : Other Expenses

Amt. Rs. In Lakh

Sr No	PARTICULARS	2024-25	2023-24
		Amount (₹)	Amount (₹)
1	Advertisement Charges	12.84	-
2	Bank Charges	0.58	-
3	Brokerage	4.74	-
4	GST Expense	2.29	-
5	Travelling Conveyance and meeting expenses	90.04	15.03
6	Legal & Professional Charges	266.73	23.16
7	Printing & Stationery	3.23	1.05
8	Rent	24.97	-
9	Directors Sitting fees	7.40	10.60
10	Office Expense	5.30	0.33
11	Interest on Taxes	0.81	0.10
12	Statutory fees and Duties	0.59	0.68
13	preliminary expenses w/off	64.62	39.88
14	Other Expenses	2.34	1.34
15	Umbrella Launch Event Expenses	-	12.03
16	Prior period expenses	9.66	10.18
17	Audit Fees	2.50	0.75
18	Technology expenses	2.48	0.20
	Total	501.12	115.33



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.
CIN:U65900DL2020PLC363322
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Note: 18

I Title deeds of Immovable Property not held in name of the Company

Relevant line items in the Balance sheets	Descriptions of Items of property	Gross carrying Value	Title deeds of Immovable Property not held in name of the Company	Whether title deed holder is a promoter, director or relative of Promoter/ director or employee of promoters/ director	Property held since which date	Reason for not being held in the name of company
Not Applicable						

II Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 - Not Applicable

III Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: Not Applicable

(a) repayable on demand or

(b) without specifying any terms or period of repayment

Amount Rs.

Type of Borrower	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

IV Capital Work In Progress (CWIP)

(a) For Capital-work-in progress, following ageing schedule shall be given - Not Applicable

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress					
Projects temporarily suspended					

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following - Not Applicable

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project 1					
Project 2					

V Intangible assets under development:

(a) For intangible assets under development - Not Applicable

Intangible Assets under Development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project 1					
Project 2					

(b) Intangible assets under development completion schedule - Not Applicable

Intangible Assets under Development	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Project 1					
Project 2					

VI Details of Benami Property held

Not Applicable

VII Where the Company has borrowings from banks or financial institutions on the basis of current assets - Not Applicable

(a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed

VIII Willful Defaulter - Not Applicable

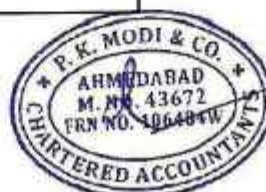
a. Date of declaration as willful defaulter.

b. Details of defaults (amount and nature of defaults).

IX Relationship with Struck off Companies

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details: NOT APPLICABLE

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities		
	Receivables		
	Payables		
	Shares held by struck-off Company		
	Other outstanding balances (to be specified)		



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.

CIN:U65990DL2020PLC363322

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Amt In Rs. Lakh

X RATIOS

Sr. No.	Ratios	Formula	2024-25	2023-24	% Change	Reason for Change above 25%
1	Current Ratio	Current Assets / Current Liabilities	89.84	84.59	6%	
2	Debt - Equity Ratio	Total External Borrowings / Total Equity	NA	NA	NA	The Co. is not having any External Borrowings.
3	Debt Service Coverage Ratio	(PAT + Depreciation + Interest) / (Interest + Instalment)	NA	NA	NA	The Co. is not having any Interest Bearing Loans
4	Return on Equity Ratio	PAT / Average Shareholder's Equity	NA	NA	NA	During the year, there is a loss and hence not applicable
5	Inventory Turnover Ratio	Cost of Goods sold / Average Inventory	NA	NA	NA	The Co. is Financial Service Provider.
6	Trade Receivable Turnover Ratio	Credit Sales during the year / Average Accounts Receivable	NA	NA	NA	
7	Trade Payables Turnover Ratio	Credit Purchases during the year / Average Accounts Payable	NA	NA	NA	
8	Net Capital Turnover Ratio	Total Operating Revenue / Net Assets	NA	NA	NA	
9	Net Profit Ratio	PAT / Total Revenue	NA	NA	NA	
10	Return on Capital Employed	PAT + Interest Expense / Capital Employed	NA	NA	NA	
11	Return on Investment	PAT / Investment	NA	NA	NA	

XI Compliance with approved Scheme(s) of Arrangements- Not Applicable

XII Utilisation of Borrowed funds and share premium: Not Applicable

XIII Un-hedged foreign currency exposure : Nil

The Company does not have any foreign currency receivables and payables as at 31 March 2025 (31 March 2024: ₹ Nil).



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.				
CIN:U65990DL2020PLC363322				
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025				
Note - 19 : Payment to Auditors		Amt in Rs. Lak		
Particulars	2024-25	2023-24		
	Amount (₹)	Amount (₹)		
For Audit Fees	2.50	0.75		
Note - 20 : Deferred Taxes				
The break up of deferred tax liability and (deferred tax asset) for the year ended 31st March 2024 is as under				
Particulars	2024-25	2023-24		
	Amount (₹)	Amount (₹)		
(A) Deferred Tax Asset on :				
Provisions for employee Benefits	2.19			
Preliminary expenses		5.18		
Sub Total	2.19	5.18		
(B) Deferred Tax liability on :				
Fixed Assets	0.49	0.04		
Sub Total	0.49	0.04		
Total A+B	1.70	5.15		
Note - 21 : Expenditure in Foreign Currency		Amount Rs.		
Particulars	2024-25	2023-24		
	Amount (₹)	Amount (₹)		
Nil	-	-		
Note - 22 : Earning in Foreign Exchange		Amount Rs.		
Particulars	2024-25	2023-24		
		Amount (₹)		
Nil	-	-		
Note -23 :				
In the Opinion of the Company the Current Assets, Loan and Advances have the value at which they are started in the Balance sheet, if realised in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.				
Note -24 : Contingent Liabilities : Nil				
Note - 25 : Related Party Disclosures (As identified by the Management)				
Related Parties and Nature of Relationship				
Directors of the Company	Designation	Nature of Payment	2024-25 (Amount)	2023-24 (Amount)
1. Hanumantgouda Patil	Director	Sitting Fees	0.20	1.60
2. Krishnakumar Subramanyam	Director	Sitting Fees	1.40	3.00
3. Ajai Kumar	Director	Sitting Fees	2.20	3.00
4. Radha Binod Barman	Director	Sitting Fees	1.60	3.00
5 Rachana Rahul Parikh	Director	Sitting Fees	1.80	-
6. Mallikarjun Rao	Director	Sitting Fees	0.20	-
Name	Relations	Nature of Transaction	2024-25 (Amount)	2023-24 (Amount)
NAFCUB	Associates	Loans Taken - Balance Outstanding	113.09	113.09



NATIONAL URBAN CO-OPERATIVE FINANCE AND DEVELOPMENT CORPORATION LTD.

CIN:U65990DL2020PLC363322

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2025**Note 26: Segment Reporting**

In accordance with the Accounting Standards (AS 17), the Company operates predominantly in one business segment, i.e., financial services (primarily investment activities), and primarily within India. Therefore, segment reporting as per AS 17 is not applicable.

Note 27: Note to Cashflow Statement

The Company incurred a cash loss of ₹ 122.43 Lakh during the financial year ended March 31, 2025. The business activities are yet to start and hence, there is excess of expenditure over interest income as against cash profit of ₹ 23.30 lakh in the previous year ended March 31, 2024, which was primarily driven minimal overheads and staff since company was at preparatory stage. The management is actively working on introducing products and services to its member banks and to generate operational revenue.

Note 28: Asset Classification and Provisioning

The Company has not yet started its lending activity so the classification of advances as per prudential norms into Standard, sub-standard, Doubtful and loss Assets and corresponding provisioning norms are not applicable. The Company's financial assets currently comprise of investment in Treasury Bills and fixed deposits with Banks. The Company makes provision for any permanent diminution in the value of investments. As on March 31, 2025, the investments were realisable at the book value and hence no provision was required for the same

Note 29: Investment Concentration

The Company maintains an internal Board-approved policy for investments in Treasury Bills and Bank Deposits and the investments during the year were in compliance with the said policy. The Company has not yet started the lending activities and hence the credit concentration norms are not applicable. The Company does not have any exposure to real estate sector.

Note 30 Regulatory Disclosures

i. **Certificate of Registration** - The Company is a Non Banking Finance Company and holds Certificate of Registration no. N-14.03609 issued on 8th February, 2024 by the Reserve Bank of India.

ii. **50:50 Criteria Confirmation** - The Company confirms that it meets the '50:50 criteria' as defined by the Reserve Bank of India for classification as a Non-Banking Financial Company. As at March 31, 2025, its financial assets (primarily investments in treasury bonds) constitute more than 50% of its total assets, and income from these financial assets (investment income) constitutes more than 50% of its gross income which confirms its primary business as a financial institution

iii. **Penalties** - No penalties were imposed on the Company by the Reserve Bank of India or any other regulatory authorities during the financial year ended March 31, 2025

Note 31 Prior year comparatives : Previous year's amounts have been regrouped/ reclassified wherever necessary to conform to the current year's presentation.

For, P.K. MODI & CO.

CHARTERED ACCOUNTANTS



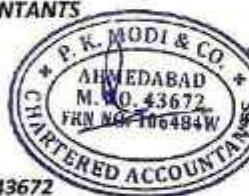
P.K. MODI

PROPRIETOR

Membership No.: 043672

Firm Reg. No.: 106484W

UDIN: 25043672BMNSFB5411

For and on behalf of the Board of Directors of
National Urban Co-Operative Finance and Development Corporation Ltd
MOTINDRA MANSUKHLAL MEHTA
Chairman
(DIN: 00387212)
Prabhat Kumar Chaturvedi
Chief Executive Officer
Hetal Faldu
Chief Financial Officer
Nyra Hinduja
Company Secretary
ACS:62852

Place: Osaka, Japan

Date : 20 June, 2025

Place: Mumbai

Date: 20 June, 2025

