

# THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

## PROFIT AND LOSS ACCOUNT (CONSOLIDATED) FOR THE YEAR ENDED 31.03.2009

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
<b>A. INCOME</b>			
Sales	11	4948062629	4022947347
Hire Charges		2150282	4776863
Lease Rentals	12	1161260	1074312
Grants and Subsidies	13	316987214	256293628
Interest	15	307901226	236515534
Other Income	16	388657085	348177775
Service Charges [Value of Goods handled-Services rendered Rs. 293	16A	112865725	63511025
<b>Total</b>		<b>6077785421</b>	<b>4933296484</b>
<b>B. EXPENDITURE</b>			
Purchases	17	4907630786	3988946981
Consumption of Stores		1054936	922103
Accretion/Decretion in Stock	14	184540	325808
Employees Remuneration & Other Benefits	18	408507054	331425945
Depreciation	19	9834115	10219253

Finance Charges	20	191968743	143722695
Other Expenses	21	432293691	365562698
Bad Debts Written Off	22	28391934	18881351
Exchange Variation Losses		5534623	7540627
Depreciation as per Contra		8477809	8715156
Less: Replacement Reserve as per Contra		<u>-8477809</u>	<u>-8715156</u>
Provision for Obsolete Stock		209236	0
<b>Total</b>		<u>5985609658</u>	<u>4867547461</u>
<b>NET OPERATING PROFIT/(LOSS) FOR THE YEAR</b>		<b>92175763</b>	<b>65749023</b>
Less: Prior Period Expenditure/(Income) (Net)	23	1714272	1625370
Less: Amortisation of VRS Expenditure		21236548	21225632
<b>NET PROFIT/(LOSS) BEFORE TAX</b>		<b>69224943</b>	<b>42898021</b>
Less: Provision for Current Tax		6507099	0
Less: Provision for Fringe Benefit Tax		2713616	2327105
Less: Provision for Deferred Tax		0	0
Less: Adjustment of Previous Years Taxes		-224560	0
Net Profit/(Loss) from Branches		0	0
Excess of Expenditure over Income		0	0
<b>NET PROFIT/(LOSS) AFTER TAX</b>		<u>60228788</u>	<u>40570916</u>

**Available for Appropriations:**

Proposed Dividend	<b>12046000</b>	8115000
Tax on Proposed Dividend	<b>2047218</b>	1379144
Balance Profit	<b>46135570</b>	31076772
Balance brought forward from previous Year	<b>-1484579995</b>	-1515656767
<b>NET PROFIT/(LOSS) CARRIED FORWARD</b>	<b><u>-1438444425</u></b>	<b><u>-1484579995</u></b>
Earning Per Share (EPS)	<b>2.59</b>	1.77

Statement of Accounting Policies and Contingent Liability and Schedules including Notes on Accounts (Schedule 24) form an integral part of Accounts.

As per our report of even date attached.

**For Gandhi Minocha & Co.**  
Chartered Accountants

**S.C.Goyal**  
Director (Finance)

**H.P.Kumar**  
Chairman-cum-Managing Director

**(Bhupinder Singh)**  
Partner

**Gaurang Dixit**  
General Manager (Finance)

**Niti Sethi**  
Company Secretary

Membership No. : 92867  
Place : New Delhi  
Date : 10.08.2009

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 11 SALES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09		For the Year 31.03.08	
<b>Hire Purchase Activity</b>		0		0
<b>Marketing Activity</b>				
Marketing	491123628		228485451	
Export	32617632		21572516	
Raw Material Distribution	<u>4401938346</u>	<u>4925679606</u>	<u>3751148448</u>	4001206415
<b>Technical Centres</b>				
Sales of Products	295103		711506	
Realisation on A/C of Common Facilities	21292599		19144104	
Scrap	<u>795321</u>	<u>22383023</u>	<u>1885322</u>	21740932
<b>As per Profit &amp; Loss Account</b>		<u><u>4948062629</u></u>		<u><u>4022947347</u></u>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

# THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

## SCHEDULE - 12 LEASE RENTALS (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
Rental Income From Leasing	1886	0
Less: Lease Equalisation	<u>-1159374</u>	<u>-1074312</u>
<b>As per Profit &amp; Loss Account</b>	<u>1161260</u>	<u>1074312</u>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

# THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

## SCHEDULE - 13 GRANTS AND SUBSIDIES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09		For the Year 31.03.08	
For Promotional Activities including Technical Centres	<b>227695370</b>		211753638	
Less: Capital Expenditure (Net)	<b>4520506</b>	<b>223174864</b>	53629779	158123859
Less: Amount appropriated out of Govt. Grants (As per Income & Expenditure (Promotional) Account)		<b>93812350</b>		98169769
<b>As per Profit &amp; Loss Account</b>		<b><u>316987214</u></b>		<b><u>256293628</u></b>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 14 ACCRETION/DECRETION IN STOCK/WIP/FG (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09		For the Year 31.03.08	
Finished Goods				
Closing Stock	5872796		5979491	
Less: Opening Stock	5979491		6183516	
Adjustment in Stock	<u>12313</u>	<u>-94382</u>	<u>1</u>	<u>-204024</u>
Finished Components				
Closing Stock	228293		240046	
Less: Opening Stock	240046		281446	
Adjustment in Stock	<u>0</u>	<u>-11753</u>	<u>0</u>	<u>-41400</u>
Work In Process				
Closing Stock	485377		563782	
Less: Opening Stock	563782		644166	
Adjustment in Stock	<u>0</u>	<u>-78405</u>	<u>0</u>	<u>-80384</u>
<b>As per Profit &amp; Loss Account</b>		<u><b>-184540</b></u>		<u><b>-325808</b></u>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 15 INTEREST (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
On Loan to Employees	2009078	2458742
From Parties:		
Normal	263686505	148205159
Penal Interest	31883109	21681468
By Contra Adjustment to Penal Interest Suspense A/C	13957085	11744134
Less: Losses W/Off on A/C of Penal Interest Suspense A/C by Contra Adjustmer	13957085	0
On Fixed/Short Term Deposits (Gross) [TDS Rs. 13481 (Rs. Nil)]	653754	56681221
Interest on Others	9668780	7488944
<b>As per Income and Expenditure Account</b>	<b>307901226</b>	<b>236515534</b>
<b>S.C.Goyal</b> Director (Finance)	<b>Gaurang Dixit</b> General Manager (Finance)	



## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 16 OTHER INCOME (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
Compensation for use and Occupation of Industrial Estate, Naini	238538	96358
Gain on Assets Disposed Off	1955574	9784760
Income From Exhibition Centres	8775303	14203823
Rent	31811972	26457634
Forfeiture of Earnest Money and Caution Money	35413	86040
Income on Infomediary Services	12842060	12445229
Insurance Charges Received	418568	683315
Less: Paid	399856	18712
Excess Provision written Back :		615226
KFW	13677764	8706829
Government Guarantee Fee	0	49579593

Others	<u>36622408</u>	<u>50300172</u>	<u>11576237</u>	69862659
Sundry Credit Balances Written Back		4879635		1773832
Other Miscellaneous Receipts		16750275		18598033
Income From Government Purchase Registration		28377217		21269620
Gain Due to Exchange Variation		3148124		688162
Discount Earned		57860098		32163611
Realisation from Trainees		61236279		49839996
Licence & House Keeping Fees (STP)		86897267		65668112
Project Consultancy Charges		2778930		3406377
Exhibition Participation Fees		20751516		19025073
Profit on Sale of Investments		0		2740367
<b>As per Profit &amp; Loss Account</b>		<u>388657085</u>		<u>348177775</u>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 16A SERVICE CHARGES EARNED (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09		For the Year 31.03.08	
Raw Material Distribution	28817573743	103016835	24681204180	58402655
Miscellaneous Items	495857313	9848890	509678020	5108370
<b>As per Profit &amp; Loss Account (A+B)</b>	<b>29313431056</b>	<b>112865725</b>	25190882200	63511025

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 17 PURCHASES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
<b>Hire Purchase Activity</b>	<b>0</b>	<b>0</b>
<b>Marketing Activity</b>		
Marketing	490213353	227710835
Export	26429378	19868794
Raw Material Distribution	4390988055	3741367352
<b>As per Profit &amp; Loss Account</b>	<b><u>4907630786</u></b>	<b><u>3988946981</u></b>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

**THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**

**SCHEDULE - 18 EMPLOYEES REMUNERATION AND OTHER BENEFITS (CONSOLIDATED)**

(Amount in Rs.)

<b>Particulars</b>	<b>For the Year 31.03.09</b>	<b>For the Year 31.03.08</b>
Salaries and Wages	<b>285373616</b>	212457383
Contribution to Provident Fund	<b>24055716</b>	18476788
Contribution to Deposit Group Insurance Scheme	<b>0</b>	0
Contribution to Employees State Insurance Corporation	<b>0</b>	16998
Gratuity	<b>50292587</b>	22943336
Staff Welfare Expenses	<b>7601695</b>	8115110
Other Benefits to Employees	<b>37680704</b>	38451157
Provision For Pay Revision	<b>0</b>	29000000
<b>Directors (including Chairman-Cum-Managing Director)</b>		
Salaries & Allowances	<b>2880745</b>	1530772
Contribution to PF	<b>326954</b>	181830

Contribution to Gratuity Fund	0	0		
Others	<u>295037</u>	<u>3502736</u>	<u>252571</u>	1965173
<b>As per Profit &amp; Loss Account</b>		<u><b>408507054</b></u>		<u>331425945</u>

**Note: The Chairman & Managing Director and Functional Directors have been allowed the use of staff car for the both duty and non-duty journeys. The ceiling of the non-duty journey is 1000 Kms per month against recovery of prescribed amount in accordance with their terms & conditions of appointment.**

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 19 DEPRECIATION (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
On Fixed Assets	8661884	8273354
On Leased Assets	1172231	1945899
<b>As per Profit &amp; Loss Account</b>	<b><u>9834115</u></b>	<b><u>10219253</u></b>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

**THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**

**SCHEDULE - 20 FINANCE CHARGES (CONSOLIDATED)**

(Amount in Rs.)

<b>Particulars</b>	<b>For the Year 31.03.09</b>	<b>For the Year 31.03.08</b>
<b>Interest on Loan on :</b>		
Kreditanstalt West Germany (KFW Loans)	<b>66168269</b>	54499106
Artigiancassa SPA, Italy [Earlier with Mediocredito Centrale S.P.A. Italy (MCC)]	<b>362231</b>	305662
Banks: Cash-Credit	<b>116825644</b>	48239309
Collateral Security Deposits	<b>1173988</b>	1494493
Bonds	<b>0</b>	30590968
Others	<b>393551</b>	72699
<b>Others</b>		
<b>Government Guarantee Fee</b>		
Govt. Guarantee Fee - KFW XII Line	<b>1793522</b>	1713226
Govt. Guarantee Fee - ILC	<b>865664</b>	802925



Govt. Guarantee Fee - Bonds	<u>0</u>	<u>2659186</u>	<u>4287671</u>	6803822
<b>Other Finance Charges</b>		<b>4385874</b>		1716636
<b>As per Profit &amp; Loss Account</b>		<u><b>191968743</b></u>		<u>143722695</u>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 21 OTHER EXPENSES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
Directors' Sitting Fee	3300	4101
Directors' Other Expenses	865331	1270148
Conveyance, Carriage & Cartage	7157435	6236154
Electricity & Water Charges	25123482	25266723
Rent	12730982	12041203
Travelling Expenses	11616685	11373345
Postage, Telegram & Telephones	8577377	8349343
Licences, Rates & Taxes	1394008	1440864
Insurance	976268	939693
Printing & Stationery	4622714	4133905
Publication of In-House Magazine	64575	80497
Publicity	1758729	3172589
Entertainment	1594967	1314189
Legal & Professional Charges	8934031	6075865
Power & Fuel	1192682	1250642

Auditor's Remuneration				
Statutory Audit Fee	<b>676740</b>		575211	
Internal Audit Fee	<b>345002</b>		0	
Reimbursement of Expenses	<b>169692</b>		152412	
Tax Audit Fee	<b>328099</b>	<b>1519533</b>	<u>205264</u>	932887
Expenditure on Seminars and Conference		<b>21830173</b>		28991806
Expenditure on Export Promotion		<b>1719991</b>		3657983
Expenditure of Infomediary Services		<b>308384</b>		545025
Repairs & Maintenance				
Electrical/Office Furniture & Fixtures	<b>3864268</b>		1847477	
Machinery	<b>3643303</b>		5775638	
Office & Factory Building	<b>8481960</b>		8545929	
Industrial Estate, Naini	<b>327668</b>		19599	
Maintenance of Transit House	<b>33096</b>	<b>16350295</b>	<u>250979</u>	16439622
Running & Maintenance of Vehicle		<b>8102435</b>		7109181
Training Expenses				
Trainees	<b>35647291</b>		23799317	
Personnel	<b>2355807</b>	<b>38003098</b>	<u>1831046</u>	25630363
Expenses on Research & Development		<b>0</b>		7375
Sales Tax Paid		<b>0</b>		49775

Expenses on International Co-operation	1352243	2753638
Intensive Campaign	1755077	1460801
Development of Marketing Products	1777812	1427483
Participation in Exhibition	39597591	39061642
Establishment Expenses	494710	299446
Maintenance of Computer/Computer Hire Charges	1910104	1267952
Labour Charges for Jobs Got Done Outside	598616	663566
Expenses on Security	16272041	15810957
Miscellaneous & Contingent Expenses	14718261	7439750
Business Promotion Expenses	4393091	4439354
Losses on Assets Disposed Off	639051	668597
Fringe Benefit Tax	1028068	1308103
Project Consultancy Charges	1503006	2360118
Performance & Credit Rating Fee	171807545	120288013
<b>As per Profit &amp; Loss Account</b>	<b>432293691</b>	<b>365562698</b>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 22 BAD DEBTS WRITTEN OFF (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
Bad Debts Written Off	27824554	18879998
Losses Written Off	3215571	1353
Less: Contra Adjustment to Losses Written Off	2648191	0
<b>As per Profit &amp; Loss Account</b>	<b><u>28391934</u></b>	<b><u>18881351</u></b>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

## THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

### SCHEDULE - 23 PRIOR PERIOD ADJUSTMENTS - NET (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year 31.03.09	For the Year 31.03.08
<b>Expenditure</b>		
Employees Remuneration & Other Benefits	4598	181022
Depreciation	2501	1342
Interest	0	6026
Other Expenses	188087	1849032
Rent	1367290	0
<b>Total</b>	<u>1562476</u>	<u>2037422</u>
<b>Income</b>		
Interest and Service Charges	-77340	9392
Other Income	-80178	31904
Depreciation	<u>5722</u>	<u>370756</u>

<b>Total</b>	<b><u>-151796</u></b>	<b><u>412052</u></b>
<b>Prior Period Adjustment (Net)</b>	<b>-1714272</b>	<b>-1625370</b>
<b>Credit (Income)</b>	<b>-151796</b>	<b>412052</b>
<b>Debit (Expenditure)</b>	<b><u>1562476</u></b>	<b><u>2037422</u></b>
<b>As per Profit &amp; Loss Account</b>	<b><u>-1714272</u></b>	<b><u>-1625370</u></b>

**S.C.Goyal**  
Director (Finance)

**Gaurang Dixit**  
General Manager (Finance)

# THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

## PROFIT AND LOSS ACCOUNT (COMMERCIAL) FOR THE YEAR ENDED 31.03.2009

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
<b>A. INCOME</b>			
Sales	11	4948062629	4022947347
Hire Charges		2150282	4776863
Lease Rentals	12	1161260	1074312
Interest	15	307901226	236514565
Other Income	16	383596174	341118309
Service Charges [Value of Goods handled-Services rendered Rs. 293	16A	112865725	63511025
<b>Total</b>		<b>5755737296</b>	<b>4669942421</b>
<b>B. EXPENDITURE</b>			
Purchases	17	4907630786	3988946981
Consumption of Stores		1054936	922103
Accretion/Decretion in Stock	14	184540	325808
Employees Remuneration & Other Benefits	18	334328426	267808244
Depreciation	19	8715603	8883218



Finance Charges	20	191968743	143722695
Other Expenses	21	178288327	141685712
Bad Debts Written Off	22	28391934	18881351
Exchange Variation Losses		5534623	6871439
Provision for Obsolete Stock		209236	0
Excess of Expenditure over Income transfer from Promotional Activity		7414964	26256275
<b>Total</b>		<u>5663722118</u>	<u>4604303826</u>
<b>NET OPERATING PROFIT/(LOSS) FOR THE YEAR</b>		<b>92015178</b>	<b>65638595</b>
Less: Prior Period Expenditure/(Income) (Net)	23	1553687	1514942
Less: VRS Expenditure Written-Off		<u>21236548</u>	<u>21225632</u>
<b>NET PROFIT/(LOSS) BEFORE TAX</b>		<u>69224943</u>	<u>42898021</u>
Less: Provision for Current Tax		6507099	0
Less: Provision for Fringe Benefit Tax		2713616	2327105
Less: Adjustment of Previous Years Taxes		-224560	0
<b>NET PROFIT/(LOSS) AFTER TAX</b>		<u>60228788</u>	<u>40570916</u>
<b>Available for Appropriations:</b>			
Proposed Dividend		12046000	8115000
Tax on Proposed Dividend		2047218	1379144
Balance Profit		46135570	31076772
Balance brought forward from previous Year		-1484579995	-1515656767

**NET PROFIT/(LOSS) CARRIED FORWARD**-143844425-1484579995

Earning Per Share (EPS)

**2.59**

1.77

Statement of Accounting Policies and Contingent Liability and Schedules including Notes on Accounts (Schedule 24) form an integral part of Accounts.

As per our report of even date attached.

**For Gandhi Minocha & Co.****S.C.Goyal****H.P.Kumar**

Chartered Accountants

Director (Finance)

Chairman-cum-Managing Director

**(Bhupinder Singh)****Gaurang Dixit****Niti Sethi**

Partner

General Manager (Finance)

Company Secretary

Membership No. : 92867

Place : New Delhi

Date : 10.08.2009

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**THE NATIONAL SMALL INDUSTRIES CORPORATION LTD**

**INCOME AND EXPENDITURE (PROMOTIONAL) FOR THE YEAR ENDED 31.03.2009**

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
<b>A. INCOME</b>			
Grants and Subsidies	13	223174864	158123859
Interest	15	0	969
Other Income	16	5060911	7059466
<b>Total</b>		<u>228235775</u>	<u>165184294</u>
<b>B. EXPENDITURE</b>			
Employees Remuneration & Other Benefits	18	74178628	63617701
Depreciation	19	1118512	1336035
Other Expenses	21	254005364	223876986
Exchange Variation Losses		0	669188
Depreciation as per Contra		8477809	8715156
Less: Replacement Reserve as per Contra		<u>-8477809</u>	<u>-8715156</u>
<b>Total</b>		<u>329302504</u>	<u>289499910</u>
Net Profit/Loss before prior period expenses		<b>-101066729</b>	-124315616
Less: Prior Period Expenditure/(Income) (Net)	23	160585	110428

Net Profit/Loss	<b>-101227314</b>	-124426044
Add: Excess of Expenditure over Income transfer to Commercial Activity	<b>7414964</b>	26256275
<b>NET SURPLUS/(DEFICIT)</b>	<b><u>-93812350</u></b>	<b><u>-98169769</u></b>
<b>Available for Appropriations:</b>		
Balance Profit	<b>-93812350</b>	-98169769
<b>NET PROFIT/(LOSS) CARRIED FORWARD</b>	<b><u>-93812350</u></b>	<b><u>-98169769</u></b>

Statement of Accounting Policies and Contingent Liability and Schedules including Notes on Accounts (Schedule 24) form an integral part of Accounts.

As per our report of even date attached.

**For Gandhi Minocha & Co.**

Chartered Accountants

**(Bhupinder Singh)**

Partner

**S.C.Goyal**

Director (Finance)

**Gaurang Dixit**

General Manager (Finance)

**H.P.Kumar**

Chairman-cum-Managing Director

**Niti Sethi**

Company Secretary

Membership No. : 92867  
Place : New Delhi  
Date : 10.08.2009