

Chairman's Message

Dear Shareholders,

It's my pleasure to welcome you to this 62nd Annual General Meeting of "The National Small Industries Corporation Ltd. (NSIC)". The Annual Report for the financial year ended 31st March, 2017 has been with you and with your permission, I take them as read.

Overview of Performance for FY 2016-17

Over the years, NSIC has reinforced its core strengths by adding new dimensions to your Company's capability profile. The Corporation has proactively reached out to the MSMEs, while facilitating their requirements in areas of Marketing, Credit and Technology etc.

2016-17 was a year of great opportunities and successes, with stern challenges. It was a period when the company performed exceedingly well in some challenging situations.

Your company recorded a business turnover of Rs.20,622 crore. For the financial year 2016-17, your company's Profit before tax was Rs. 165.07 crore as against Rs. 156.95 crore in 2015-16 registering the growth of 5.17%.

I am pleased to inform that your Board of Directors has recommended the highest ever dividend of Rs. 31.26 crore as against Rs. 29.05 crore during the previous year, once again surpassing its achievements of previous years.

The significance of NSIC's services and its service delivery to MSMEs in light of Hon'ble Prime Minister's new vision of India as a "Manufacturing Hub" has been acknowledged by various stakeholders. Leading Industry Associations in India who amongst others have always appreciated NSIC for its services and organizational vitality that aims at enhancing the competitiveness of the MSME Sector.

In line with Government's programme of Digital India, NSIC launched Online Finance Facilitation Centers in its offices across India. Online Finance Facilitation portal is NSIC's initiative for digital facilitation of loan proposals of MSMEs with banks. Credit to MSMEs is now being facilitated through web linkages established between NSIC portal and Bank's portal, without any cost to MSMEs.

NSIC, thru, its Incubation Centres all over the country is encouraging youth to become "Job provider instead of job seeker". Many States Governments have approached NSIC to open up Technology centres / Incubation centres for their youth. In this initiative, a new Technology cum Incubation center is being set up at Neemka, Faridabad in association with Haryana State Government.

Not only in India, many countries have also been approaching NSIC to share our experiences with them in promoting entrepreneurship culture amongst the youth in their countries leading to MSME development. Under India Africa Forum Summit –I, NSIC on behalf of Government of India has been executing establishment of Incubation Centres in various countries. So far, Incubation Centres have been set up in Burkina Faso, Egypt, Ethiopia, Rwanda, Burundi and Gambia. Others are in process of establishment.

Two new schemes of the Ministry of MSME viz. National SC-ST Hub and MSME Data Bank have been launched during the last year and your Corporation has been assigned the task of implementing these schemes.

Corporate Governance

At NSIC, Corporate Governance is all about maintenance of valuable relationship and trust with all the stakeholders. This emanates from our strong belief that sound governance system based on trust is integral to creating value on overall basis. I am of the view that good governance goes beyond good working results and financial propriety and is a pre-requisite to attainment of excellence performance towards long terms goals as well as stakeholders' value creation.

Corporate Social Responsibility (CSR)

NSIC has been undertaking various CSR activities which is a reflection of the company's commitment towards the well being of society. In this process, several CSR initiatives have been undertaken in sectors like Education, Health, Vocational Training, Safe drinking water and Environment sustainability etc. across the country.

Recognition of Excellence

Your Company continued to earn awards and recognition from different quarters as detailed in Directors' Report. However, I would like to mention a few significant awards conferred upon NSIC.

- The Corporation was conferred with India's Top PSUs & Awards, 2016 by Dun & Bradstreet.
- ABP News – CSR Leadership Awards in the category of “Best use of CSR Practices in various Sectors”.
- In recognition of the Development Impact of NSIC's Model of Rapid Incubation for Creating Self-employment Opportunities for Youth, A “Plaque of Merit” has been presented to NSIC by ADFIAP. This is NSIC's second international award in a row.

Outlook

I am confident that the progress NSIC made in 2016-2017 will continue in future and the Corporation's performance will scale new heights. The Corporation stands committed to work on its mandate of being a premier organization fostering the promotion and growth of MSMEs in the country.

We, at NSIC, have always realized that the Corporation needs to move with the times and engage with the unlimited changes around it – unlimited in terms of spirit, capabilities and opportunities and to create new epicenters of growth.

Acknowledgments

I like to place on record my sincere thanks to Hon'ble Union Minister of Micro, Small & Medium Enterprises for his patronage, valuable guidance and support. I also like to take this opportunity to sincerely thank the Hon'ble Ministers of State for Micro, Small & Medium Enterprises for their continuous guidance.

I am grateful to the Secretary to the Government of India, Ministry of Micro, Small & Medium Enterprises who has always been a source of inspiration and advice.

I am grateful to Additional Secretary-cum-Financial Advisor, Government of India and Economic Advisor (IF Wing) for the faith reposed in the Corporation.

I am also grateful to Additional Secretary & Development Commissioner (MSME), Joint Secretaries, Directors and other officials of the Ministry of MSME for their continuous support and reposing confidence in us.

I also gratefully acknowledge the continuous support extended by Department of Public Enterprises.

I take this opportunity to convey my thanks to my colleagues on the Board of the Corporation for their unanimous support and immense encouragement for continued growth and expansion of the company.

I would like to express my gratitude to all our stake holders for the continuous support extended to NSIC.

I frequently visit our Company's offices across the country, and interact with NSICians at all levels. I am glad to notice a renewed sense of vigor and energy in the organization. NSICians are at the heart of our successes and I would like to gratefully acknowledge the commitment and contribution of all NSICians.

Place : New Delhi
Date : 29th September, 2017

Sd/-
(Ravindra Nath)
Chairman-cum-Managing Director