

Chairman's Message

Dear Shareholders,

On behalf of the Board of Directors, it is a great honour and pleasure to welcome you all in the 69th Annual General Meeting of The National Small Industries Corporation Ltd. (NSIC). The Directors' Report, the audited financial statements, the Auditor's Report and the comments from the Comptroller & Auditor General of India for the financial year ending March 31, 2024 offering insights of the organization is already with you. With your permission, I would like to take these documents as read.

I have been entrusted with the responsibility of Chairman-cum-Managing Director of NSIC and I have embarked upon this journey with humility and with a deep sense of responsibility. It is both an honor and a privilege to lead your Company. Although I have been with NSIC for about six months, the warm welcome I have received from all stakeholders and the collaborative spirit of our team have made me feel like a longstanding member of NSIC family.

We are committed to work for sustainable growth of our MSMEs and empowering them to enhance their competitiveness their visibility and make them part of global supply chain. MSMEs are growth engines that are driving India's economy and NSIC is working in the direction of empowering them for furthering the economic growth of India.

India is accelerating to become a \$5 Trillion economy by the year 2027-28. To achieve this, several efforts are on to make the ecosystem more supportive and effective by facilitating credit availability, technology and ambient legal framework for issues such as receivable management etc. NSIC is proactively reaching out to the MSMEs for facilitating their requirements in the area of Marketing, Credit, Technology & Information and is contributing towards achieving the national objective of a \$ 5 Trillion economy.

Performance Overview

The Revenue from Operations of the Company for the year 2023-24 was Rs.3273.18 crore as compared to Rs.2769.54 crore in the previous year. The Company has earned Profit before Tax amounting to Rs.170.64 crore for the year 2023-24 as compared to Rs.148.25 crore in the previous year. The profit after tax is Rs.126.56 crore during the year 2023-24 as against Rs.110.48 crore in the previous year.

I am pleased to announce that the Board of Directors has recommended a dividend of Rs. 37.97 crore to the Government of India for the financial year 2023-24 which is subject to the approval of shareholders.

NSIC facilitates Micro, Small and Medium Enterprises with a set of specially tailored schemes to enhance their competitiveness. NSIC provides integrated support services under Marketing, Technology, Finance and other Support services. To address the challenges of meeting the demand and supply gap for raw materials, NSIC under its Raw Material Distribution (RMD) Scheme has signed MoUs with Bulk Manufacturers of essential materials such as Iron and Steel, Aluminum, Copper, Polymers, Bitumen, Cement etc. to procure key materials for further distribution amongst the MSMEs across the country. Under this arrangement NSIC passes on the benefits of bulk quantity purchase to MSMEs and make the material available at a competitive prices timely even in situations of scarcity or in lesser quantity also. During the year a new product Rubber has also been added in the RMD portfolio.

To support MSMEs in procurement of raw materials credit support of Rs.7586.35 crore under Raw Material Assistance (RMA) scheme was given to more than 2530 MSMEs units in the FY 2023-2024. To meet the credit requirements of MSME units, NSIC has entered into a Memorandum of Understanding with various Nationalized and Private Sector Banks. Through syndication with these banks, NSIC facilitates MSMEs accessing credit (fund based or non-fund based limits) from these banks. During the FY 2023-24, NSIC facilitated credit sanctions to the tune of Rs.513.97 crore from the Banks under the arrangement.

NSIC also committed to strengthen the digitalization of its services. In this direction, NSIC is offering online marketing support to MSMEs through its e-marketing portal MSME Global Mart. The portal has a member base of more than 2,02,151 MSMEs from India.

NSIC has been nominated as implementing agency by the Ministry of MSME to run the "Digital MSME Scheme" which aims at making MSMEs digitally empowered.

NSIC as a Facilitator for PM Vishwakarma Scheme, a flagship Scheme of Government of India has been assigned with the task of developing a complete supply chain ecosystem by selecting suitable vendors through tendering for providing toolkits to the beneficiaries.

NSIC is encouraging youth to become "Job provider instead of job seeker" through its Incubation Centres and Technical Service Centres (TSCs) across the country and thus contributing towards value creation in the economy through enterprise creation as well as contributing towards Skill India Mission of Government of India. During FY 2023-24, total no. of 66,765 trainees graduated through different NSIC technical service centers (NTSCs) which has been the highest ever achievement. The quality of training extended at NSIC centres is well appreciated by industry.

In the International Cooperation arena, to create awareness amongst the MSMEs of India about the opportunities for developing technical or business alliances with enterprises of other countries, NSIC organized various Meetings with its counterpart organizations i.e. Myanmar, MasterCard Foundation, Taiwan, Slovenia, Mozambique, Ecuador, Belarus, Thailand, Djibouti etc. A Number of high-level delegations from various countries like Ghana, Zambia, Taiwan, Djibouti, Suriname & Mozambique etc. visited NSIC and showed keen interest for cooperation in the development of MSEs in their respective countries in cooperation with NSIC.

NSIC has been implementing National SC/ST Hub (NSSH), an initiative of the Ministry of MSME, Govt. of India since its launch in the year 2016. The objective of this scheme is to provide professional support to the SC/ST entrepreneurs to fulfill the mandate of 4% procurement from CPSEs as per Public Procurement Policy. Various interventions/ Events/Conclaves were organized during the financial year 2023-24 under National SC/ST Hub scheme. Total 23118 SC/ST entrepreneurs were provided assistance and

handholding support under NSSH scheme for the year 2023-2024. I am pleased to inform that NSIC has procured 12.05% of the total procurement of goods and services from SC/ST MSMEs as against the target of 4% for the year 2023-2024.

NSIC Venture Capital Fund Limited (NVCFL) was incorporated as a wholly owned subsidiary of The National Small Industries Corporation Limited (NSIC) to execute a sovereign Fund of Funds scheme of Rs.10,000 crore under Self-Reliant India (SRI) scheme as a part of the Atmanirbhar Bharat Package announced by the Hon'ble Finance Minister of India. The objective of the scheme is to provide funding support to the daughter funds for onward provision of support to MSMEs as growth capital. During the year total 53 Daughter Funds have been empaneled with SRI Fund (Mother Fund) and these daughter funds have assisted 432 potential MSMEs by way of investing of Rs.7649 crore in these MSMEs.

Recognition & Awards

I am delighted to inform that NSIC has continually received accolades and recognition from different organizations. Some of the prestigious awards that NSIC has been honored with:

- (i) NSIC has won the prestigious award "Best Marketing Brand" for the MSME Sector recognizing its exemplary contributions to the growth and development of the Micro, Small, and Medium Enterprises (MSME) sector.
- (ii) NSIC has been conferred with Editors' Choice Award at the Exhibition Excellence Awards & Summit 2023 held on 7th July, 2023 in recognition of support being extended to the MSMEs for participation in various Exhibitions across India & Abroad.

Acknowledgements

I would like to take this opportunity to extend my sincere thanks to Hon'ble Minister of Micro, Small & Medium Enterprises for his patronage, valuable guidance and support. 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 would like to express my sincere gratitude to the Additional Secretary and Development Commissioner (MSME), as well as the Joint Secretaries, Directors and other officials of the Ministry of MSME. Their confidence and support have been instrumental in fostering the continued growth and expansion of our company.

I would also like to extend my heartfelt gratitude to C&AG, our Statutory Auditors, RBI, DPE and the other professionals & agencies associated with NSIC for their unwavering guidance and support in driving our initiative to enhance the growth of MSMEs.

A special thanks goes to my fellow Board members for their insightful contributions and commitment, which have greatly strengthened our organization.

I would like to place on record the contribution of the employees of the Corporation at all levels for their dedication and hard work which helped the Corporation in achieving sustained growth in the performance over the period. Thank you all for your support. Together, we are now poised to explore new horizons, while maintaining our dedication in serving MSMEs across the country with the objective of "Expanding MSME Horizons: From Local to Global."

Place: New Delhi
Date: 8th November, 2024

Sd/-
(Dr.Subhransu Sekhar Acharya)
Chairman-cum-Managing Director
DIN No. 06727939