

## **Chairman's Address**

**Dear Shareholders,**

It is my pleasure to welcome you to this 60<sup>th</sup> Annual General Meeting of The National Small Industries Corporation Limited (NSIC). This is my first AGM as the Chairman-cum-Managing Director of the Company, a position I took up on 01.09.2014. During the year, Dr. H.P. Kumar on achieving superannuation on 31.08.2014 retired from the services of the Company and from the Board. On behalf of the Board of Directors and on your behalf, I place on record our deep sense of appreciation for his services to the Board and the Company.

The Annual Report along with Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2015 have been with you and with your permission, I take them as read.

### **Performance**

Your company delivered another year of landmark performance in Financial Year 2014-15 in terms of Revenues, Business and Profits. Gross Income for the year grew by 21% to Rs. 506.47 crore during the year. Net profit before tax for the year grew to Rs. 132.59 crore (this being after absorbing Rs. 20.96 crore towards provision for pension and Rs. 12.63 crore on account of additional provision for doubtful receivables and Loans & Advances). The overall business for the year grew to Rs. 20,004 crore, driven by a robust 15% growth in Raw Material distribution and 19% growth in Raw Material Assistance against Bank Guarantee. The continuous upgradation of services, keeping in view the requirement of MSME Sector, and the sustained efforts for increasing the reach of the company had led to this unprecedented performance.

### **Dividend**

In commemoration of the historic milestone of having achieved unprecedented results, your Board of Directors has recommended the highest ever dividend of Rs. 1702.14 lac as against Rs. 1518.76 lac during the previous year. These recommendations reaffirm the enterprise strength of your Company.



## **Emerging Opportunities for NSIC**

The world is fast changing, with a rebalancing of manufacturing wave across the developed and developing economies. The overall mood is one of development and progress. In many ways the stage is set for India to transform in manufacturing and seek global leadership. Globally, India commands a new respect today and is increasingly being seen as part of a new axis of economic power in the world.

The Micro, Small & Medium Enterprises, is expected to play a significant role in the emergence of the Indian economy. The development of this segment is extremely critical to meet the national imperatives of financial inclusion and generation of significant levels of employment across urban and rural areas of the country. Further, it can nurture and support development of new age entrepreneurs who have the potential to create globally competitive businesses from India.

The Prime Minister's vision of '**Make in India**' could not have come in at a more opportunity time. '**Make in India with zero defect and zero effect**', is a significant opportunity. The '**Digital India**' revolution also provides a great opportunity to promote MSME participation in the Information, Communication and Telecommunication sector in line with the vision of Government of India. With unprecedented opportunities for growth unfolding, NSIC's primary focus will be to create new fountainheads of value creation for MSMEs within India while continuing to expand the existing flanks of value creation for the MSME sector.

It is my belief that NSIC, with its integrated Vision, Values and Vitality shall significantly enhance its potential to contribute to the Indian MSMEs and exploit the unfolding opportunities of growth. The core values of integrity, ethical conduct, and an abiding concern for stakeholders, all go to enhance the inner strength of NSIC and its unwavering commitment for all its stakeholders.

## **Corporate Social Responsibility**

Keeping in view its duty and responsibility towards the society for its development, your Company is committed for making positive impact on society through a planned set of initiatives, as per the relevant provisions of The Companies Act, 2013 and Company's CSR Policy. Your Corporation has initiated several CSR ventures in sectors like education, health, disability, capacity building and expansion of human capabilities for social causes, across the country.



## **Corporate Governance**

Your Company believes and practices high standards of professionalism, integrity and transparency and would continue to do so. It is our endeavour to keep the highest standards of ethics in all spheres of business activities. The Company is of the view that good governance goes beyond good working results and financial propriety and is a pre-requisite to attainment of excellent performance in terms of stakeholders value creation. The Company's philosophy of Corporate Governance is based on the principles of honesty, integrity, accountability and legal & statutory compliances, to protect, promote and safeguard the interest of all stakeholders.

## **Awards**

The performance of the Corporation has been recognized by outside agencies also and for this following awards have been conferred on it:

- "Amity Corporate Excellence Award" for achieving the enviable position of one of the best and most admired business organizations by spearheading excellent practices that are creating value for the stakeholders and also for incredible contribution of the Company towards achieving remarkable turnaround through innovations, exemplary leadership and excellence in entrepreneurship.
- The News Ink Legend PSU Shinning Award 2014, for NSIC being a legend PSU of the year for promoting SMEs.
- India Excellence Award was conferred on CMD, NSIC and was facilitated with "CMD of the Year Award" for his contribution as CMD in the growth of NSIC. The award was conferred by Bharat Nirman, NGO which has been engaged in advocacy of social issues.

## **Acknowledgments**

I like to place on records 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 Hon'ble Minister of State for Micro, Small and Medium Enterprises for his 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.

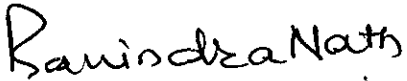
I am grateful to Additional Secretary-cum-Financial Advisor, Government of India and Economic Advisor (IF Wing) for their support and guidance.

I am also grateful to Special Secretary & Development Commissioner (MSME), Joint Secretaries, Directors, and other officials of the Ministry of MSME for their confidence and opportunities given for continued growth and expansion of the Company.

I also gratefully, acknowledge the continuous support extended by Department of Public Enterprises and other Departments.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for the continuing faith in NSIC.

I would like to thank all my colleagues across the country for their unflinching dedication, commitment and contribution for strengthening the Corporation. I would like to place on record the contribution of the employees - the NSICians at all levels, which helped the Company in achieving sustained improvement in the performance of the company over the period.



Place: New Delhi  
Date: 27<sup>th</sup> August, 2015

(Ravindra Nath)  
Chairman-cum-Managing Director