

INDEPENDENT AUDITORS' REPORT

To
The Members of The National Small Industries Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **The National Small Industries Corporation Limited (“the Corporation”)**, which comprises of the Balance Sheet as at **31st March, 2017**, the Statement of Profit and Loss(Consolidated), the Cash Flow Statement, the Statement of Profit and Loss (Commercial) and the Statement of Income and Expenditure (Promotional)for the year then ended, and a summary of significant accounting policies and other explanatory information of the Corporation, in which are incorporated financial statements of Head Office & one technical center audited by us and remaining 63 branch offices & technical centers audited by other auditors appointed by Comptroller & Auditor General of India.

Management’s Responsibility for the Financial Statements

The Corporation’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“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 Corporation in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation of the Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Corporation’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Corporation’s Directors, as well as evaluating the overall

presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

Basis for Qualified Opinion

Attention is invited to Note 19 and Para No. 5 (b) of Note-35 in respect of the fraud detected during the year related to Bank Guarantees(BGs) at some of the offices of the Corporation in West Bengal and further to it total BGs amounting to ₹ 17,350 lakhs received against advances given to the parties under Raw Material Assistance scheme (RMA) which were invoked, remain unpaid and unresponded by the bank till date. Management has considered the total outstanding balance of ₹ 17,057.38 lakhs as good and fully recoverable against these BGs and no provision has been made as the report of Questioned Documents Examination Bureau (QDEB) and Forwarding Report dated 4th August, 2017 submitted in the court by Crime Investigation Department (CID) confirm that the BGs held by the Corporation were original. The matter is still under investigation by CID. As such we are unable to comment on quantum of provision required if any, against outstanding balance of ₹ 17,057.38 lakhs as at 31st March 2017.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Corporation as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Note - 35 to the financial statements:

- a) Para-1 which, describes that the balances of Trade Receivables, Loans and advances, Trade payables, Deposits/ Earnest Money, Borrowers etc. are subject to confirmation/reconciliation in few cases and consequential adjustments, if any.
- b) Para-5 (a) & (d) regarding detection of forged bank guarantees of ₹ 2,100 lakhs received from the parties under Raw Material Assistance (RMA) scheme by the management. Loans and advances outstanding as on 31st March, 2017 of ₹ 1,920.30 lakhs (net of adjusting the amount received in May 2017) against the forged bank guarantees have been considered as doubtful and 100% provision has been made. The matter has been referred to Central Bureau of Investigation (CBI) for further investigation.
- c) Para -9 regarding ad-hoc provision on account of Performance Related Pay (PRP) for the year 2016-2017 amounting to ₹ 549 lakhs (Previous year ₹ 749.00 lakhs)
- d) Para-12 regarding creation of Corpus for medical schemes for the employees retired prior to 1.1.2007 and for the employees retired on or after 1.1.2007

- e) Para- 13 regarding pay revision of Board level and below Board level and non-unionized supervisors of CPSEs w.e.f. 01.01.2017 for which proposal to be sent to the Ministry for the approval.

Our Opinion is not modified in respect of the above matter.

Other Matter

We did not audit the financial statements/information of 63 (Previous Year 74) Branch Offices and Technical Centers included in the financial statements of the Corporation whose financial statements / financial information reflect total assets of ₹ 3,37,934.90 lakhs as at 31st March, 2017 (₹ 3,45,542.06 lakhs as at 31st March, 2016) and total revenues of ₹ 2,29,676.62 lakhs (Previous Year ₹ 2,60,837.02 lakhs) for the year ended on that date, as considered in the financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matter specified in paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and, *except for the matters described in the Basis for Qualified Opinion paragraph*, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. *Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above*, in our opinion, proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches and technical centers not visited by us.
 - c. The reports on the accounts of the branch offices and technical centers of the Corporation audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - d. The Balance Sheet, the Statement of Profit and Loss (Consolidated), the Statement of Profit and Loss (Commercial) and the statement of Income and Expenditure Account (Promotional) the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the Branches and Technical Centers not visited by us.
 - e. *Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph*, 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.
 - f. *The matter described in the Basis for Qualified Opinion paragraph above*, in our opinion, may have an adverse effect on the functioning of the Corporation which is

linked with outcome of investigation and the management has been in the process of taking suitable action for redressal of the same since last one year.

- g. In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 164(2) of the Act shall not apply to the Corporation, being a Government of India Enterprise in view of notification [F.No. 1/2/2014-CL-V] dated 5th June, 2015 of Ministry of Corporate Affairs.
 - h. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Corporation and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - i. 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 to us:
 - i. The Corporation has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 and 35 to the financial statements;
 - ii. The Corporation did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Corporation.
 - iv. The Corporation has provided requisite disclosures in its financial statements as regard to holding and dealing in Specified Bank Notes as defined in the notification S.O. 3407 (E) dated 8th November, 2016 of Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Head Office & one technical center audited by us and remaining 63 branch offices & technical centers audited by other auditors appointed by Comptroller & Auditor General of India for the purpose of preparation of the financial statements by the Corporation (Refer Para-16 of Note 35).
3. With respect to the report pursuant to directions issued by the Comptroller and Auditor General of India u/s 143(5) of Companies Act, 2013 for the year ended 31st March 2017 on accounts of Head Office and NTSC-Okhla audited by us and remaining 63 branch offices & technical centers audited by other auditors appointed by Comptroller & Auditor General of India, refer to our separate Report in “Annexure C”.

For K. G. Somani & Co.
Chartered Accountants
Firm’s Regn. No: 006591N

(CA. Bhuvnesh Maheshwari)
Partner
M.No: 088155

Place: New Delhi
Date : 28th August, 2017

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

[CIN No. : U74140DL1955GOI002481]

BALANCE SHEET AS AT 31.03.2017

(₹ in Lakh)

Particulars	Note No.	As at 31.03.17		As at 31.03.16
I. EQUITY AND LIABILITIES				
Shareholders Fund				
Share Capital	1	53298.80	53298.80	
Reserves and Surplus	2	29612.56	22608.54	
Money received against Share Warrants		0.00	0.00	75907.34
Share Application Money Pending Allotment	2.1	0.00	0.00	0.00
Non-Current Liabilities				
Long-Term Borrowings	3	4926.51	5566.42	
Deferred Tax Liabilities (Net)	4	0.00	0.00	
Other Long Term Liabilities	5	580.61	410.02	
Long-Term Provisions	6	5861.90	5546.89	11523.33
Current Liabilities				
Short-Term Borrowings	7	221221.88	235708.71	
Trade Payables	8	13000.82	11796.59	
Other Current Liabilities	9	19337.18	15322.00	
Short-Term Provisions	10	5427.27	5061.40	267888.70
Total		353267.53	353267.53	355319.37
II. ASSETS				
Non-Current Assets				
Fixed Assets				
Tangible Assets	11	7597.56	6964.68	
Intangible Assets		148.11	162.99	
Capital Work-in-Progress		12606.14	10046.03	
Intangible Assets under Development		0.00	0.00	17173.70
Non-Current Investments	12	7.55	7.78	
Deferred Tax Assets (Net)	4	5447.73	5228.48	
Long-Term Loans and Advances	13	2457.66	1995.73	
Other Non-Current Assets	14	71.08	100.10	7332.09
Current Assets				
Current Investment	15	0.00	0.00	
Inventories	16	689.52	86.38	
Trade Receivables	17	12273.42	11886.22	
Cash & Other Bank Balances	18	9512.77	4512.40	
Short-Term Loans and Advances	19	302284.04	314128.76	
Other Current Assets	20	171.95	199.82	330813.58
Total		353267.53	353267.53	355319.37
Other Notes on Accounts	35			

Statement of Accounting Policies and Notes on Accounts form an integral part of Financial Statements

As per our report of even date attached.

For K.G.Somani & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K.Mittal
Director (Finance)
[DIN : 07625711]

Ravindra Nath
Chairman-cum-Managing Director
[DIN : 02815496]

Bhuvnesh Maheshwari
Partner
Membership No. : 088155
Firm Reg. No. : 006591N
Place : New Delhi
Date : 28.08.2017

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary
[Membership No. : A 22768]

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

[CIN No. : U74140DL1955GOI002481]

STATEMENT OF PROFIT AND LOSS (CONSOLIDATED)

FOR THE YEAR ENDED 31.03.2017

(₹ in Lakh)

Particulars	Note No.	For the Year Ending 31.03.17	For the Year Ending 31.03.16
A Revenue			
Revenue from Operations	21	231187.20	262863.00
[Include Processing Fee/Service Charges earned of ₹ 5493.60 lakh (₹ 5497.53 lakh) for value of goods handled and services rendered ₹ 1829719.92 lakh (₹ 1860829.91 lakh)]			
Other Income	22	1287.15	391.23
Grants and Subsidies	23	6457.57	5289.47
Total Revenue		238931.92	268543.70
B Expenses			
Cost of Materials Consumed		0	0
Purchases of Stock-in-Trade	24	179530.25	207253.09
Changes in Inventories	25	(652.15)	2.97
Employee Benefit Expenses	26	9817.89	9703.01
Finance Costs	27	19748.00	21581.59
Depreciation and Amortization Expenses	28	488.39	433.54
Expenses on Corporate Social Responsibility	29	273.79	249.00
Other Expenses	30	13202.77	13592.29
Total Expenses		222408.94	252815.49
Profit before Prior Period Adjustments, Exceptional Items, Extraordinary Items and Tax		16522.98	15728.21
Exceptional Items		0	0
Profit before Prior Period Adjustments, Extraordinary Items and Tax		16522.98	15728.21
Extraordinary Items		0	0
Profit before Prior Period Adjustments and Tax		16522.98	15728.21
Prior Period Adjustments	31	15.82	32.84
Profit before Tax		16507.16	15695.37
Tax Expense	32		
(i). Current Tax		6100.00	6000.00
(ii). Deferred Tax		(219.25)	(463.05)
(iii). Earlier Years		(13.43)	11.98
Total Tax Expense		5867.32	5548.93
Profit (Loss) after Tax for the Period		10639.84	10146.44
Earnings per Equity Share			
Basic/Diluted	33	19.96	19.04
Capital Commitments	34	5414.62	8880.97
Contingent Liabilities	34	1634.65	1620.51

Statement of Accounting Policies and Notes on Accounts form an integral part of Financial Statements.

As per our report of even date attached.

For K.G.Somani & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K.Mittal
Director (Finance)
[DIN : 07625711]

Ravindra Nath
Chairman-cum-Managing Director
[DIN : 02815496]

Bhuvnesh Maheshwari
Partner
Membership No. : 088155
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Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary
[Membership No. : A 22768]

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 1 SHARE CAPITAL

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
AUTHORISED		
5,35,00,000 (Previous Year 5,35,00,000) Equity Shares of ₹ 100 each	53500.00	53500.00
ISSUED, SUBSCRIBED AND PAID UP		
5,32,98,800 (Previous Year 5,32,98,800) Equity Shares of ₹ 100 each fully paid up.	53298.80	53298.80
As per Balance Sheet	53298.80	53298.80

ANNEXURE - 1A RECONCILIATION OF NUMBER OF SHARES OUTSTANDING

Particulars	Equity Shares (No.)	Preference Shares (No.)
Shares outstanding at the beginning of the year	53298800	0.00
Shares issued during the year	0.00	0.00
Shares bought back during the year	0.00	0.00
Shares outstanding at the end of the year	53298800	0.00

ANNEXURE - 1B DETAILS OF SHAREHOLDING OVER 5% SHARE IN CORPORATION

Name of Shareholder	As At 31.03.17 No. of Share Held	As At 31.03.17 % of Holding	As At 31.03.16 No. of Share Held	As At 31.03.16 % of Holding
Government of India	53298800	100.00	53298800	100.00

ANNEXURE - 1C DETAILS OF SHARES ALLOTTED PURSUANT TO CONTRACT(S) WITHOUT PAYMENT BEING RECEIVED IN CASH, BONUS SHARES AND SHARES BOUGHT BACK IN RESPECT OF LAST 5 YEARS

Aggregate No. of Shares

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Equity Shares:					
Fully paid up pursuant to contract(s) without payment being received in cash	0.00	0.00	0.00	0.00	0.00
Fully paid up by way of bonus shares	0.00	0.00	0.00	0.00	0.00
Shares bought back	0.00	0.00	0.00	0.00	0.00
Preference Shares:					
Fully paid up pursuant to contract(s) without payment being received in cash	0.00	0.00	0.00	0.00	0.00
Fully paid up by way of bonus shares	0.00	0.00	0.00	0.00	0.00
Shares bought back	0.00	0.00	0.00	0.00	0.00

ANNEXURE - 1D DETAILS OF CALLS UNPAID

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Calls Unpaid		
By Directors	0.00	0.00
By Officers	0.00	0.00

NOTE – 2.1 Share Application Money Pending Allotment

S. No.	Particulars	As at 31.03.2017	As at 31.03.2016
1.	Terms and conditions	-	-
2.	Number of shares proposed to be issued	-	-
3.	The amount of premium, if any	-	-
4.	The period before which shares are to be allotted	-	-
5.	Whether the company has sufficient authorized share capital to cover the share capital amount on allotment of shares out of share applications money	-	-
6.	Interest accrued on amount due for refund	-	-
7.	The period for which the share application money has been pending beyond the period for allotment as mentioned in the share application form along with the reasons for such share application money being pending	-	-

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 2 RESERVES & SURPLUS

(₹ in Lakh)

Particulars	Deductions during the year				As At 31.03.17
	As At 01.04.16	Additions/ Created during the Year	Transfer/Sale/ Adjustment	Depreciation for the Year	
CAPITAL RESERVES					
(Reserve representing value of Assets acquired out of grants received from Govt. of India)					
Technical Centre	508.51	1.44	2.20	51.51	456.24
Government Purchase Plan	3.47	0.00	0.02	0.00	3.45
Appropriate Technology	2.43	0.00	0.00	0.00	2.43
Modernization - Lock Project	73.28	0.00	0.00	11.36	61.92
Development of North East Region	21.29	0.00	0.00	0.59	20.70
Technology Business Incubator	124.30	0.00	0.00	12.22	112.08
Mini Tool Room Centre	0.85	0.00	0.00	0.00	0.85
Minority Welfare Scheme	0.12	0.00	0.00	0.00	0.12
Modernization of Technical Centre	5.34	0.00	0.00	0.53	4.81
Science & Technology Project	1.12	0.00	0.00	0.06	1.06
Product Design Centre (PRIDE)	11.96	0.00	0.00	0.31	11.65
Technology Business Incubator (IT)	1.02	0.00	0.00	0.00	1.02
Laghu Udyog Mart(LUM)	264.12	0.00	0.00	28.36	235.76
Interest Differential Fund on KfW (West Germany) Loans	20.95	0.00	0.00	0.51	20.44
Technology Development of Baking Oven	0.02	0.00	0.00	0.00	0.02
DST - STEP (S & T Project)	50.76	0.00	0.00	5.13	45.63
Testing Fuel Efficient Diesel Engine (TFEDE)	0.36	0.00	0.00	0.00	0.36
Marketing Development Centre	69.09	0.00	0.00	1.50	67.59
Interest Differential Fund on S&T Project	0.65	0.00	0.00	0.00	0.65
Training cum Incubation	255.33	128.47	0.00	39.09	344.71
Sub Total	1414.97	129.91	2.21	151.18	1391.49
OTHER RESERVES					
Capital Replacement Reserve	63.14	9.94	0.00	0.00	73.08
Risk Fund	1077.04	484.08 *	0.00	0.00	1561.12
Surplus as per Statement of Profit and Loss	20053.39	6533.48	0.00	0.00	26586.87
As per Balance Sheet	22608.54	7157.41	2.21	151.18	29612.56

ANNEXURE - 2A DETAILS OF APPORTIONMENT OF CURRENT YEAR PROFIT

(₹ in Lakh)

Particulars	As At 31.03.17		As At 31.03.16	
Profit for the period	10639.84		10146.44	
Less: Proposed Dividend	3126.18		2905.02	
Less: Tax on Proposed Dividend	636.50		591.46	
Less: Transfer to Risk Fund	343.68		213.17	
Less: Transfer to General Reserve	0.00	6533.48	0.00	6436.79

* Includes transfer from Interest Rs 140.40 lakh

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 3 LONG TERM BORROWINGS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Secured		
Bonds/Debentures	0.00	0.00
Term Loans from		
Banks	0.00	0.00
Others from		
Govt. of India	0.00	0.00
State Govt.	0.00	0.00
Financial Institutions	0.00	0.00
Foreign Financial Institutions	0.00	0.00
Others	0.00	0.00
Deferred Payment Liabilities	0.00	0.00
Deposits	0.00	0.00
Loans and Advances from Related Parties	0.00	0.00
Long Term Maturities of Finance Lease Obligations	0.00	0.00
Other Loans and Advances from		
Govt. of India	0.00	0.00
State Govt.	0.00	0.00
Financial Institutions	0.00	0.00
Foreign Financial Institutions	0.00	0.00
Others	0.00	0.00
Sub Total	0.00	0.00
Unsecured		
Bonds/Debentures	0.00	0.00
Term Loans from		
Banks	0.00	0.00
Other Parties from		
Govt. of India	0.00	0.00
State Govt.	0.00	0.00
Financial Institutions	0.00	0.00
Foreign Financial Institutions	4926.51	5566.42
Others	0.00	0.00
Deferred Payment Liabilities	0.00	0.00
Deposits	0.00	0.00
Loans and Advances from Related Parties	0.00	0.00
Long Term Maturities of Finance Lease Obligations	0.00	0.00
Other Loans and Advances from		
Govt. of India	0.00	0.00
State Govt.	0.00	0.00
Financial Institutions	0.00	0.00
Foreign Financial Institutions	0.00	0.00
Others	0.00	0.00
Sub Total	4926.51	5566.42
As per Balance Sheet	4926.51	5566.42

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

Annexure - 3B - Other Details of Long Term Borrowings

	KFW XI Line of Credit	KFW XII Line of Credit	Italian Line of Credit
Total Loan Sanctioned (in Euro)	5112918.81	5036225.03	1053134.47
Due Date of Payment	30/6 and 31/12 every year	30/6 and 31/12 every year	17/7 and 17/1/ every year
First installment	30/06/2002	30/06/2006	17/01/2015
Last installment	30/06/2042	30/12/2035	17/07/2035
Total installments	81	60	42
Interest	0.75%	0.75%	0.50%
Loan o/s 31/03/17 (in Euro)	3226251.81	3191483.89	927761.41
Repayment term	Half yearly	Half yearly	Half yearly
Amount of installments (in Euro)	62888.9	83851.87	25074.61
Total Interest paid from 30.06.1993 to 30.12.2001 in Deuseh Mark	592439.19	405995.68	-
Total Interest paid from 30.06.2002 to 31.03.2017 in Euro	472621.1	493938.6	70010.22
Hedging	-	-	-

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 4 DEFERRED TAX ASSETS/(LIABILITIES) (NET) *

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
Deferred Tax Liabilities	(729.06)	(650.26)
Deferred Tax Assets	6176.79	5878.74
As per Balance Sheet	5447.73	5228.48

* For detail refer SI No. (8) of Note-35

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 5 OTHER LONG TERM LIABILITIES

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Security Deposit Payable	564.30	397.86
Income Received in Advance	3.54	3.92
Earnest Money Deposits (EMD)	12.77	7.93
Other Payables-Others	0.00	0.31
As per Balance Sheet	580.61	410.02

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 6 LONG TERM PROVISIONS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Provisions for Employee Benefits		
For Gratuity	3422.52	3311.46
For Leave Encashment	2074.16	1883.92
For Leave Travel Concession	0.46	0.75
For Half Pay Leave	361.42	347.58
For Pension	0.00	0.00
For TA on Retirement	3.34	3.18
	5861.90	5546.89
Others		
For Exchange Variation		
Balance as per last Balance Sheet	0.00	0.00
Add: Provision made during the Year	0.00	0.00
Less: Utilized for Exchange Variation Losses	0.00	0.00
Less: Amount written back	0.00	0.00
	0.00	0.00
For Promotional Activity (KFW)		
Balance as per last Balance Sheet	0.00	0.00
Add: Provision made during the Year	55.86	59.37
Less: Amount written back	55.86	59.37
	0.00	0.00
As per Balance Sheet	5861.90	5546.89

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 7 SHORT TERM BORROWINGS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Secured		
Loans Repayable on Demand from		
Banks		
Working Capital Loan	115612.77	226026.86
Cash Credit	0.84	909.01
Overdraft	5608.27	8772.84
Term Loan	0.00	0.00
Other Parties	0.00	0.00
Loans and Advances from Related Parties	0.00	0.00
Deposits	0.00	0.00
Other Loans and Advances	0.00	0.00
Sub Total	121221.88	0.00
Unsecured		
Loans Repayable on Demand from		
Banks		
Working Capital Loan	0.00	0.00
Cash Credit	0.00	0.00
Overdraft	0.00	0.00
Term Loan	0.00	0.00
Other Parties	0.00	0.00
Loans and Advances from Related Parties	0.00	0.00
Deposits	0.00	0.00
Other Loans and Advances	100000.00	0.00
Sub Total	100000.00	0.00
As per Balance Sheet	221221.88	235708.71

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 7A DETAILS OF SHORT TERM BORROWINGS

(₹ in Lakh)

Particulars	Amount Outstanding as on 31.03.2017	Amount Outstanding as on 31.03.2016	Nature of Security	Whether guaranteed by Directors or Others	Continuing Default as on 31.03.2017	
					Period	Amount
Secured			--	--		
Loans Repayable on Demand from			--	--		
Banks			--	--		
Working Capital Loans			--	--		
The Hongkong & Shanghai Banking Corp. Ltd.	70000.00	45000.00	Secured against exclusive registered mortgage of free hold Land measuring 41920 Sq.Mtr at Okhla Industrial Estate, New Delhi & pari passu charge over receivables under RMA scheme & book debts under marketing activities.	--		0.00
State Bank of India	37312.77	161026.86	Secured against equitable mortgage of property measuring 47 bigha & 67 biswa situated at Okhla Indl Estate, New Delhi and pari passu charge on book debts/current assets.	Nil		0.00
BNP Paribas	0.00	20000.00	Pari passu charge on loan receivables	Nil		0.00
HDFC WCDL	5300.00	0.00	Pari passu charge on book debts	Nil		0.00
China Trust Banking Corporation Ltd STL	3000.00	0.00	Pari passu charge on book debts	Nil		0.00
	115612.77	226026.86				0.00
Cash Credit			--	--		
Punjab National Bank	0.00	904.77	Secured against equitable mortgage of land & building at Okhla Indl Estate, New Delhi & pari passu charge over receivables in the form of loans & advances, book debts, bills discounted and all the current assets pertaining to marketing activities	--		0.00

ANNEXURE - 7A DETAILS OF SHORT TERM BORROWINGS

(₹ in Lakh)

Particulars	Amount Outstanding as on 31.03.17	Amount Outstanding as on 31.03.2016	Nature of Security	Whether guaranteed by Directors or Others	Continuing Default as on 31.03.2017	
					Period	Amount
Vijaya Bank	0.84	4.24	Secured against registered mortgage of property situated at Okhla Industrial Estate, New Delhi and pari passu charge on book debts/current assets.	Nil		0.00
	0.84	909.01				0.00
Overdraft		--		--		
The Hongkong & Shanghai Banking Corp. Ltd.	5608.27	7281.56	Secured against exclusive registered mortgage of free hold Land measuring 41920 Sq.Mtr at Okhla Industrial Estate, New Delhi & pari passu charge over receivables under RMA scheme & book debts under marketing activities.	Nil		0.00
CTBC Bank-Overdraft	0.00	1491.28	Secured by way of hypothecation of account receivables/book debts pertaining to Chennai, Mumbai, Delhi & Noida.	Nil		0.00
	5608.27	8772.84				0.00
Term Loan		--		--		
Other Parties		--		--		
Loans and Advances from Related Parties		--		--		
Deposits		--		--		
Other Loans and Advances		--		--		
Sub Total	121221.88	235708.71		--		0.00
Unsecured		--		--		
Loans Repayable on Demand from		--		--		
Banks		--		--		
Working Capital Loans		--		--		
Cash Credit		--		--		

ANNEXURE - 7A DETAILS OF SHORT TERM BORROWINGS

(₹ in Lakh)

Particulars	Amount Outstanding as on 31.03.17	Amount Outstanding as on 31.03.16	Nature of Security	Whether guaranteed by Directors or Others	Continuing Default as on 31.03.2017	
					Period	Amount
Overdraft			--	--		
Term Loan			--	--		
Other Parties			--	--		
Loans and Advances from Related Parties			--	--		
Deposits			--	--		
Other Loans and Advances			--	--		
Commercial Paper	100000.00	0.00				0.00
	100000.00	0.00				0.00
Sub Total	100000.00	0.00	--	--		0.00
Total	221221.88	235708.71	--	--		0.00

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 8 TRADE PAYABLES

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Trade Payables		
Due to MSME Units	0	0
Due to Others	13000.82	11796.59
Balances due to Trade Receivables	0	0
Due to Related Parties	0	0
Others	0	0
As per Balance Sheet	13000.82	11796.59

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 9 OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Current Maturities of Long-Term Debt	241.78	260.40
Current Maturities of Long Term Provisions	598.47	684.84
Amounts Payable to Government of India against Surplus in Grants	2738.77	473.85
Interest Accrued But Not Due on Borrowings / CSD	16.02	28.17
Family Pension and Provident Fund Payable	118.40	122.55
Other Payables-Employees	1282.79	1491.75
Other Payables-Taxes	561.30	289.41
Other Payables	2083.35	1566.29
Securities Deposit Payable	625.27	662.43
Income Received in Advance	2319.59	2676.53
Earnest Money Deposit (EMD)	180.35	54.58
Balance Due to Trade Receivables	44.10	129.43
Discount Payable	1442.46	1201.27
Payable to RM Suppliers	99.76	1235.76
Advance from RMA Buyers	3471.34	2013.74
Payable for Projects	1470.89	1145.31
Payable to Rating Agencies	2042.54	1285.69
As per Balance Sheet	19337.18	15322.00

ANNEXURE - 9A AMOUNTS PAYABLE TO GOVERNMENT OF INDIA AGAINST SURPLUS IN GRANTS

(₹ in lakh)

Particulars	Balance Brought Forward From Previous Year		Grant Received/ Interest Earned During The Year	Reimb/ Refund/ Adjustment	Fixed Assets Acquired / WIP	Net Revenue Expenditure	Total Expenditure	Excess of Expenditure over Income (Tfr. From Prom. to Com.)	Reimbursable Expenditure	As at 31/03/17		
	Deficit	Surplus								Deficit	Surplus	
Marketing Assistance Scheme												
Marketing Assistance Scheme	36.49	0.00	1374.05	36.49	0.00	1426.61	1426.61	0.00	1426.61	52.55	0.00	
Marketing Assistance Scheme-SCSP(Scheduled Caste Sub Plan)	0.00	0.00	49.16	0.00	0.00	24.76	24.76	0.00	24.76	0.00	24.39	
Marketing Assistance Scheme-TSP (Tribal Sub Plan)	0.00	0.00	1.44	0.00	0.00	1.44	1.44	0.00	1.44	0.00	0.00	
Marketing Assistance Scheme in North East Region(NER)	0.00	0.00	88.13	0.00	0.00	88.13	88.13	0.00	88.13	0.00	0.00	
Sub Total	36.49	0.00	1512.78	36.49	0.00	1540.94	1540.94	0.00	1540.94	52.55	24.39	
Performance and Credit Rating Scheme												
Performance and Credit Rating Scheme	1513.29	0.00	4461.84	1513.29	0.00	3654.69	3654.69	0.00	3654.69	0.00	807.15	
Performance and Credit Rating Scheme- SCSP (Scheduled Caste Sub Plan)	0.00	0.07	140.00	-0.07	0.00	177.58	177.58	0.00	177.58	37.58	0.00	
Performance and Credit Rating Scheme - TSP (Tribal Sub Plan)	0.00	31.00	26.95	-31.00	0.00	20.80	20.80	0.00	20.80	0.00	6.15	
Performance and Credit Rating Scheme in North East Region(NER)	0.00	76.46	97.34	-56.35	0.00	61.17	61.17	0.00	61.17	0.00	56.28	
Sub Total	1513.29	107.53	4726.13	1425.87	0.00	3914.25	3914.25	0.00	3914.25	37.58	869.57	
International Co-operation, Modernization & Technology Upgradation	13.83	0.00	6.00	13.83	0.00	51.38	51.38	0.00	51.38	45.38	0.00	
North East Expo	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	0.00	
DST - STEP (S&T Project)	0.00	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08	
Assistance for Training to institutions												
Assistance for Training to Institutions	0.00	8.35	2367.05	0.00	0.00	318.42	318.42	0.00	318.42	0.00	2056.98	
Assistance for Training to Institutions in North East Region	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Sub Total	0.00	8.35	2367.05	0.00	0.00	318.42	318.42	0.00	318.42	0.00	2056.98	
India Inclusive Innovation Fund (IIIF)	0.00	1758.80	19.31	-1778.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Training cum Incubation	0.00	169.71	69.86	0.00	129.91	0.00	129.91	0.00	129.91	0.00	109.66	
National SC-ST Hub (NSSH)												
NSSH - SCSP												
Special Marketing Assistance Scheme - SCSP (NSSH)	0.00	0.00	277.46	0.00	0.00	569.68	569.68	0.00	569.68	292.22	0.00	
Performance Credit Rating Scheme SCSP (NSSH)	0.00	0.00	0.00	0.00	0.00	28.62	28.62	0.00	28.62	28.62	0.00	
Single Point Registration Scheme SCSP (NSSH)	0.00	0.00	0.00	0.00	0.00	17.19	17.19	0.00	17.19	17.19	0.00	
Sub Total	0.00	0.00	277.46	0.00	0.00	615.48	615.48	0.00	615.48	338.02	0.00	
NSSH - TSP												
Special Marketing Assistance Scheme TSP (NSSH)	0.00	0.00	175.73	0.00	0.00	13.89	13.89	0.00	13.89	0.00	161.84	
Performance Credit Rating Scheme TSP (NSSH)	0.00	0.00	0.00	0.00	0.00	3.14	3.14	0.00	3.14	3.14	0.00	
Single Point Registration Scheme TSP (NSSH)	0.00	0.00	0.00	0.00	0.00	0.08	0.08	0.00	0.08	0.08	0.00	
Sub Total	0.00	0.00	175.73	0.00	0.00	17.11	17.11	0.00	17.11	3.22	161.84	
Total	0.00	0.00	453.19	0.00	0.00	632.59	632.59	0.00	632.59	341.25	161.84	
Grand Total	1570.62	2044.47	9154.32	-301.92	129.91	6457.57	6587.48	0.00	6587.48	483.76	3222.53	
										Net Surplus / (Deficit)		2738.77
										Previous Year Surplus / (Deficit)		473.85

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 10 SHORT TERM PROVISIONS

(₹ in Lakh)

Particulars	As At 31.03.17		As At 31.03.16	
Provisions for Employee Benefits				
For Leave encashment	0.00		0.00	
For Leave Travel Concession	0.00		0.00	
For Sick Leave	0.00		0.00	
For Pay Revision	0.00	0.00	0.00	0.00
Others				
For Doubtful Debts & Advances	11386.47		10753.93	
Less: Adjustment as per contra against Trade Receivables, Loans & Advances, etc.	11386.47	0.00	10753.93	0.00
For Income Tax (Net of Payments)	0.00		123.76	
For Wealth Tax	0.00		0.00	
For Sales Tax	0.00		0.00	
For Interest Tax	0.00		0.00	
For Fringe Benefit Taxes	0.00		0.00	
For Proposed Dividend	3126.18		2905.02	
For Tax on Proposed Dividend	636.50	3762.68	591.46	3620.24
For Exchange Variation				
Balance as per last Balance Sheet	1441.16		1457.49	
Add: Provision made during the Year	456.13		481.80	
Less: Utilised for Exchange Variation Losses	0.00		498.13	
Less: Amount written back	232.70	1664.59	0.00	1441.16
As per Balance Sheet		5427.27		5061.40

ANNEXURE - 10A DETAILS OF ADDITIONS, REVERSALS & UTILIZATIONS OF PROVISIONS

(₹ in Lakh)

Particulars	Opening Balance	Additions during the Year	Utilizations/ Reversals/ Adjustments	Closing Balance
For Leave Encashment	0.00	0.00	0.00	0.00
For Leave Travel concession	0.00	0.00	0.00	0.00
For Sick Leave	0.00	0.00	0.00	0.00
For Pay Revision	0.00	0.00	0.00	0.00
For Doubtful Debts & Advances	0.00	632.54	632.54	0.00
For Income Tax	123.76	0.00	123.76	0.00
For Wealth Tax	0.00	0.00	0.00	0.00
For Sales Tax	0.00	0.00	0.00	0.00
For Interest Tax	0.00	0.00	0.00	0.00
For Fringe Benefit Taxes	0.00	0.00	0.00	0.00
For Proposed Dividend	2905.02	3126.18	2905.02	3126.18
For Tax on Proposed Dividend	591.46	636.50	591.46	636.50
For Exchange Variation	1441.16	456.13	232.70	1664.59
Total	5061.40	4851.35	4485.48	5427.27

Note: In compliance with Provisions of AS-29.

NOTE - 11 FIXED ASSETS

(` in Lakh)

Particulars	GROSS BLOCK							ACCUMULATED DEPRECIATION					LTA			NET BLOCK	
	As At 01/04/16	Additions	Sale	Acquired through Business Combination	Revaluation/ (Impairment)	Inter Unit Transfer	Cost As At 31/03/17	As At 01/04/16	Depreciatio n Charge for the Year	Sales	Adjustment due to Revaluation/ (Impairment) / C.O.Act 2013 *	Inter Unit Transfer	As At 31/03/17	As At 31/03/17	As At 31/03/16	As At 31/03/17	As At 31/03/16
TANGIBLE ASSETS																	
1. OWN ASSETS																	
BUILDING	4741.67	1.47	0.00	0.00	0.00	0.00	4743.14	759.50	94.03	0.00	0.00	0.00	853.53	0.00	0.00	3889.61	3982.17
Furniture & Fittings	428.64	42.62	1.98	0.00	0.00	-8.45	477.73	231.84	30.51	1.48	0.00	0.00	260.87	0.00	0.00	216.86	196.79
Land	30.83	0.00	0.00	0.00	0.00	0.00	30.83	2.77	0.36	0.00	0.00	0.00	3.13	0.00	0.00	27.70	28.06
Office Equipments	751.06	79.18	11.44	0.00	0.00	-1.20	820.00	566.87	78.81	11.00	0.00	-0.36	635.04	0.00	0.00	184.96	184.20
Vehicle	96.43	28.13	3.30	0.00	0.00	5.67	115.59	64.07	7.12	3.14	0.00	5.28	62.78	0.00	0.00	52.82	32.36
Plant & Equipment	741.90	173.24	0.45	0.00	0.00	0.00	914.69	434.95	64.91	0.39	0.00	0.00	499.47	0.00	0.00	415.22	306.98
Sub Total	6790.53	324.64	17.17	0.00	0.00	-3.98	7101.98	2060.00	275.74	16.01	0.00	4.92	2314.82	0.00	0.00	4787.17	4730.56
2. LEASED ASSETS																	
Plant & Equipments	174.69	0.00	39.01	0.00	0.00	0.00	135.68	160.10	0.00	38.59	0.00	0.00	121.51	14.12	14.50	0.05	0.05
3. SEIZED LEASE ASSETS																	
Plant & Equipments	67.63	0.00	0.00	0.00	0.00	0.00	67.63	116.07	0.00	0.00	0.00	0.00	116.07	-49.36	-49.36	0.91	0.91
4. ASSETS ACQUIRED OUT OF GOVT. GRANTS																	
Land	23.04	0.00	0.00	0.00	0.00	0.00	23.04	4.81	0.14	0.00	0.00	0.00	4.95	0.00	0.00	18.09	18.24
Building	879.85	0.00	0.00	0.00	0.00	0.00	879.85	394.89	13.78	0.00	0.00	0.00	408.67	0.00	0.00	471.18	484.96
Furniture & Fittings	82.53	9.56	0.00	0.00	0.00	0.00	92.09	57.20	3.47	0.00	0.00	0.00	60.67	0.00	0.00	31.42	25.33
Office Equipments	549.63	30.68	15.10	0.00	0.00	0.00	565.21	436.00	31.93	14.30	0.00	0.01	453.62	0.00	0.00	111.59	113.64
Vehicle	11.91	0.00	0.00	0.00	0.00	0.00	11.91	11.38	0.00	0.00	0.00	0.00	11.38	0.00	0.00	0.53	0.53
Plant & Equipment	1942.00	87.24	24.13	0.00	0.00	0.00	2005.11	1178.74	99.65	22.72	0.00	0.00	1255.67	0.00	0.00	749.44	763.26
Sub Total	3488.96	127.48	39.23	0.00	0.00	0.00	3577.21	2083.02	148.97	37.02	0.00	0.01	2194.96	0.00	0.00	1382.25	1405.96
5. ASSETS NOT ACQUIRED OUT OF GOVT. GRANTS ON ACCOUNT OF TECHNICAL CENTRES																	
BUILDING	216.05	445.18	0.00	0.00	0.00	-13.37	674.60	15.73	17.72	0.00	0.00	0.00	33.45	0.00	0.00	641.15	200.31
FURNITURE & FITTINGS	88.49	24.18	0.00	0.00	0.00	0.00	112.67	28.01	7.83	0.00	0.00	0.00	35.84	0.00	0.00	76.83	60.48
OFFICE & EQUIPMENTS	426.25	78.79	0.00	0.00	0.00	-5.67	510.71	218.12	99.65	0.00	0.00	-5.28	323.05	0.00	0.00	187.66	208.12
PLANT & EQUIPMENTS	434.42	200.14	2.33	0.00	0.00	0.00	632.23	76.13	35.58	1.02	0.00	0.00	110.69	0.00	0.00	521.54	358.29
Sub Total	1165.21	748.29	2.33	0.00	0.00	-19.04	1930.21	337.99	160.78	1.02	0.00	-5.28	503.03	0.00	0.00	1427.18	827.20
TOTAL-TANGIBLE ASSETS	11687.02	1200.41	97.74	0.00	0.00	-23.02	12812.71	4757.18	585.49	92.64	0.00	-0.35	5250.39	-35.24	-34.86	7597.56	6964.68
PREVIOUS YEAR	10167.65	1626.87	107.49	0.00	0.00	0.00	11687.02	4340.63	517.72	101.17	0.00	0.00	4757.18	-34.86	-34.86	6964.68	5861.39
INTANGIBLE ASSETS																	
01. OWN ASSETS																	
COMPUTER SOFTWARE	87.29	10.65	0.00	0.00	0.00	1.20	96.74	46.92	16.92	0.00	0.00	0.35	63.49	0.00	0.00	33.25	40.37
02. ASSETS ACQUIRED OUT OF GOVT. GRANT																	

COMPUTER SOFTWARE	9.91	2.43	0.00	0.00	0.00	0.00	12.34	0.90	2.21	0.00	0.00	0.00	3.10	0.00	0.00	9.24	9.01
03. ASSETS NOT ACQUIRED OUT OF GOVT. GRANTS ON ACCOUNT OF TECHNICAL CENTRES																	
COMPUTER SOFTWARE	172.30	26.96	0.00	0.00	0.00	0.00	199.26	58.69	34.95	0.00	0.00	0.00	93.64	0.00	0.00	105.62	113.61
TOTAL-INTANGIBLE ASSETS	269.50	40.04	0.00	0.00	0.00	1.20	308.34	106.51	54.08	0.00	0.00	0.35	160.23	0.00	0.00	148.11	162.99
PREVIOUS YEAR	168.55	100.95	0.00	0.00	0.00	0.00	269.50	60.21	46.24	-0.07	0.00	0.01	106.51	0.00	0.00	162.99	108.34
01. CAPITAL WORK IN PROGRESS																	
CAPITAL WORK IN PROGRESS	10046.03	2581.93	0.00	0.00	0.00	21.82	12606.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12606.14	10046.03
PREVIOUS YEAR	6184.96	3861.07	0.00	0.00	0.00	0.00	10046.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10046.03	6184.96
CAPITAL WORK IN PROGRESS ACQUIRED OUT OF GOVT. '1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PREVIOUS YEAR	6184.96	3861.07	0.00	0.00	0.00	0.00	10046.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10046.03	6184.96
TOTAL-CAPITAL WORK IN PROGRESS	10046.03	2581.93	0.00	0.00	0.00	21.82	12606.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12606.14	10046.03
GRAND TOTAL	22002.55	3822.38	97.74	0.00	0.00	0.00	25727.19	4863.69	639.57	92.64	0.00	0.00	5410.62	-35.24	-34.86	20351.81	17173.70
PREVIOUS YEAR	16521.16	5588.89	107.49	0.00	0.00	0.00	22002.55	4400.83	563.96	101.10	0.00	0.01	4863.69	-34.86	-34.86	17173.10	12154.69

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 12 NON-CURRENT INVESTMENTS

(₹ in Lakh)		
Particulars	As At 31.03.17	As At 31.03.16
Trade Investments		
Investments in Properties	0.00	0.00
Investments in Equity Instruments	0.00	0.00
Investments in Preference Shares	0.00	0.00
Investments in Government or Trust Securities	0.00	0.00
Investments in Debentures or Bonds	0.00	0.00
Investments in Mutual Funds	0.00	0.00
Investments in Partnership Firms	0.00	0.00
Other Non-Current Investments	0.00	0.00
Sub Total	0.00	0.00
Other Investments		
Investments in Properties	0.00	0.00
Investments in Equity Instruments	22.55	22.78
Investments in Preference Shares	0.00	0.00
Investments in Government or Trust Securities	0.00	0.00
Investments in Debentures or Bonds	0.00	0.00
Investments in Mutual Funds	0.00	0.00
Investments in Partnership Firms	0.00	0.00
Other Non-Current Investments	0.00	0.00
Sub Total	22.55	22.78
Total	22.55	22.78
Less : Provision for Diminution in the Value of Non Current Investments	15.00	15.00
As per Balance Sheet	7.55	7.78

ANNEXURE - 12A DETAILS OF AGGREGATE QUOTED AND UNQUOTED NON-CURRENT INVESTMENTS

(₹ in Lakh)		
Particulars	As At 31.03.17	As At 31.03.16
Aggregate amount of Quoted Investments (Market value of ₹ 235.34 lakh) (Previous Year ₹ 214.39 lakh))	7.55	7.78
Aggregate amount of Unquoted Investments	15.00	15.00

ANNEXURE - 12B DETAILS OF NON-CURRENT NON-TRADE INVESTMENTS

(₹ in Lakh)		
Particulars	As At 31.03.17	As At 31.03.16
1,17,700 (Prev. Year 1,21,400) Equity Shares of M/s Singer India Ltd. of ₹ 10 each fully paid 1.095% holding) . (Mkt. value ₹ 235.34 lakh @ ₹ 199.95 per share (₹ 214.39 lakh @ ₹ 176.60 per share))	7.55	7.78
1,00,000 Equity Shares of ₹ 10 each fully paid-up in M/s Small Industries Product Promoted Organisation Ltd. (SIPPO) (12.06% holding) (Unquoted)	10.00	10.00
50,000 Equity Shares of ₹ 10 each fully paid-up in M/s Small Industries Products Marketing Organisation Ltd. (SIPMO) (N.A.% holding)(Unquoted)	5.00	5.00
Sub Total	22.55	22.78
Less: Provision for Diminution in the Value of Investments	15.00	15.00
TOTAL	7.55	7.78

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 13 LONG TERM LOANS & ADVANCES

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
Capital Advances	1069.01	480.62
Security Deposits	736.81	706.04
Loans and Advances to Employees	17.50	33.96
Other Loans and Advances	221.95	323.14
Loans and Advances to Related Parties	0	0
Deposits/Balances with Excise /Sales Tax Authorities	10.05	3.31
Advance Payment of Income Tax / TDS (Net of Provisions)	0	0
Income Tax Recoverable	402.34	448.66
As per Balance Sheet	2457.66	1995.73

ANNEXURE - 13B DETAILS OF LONG TERM LOANS & ADVANCES (INCLUDED UNDER LOANS AND ADVANCES TO EMPLOYEES) DUE BY DIRECTORS OR OTHER OFFICERS OF THE CORPORATION

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
Directors*	0	0
Other Officers of the Company*	0	0
Firm in which Director is a Partner*	0	0
Private company in which Director is a member	0	0
Total	0	0

[*] Either severally or jointly.

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 13A DETAILS OF LONG TERM LOANS & ADVANCES

(₹ in Lakh)

Particulars	As At 31.03.17		As At 31.03.16	
Capital Advances				
With RITES	362.97		92.09	
Add: Interest Accrued on Capital Advance	0.00	362.97	0.00	92.09
With CPWD	253.65		369.58	
Add: Interest Accrued on Capital Advance	0.00	253.65	0.00	369.58
With NBCC	452.39		18.95	
Add: Interest Accrued on Capital Advance	0.00	452.39	0.00	18.95
Total		1069.01		480.62
Security Deposits				
Secured Considered Good	1.88		17.18	
Unsecured Considered Good	734.93		688.86	
Considered Doubtful	0.05		0.27	
	736.86		706.31	
Less Additional/Normal Interest Suspense	0.00		0.00	
	736.86		706.31	
Less: Provision for Doubtful Deposits as per Contra	0.05		0.27	
Total		736.81		706.04
Loans and Advances to Employees				
Secured Considered Good	17.27		29.99	
Unsecured Considered Good	0.23		3.97	
Considered Doubtful	0.00		0.00	
	17.50		33.96	
Less Additional/Normal Interest Suspense	0.00		0.00	
	17.50		33.96	
Less: Cheques sent for Collection	0.00		0.00	
Less: Provision for Doubtful Loans and Advances as per Contra	0.00		0.00	
Total		17.50		33.96
Other Loans and Advances				
Composite Term Loan				
Secured Considered Good	72.70		65.98	
Unsecured Considered Good	0.00		0.00	
Considered Doubtful (Incl Intt. Suspense Contra)	221.02		270.44	
	293.72		336.42	
Less Additional/Normal Interest Suspense	63.28		67.36	
	230.44		269.06	
Less: Cheques sent for Collection	0.00		0.00	
Less: Provision for Doubtful Loans and Advances as per Contra	157.74	72.70	203.08	65.98
Italian Line of Credit				
Secured Considered Good	0.00		0.00	
Unsecured Considered Good	0.00		0.00	
Considered Doubtful	0.00		0.00	
	0.00		0.00	
Less: Additional / Normal Interest Suspense	0.00		0.00	
	0.00		0.00	
Less: Cheques sent for Collection	0.00		0.00	
Less Provision for Doubtful Loans and Advances as per Contra	0.00	0.00	0.00	0.00
Term Loan				
Secured Considered Good	10.09		10.09	
Unsecured Considered Good	0.00		0.00	
Considered Doubtful (Incl Intt. Suspense Contra)	5.35		5.35	
	15.44		15.44	
Less: Additional / Normal Interest Suspense	4.25		4.25	
	11.19		11.19	
Less: Cheques sent for Collection	0.00		0.00	

ANNEXURE - 13A DETAILS OF LONG TERM LOANS & ADVANCES

(₹ in lakh)

Particulars	As At 31.03.17		As At 31.03.16	
Less: Provision for Doubtful Loans and Advances as per Contra	1.10	10.09	1.10	10.09
Advance Recoverable in Cash or in Kind or for value to be received				
Secured Considered Good	20.72		0.97	
Unsecured Considered Good	118.44		246.10	
Considered Doubtful	15.29		0.05	
	154.45		247.12	
Less: Additional / Normal Interest Suspense	0.00		0.00	
	154.45		247.12	
Less: Cheques sent for Collection	0.00		0.00	
Less: Provision for Doubtful Loans and Advances as per Contra	15.29	139.16	0.05	247.07
Total		221.95		323.14
Loans and Advances to Related Parties				
Secured Considered Good	0.00		0.00	
Unsecured Considered Good	0.00		0.00	
Considered Doubtful	0.00		0.00	
	0.00		0.00	
Less: Provision for Doubtful Loans and Advances as per Contra	0.00		0.00	
Total		0.00		0.00

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 14 OTHER NON-CURRENT ASSETS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Long Term Trade Receivables (Including Trade Receivables on Deferred Credit Terms)		
Secured Considered Good	0.00	0.00
Unsecured Considered Good	0.00	0.00
Considered Doubtful	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Less: Provision for Doubtful Dues as per Contra	<u>0.00</u>	<u>0.00</u>
	0.00	0.00
Others	71.08	100.10
Debts due by Related Parties		
Secured Considered Good	0.00	0.00
Unsecured Considered Good	0.00	0.00
Considered Doubtful	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Less: Provision for Doubtful Dues as per Contra	<u>0.00</u>	<u>0.00</u>
	0.00	0.00
As per Balance Sheet	<u>71.08</u>	<u>100.10</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 14A DETAILS OF OTHER NON-CURRENT ASSETS

(₹ in Lakh)

Particulars	As At 31.03.17		As At 31.03.16	
Interest Accrued but not Due				
On Fixed/Short Term Deposits	0.00		0.79	
On Others	71.08	71.08	99.31	100.10
Interest Receivable				
From Banks	0.00		0.00	
Less: Provision for Interest Receivable as per Contra	0.00	0.00	0.00	0.00
Claims Receivable				
From Insurance Company, Customs & Port Trust	0.00		0.00	
Less: Provision for Claims Receivable as per Contra	0.00	0.00	0.00	0.00
Machinery issued under Hire Purchase Scheme				
Machines out on Hire Purchase	0.00		0.00	
Less: Unaccrued Interest	0.00	0.00	0.00	0.00
Total		71.08		100.10

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 15 CURRENT INVESTMENTS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Investments in Properties	0.00	0.00
Investments in Equity Instruments	0.00	0.00
Investments in Preference Shares	0.00	0.00
Investments in Government or Trust Securities	0.00	0.00
Investments in Debentures or Bonds	0.00	0.00
Investments in Mutual Funds	0.00	0.00
Investments in Partnership Firms	0.00	0.00
Other Current Investments	0.00	0.00
Total	0.00	0.00
Less: Provision for Diminution in the value of Current Investments	0.00	0.00
As per Balance Sheet	0.00	0.00

ANNEXURE - 15A DETAILS OF AGGREGATE QUOTED AND UNQUOTED CURRENT INVESTMENTS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Aggregate amount of Quoted Investments (Market value of ₹ N/A (Previous Year ₹ N/A)	0.00	0.00
Aggregate amount of Unquoted Investments (Previous Year ₹ N/A)	0.00	0.00

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 16 INVENTORIES

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Raw Materials and Components	2.60	2.11
Work-In-Process	0.00	0.00
Finished Goods	13.58	10.88
Stock-In-Trade	0.00	0.00
Stores and Spares	7.55	6.92
Loose Tools and Measuring Instruments	5.41	5.17
Patterns and Moulds	0.00	0.00
Land & Building in Stock, Industrial Estate, Naini	19.65	19.65
Goods-In-Transit	649.27	41.65
Sub Total	698.06	86.38
Less: Provision for Obsolete Stock	8.54	0.00
As per Balance Sheet	689.52	86.38

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 17 TRADE RECEIVABLES

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
Trade Receivables Outstanding for a period exceeding six months from the date they are due for payment		
Secured Considered Good	5661.39	2739.13
Unsecured Considered Good	88.73	0
Considered Doubtful (Incl P.I. Suspense Contra)	1797.94	2520.20
	<u>7548.06</u>	<u>5259.33</u>
Less: Seized Leased Suspense	74.75	74.75
Less: Penal Interest Suspense	544.70	676.74
	<u>6928.61</u>	<u>4507.84</u>
Less: Cheques sent for Collection	0	2.10
Less: Provision for Doubtful Debts as per Contra	1178.49	1766.61
	<u>5750.12</u>	<u>2739.13</u>
Trade Receivables Outstanding for a period less than six months from the date they are due for payment		
Secured considered Good	6468.50	8556.58
Unsecured considered Good	54.95	616.61
Considered Doubtful (Incl P.I. Suspense Contra)	7.32	7.32
	<u>6530.77</u>	<u>9180.51</u>
Less: Seized Leased Suspense	0	0
Less: Penal Interest Suspense	7.32	7.32
	<u>6523.45</u>	<u>9171.09</u>
Less: Cheques sent for Collection	0.15	26.10
Less: Provision for Doubtful Debts as per Contra	0	9147.09
	<u>6523.30</u>	<u>0</u>
As per Balance Sheet	<u>12273.42</u>	<u>11886.22</u>

ANNEXURE - 17A DETAILS OF TRADE RECEIVABLE STATED ABOVE INCLUDE DEBTS DUE BY DIRECTORS OR OFFICERS OF THE CORPORATION

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
Directors*	0	0
Other Officers of the Company*	0	0
Firm in which directors is a partner*	0	0
Private Company in which director is a member	0	0
Total	<u>0</u>	<u>0</u>

[*] Either severally or jointly.

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 17B DETAILS OF TRADE RECEIVABLES

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
<u>TRADE RECEIVABLES - HIRE PURCHASE</u>		
Trade Receivables Outstanding for a period exceeding six month from the date they are due for payment		
Secured Considered Good	0	0
Unsecured Considered Good	0	0
Considered Doubtful (Incl P.I. Suspense Contra)	1044.70	1428.61
	1044.70	1428.61
Less: Penal Interest Suspense	322.87	454.23
	721.83	974.38
Less: Cheques sent for Collection	0	1.10
Less: Provision for Doubtful Debts as per Contra	721.83	973.28
	0	0
Trade Receivables Outstanding for a period less than six months from the date they are due for payment		
Secured Considered Good	0	0
Unsecured Considered Good	0	0
Considered Doubtful (Incl P.I. Suspense Contra)	0	0
	0	0
Less: Penal Interest Suspense	0	0
	0	0
Less: Cheques sent for Collection	0	0
Less: Provision for Doubtful Debts as per Contra	0	0
	0	0
Sub Total	0	0
<u>TRADE RECEIVABLES - LEASING</u>		
Trade Receivables Outstanding for a period exceeding six month from the date they are due for payment		
Secured Considered Good	0	0
Unsecured Considered Good	0	0
Considered Doubtful (Incl P.I. Suspense & Seized Suspense Contra)	257.57	308.99
	257.57	308.99
Less: Seized Lease Suspense	74.75	74.75
Less: Penal Interest Suspense	72.22	87.75
	110.60	146.49
Less: Cheques sent for Collection	0	1.00
Less: Provision for Doubtful Debts as per Contra	110.60	145.49
	0	0
Trade Receivables Outstanding for a period less than six months from the date they are due for payment		
Secured Considered Good	0	0
Unsecured Considered Good	0	0
Considered Doubtful	0	0
	0	0
Less: Seized Lease Suspense	0	0
Less: Penal Interest Suspense	0	0
	0	0
Less: Cheques sent for Collection	0	0
Less: Provision for Doubtful Debts as per Contra	0	0
	0	0
Sub Total	0	0
<u>TRADE RECEIVABLES - MARKETING</u>		
Trade Receivables Outstanding for a period exceeding six month from the date they are due for payment		
Secured Considered Good	5568.80	2727.73
Unsecured Considered Good	88.73	0
Considered Doubtful	265.49	341.85
	5923.02	3069.58
Less: Penal Interest Suspense	0	0
	5923.02	3069.58

ANNEXURE - 17B DETAILS OF TRADE RECEIVABLES

(₹ in lakh)

Particulars	As At 31.03.17	As At 31.03.16
Less: Cheques sent for Collection	0	0
Less: Provision for Doubtful Debts as per Contra	265.49	341.85
Trade Receivables Outstanding for a period less than six months from the date they are due for payment	5657.53	2727.73
Secured Considered Good	6328.63	8515.17
Unsecured Considered Good	30.94	506.05
Considered Doubtful	0	0
	6359.57	9021.22
Less: Penal Interest Suspense	0	0
	6359.57	9021.22
Less: Cheques sent for Collection	0	26.10
Less: Provision for Doubtful Debts as per Contra	0	0
Sub Total	12017.10	11722.85
TRADE RECEIVABLES - OTHERS		
Trade Receivables Outstanding for a period exceeding six month from the date they are due for payment		
Secured Considered Good	92.59	11.40
Unsecured Considered Good	0	0
Considered Doubtful (Incl P.I. Suspense/Receivable)	230.18	440.75
	322.77	452.15
Less: Penal Interest Suspense	149.61	134.76
	173.16	317.39
Less: Cheques sent for Collection	0	0
Less: Provision for Doubtful Debts as per Contra	80.57	305.99
Trade Receivables Outstanding for a period less than six months from the date they are due for payment	92.59	11.40
Secured Considered Good	139.87	41.42
Unsecured Considered Good	24.01	110.56
Considered Doubtful (Incl P.I. Suspense/Receivable)	7.32	7.32
	171.20	159.30
Less: Penal Interest Suspense	7.32	7.32
	163.88	151.98
Less: Cheques sent for Collection	0.15	0
Less: Provision for Doubtful Debts as per Contra	0	0
Sub Total	163.73	151.98
Total	12273.42	11886.22

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 18 CASH AND OTHER BANK BALANCES

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
(i) Cash & Cash Equivalents		
Balances with Banks		
In Current Accounts	4388.30	2285.82
In Deposit Accounts	0.00	0.00
In Fixed Deposits-Maturing over 12 Months	0.00	0.00
In Fixed Deposits-Maturing upto 3 Months	4950.88	2179.47
In Fixed Deposits-Maturing more than 3 Months & upto 12	0.00	0.00
In Fixed Deposits-As Security with Govt. Authorities	0.00	0.00
In Fixed Deposits-Maturing within 12 Months	0.00	0.00
	9339.18	0.00
Cheques, Draft-on-hand	0.00	0.06
Cash-on-hand*	0.74	11.26
Imprest with Employees	0.00	0.31
Stamps-on-hand	0.15	0.21
Remittance in Transit	158.09	21.45
Balance in Post Office Saving Bank account kept as Security.	0.00	0.00
Sub Total	9498.16	4498.58
(ii) Other Bank Balances		
In Fixed Deposits-Maturing more than 3 Months & upto 12	8.55	8.72
In Fixed Deposits-Maturing over 12 Months	5.51	4.55
In Fixed Deposits-As Security with Govt. Authorities	0.55	0.55
As per Balance Sheet	9512.77	4512.40

* Cash-on-Hand includes Stock of Rupay Card worth Rs 0.20 lakh

.THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 19A DETAILS OF SHORT TERM LOANS & ADVANCES (INCLUDED UNDER LOANS AND ADVANCES TO EMPLOYEES) DUE BY DIRECTORS OR OTHER OFFICERS OF THE CORPORATION

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Directors*	0	0
Other Officers of the Company*	0	0
Firm in which Director is a Partner*	0	0
Private company in which Director is a member	0	0
Total	0	0

[*] Either severally or jointly.

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 19B DETAILS OF OTHER SHORT TERM LOANS AND ADVANCES

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
OTHER LOANS AND ADVANCES		
Raw Material Distribution (RMD)		
Secured Considered Good	1220.10	1202.83
Unsecured Considered Good (Backed by BG) *	296489.82	308271.85
Considered Doubtful (Incl. Intt. Suspense Contra)	8426.26	7013.71
	306136.18	316488.39
Less Additional/Normal Interest Suspense	325.42	334.24
	305810.76	316154.15
Less: Cheques sent for Collection	0.00	1.15
Less: Provision for Doubtful Loans and Advances as per Contra	8100.84	6679.47
	297709.92	309473.53
Bills of Exchange Discounted (BD)		
Secured Considered Good	114.63	198.65
Unsecured Considered Good (Backed by BG)	0.00	49.44
Considered Doubtful (Incl. Intt. Suspense Contra)	1709.80	1830.10
	1824.43	2078.19
Less: Additional / Normal Interest Suspense	74.87	74.87
	1749.56	2003.32
Less: Cheques sent for Collection	0.00	0.00
Less: Provision for Doubtful Loans and Advances as per Contra	1634.92	1755.23
	114.64	248.09
Total	297824.56	309721.62

* This Includes Rs 17057.38 lakh backed by BGs valuing Rs 17350.00 lakh of United Bank of India which were invoked in July-Aug, 2016 and is still recoverable from UBI.

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 20 OTHER CURRENT ASSETS

Particulars	(₹ in Lakh)			
	As At 31.03.17		As At 31.03.16	
Security Deposits				
Secured Considered Good	101.21		114.41	
Unsecured Considered Good	41.58		64.56	
Considered Doubtful	0.24		0.03	
	<u>143.03</u>		<u>179.00</u>	
Less Additional/Normal Interest Suspense	0.00		0.00	
	<u>143.03</u>		<u>179.00</u>	
Less: Provision for Doubtful Dues as per Contra	0.24	142.79	0.03	178.97
Others		29.16		20.85
As per Balance Sheet		<u>171.95</u>		<u>199.82</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE - 20A DETAILS OF OTHER CURRENT ASSETS - OTHERS

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Interest Accrued but not due		
On Fixed/Short Term deposits	3.78	1.87
On Others	25.06	18.98
	28.84	20.85
Interest Receivable		
From Banks	268.62	268.30
Less: Provision for Interest Receivable as per Contra	268.30	268.30
	0.32	0.00
Claims Receivable:		
From Insurance Company, Customs & Port Trust	0.00	0.00
Less: Provision for Claims Receivable as per contra	0.00	0.00
	0.00	0.00
Machinery issued Under Hire Purchase Scheme		
Machines out on Hire Purchase	0.00	0.00
Less: Unaccrued Interest Machines out on Hire Purchase	0.00	0.00
	0.00	0.00
Total	29.16	20.85

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 21 REVENUE FROM OPERATIONS (CONSOLIDATED)

(₹ in lakh)

Particulars	For the Year Ending 31.03.17		For the Year Ending 31.03.16	
Sale of Products		179098.05		207715.10
Sale of Services		7113.79		7666.54
Interest Earned		39105.90		41591.45
Processing Fees Earned		5493.60		5497.53
Other Operating Revenues		375.86		392.38
As per statement of Profit and Loss		231187.20		262863.00
Sale of Products				
Marketing		18964.40		21605.71
Export		381.11		764.51
Raw Material Distribution		159752.54		185344.88
Total (A)		179098.05		207715.10
Sale of Services				
Income from Government Purchase Registration		1406.55		1425.05
Income on infomediary Services		310.91		319.66
Discount Earned (Net)		1294.24		1346.35
Application Processing Fees		4.05		66.03
License & House Keeping Fees		815.14		637.61
Rent		741.99		773.56
Realization from Training Activities		1217.13		1290.90
Realization on account of Common Facilities		580.88		701.74
Income from Exhibition Centres		319.77		307.70
Receipts from Exhibitions, Seminars, Meets, Conferences and Marketing Campaigns		221.44		380.36
Project Consultancy Charges		130.55		347.55
Income from Training-cum-Incubation Center (TIC)		48.64		43.98
Other Receipts from Services		22.50		26.05
Total (B)		7113.79		7666.54
Interest Earned				
From Parties				
Normal		39240.09		41559.99
Less: Interest on Risk Fund		140.40	39099.69	0
Penal Interest			6.21	31.46
By Contra Adjustment to Penal Interest Suspense		0.69		0.00
Less: Losses W/Off on A/C of Penal Interest Suspense A/C by Contra Adjustment		0.69	0	0.00
Gain of Interest on Foreign Currency Transactions and Translation (Net)			0	0
Total (C)		39105.90		41591.45
Processing Fees Earned				
Raw Material Distribution		1776115.58	5178.38	1807532.49
Miscellaneous Items		53604.34	315.22	53297.42
Total (D)		1829719.92	5493.60	1860829.91
Other Operating Revenues				
Hire Charges			0	0
Lease Rentals				
Rental Income from Leasing		0		0
Less: Lease Equalization		0	0	0
Compensation for Use and Occupation of Infrastructure			375.86	392.38
Total (E)		375.86		392.38

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary

NOTE - 21 REVENUE FROM OPERATIONS (CONSOLIDATED)

Amount in (₹)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
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Gaurang Dixit
General Manager-SG (Finance)

Nishtha Goyal
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 22 OTHER INCOME (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Interest On:		
Loan to Employees	4.09	5.59
Fixed/Short Term Deposits	3.04	54.15
Income Tax Refunds	192.76	0.00
Others	4.34	6.31
	204.23	66.05
Excess Provision Written Back:		
KFW	288.56	59.37
Government Guarantee Fee	0.00	0.00
Others	231.51	88.78
	520.07	148.15
Sundry Credit Balances Written Back	72.08	56.17
Gain on Sale / Disposal of Assets / Intangibles	5.07	7.15
Gain on Sale of Investments	9.08	0.00
Other Miscellaneous Receipts	71.90	110.67
Gain on Foreign Currency Transactions and Translation (Net)	401.68	0.00
Dividend Income	3.04	3.04
Compensation Received	0.00	0.00
As per Statement of Profit and Loss	1287.15	391.23

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 23 GRANTS AND SUBSIDIES (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
For Promotional Activities	6587.48	5590.62
Less: Capital Expenditure (Net)	129.91	301.15
	6457.57	5289.47
Less: Amount appropriated out of Govt. Grants (As per Statement of Profit and Loss- Promotional)	0	0
As per Statement of Profit and Loss	6457.57	5289.47

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 24 PURCHASES OF STOCK IN TRADE (CONSOLIDATED)

(₹ in lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Marketing Activity		
Marketing	18948.45	21592.62
Export	311.42	530.00
Raw Material Distribution	160270.38	185130.47
As per Statement of Profit and Loss	179530.25	207253.09

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 25 CHANGES IN INVENTORIES (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Finished Goods:		
Closing Stock	13.76	10.88
Less: Opening Stock	10.88	13.85
Adjustment in Stock	0.00	0.00
	2.88	(2.97)
Work in Process:		
Closing Stock	0.00	0.00
Less: Opening Stock	0.00	0.00
Adjustment in Stock	0.00	0.00
	0.00	0.00
Goods-In-Transit	649.27	0.00
As per Statement of Profit and Loss	652.15	(2.97)

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 26 EMPLOYEES BENEFITS EXPENSE (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Salaries and Allowances	6468.11	6556.84
Contributions to -		
Provident Fund	579.65	583.38
Superannuation Scheme/ Pension Scheme	462.71	463.91
Deposit Group Insurance Scheme	11.35	0.00
Employees State Insurance Corporation	0.00	0.00
Gratuity Fund Contributions	450.84	432.28
Staff Welfare Expenses	228.46	206.59
Other Benefits	1527.87	1392.37
Directors (Including Chairman-Cum-Managing Director)		
Salaries and Allowances	67.19	53.70
Contributions to -		
Provident Fund	6.04	4.65
Superannuation Scheme/ Pension Scheme	5.10	3.87
Gratuity Fund Contributions	1.90	1.66
Others	8.67	3.76
As per Statement of Profit and Loss	9817.89	9703.01

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 27 FINANCE COSTS (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17		For the Year Ending 31.03.16	
Interest on Loan On:				
Kreditanstalt West Germany (KFW Loans)	547.71		579.31	
Casa Depositi E Prestiti, Italy (Previously known as Artigiancassa SPA Italy)	3.49		3.71	
Banks	12039.56		20952.86	
Commercial Paper	7114.10		0.00	
Collateral Security Deposits	0.00		0.00	
Bonds	0.00		0.00	
Others	0.00	19704.86	0.00	21535.88
Other Borrowing Costs:				
Government Guarantee Fee	23.14		23.41	
Loss of Interest on foreign currency transactions and translation	0.00		0.00	
Other Finance Charges	20.00	43.14	22.30	45.71
As per Statement of Profit and Loss		19748.00		21581.59

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 28 DEPRECIATION AND AMORTIZATION (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Depreciation on		
Fixed Assets	488.39	433.54
Leased Assets	0.00	0.00
Assets acquired against Grants		
Depreciation as per Contra	151.18	130.41
Less: Replacement Reserve as per Contra	151.18	130.41
Amortization of Expenses	0.00	0.00
Impairment Loss on Fixed Assets (Refer Note 35)	0.00	0.00
As per Statement of Profit and Loss	488.39	433.54

NOTE - 29 CORPORATE SOCIAL RESPONSIBILITY

Expenses required to be incurred Rs 267.89 lacs

(₹ in Lakh)

S. No.	Particulars	For the Year Ending 31.03.2017		
		In cash	Yet to be paid	Total
(i).	Construction/acquisition of any assets	39.49	1.83	41.32
(ii)	On purposes other than (i) above	193.54	38.93	232.47
	Actual Expenses	233.03	40.76	273.79
	Related Parties Transactions	NIL		

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

NOTE - 30 OTHER EXPENSES (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Electricity, Power & Water Charges	596.13	624.88
Printing & Stationery	97.42	97.56
Insurance	10.82	12.78
Travelling, Conveyance & Vehicle Charges	629.83	553.78
Freight and Octroi Expenses	25.72	34.35
Communication Expenses	169.79	167.24
Rent	329.26	311.46
Staff Recruitment Expenses	2.65	13.69
Licences, Rates & Taxes	79.44	74.97
Expense on Security	1076.77	845.99
Repairs & Maintenance Expenses	532.66	525.37
Payments to Statutory Auditors	47.98	43.12
Payment to Internal auditors	38.47	39.25
Legal, Professional and Consultancy Charges	306.56	260.14
Directors' Sitting Fee	1.44	2.74
Directors' Other Expenses	42.12	27.77
Expenses on increase in Authorised Capital	0.00	0.00
Miscellaneous & Contingent Expenses	23.31	23.91
Losses on Sale/Disposal of Assets/Intangibles	0.23	3.16
Loss on Sale of Investment	0.00	0.00
Bad Debts/Irrecoverable Advances Written Off	457.26	837.51
Loss on Foreign Currency Transactions and Translation (Net)	0.00	82.00
Expenditure on Infomediary Services	1.60	3.09
Project Consultancy Charges	93.35	110.44
Expenses on Godown Operations	1103.16	1209.84
Expenditure on Sustainable Development	0.00	2.86
Expenditure on Research and Development	0.00	0.00
Provision for Doubtful Debts	632.54	1381.10
Business / Sales Promotion Expenses	124.67	116.51
Advertisement and Publicity	94.06	103.25
Entertainment	31.83	30.56
Expenditure on Exhibitions, Seminars and Conference	60.52	300.34
Training Expenses	613.39	678.01
Common Facilities Charges	68.75	68.51
Expenses on International Co-operation	51.38	13.83
Expenses on Marketing Assistance Scheme	2163.84	1009.48
Performance and Credit Rating Fee	3670.70	3982.80
Provision for Obsolete Stock	8.54	0.00
Govt. Guarantee Fees	0.00	0.00
Compensation Paid	0.00	0.00
Discount Paid	0.00	0.00
India Inclusive Innovation Fund (IIIF)	0.00	0.00
Charity and Donations	0.00	0.00
SPRS Fees - NSSH	16.58	0.00
As per Statement of Profit and Loss	13202.77	13592.29

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

ANNEXURE – 30A DETAILS OF OTHER EXPENSES (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Payment to Statutory Auditors for:		
Statutory Audit Fees	34.85	29.14
Tax Audit Fees	10.33	10.94
Other Taxation Matters	0.04	0.00
Company Law Matters	0.00	0.00
Management Services	0.00	0.00
Other Services	0.58	0.21
Reimbursement of Expenses	2.18	2.83
Total	47.98	43.12
Repairs & Maintenance Expenses on:		
Building	320.43	307.35
Machinery	18.29	6.99
Others	193.94	211.03
Total	532.66	525.37
Bad Debts/Irrecoverable Advance Written Off:		
Bad Debts Written Off	457.26	837.51
Irrecoverable Advances Written Off	0.00	0.00
Losses Written Off	144.38	205.93
Less: Contra Adjustment to Losses Written Off	144.38	205.93
Total	457.26	837.51
Expenses on Marketing Assistance Scheme:		
Participation in Domestic Exhibitions	1051.21	468.50
Participation in International Exhibitions	548.76	158.23
Organization of Domestic Exhibitions	104.58	129.20
Organization of Techmart	0.00	71.61
Organization of International Level Exhibitions	78.26	69.79
Co-sponsoring of Exhibitions	133.94	2.00
Buyer-Seller Meets	14.96	16.74
Marketing Campaigns/Workshop	77.56	42.72
Other Marketing Activities	154.57	50.69
Total	2163.84	1009.48
Training Expenses		
Training Expenses Internal	374.21	371.20
Training Expenses - Sponsored	148.35	213.88
Training Expenses - Personal	46.40	59.96
Training Expenses - Others	44.43	32.97
Total	613.39	678.01

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NOTE - 31 PRIOR PERIOD ADJUSTMENTS (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17		For the Year Ending 31.03.16	
Income				
Interest and Service Charges	10.14		0.54	
Other Income	0.00		(8.18)	
Depreciation	0.00	10.14	0.00	(7.64)
Expenditure				
Employees Remuneration & Other Benefits	0.00		0.00	
Depreciation	0.00		0.00	
Interest	0.00		16.47	
Other Expenses	25.96	25.96	8.73	25.20
As per Statement of Profit and Loss		(15.82)		(32.84)

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NOTE - 32 TAX EXPENSE (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Provisions for Current Tax		
Provision for Current Tax	6100.00	6000.00
Provision for Deferred Tax	(219.25)	(463.05)
Provision for Wealth Tax	0.00	0.00
Provision for Fringe Benefit Tax	0.00	0.00
	5880.75	5536.95
Adjustment for Previous Year Taxes		
Provision for Tax	(13.43)	11.98
Provision for Deferred Tax	0.00	0.00
MAT Credit Entitlement	0.00	11.98
As per Statement of Profit and Loss	5867.32	5548.93

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**NOTE - 33 EARNINGS PER EQUITY SHARE (CONSOLIDATED)**

(₹ in lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
Weighted Average Number of Shares Outstanding (No.)	532.99	532.99
Net Profit / (Loss) after tax as per Statement of Profit & Loss (Rupees)	10639.84	10146.44
E.P.S (Basic & Diluted) (Rupees) (Face value of share ₹100/-)	19.96	19.04

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NOTE - 34 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (CONSOLIDATED)

(₹ in Lakh)

Particulars	For the Year Ending 31.03.17	For the Year Ending 31.03.16
<u>Contingent Liabilities:</u>		
Claims against the Corporation not acknowledged as Debts	165.13	218.47
Guarantees	0.00	0.00
Disputed Income Tax, Interest Tax, Sales Tax, Trade Tax demand	1082.19	842.87
Other money for which the Corporation is contingently liable	387.33	559.17
As per Statement of Profit and Loss	1634.65	1620.51
<u>Commitments:</u>		
Estimated amount of Contracts remaining to be executed on Capital account and not provided for (net of advances)	5414.62	8880.97
Uncalled Liability on shares and other investments partly paid	0.00	0.00
Other Commitments	0.00	0.00
As per Statement of Profit and Loss	5414.62	8880.97

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NOTE - 35

Additional notes forming an integral part of the financial statements for the year ended 31st March, 2017.

1. Letters seeking confirmation for year-end outstanding balances have been sent to most of the trade receivables, creditors, contractors' advances, deposits, borrowers etc. (except in cases where recovery certificate has been issued and / or under litigation). The year-end outstanding balance reconciliations with the units is carried out as an ongoing process. Confirmations in few cases are awaited. In the opinion of the management, the impact of it is not significant.

2. The title deeds in respect of following properties have not been executed in favour of the Corporation:

(₹ in Lakh)				
S.No	Particulars of the Property	Area	As At 31.03.2017	As At 31.03.2016
1	Land at Technical Centre Howrah	49.94 acres	1.60	1.60
2	Flats at Branch Office Mumbai	3660.00 sqft.	*6.06	*6.25

* Figures are written down values as on date.

3. The provision for exchange variation losses for loans under KFW credit lines have been created as per the terms and conditions of the loan agreements:

(a) The provisions of ₹232.70 lakh (₹244.32 lakh) created during the year under XIth line of credit has been utilized for meeting exchange variation losses of ₹ Nil (₹244.32 lakh) and the balance of ₹232.70 lakh (₹ Nil) has been written back since utilized for the promotional activities.

(b) The provision for exchange variation losses for loans under KFW credit line XIIth has been created as per the loan agreement. Under KFW XIIth line of credit, out of the provision for exchange variation created during the year, 80% of the provision is to be utilized for meeting exchange variation losses and the balance left out, if any, is to be retained to meet out the exchange variation losses in future.

Accordingly, total provisions amounting to ₹279.29 lakh (₹ 296.84 lakh) have been made during the year for exchange variation under XIIth line of credit, out of which ₹Nil (₹237.47 lakh) has been utilized against exchange variation loss during the year and balance 20% i.e. ₹55.86 lakh (₹59.37 lakh) has been utilized for promotional purposes as per terms and conditions of the loan agreement.

During the year, the exchange variation loss was ₹ Nil (₹253.80 lakh) which has been adjusted from 80% provision i.e ₹ Nil (₹237.47 lakh) and balance ₹Nil (₹16.33 lakh) has been adjusted from the provision for exchange variation losses made in the past years. The cumulative retained provision on this account as on 31.03.2017 is ₹1664.59 lakh including provision of ₹223.43 lakh for the year (₹1441.16 lakh) to meet out exchange variation losses in future.

4. Trade Receivables and Loans & Advances (relating to Hire Purchase, Equipment Leasing, Marketing, Raw Material Assistance, Bills Discounting, Composite Term Loan, Term Loan, etc.) amounting to ₹321253.99 lakh (₹332116.66 lakh) comprising of

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receivables and advances (backed with the security of BG and amounts payable to suppliers and / or recoverable from Government Department / PSUs) amounting to ₹308762.88 lakh (₹320255.70 lakh) on which provisions are not required to be made as per provisioning norms duly approved by the Board of Directors. Against the remaining amount of ₹12491.11 lakh (₹11860.96 lakh), provision of ₹11073.08 lakh (₹10405.49 lakh) has been made for doubtful receivables and loans & advances in line with the norms approved by the Board.

5. (a) During the month of June 2016, 7 cases of forged Bank Guarantees (BGs) amounting to ₹1600 lakh was detected at BO Abdul Hamid Street and BO Salt Lake, located in Kolkata. Immediately, complaints were lodged with CBI, Kolkata. However, 100% provision has been made for the outstanding dues amounting to ₹1473 lakh (including provision of ₹207 lakh made last year).
- (b) Thereafter, on obtaining re-confirmation of BGs, held by all offices of the Corporation, from the BG issuing banks and their respective Zonal / Controlling offices, United Bank of India (UBI) branches at Jadvapur Vidyapeeth and Hazra Road had informed that in 61 cases involving total BGs of ₹17350 lakh, the BGs had either been invoked (55 cases worth ₹15550 lakh) or not issued by the Banks (6 cases worth ₹1800 lakh). In all these cases, the original BGs issued by the banks were lying in the safe custody of NSIC's BO Abdul Hamid Street, BO Salt Lake, BO Durgapur & NTSC Howrah and had not been invoked by them.

Immediately on noticing the aforesaid irregularities FIR was lodged on 26.07.2016 with the Officer in Charge, Bidhan Nagar North Police Station, Salt Lake, Kolkata and the case was transferred to CID Kolkata, West Bengal. The case is under investigation covering such cases amounting to ₹17350 lakh in respect of four offices of NSIC viz. Branch Offices at Abdul Hamid Street, Kolkata (₹ 7850 lakh), Salt Lake (₹ 6300 lakh), Durgapur (₹2700 lakh) and NTSC Howrah (₹500 lakh).

NSIC, which was in possession of original BGs, lodged invocation claim in July'2016, in the aforesaid 61 cases valuing ₹17350 lakh with UBI. However, UBI has not responded in any manner on these claims so far.

The CID, as a part of their investigation, also referred the original BGs and related documents, seized from NSIC and UBI offices to their forensic lab (i.e. QDEB- Questioned Documents Examination Bureau) for examination. The findings of QDEB have been informed to the Hon'ble court by CID, which corroborates NSIC's claim of holding original bank guarantees in all cases valuing ₹17350 lakh.

In view of the above, outstanding balance of ₹17057.38 lakh against these BGs has been considered good. Hence, no provision has been made there against.

- (c) In other 16 cases, where UBI had reconfirmed the issuance and validity of BGs valuing ₹ 4800 lakh, the invocation claim thereof was lodged by NSIC in July & August, 2016 and UBI has released payment there against on 10.04.2017.
- (d) Further, during the process of obtaining reconfirmation, it has been found in case of one unit at NSIC BO Ghaziabad that the bank guarantees of ₹ 500 lakh reported to

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have not been issued by the branch of Bank of Baroda. 100% provision of ₹447.30 lakh has been made for the amount receivable from the unit, after adjusting amount received during May, 2017. This case is under investigation of CBI.

6. In compliance of section 45-1A of Reserve Bank of India Act.1934, the Corporation has been granted Certificate of Registration no. N.14.03090 dated 29.12.2005 to commence/carry on the business of non-banking financial institution. However, in view of RBI circular No. DNBR(PD) CC No.043/03.10.119/2015-16 dated 1st July'2015, the Corporation, being a Government of India Enterprise, has been exempted from compliance of RBI Prudential Norms relating to NBFCs.
7. During the year, the Corporation has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises (MSME). Consequently, the amount paid / payable including interest, if any, to such units during the year is ₹Nil.
8. Provision for current tax has been made as per the provisions of the Income Tax Act' 1961. The Corporation has recorded net deferred tax assets arising on account of timing differences as stipulated in Accounting Standard-22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India. The net deferred tax assets comprise of the following:

(₹ in lakh)			
S.No.	Particulars	As at 31.03.2017	As at 31.03.2016
(i)	Deferred Tax Liabilities		
	Related to timing difference on depreciation of fixed assets	(729.06)	(650.26)
	Sub Total	(729.06)	(650.26)
(ii)	Deferred Tax Assets		
	a) Provision for Doubtful Debts	3940.86	3721.94
	b) Employees Benefits	2235.93	2156.80
	Sub Total	6176.79	5878.74
	Deferred Tax Assets (Net)	5447.73	5228.48

9. In accordance with the guidelines of Department of Public Enterprises, ad-hoc provision on account of Performance Related Pay (PRP) for the year 2016-17 amounting to ₹ 549 lakh (₹ 749 lakh) has been made.
10. During the year, no provision has been made for any loss on account of impairment of assets under Accounting Standard (AS)-28 as there is no indication of any impairment of assets of the Corporation, on the basis of the Corporation as a whole, as a Cash Generating Unit (CGU).
11. Risk fund has been created at 0.35% (0.30%) of the outstanding at the end of financial year under the schemes of Raw Material Assistance & Bill Discounting (secured by Bank Guarantee), Trade Receivables-Marketing (from Central & State Government, Government Institutions /Companies/ Departments/ Bodies) and Term Loan (secured by EMD) by appropriation of the profit of ₹343.69 lakh. In addition, interest and service charges amounting to ₹140.40 lakh on the amount of fund at beginning of the year is plough back by charging from the interest income under Revenue from Operations (Note 21) of Statement of Profit & Loss for the year.

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12. As approved by the Ministry vide letter dated 2.12.2016, Corpus for medical schemes have been created of ₹ 235.42 lakh for the employees retired prior to 1.1.2007 and of ₹95.48 lakh for the employees retired on or after 1.1.2007, in accordance to the DPE's guidelines. These corpuses have been utilized for the payment of premium to the extent of ₹68.58 lakh and ₹20.48 lakh respectively.
13. Department of Public Enterprise (DPE), Ministry of Heavy Industries and Public Enterprise has circulated guidelines regarding pay revision of Board level and below Board level and non-unionized supervisors of CPSEs w.e.f. 01.01.2017 vide OM W-02/0028/2017-DPE (WC)-GL-XIII/17 dated 03.08.2017. Further action on the matter shall be taken only after approval of the Administrative Ministry and issue of presidential directive, on the proposal to be sent to the Ministry with the recommendation of the Board, in line with the para 18 of DPE's circular.
14. In compliance with the provisions of Accounting Standard 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the required disclosure in respect of details of additions, reversals and utilizations of provisions for Employee Benefits, for the Financial Year ended 31.03.2017 is as given below: -

(₹ in lakh)

Particulars	Opening Balance as on 01.04.2016	Additions (+)/Write Back (-)	Utilization	Closing Balance as on 31.03.2017
For Gratuity	3722.21	442.48	379.93	3784.77
For Leave Encashment	2122.94	527.53	368.77	2281.70
For Leave Travel Concession	0.77	0.07	0.00	0.84
For Half Pay Leave	382.24	29.91	22.79	389.36
For TA on Retirement	3.57	0.46	0.32	3.70
Total	6231.73	1000.45	771.81	6460.37

15. Employee Benefits:

- (a) Provisions and contribution towards Employee Benefits which inter-alia includes Short-Term benefits, post-retirement benefits, Other Long-Term benefits and Termination benefits are made based on actuarial valuation performed by the independent actuary and are charged to Statement of Profit and Loss.
- (b) The projected unit credit (PUC) actuarial method is used to assess the plan's liabilities of exit employees for retirement, death-in-service and withdrawals (Resignations / Terminations). Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active member of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as of the beginning or end of period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation.

Accordingly, disclosure under the provision of Accounting Standard 15 on "Employee Benefits (Revised 2005)" for the Financial Year ended 31.03.2017 is given below: -

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(i) Principal actuarial assumption at the Balance Sheet date. (Expressed as weighted average)

	Current Year	Previous Year
Method Used	Projected Unit Credit Method	Projected Unit Credit Method
Discount Rate	7.50%	8.00%
Expected Rate of Return on Plan Asset	0	0
Future Salary Increase	5.50	5.50
Mortality Rate	IALM (2006-08)	IALM (2006-08)
Ages		
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

(ii) Changes in the present value of the obligations

(₹ in lakh)

		Gratuity	EL	Sick Leave	TA on Retirement	LTC	
a)	Present value of obligation as at the beginning of the period	CY	3722.21	2122.94	382.24	3.56	0.77
		PY	3652.42	2069.05	313.60	3.48	1.58
b)	Acquisition adjustment	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
c)	Interest cost	CY	297.78	169.84	30.58	0.29	0.06
		PY	310.46	175.87	26.66	0.30	0.13
d)	Past service cost	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
e)	Current service cost	CY	182.07	150.23	37.72	0.18	0.02
		PY	174.12	125.55	31.85	0.17	0.02
f)	Curtailment cost/(Credit)	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
g)	Settlement cost/(Credit)	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
h)	Benefits paid	CY	-373.20	-368.04	-21.70	-0.32	0.00
		PY	-337.87	-345.97	-20.98	-1.08	0.00
i)	Actuarial (gain)/loss on obligation	CY	-44.09	206.73	-39.48	0.00	-0.01
		PY	-76.92	98.44	31.12	0.70	-0.96
j)	Present value of obligation as at the end of period	CY	3784.76	2281.70	389.36	3.70	0.84
		PY	3722.21	2122.94	382.24	3.56	0.77

(iii) Amount recognized in Balance Sheet

(₹ in lakh)

		Gratuity	EL	Sick Leave	TA on Retirement	LTC	
a)	Present value of obligation as at 31.03.2017 - (i)	CY	3784.76	2281.70	389.36	3.70	0.84
		PY	3722.21	2122.94	382.24	3.56	0.77
b)	Fair value of plan assets as at 31.03.2017 - (ii)	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

c)	Difference (ii) - (i)	CY	-	-	-	-3.70	-0.84
		PY	3784.76	2281.70	389.36	-3.70	-0.84
d)	Net asset/(liability) recognized in the Balance Sheet	CY	-	-	-	-3.56	-0.77
		PY	3722.21	2122.94	382.24	-3.56	-0.77
e)	Net asset/(liability) recognized in the Balance Sheet	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
f)	Net asset/(liability) recognized in the Balance Sheet	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00

(iv) Expenses recognized in Statement of Profit and Loss

(₹ in lakh)

		Gratuity	EL	Sick Leave	TA on Retirement	LTC	
a)	Current service cost	CY	182.07	150.23	37.72	0.18	0.02
		PY	174.12	125.55	31.85	0.17	0.02
b)	Past service cost	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
c)	Interest cost	CY	297.78	169.84	30.58	0.29	0.06
		PY	310.46	175.87	26.66	0.30	0.13
d)	Expected return on plan assets	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
e)	Curtailment cost / (Credit)	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
f)	Settlement cost / (Credit)	CY	0.00	0.00	0.00	0.00	0.00
		PY	0.00	0.00	0.00	0.00	0.00
g)	Net actuarial (gain) / loss recognized in the period	CY	-44.09	206.73	-39.48	0.00	-0.01
		PY	-76.92	98.44	31.12	0.70	-0.96
h)	Expenses recognized in the statement of profit & loss	CY	435.76	526.80	28.82	0.46	0.07
		PY	407.66	399.87	89.62	1.16	-0.81

(v) Comparative Data of last five years

(₹ in lakh)

		Gratuity				
		31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
a)	Defined benefit obligation at the end of period	3032.58	3450.28	3652.42	3722.21	3784.76
b)	Plan asset at the end of period	0.00	0.00	0.00	0.00	0.00
c)	Funded Status	-	-	-	-	-
d)	Experience adjustment on plan Liabilities (loss) / gain	3032.58	-3450.28	3652.42	3722.21	-3784.76
e)	Experience adjustment on plan Assets (loss) / gain	-71.41	-159.01	51.62	74.11	161.31
		0.00	0.00	0.00	0.00	0.00

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

(₹ in lakh)

		EL				
		31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
a)	Defined benefit obligation at the end of period	1663.98	1906.73	2069.05	2122.94	2281.70
b)	Plan asset at the end of period	0.00	0.00	0.00	0.00	0.00
c)	Funded Status	1663.98	-1906.73	2069.05	2122.94	-2281.70
d)	Experience adjustment on plan Liabilities (loss) / gain	-142.88	-307.70	-46.26	-100.22	-127.57
e)	Experience adjustment on plan Assets (loss) / gain	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

		Sick Leave				
		31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
a)	Defined benefit obligation at the end of period	425.06	288.56	313.60	382.24	389.36
b)	Plan asset at the end of period	0.00	0.00	0.00	0.00	0.00
c)	Funded Status	-425.06	-288.56	-313.60	-382.24	-389.36
d)	Experience adjustment on plan Liabilities (loss) / gain	-176.35	179.60	12.94	-31.53	57.15
e)	Experience adjustment on plan Assets (loss) / gain	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

		TA on Retirement				
		31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
a)	Defined benefit obligation at the end of period	3.12	3.34	3.48	3.56	3.70
b)	Plan asset at the end of period	0.00	0.00	0.00	0.00	0.00
c)	Funded Status	-3.12	-3.34	-3.48	-3.56	-3.70
d)	Experience adjustment on plan Liabilities (loss) / gain	0.15	-0.19	0.30	-0.70	0.12
e)	Experience adjustment on plan Assets (loss) / gain	0.00	0.00	0.00	0.00	0.00

(₹ in lakh)

		LTC				
		31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
a)	Defined benefit obligation at the end of period	3.78	1.97	1.58	0.77	0.84
b)	Plan asset at the end of period	0.00	0.00	0.00	0.00	0.00
c)	Funded Status	-3.78	-1.97	-1.58	-0.77	-0.84
d)	Experience adjustment on plan Liabilities (loss) / gain	1.68	-1.77	0.60	0.96	0.02
e)	Experience adjustment on plan Assets (loss) / gain	0.00	0.00	0.00	0.00	0.00

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

16. Disclosure on Specified Bank Notes (SBNs):-

During the year, the Company had specified bank notes (SBNs) and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017, on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	(Amounts in ₹)		
	SBNs*	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	1033500	187928	1221428
(+) Permitted receipts	118500	3119206	3237706
(-) Permitted payments	31000	1456267	1487267
(-) Amount deposited in banks	1121000	1562521	2683521
Closing cash in hand as on 30th December, 2016	0	288346	288346

* For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

17. Segment Reporting: -

NSIC's activities are broadly classified into 'Promotional' and 'Commercial'. The 'Promotional' activities include the activities for which budgetary support is provided to the Corporation by the Government and / or its agencies. The schemes of 'Marketing Assistance Scheme for MSMEs', 'Performance & Credit Rating Scheme for micro and small enterprises', 'Assistance for Training to Institutions' and 'National Schedule Caste - Schedule Tribe Hub' etc., for which budgetary support has been provided to the Corporation get reflected under the 'Promotional' activity. The expenses towards organization / participation in exhibitions (both domestic and international), buyer sellers meet, intensive campaigns, other marketing support services (advertisement, publicity etc.), rating of MSEs and training expenses are met out of the budgetary support provided for the above schemes.

The 'Commercial' activities interalia include the activities whereby the Corporation provides 'Marketing', 'Credit', 'Technology' and 'other support' services to cater to the diverse needs of the MSMEs. The Corporation funds these 'Integrated' support services. In addition, activities not met out of the budgetary support but which are promotional in nature (since carried out with the intent to support the MSMEs) are merged with commercial activities as the expenses of such activities are borne by the Corporation. Accordingly, the activities of the Corporation have been divided into two segments namely "Commercial" & "Promotional".

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

The following table presents the revenue, profit/(loss), assets and liabilities information to the Business segments for the year ended 31st March, 2017 as required by AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India.

(₹ in Lakh)

Description	For the year ended 31.03.2017			For the year ended 31.03.2016		
	Promotional	Commercial	Total	Promotional	Commercial	Total
A. Primary Segment – Business Segment						
I. SEGMENT REVENUE						
a. Segment Revenue (including grant)	6677.68	232254.24	238931.92	5507.16	263036.54	268543.70
II. RESULTS						
a. Segment Results	0.00	10639.84	10639.84	0.00	10146.44	10146.44
b. Operating Profit before interest		36270.98	36270.98		37309.80	37309.80
c. VRS & prior period		15.82	15.82		32.84	32.84
d. Interest Paid		19748	19748		21581.59	21581.59
e. Exceptional items			0.00			0.00
f. Net Profit before Tax		16507.16	16507.16		15695.37	15695.37
g. Tax		5867.32	5867.32		5548.93	5548.93
h. Net Profit after Tax		10639.84	10639.84		10146.44	10146.44
III. ASSETS & LIABILITIES						
a. Segment Assets	1391.49	311814.77	313206.26	1414.97	322746.64	324161.61
b. Unallocated Assets			40061.27			31157.76
c. Total Assets	1391.49	311814.77	353267.53	1414.97	322746.64	355319.37
d. Segment Liabilities	6245.88	250096.84	256342.72	3237.65	263237.82	266475.47
e. Unallocated Liabilities			96924.81			88843.90
f. Total Liabilities	6245.88	250096.84	353267.53	1951.97	254738.02	355319.37
IV. OTHER INFORMATION						
(a) Cost incurred during the period to acquire fixed assets (including CWIP)	129.91	3692.47	3822.38	301.15	5287.74	5858.89
(b) Depreciation #	151.18	488.39	639.57	130.40	433.54	563.94
(c) Non-cash expenditure other than depreciation	0.00	457.49	457.49	0.00	922.67	922.67

The depreciation of promotion segment is charged to capital reserve.

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

18. Related Party Disclosure: -

In compliance of Accounting Standard –18 on related party disclosures issued by the Institute of Chartered Accountants of India, the required information is given as under: -

a) Key Management Personnel

Shri Ravindra Nath	#	Chairman-cum-Managing Director
Shri A K Mittal	##	Director (Finance)
Shri P Udayakumar		Director (P&M)

Acted as Director (Finance) in addition to charges of Chairman-cum-Managing Director during the period 01.04.2016 to 13.04.2016 and 29.08.2016 to 15.09.2016.

Appointed as Director (Finance) w.e.f 15.09.2016.

b) Transactions during the year with related parties

(₹ in Lakh)

1.	Expenditure	Key Management Personnel		Relative of Key Management Personnel	
		2016-17	2015-16	2016-17	2015-16
a)	Salaries	67.19	44.34	--	--
b)	Leave/ LTC Encashment	3.48	--	--	--
c)	Provident Fund Contribution	6.04	4.65	--	--
d)	Contribution to Pension Scheme	5.10	3.87		
e)	Others	49.21	42.55	--	--
f)	Lease Rent Paid	--	--	--	--
2.	Loan & interest outstanding	--	--	--	--

19. All amounts are in ₹ lakh, unless otherwise stated.

20. Figures in brackets in the notes to the financial statements represent previous year's figures.

21. Previous year figures have been regrouped, rearranged and recast, wherever necessary.

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

[CIN No. : U74140DL1955GOI002481]

NOTE - N06 Cash Flow Statement attached to and forming part of the Accounts

(₹ in Lakh)

Particulars	As At 31.03.17	As At 31.03.16
Net Profit/Loss before Tax	16507.16	15695.37
Depreciation	488.39	433.54
Lease Terminal Adjustment	(0.37)	(0.50)
Provisions	1012.54	1612.53
Profit/Gain on Assets Disposed off (Net)	(4.84)	(3.99)
Gain on Sale of Investments	(9.08)	0
Interest On Short/Fixed Term Deposit	(3.04)	(54.15)
Interest Accrued but not due on Borrowings	16.02	28.17
Operating Cash Flows Before Working Capital Changes	18006.78	17710.97
Adjustment for Working Capital Changes:		
Inventories	(603.33)	(23.47)
Trade Advances & Receivables	16754.84	(20203.19)
Current Liabilities & Provisions	(1151.44)	(2335.40)
Unamortized Expenditure	0	0
Cash Flow before Tax & Extra Ordinary Items	33006.85	(4851.09)
Taxes	(5702.17)	(5681.73)
Net Operating Cash Flow (A)	27304.68	(10532.82)
Cash Flow from Investing Activities:		
Sale Proceeds of Assets Disposed off	9.90	10.34
Sale Proceeds of Investments	9.32	0
Increase in Fixed Assets and Capital W.I.P.	(3814.64)	(5588.78)
Fixed Assets (out of Grant)	129.91	301.14
Interest on Short/Fixed Terms Deposits	3.04	54.15
Net Investing Cash Flow (B)	(3662.47)	(5223.15)
Cash Flow from Financing Activities:		
Proceeds from Issuance of Share Capital	0	0
Net Increase/ (Decrease) in Other Borrowings	(15145.36)	(16787.38)
Dividend Paid	(3496.48)	(2048.70)
Interest Paid	0	0
Net Financing Cash Flow (C)	(18641.84)	14738.68
Net Cash Flow From Operating Activities (A)	27304.68	(10532.82)
Net Cash Flow from Investing Activities (B)	(3662.47)	(5223.15)
Net Cash Flow from Financing Activities (C)	(18641.84)	14738.68
Net Changes in Cash & Cash Equivalents (D=A+B+C)	5000.37	(1017.29)
Add.: Cash & Cash Equivalents-Opening Balances	4512.40	5529.69
Cash & Cash Equivalents-Closing Balance (F=D+E)	9512.77	4512.40

Note: 1. The above Cash Flow statement has been prepared by using the Indirect Method as per Accounting Standard (AS)-3 Cash Flow Statements issued by the Institute of Chartered Accountants of India.

2. Cash and Cash Equivalents consists of cash and other bank balance and deposits with bank.

3. Previous year's figures have been regrouped / rearranged wherever necessary

4. Cash and Cash Equivalents includes deposits as security with Government Authorities.

5. The net profit before tax is after considering expenses on Corporate Social Responsibility of Rs.273.79 lacs (Rs.249 lacs).

Statement of Accounting Policies and Notes on Accounts form an integral part of Financial Statements

As per our report of even date attached.

For K.G.Somani & Co.
Chartered Accountants

For and on behalf of Board of Directors

Bhuvnesh Maheshwari
Partner
Membership No. : 088155
Firm Reg. No. : 006591N
Place : New Delhi
Date : 28.08.2017

A.K.Mittal
Director (Finance)
[DIN : 07625711]

Gaurang Dixit
Chief General Manager (Finance)

Ravindra Nath
Chairman-cum-Managing Director
[DIN : 02815496]

Nishtha Goyal
Company Secretary
[Membership No. : A 22768]

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

[CIN No. : U74140DL1955GOI002481]

**STATEMENT OF PROFIT AND LOSS ACCOUNT (COMMERCIAL)
FOR THE YEAR ENDED 31.03.2017**

(₹ in lakh)

Particulars	Note No.	For the Year Ending 31.03.17	For the Year Ending 31.03.16
A Revenue			
Revenue from Operations	21	230967.09	262696.29
[Include Processing Fee/Service Charges earned of ₹ 5493.60 lakh (₹ 5497.53 lakh) for value of goods handled and services rendered ₹ 1829719.92 lakh (₹ 1860829.91 lakh)]			
Other Income	22	1287.15	340.25
Total Revenue		232254.24	263036.54
B Expenses			
Cost of Materials Consumed		0	0
Purchase of Stock-in-Trade	24	179530.25	207253.10
Changes in Inventories	25	(652.15)	2.97
Employee Benefit Expenses	26	9276.02	9298.11
Finance Costs	27	19748.00	21581.59
Depreciation and Amortization Expenses	28	488.39	433.55
Expenses on Corporate Social Responsibility	29	273.78	249.00
Other Expenses	30	7066.96	8490.03
Total Expenses		215731.24	247308.34
Profit before Prior Period Adjustments, Exceptional Items, Extraordinary Items and Tax		16522.98	15728.21
Exceptional Items [Refer Note 35()]		0	0
Profit before Prior Period Adjustments, Extraordinary Items and Tax		16522.98	15728.21
Extraordinary Items		0	0
Profit before Prior Period Adjustments and Tax		16522.98	15728.21
Prior Period Adjustments	31	15.82	32.84
Profit before tax		16507.16	15695.37
Tax Expense	32		
(i). Current Tax		6100.00	6000.00
(ii). Deferred Tax		(219.25)	(463.05)
(iii). Earlier Years		(13.43)	11.98
Total Tax Expense		5867.32	5548.93
Profit (Loss) after Tax for the Period		10639.84	10146.44
Earnings per Equity Share			
Basic/Diluted	33	19.96	19.04
Capital Commitments	34	5414.62	8880.97
Contingent Liabilities	34	1634.65	1620.51

As per our report of even date attached.

For K.G.Somani & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K.Mittal
Director (Finance)
[DIN : 07625711]

Ravindra Nath
Chairman-cum-Managing Director
[DIN : 02815496]

Bhuvnesh Maheshwari
Partner
Membership No. : 088155
Firm Reg. No. : 006591N
Place : New Delhi
Date : 28.08.2017

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary
[Membership No. : A 22768]

**STATEMENT OF PROFIT AND LOSS ACCOUNT (COMMERCIAL)
FOR THE YEAR ENDED 31.03.2017**

Amount in (₹)

Particulars	Note No.	For the Year Ending 31.03.17	For the Year Ending 31.03.16
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Statement of Accounting Policies and Notes on Accounts form an integral part of Financial Statements.

As per our report of even date attached.

For K G Somani & Co.
Chartered Accountants

Bhuvnesh Maheshwari
Partner / Proprietor

A K Mittal
Director (Finance)

Ravindra Nath
Chairman-cum-Managing Director

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary

Membership No. : 088155
Firm Reg No. : 006591N
Place : New Delhi
Date : 24.08.2017

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

[CIN No. : U74140DL1955GOI002481]

**STATEMENT OF INCOME AND EXPENDITURE (PROMOTIONAL)
FOR THE YEAR ENDED 31.03.2017**

(₹ in Lakh)

Particulars	Note No.	For the Year Ending 31.03.17	For the Year Ending 31.03.16
A Revenue			
Revenue from Operations	21	220.11	166.71
Other Income	22	0.00	50.98
Grants and Subsidies	23	6457.57	5289.47
Total Revenue		6677.68	5507.16
B Expenses			
Employee Benefit Expenses	26	541.87	404.90
Finance Costs	27	0.00	0.00
Depreciation and Amortization Expenses	28	0.00	0.00
Other Expenses	30	6135.81	5102.26
Total Expenses		6677.68	5507.16
Profit before Prior Period Adjustments, Exceptional Items, Extraordinary Items and Tax		0.00	0.00
Exceptional Items		0.00	0.00
Profit before Prior Period Adjustments, Extraordinary Items and Tax		0.00	0.00
Extraordinary Items		0.00	0.00
Profit before Prior Period Adjustments and Tax		0.00	0.00
Prior Period Adjustments		0.00	0.00
Profit before tax		0.00	0.00
Tax Expense		0.00	0.00
Net Income /(Expenditure)		0.00	0.00

Statement of Accounting Policies and Notes on Accounts form an integral part of Financial Statements.

As per our report of even date attached.

For K.G.Somani & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K.Mittal
Director (Finance)
[DIN : 07625711]

Ravindra Nath
Chairman-cum-Managing Director
[DIN : 02815496]

Bhuvnesh Maheshwari
Partner
Membership No. : 088155
Firm Reg. No. : 006591N
Place : New Delhi
Date : 28.08.2017

Gaurang Dixit
Chief General Manager (Finance)

Nishtha Goyal
Company Secretary
[Membership No. : A 22768]