

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

PROFIT AND LOSS ACCOUNT (CONSOLIDATED) FOR THE YEAR ENDED 31.03.2010

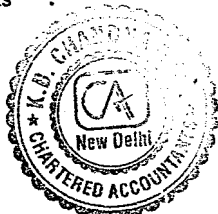
(Amount in Rs.)

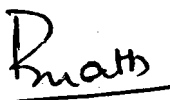
Particulars	Schedule No.	Current Year	Previous Year
A. INCOME			
Sales	11	5436339891	4948062629
Hire Charges		602342	2150282
Lease Rentals	12	683057	1161260
Grants and Subsidies	13	374588511	316987214
Interest	15	459125707	307901226
Other Income	16	566143422	388657085
Service Charges [Value of Goods handled-Services rendered Rs. 3827.09 Crore (Rs. 2931.34 Crore) as per Audited Branch Accounts]	16A	151244151	112865725
Total		6988727081	6077785421
B. EXPENDITURE			
Purchases	17	5384211243	4907630786
Consumption of Stores		951575	1054936
Accretion/Decretion in Stock	14	(1547337)	184540
Employees Remuneration & Other Benefits	18	465075313	408507054
Depreciation	19	10037992	9834115
Finance Charges	20	232162946	191968743
Other Expenses	21	561393406	432293691
Bad Debts Written Off	22	47613111	28391934
Exchange Variation Losses		494716	5534623
Depreciation as per Contra		9512944	8477809
Less: Replacement Reserve as per Contra		(9512944)	(8477809)
Provision for Obsolete Stock		0	209236
Provision for Investments		7004936	0
Total		6707397901	5985609658
NET OPERATING PROFIT/(LOSS) FOR THE YEAR		281329180	92175763
Less: Prior Period Expenditure/(Income) (Net)	23	668865	1714272
Less: Amortisation of VRS Expenditure		21236554	21236548
NET PROFIT/(LOSS) BEFORE TAX		259423761	69224943
Less: Provision for Current Tax		16198109	6507099
Less: Provision for Fringe Benefit Tax		0	2713616
Less: Adjustment of Previous Years Taxes		491871	(224560)
NET PROFIT/(LOSS) AFTER TAX		242733781	60228788
Available for Appropriations:			
Proposed Dividend		48547000	12046000
Tax on Proposed Dividend		8063050	2047218
Balance Profit		186123731	46135570
Balance brought forward from previous Year		(1438444425)	(1484579995)
NET PROFIT/(LOSS) CARRIED FORWARD		(1252320694)	(1438444425)
Basic/Diluted Earning Per Share (EPS)		10.42	2.59

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

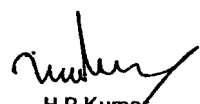
As per our report of even date attached.

For K B Chandna & Co.
Chartered Accountants
(Sanjeev Chandna)
Partner




Ravindra Nath
Director (Finance)


Gaurang Dixit
General Manager (Finance)


H P Kumar
Chairman cum Managing Director


Niti Sethi
Company Secretary

Membership No. : 87354
FRN : 000862N
Place : New Delhi
Date : 12.09.2010

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 11 SALES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10		For the Year Ending 31.03.09	
Marketing Activity				
Marketing	281259283		491123628	
Export	2762875		32617632	
Raw Material Distribution	5121629650	5405651808	4401938346	4925679606
Technical Centres				
Sales of Products	0		295103	
Realisation on A/C of Common Facilities	28579859		21292599	
Scrap	2108224	30688083	795321	22383023
As per Profit & Loss Account		5436339891		4948062629



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Niti Sathi
Niti Sathi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 12 LEASE RENTALS (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Rental Income From Leasing	0	1886
Less: Lease Equalisation	(683057)	(1159374)
As per Profit & Loss Account	<u>683057</u>	<u>1161260</u>



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Nitu Sethi
Nitu Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 13 GRANTS AND SUBSIDIES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
For Promotional Activities including Technical Centres	356701642	227695370
Less: Capital Expenditure (Net)	409044	4520506
	356292598	223174864
Less: Amount appropriated out of Govt. Grants (As per Income & Expenditure (Promotional) Account)	18295913	93812350
As per Income & Expenditure Account	374588511	316987214



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Niti Sethi
Niti Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

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

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10		For the Year Ending 31.03.09	
Finished Goods				
Closing Stock	6261040		5902443	
Less: Opening Stock	5902443		5979491	
Adjustment in Stock	1536236	1894833	12313	(64735)
Finished Components				
Closing Stock	93150		198646	
Less: Opening Stock	198646		240046	
Adjustment in Stock	0	(105496)	0	(41400)
Work In Process				
Closing Stock	243377		485377	
Less: Opening Stock	485377		563782	
Adjustment in Stock	0	(242000)	0	(78405)
As per Profit & Loss Account		1547337		(184540)



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Niti Sethi
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Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 15 INTEREST (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
On Loan to Employees		
From Parties:	1937535	2009078
Normal		
Penal Interest	405742798	263686505
By Contra Adjustment to Penal Interest Suspense A/C	25996266	31883109
Less: Losses W/Off on A/C of Penal Interest Suspense A/C by Contra Adjustment	29558233	13957085
	29558233	13957085
On Fixed/Short Term Deposits (Gross) [TDS Rs. 2877016 (Rs. 13481)]	17795593	653754
Interest on Others	7653515	9668780
As per Income and Expenditure Account	459125707	307901226



Gaurang Dixit
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General Manager (Finance)

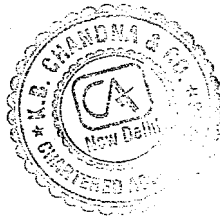
Niti Sethi
Niti Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 16 OTHER INCOME (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10		For the Year Ending 31.03.09	
Compensation for use and Occupation of Industrial Estate		54839		238538
Gain on Assets Disposed Off		3618673		1955574
Income From Exhibition Centres		14636165		8775303
Rent		29393293		31811972
Income on Infomediary Services		17833912		12842060
Insurance Charges Received	200818		.418568	
Less: Paid	259419	(58601)	399856	18712
Excess Provision Written Back:				
KFW	33162194		13677764	
Others	70711594	103873788	36622408	50300172
Sundry Credit Balances Written Back		4301164		4879635
Other Miscellaneous Receipts		22867118		16785688
Income From Government Purchase Registration		37745809		28377217
Gain Due to Exchange Variation		68089930		3148124
Discount Earned		68472586		57860098
Realisation from Trainees		89456576		61236279
Licence & House Keeping Fees (STP)		91626879		86897267
Project Consultancy Charges		260000		2778930
Exhibition Participation Fees		13971291		20751516
As per Profit & Loss Account		566143422		388657085



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Nitin Saxena
Nitin Saxena
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 16A SERVICE CHARGES EARNED (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10		For the Year Ending 31.03.09	
Raw Material Distribution	37887835104	145120604	28817573743	103016835
Miscellaneous Items	383108512	6123547	495857313	9848890
As per Profit & Loss Account (A+B)	38270943616	151244151	29313431056	112865725



Gaurang Dixit
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General Manager (Finance)

Mit Sethi
Mit Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 17 PURCHASES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Marketing Activity		
Marketing	280206819	490213353
Export	1812579	26429378
Raw Material Distribution	5102191845	4390988055
As per Profit & Loss Account	<u>5384211243</u>	<u>4907630786</u>



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Nita Bhatia
Nita Bhatia
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 18 EMPLOYEES REMUNERATION AND OTHER BENEFITS (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Salaries and Wages	318369782	282707231
Contribution to Provident Fund	29223305	24055716
Gratuity	59530532	50292587
Staff Welfare Expenses	8382372	7601695
Other Benefits to Employees	43708423	40347089
Directors (including Chairman-Cum-Managing Director)		
Salaries & Allowances	4006843	2880745
Contribution to PF	386924	326954
Contribution to Gratuity Fund	350000	0
Others	1117132	3502736
As per Profit & Loss Account	465075313	408507054



Gaurang Dixit
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General Manager (Finance)

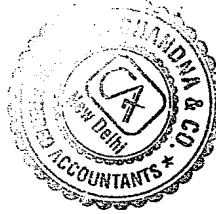
Niti Sethi
Niti Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 19 DEPRECIATION (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
On Fixed Assets	9339279	8661884
On Leased Assets	698713	1172231
As per Profit & Loss Account	<u>10037992</u>	<u>9834115</u>



Gaurang Dixit
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General Manager (Finance)

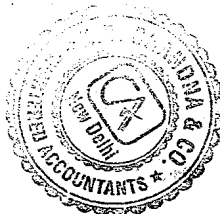
Nikhil Sahni
Nikhil Sahni
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 20 FINANCE CHARGES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Interest on Loan on :		
Kreditanstalt West Germany (KFW Loans)	62584923	66168269
Artigiancassa SPA, Italy [Earlier with Mediocredito Centrale S.P.A. Italy (MCC)]	348820	362231
Banks: Cash-Credit	161616464	116825644
Collateral Security Deposits	657683	1173988
Others	0	393551
Others		
Government Guarantee Fee		
Govt. Guarantee Fee - KFW XII Line	1864696	1793522
Govt. Guarantee Fee - ILC	775593	865664
Govt. Guarantee Fee - Bonds	0	0
Other Finance Charges	4314767	4385874
As per Profit & Loss Account	<u>232162946</u>	<u>191968743</u>



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Nitin Sethi
Nitin Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 21 OTHER EXPENSES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Directors' Sitting Fee	0	3300
Directors' Other Expenses	1619839	865331
Conveyance, Carriage & Cartage	8575997	6626107
Electricity & Water Charges	27845734	25123482
Rent	6251582	12730982
Travelling Expenses	11768083	13336676
Postage, Telegram & Telephones	9443225	8577377
Licences, Rates & Taxes	2653608	1394008
Insurance on Fixed Assets	1390982	976268
Printing & Stationery	5391594	4687289
Web Portal and Software Development & Maintenance	128360	0
Advertisement and Publicity	7278068	3536541
Entertainment	1550749	1594967
Legal & Professional Charges	7979760	8934031
Power & Fuel	1616079	1192682
Auditor's Remuneration		
Statutory Audit Fee	1136450	676740
Internal Audit Fee	1007815	345002
Reimbursement of Expenses	163932	169692
Tax Audit Fee	425623	328099
Expenditure on Seminars and Conference	28722580	21830173
Expenditure of Infomediary Services	757230	308384
Repairs & Maintenance		
Electrical/Office Furniture & Fixtures	2806948	3864268
Machinery	2891534	3643303
Office & Factory Building	8802938	8976670
Industrial Estate, Naini	11471	327668
Maintenance of Transit House	229753	33096
Running & Maintenance of Vehicle	9753604	8633763
Training Expenses		
Trainees	48546800	35647291
Personnel	2506071	2355807
Sales Tax Paid	8276	0
Expenses on International Co-operation	2097830	1352243
Intensive Campaign	5407888	1755077
Participation in Exhibition	48364851	39597591
Maintenance of Computer/Computer Hire Charges	2060531	1910104
Common Facilities Charges	850049	598616
Expenses on Security	19457475	16272041
Miscellaneous & Contingent Expenses	13732525	14718261
Business Promotion Expenses	10917385	4393091
Losses on Assets Disposed Off	871981	639051
Performance and Credit Rating Fee	253891100	171807545
Fringe Benefit Tax	0	1028068
Project Consultancy Charges	2477106	1503006
As per Profit & Loss Account	561393406	432293691



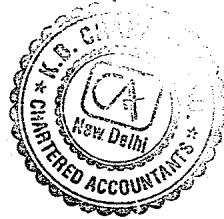
Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Miti Sethi
Miti Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 22 BAD DEBTS WRITTEN OFF (CONSOLIDATED)

Particulars	(Amount in Rs.)	
	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Bad Debts Written Off		
Losses Written Off	47613111	27824554
Less: Contra Adjustment to Losses Written Off	9737518	3215571
As per Profit & Loss Account	<u>9737518</u>	<u>2648191</u>
	<u>47613111</u>	<u>28391934</u>



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Nishi Sethi
Nishi Sethi
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 23 PRIOR PERIOD ADJUSTMENTS - NET (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.10	For the Year Ending 31.03.09
Expenditure		
Employees Remuneration & Other Benefits	0	4598
Depreciation	36118	2501
Interest	419049	0
Other Expenses	1674367	188087
Rent	0	1367290
Total	2129534	1562476
Income		
Interest and Service Charges	0	(77340)
Other Income	1460669	(80178)
Depreciation	0	5722
Total	1460669	(151796)
Prior Period Adjustment (Net)	(668865)	(1714272)
Credit (Income)	1460669	(151796)
Debit (Expenditure)	2129534	1562476
As per Profit & Loss Account	(668865)	(1714272)



Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Nitin Sarda
Nitin Sarda
Company Secretary

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

PROFIT AND LOSS ACCOUNT (COMMERCIAL) FOR THE YEAR ENDED 31.03.2010

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
A. INCOME			
Sales	11	5436339891	4948062629
Hire Charges		602342	2150282
Lease Rentals		683057	1161260
Interest	12	458180487	307901226
Other Income	15	555707225	383596174
Service Charges [Value of Goods handled-Services rendered Rs. 3827.09 Crore (Rs. 2931.34 Crore) as per Audited Branch Accounts]	16A	151244151	112865725
Total		6602757153	5755737296
B. EXPENDITURE			
Purchases	17	5384211243	4907630786
Consumption of Stores		951575	1054936
Accretion/Decretion in Stock	14	(1547337)	184540
Employees Remuneration & Other Benefits	18	438952220	334328426
Depreciation	19	10037992	8715603
Finance Charges	20	232162946	191968743
Other Expenses	21	200796372	178288327
Bad Debts Written Off	22	47613111	28391934
Exchange Variation Losses		494716	5534623
Provision for Obsolete Stock		0	209236
Excess of Expenditure over Income transfer from Promotional Activity		750199	7414964
Provision for Investments		7004936	0
Total		6321427973	5663722118
NET OPERATING PROFIT/(LOSS) FOR THE YEAR		281329180	92015178
Less: Prior Period Expenditure/(Income) (Net)	23	668865	1553687
Less: VRS Expenditure Written-Off		21236554	21236548
NET PROFIT/(LOSS) BEFORE TAX		259423761	69224943
Less: Provision for Current Tax		16198109	6507099
Less: Provision for Fringe Benefit Tax		0	2713616
Less: Adjustment of Previous Years Taxes		491871	(224560)
NET PROFIT/(LOSS) AFTER TAX		242733781	60228788
Available for Appropriations:			
Proposed Dividend		48547000	12046000
Tax on Proposed Dividend		8063050	2047218
Balance Profit		186123731	46135570
Balance brought forward from previous Year		(1438444425)	(1484579995)
NET PROFIT/(LOSS) CARRIED FORWARD		(1252320694)	(1438444425)
Basic/Diluted Earning Per Share (EPS)		10.42	2.59

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

As per our report of even date attached.

For K B Chandna & Co.
Chartered Accountants
(Sanjeev Chandna)
Partner



R. Nath
Ravindra Nath
Director (Finance)

Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

H P Kumar
H P Kumar
Chairman cum Managing Director

Niti Bethi
Niti Bethi
Company Secretary

Membership No. : 87354
FRN : 000862N
Place : New Delhi
Date : 12.08.2010

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

**INCOME AND EXPENDITURE (PROMOTIONAL)
FOR THE YEAR ENDED 31.03.2010**

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
A. INCOME			
Grants and Subsidies	13	356292598	223174864
Interest	15	945220	0
Other Income	16	10436197	5060911
Total		367674015	228235775
B. EXPENDITURE			
Employees Remuneration & Other Benefits	18	26123093	74178628
Depreciation	19	0	1118512
Other Expenses	21	360597034	254005364
Depreciation as per Contra		9512944	8477809
Less: Replacement Reserve as per Contra		(9512944)	(8477809)
Total		386720127	329302504
Net Profit/Loss before prior period expenses		(19046112)	(101066729)
Less: Prior Period Expenditure/(Income) (Net)	23	0	160585
Net Profit/Loss		(19046112)	(101227314)
Add: Excess of Expenditure over Income transfer to Commercial Activity		750199	7414964
NET SURPLUS/(DEFICIT)		(18295913)	(93812350)

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

As per our report of even date attached.

For **K B Chandna & Co.**
Chartered Accountants
(Sanjeev Chandna)
Partner



Ravindra Nath
Ravindra Nath
Director (Finance)

Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

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