

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

**PROFIT AND LOSS ACCOUNT (CONSOLIDATED)
FOR THE YEAR ENDED 31.03.2011**

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
A. INCOME			
Sales	11	7753018480	5405651808
Hire Charges		126063	602342
Lease Rentals	12	724744	683057
Grants and Subsidies	13	537400167	374588511
Interest	15	836151568	459125707
Other Income	16	874197487	596831505
Service Charges [Value of Goods handled -Services rendered Rs.7040.73 Crore (Rs.3827 .09 Crore) as per Audited Branch Accounts]	16A	218416828	151244151
Total		9920035337	6988727081
B. EXPENDITURE			
Purchases	17	7722439058	5384211243
Consumption of Stores		161037	951575
Accretion/Decretion in Stock	14	1470763	(1547337)
Employees Remuneration & Other Benefits	18	663818979	462457642
Depreciation	19	15883584	10037992
Finance Charges	20	448974702	232182946
Other Expenses	21	744046593	564011077
Bad Debts Written Off	22	68237164	47613111
Exchange Variation Losses		3059828	494716
Depreciation as per Contra		8603137	9512944
Less: Replacement Reserve as per Contra		(8603137)	(9512944)
Provision for Investments		0	0
Total		9568061708	7004936
NET OPERATING PROFIT/(LOSS) FOR THE YEAR		351973629	281329180
Less: Prior Period Expenditure/(Income) (Net)	23	281765	668865
Less: Amortisation of VRS Expenditure		0	21236554
NET PROFIT/(LOSS) BEFORE TAX		351691864	259423761
Less: Provision for Current Tax		53850000	18198109
Less: Adjustment of Previous Years Taxes		0	491871
NET PROFIT/(LOSS) AFTER TAX		297841864	242733781
Available for Appropriations:			
Proposed Dividend		59569000	48547000
Tax on Proposed Dividend		9663600	8063050
Balance Profit		228609264	186123731
Balance brought forward from previous Year		(1252320694)	(1438444425)
NET PROFIT/(LOSS) CARRIED FORWARD		(1023711430)	(1252320694)
Earning Per Share (EPS)		12.78	10.42

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)

H.P. Kumar
H.P. Kumar
Chairman-Cum-Managing Director

Gaurang Dixit
Gaurang Dixit
General Manager (Finance)

Niti Sethi
Niti Sethi
Company Secretary

Membership No. : 87354
Firm Reg No. : 000862N
Place : New Delhi
Date : 11.07.2011

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**SCHEDULE - 11 SALES (CONSOLIDATED)**

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11		For the Year Ending 31.03.10	
Marketing Activity				
Marketing	267349366		281259283	
Export	1584000		2762875	
Raw Material Distribution	7484085114	7753018480	5121629650	5405651808
As per Profit & Loss Account		<u>7753018480</u>		<u>5405651808</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**SCHEDULE - 12 LEASE RENTALS (CONSOLIDATED)**

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Rental Income From Leasing	0	0
Less: Lease Equalisation	<u>(724744)</u>	<u>(683057)</u>
As per Profit & Loss Account	<u>724744</u>	<u>683057</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 13 GRANTS AND SUBSIDIES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
For Promotional Activities including Technical Centres	559576042	356701642
Less: Capital Expenditure (Net)	6963950	409044
	552612092	356292598
Less: Amount appropriated out of Govt. Grants (As per Income & Expenditure (Promotional) Account)	(15211925)	18295913
As per Profit & Loss Account	<u>537400167</u>	<u>374588511</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

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

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11		For the Year Ending 31.03.10	
Finished Goods				
Closing Stock	4977272		6261040	
Less: Opening Stock	6261040		5902443	
Adjustment in Stock	<u>3079</u>	(1280689)	<u>1536236</u>	1894833
Finished Components				
Closing Stock	46575		93150	
Less: Opening Stock	93150		198646	
Adjustment in Stock	<u>0</u>	(46575)	<u>0</u>	(105496)
Work In Process				
Closing Stock	99878		243377	
Less: Opening Stock	243377		485377	
Adjustment in Stock	<u>0</u>	(143499)	<u>0</u>	(242000)
As per Profit & Loss Account		<u>(1470763)</u>		<u>1547337</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 15 INTEREST (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
On Loan to Employees	1865322	1937535
From Parties:		
Normal	720077572	405742798
Penal Interest	25780947	25996266
By Contra Adjustment to Penal Interest Suspense A/C	44165139	29558233
Less: Losses W/Off on A/C of Penal Interest Suspense A/C by Contra Adjustment	44165139	29558233
On Fixed/Short Term Deposits (Gross) [TDS Rs. 53282 (Rs. 2877016)]	81987849	17795593
Interest on Others	6439878	7653515
As per Profit & Loss Account	836151568	459125707

SCHEDULE - 16 OTHER INCOME (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Compensation for use and Occupation of Industrial Estate	64679	54839
Gain on Assets Disposed Off	9929225	3618673
Income From Exhibition Centres	20993419	14636165
Rent	38218066	29393293
Income on Infomediary Services	20205586	17833912
Insurance Charges Received	38831	200818
Less: Paid	<u>103719</u>	<u>(64888)</u>
Excess Provision Written Back:		259419
KFW	17950882	33162194
Others	<u>81903734</u>	<u>70711594</u>
Sundry Credit Balances Written Back	6772775	103873788
Other Miscellaneous Receipts	5712244	4301164
Income From Government Purchase Registration	39150721	12719297
Gain Due to Exchange Variation	892881	37745809
Discount Earned	75550223	68089930
Realisation from Training Activities	77538972	68472586
Licence & House Keeping Fees	104510250	89456576
Project Consultancy Charges	0	91626879
Exhibition Participation Fees	25818336	260000
Processing Fees	16337638	13971291
Income From Training come Incubation Center (TIC)	726079	10147821
Technical Centres		0
Sales of Products	500000	0
Realisation on A/C of Common Facilities	30347967	28579859
Scrap	1138798	2108224
As per Profit & Loss Account	<u><u>574197487</u></u>	<u><u>596831505</u></u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**SCHEDULE - 16A SERVICE CHARGES EARNED (CONSOLIDATED)**

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11		For the Year Ending 31.03.10	
Raw Material Distribution	69616140695	213279948	37887835104	145120604
Miscellaneous Items	791114081	5136880	383108512	6123547
As per Profit & Loss Account	70407254776	218416828	38270943616	151244151

SCHEDULE - 17 PURCHASES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Marketing Activity		
Marketing	266218539	280206819
Export	1584000	1812579
Raw Material Distribution	7454636519	5102191845
As per Profit & Loss Account	<u>7722439058</u>	<u>5384211243</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 18 EMPLOYEES REMUNERATION AND OTHER BENEFITS (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Salaries and Wages	357164885	316052715
Contribution to Provident Fund	33989983	29096987
Contribution to Employees State Insurance Corporation	3616	0
Gratuity	44632667	59436354
Staff Welfare Expenses	11283899	8362423
Other Benefits to Employees	109287427	43648264
Directors (Including Chairman-Cum-Managing Director)		
Salaries & Allowances	5610334	4006843
Contribution to PF	403369	386924
Gratuity	950078	350000
Others	492721	1117132
As per Profit and Loss Account	563818979	462457642

Note :- The Chairman-cum-Managing Director and Functional Directors have been allowed the use of staff car for both duty and non-duty journeys. The ceiling of non-duty journey is 1000 kms per month against recovery of prescribed amount in accordance with their terms and conditions of appointment

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**SCHEDULE - 19 DEPRECIATION (CONSOLIDATED)**

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
On Fixed Assets	15122728	9339279
On Leased Assets	730856	698713
As per Profit & Loss Account	15853584	10037992

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 20 FINANCE CHARGES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Interest on Loan on :		
Kreditanstalt West Germany (KFW Loans)	51894396	62584923
Artigiancassa SPA, Italy [Earlier with Mediocredito Centrale S.P.A. Italy (MCC)]	321207	348820
Banks	393323968	161616464
Collateral Security Deposits	52178	657683
Others		
Government Guarantee Fee		
Govt. Guarantee Fee - KFW XII Line	1608871	1864696
Govt. Guarantee Fee - ILC	809496	775593
Govt. Guarantee Fee - Bonds	0	2640289
Other Finance Charges	<u>964586</u>	<u>4314767</u>
As per Profit & Loss Account	<u>448974702</u>	<u>232162946</u>

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.
SCHEDULE - 21 OTHER EXPENSES (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Directors' Sitting Fee	1300	0
Directors' Other Expenses	1626714	1619839
Conveyance & Vehicle Hire Charges	18369485	13605136
Electricity & Water Charges	33935601	27679115
Rent	8972686	6246582
Travelling Expenses	12803727	11651278
Postage, Telegram & Telephones	10380487	9371266
Licences, Rates & Taxes	15133345	2653608
Insurance	1054515	1390982
Printing & Stationery	6150651	5270714
Web Portal and Software Development & Maintenance	747029	128360
Advertisement and Publicity	7926216	7263640
Entertainment	2081407	1503142
Legal & Professional Charges	10867234	7979760
Power & Fuel	1817152	1526651
Auditor's Remuneration		
Statutory Audit Fee	2090447	1135843
Internal Audit Fee	1531486	1007815
Other Expense	334282	163403
Tax Audit Fee	582336	425138
Expenditure on Seminars and Conference	34986128	28722580
Expenditure of Infomediary Services	308069	757230
Repairs & Maintenance		
Electrical/Office Furniture & Fixtures	3980986	2802688
Machinery	4411077	2881718
Office & Factory Building	15254021	8767211
Industrial Estate, Naini	14041	11471
Maintenance of Transit House	273835	229753
Running & Maintenance of Vehicle	3142561	14692841
Training Expenses		
Trainees	58479693	48010407
Personnel	2939762	2506071
Sales Tax Paid	11422	8276
Expenses on International Co-operation	1020613	2097830
Intensive Campaign	2985334	5407888
Expenses on Corporate Social Responsibility	2786989	5951391
Participation in Exhibition	69275898	48364851
Expenses on Godowns	16692058	7890591
Maintenance of Computer/Computer Hire Charges	3212214	1927652
Common Facilities Charges	1524915	850049
Expenses on Security	27187447	19144054
Miscellaneous & Contingent Expenses	2762957	4332935
Business Promotion Expenses	19184848	10917385
Losses on Assets Disposed Off	444308	871981
Performance and Credit Rating Fee	336761317	253891100
Project Consultancy Charges	0	2477106
As per Profit & Loss Account	744046593	564011077

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.**SCHEDULE - 22 BAD DEBTS WRITTEN OFF (CONSOLIDATED)**

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Bad Debts Written Off	68237164	47613111
Losses Written Off	3774698	9737518
Less: Contra Adjustment to Losses Written Off	3774698	9737518
As per Profit & Loss Account	68237164	47613111

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

SCHEDULE - 23 PRIOR PERIOD ADJUSTMENTS - NET (CONSOLIDATED)

(Amount in Rs.)

Particulars	For the Year Ending 31.03.11	For the Year Ending 31.03.10
Expenditure		
Depreciation	0	36118
Interest	0	419049
Other Expenses	281765	1674367
Total	281765	2129534
Income		
Other Income	0	1460669
Total	0	1460669
Prior Period Adjustment (Net)	(281765)	(668865)
Credit (Income)	0	1460669
Debit (Expenditure)	281765	2129534
As per Profit & Loss Account	(281765)	(668865)

**PROFIT AND LOSS ACCOUNT (COMMERCIAL)
FOR THE YEAR ENDED 31.03.2011**

(Amount in Rs.)

Particulars	Schedule No.	Current Year	Previous Year
A. INCOME			
Sales	11	7753018480	5405651808
Hire Charges		126063	602342
Lease Rentals	12	724744	683057
Interest	15	835251504	458180487
Other Income	16	561517436	586395308
Service Charges [Value of Goods handled -Services rendered Rs.7040.73 Crore (Rs.3827 .09 Crore) as per Audited Branch Accounts]	16A	218416828	151244151
Total		9369055055	6602757153
B. EXPENDITURE			
Purchases	17	7722439058	5384211243
Consumption of Stores		161037	951575
Accretion/Depletion in Stock	14	1470763	(1547337)
Employees Remuneration & Other Benefits	18	511069818	438334549
Depreciation	19	16883584	10037992
Finance Charges	20	448974302	232162946
Other Expenses	21	246380872	203414043
Bad Debts Written Off	22	68237164	47613111
Exchange Variation Losses		3059828	494716
Provision for Obsolete Stock		0	0
Excess of Expenditure over Income transfer from Promotional Activity		435000	750199
Provision for Investments		0	7004936
Total		9017081426	6321427973
NET OPERATING PROFIT/(LOSS) FOR THE YEAR		351973629	281329180
Less: Prior Period Expenditure/(Income) (Net)	23	281765	668865
Less: VRS Expenditure Written-Off		0	21236554
NET PROFIT/(LOSS) BEFORE TAX		351691864	259423781
Less: Provision for Current Tax		53850000	16198109
Less: Provision for Fringe Benefit Tax		0	0
Less: Provision for Deferred Tax (Incl. Rs. 1,41,32 ,151/- for Previous Years)		0	0
Less: Adjustment of Previous Years Taxes		0	491871
NET PROFIT/(LOSS) AFTER TAX		297841864	242733781
Available for Appropriations:			
Proposed Dividend		59569000	48547000
Tax on Proposed Dividend		9663600	8063050
Balance Profit		228609264	186123731
Balance brought forward from previous Year		(1252320694)	(1438444225)
NET PROFIT/(LOSS) CARRIED FORWARD		(1023711430)	(1252320694)
Earning Per Share (EPS)		12.78	10.42

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

Sandeep Chandna

Partner



Ruath

Ravindra Nath

Director (Finance)

H.P. Kumar

H.P. Kumar

Chairman-Cum-Managing Director

Gaurang Dixit

Gaurang Dixit
General Manager (Finance)

N.M. Sethi

N.M. Sethi
Company Secretary

Membership No. : 87354
Firm Reg No. : 000862N
Place : New Delhi
Date : 11.07.2011

THE NATIONAL SMALL INDUSTRIES CORPORATION LTD.

**INCOME AND EXPENDITURE (PROMOTIONAL)
FOR THE YEAR ENDED 31.03.2011**

Particulars	Schedule No.	Current Year	Previous Year
A. INCOME			
Grants and Subsidies	13	552612092	356292598
Interest	15	900064	945220
Other Income	16	12680051	10436197
Total		566192207	367674015
B. EXPENDITURE			
Employees Remuneration & Other Benefits	18	52749161	26123093
Finance Charges	20	400	0
Other Expenses	21	498665721	360597034
Depreciation as per Contra		8603137	9512944
Less: Replacement Reserve as per Contra		(8603137)	(9512944)
Total		551416282	386720127
Net Profit/Loss before prior period expenses		14776925	(19046112)
Net Profit/Loss		14776925	(19046112)
Add: Excess of Expenditure over Income transfer to Commercial Activity		435000	750199
NET SURPLUS/(DEFICIT)		15211925	(18295913)

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



Ruath
Ravindra Nath
Director (Finance)

Gaurang
Gaurang Dixit
General Manager (Finance)

H.P. Kumar
H.P. Kumar
Chairman-Cum-Managing Director

Niti Sen
Niti Sen
Company Secretary

Membership No. : 87354
Firm Reg No. : 000862N
Place : New Delhi
Date : 11.07.2011