

HIMACHAL PRADESH FINANCIAL CORPORATION SHIMLA
AT A GLANCE AS ON 31.03.2017

1.	Type of Enterprise	Incorporated under State Financial Corporations Act, 1951
2.	Date of Constitution	01.04.1967 under Section 69 of Punjab Re-organization Act, 1966.
3.	Authorized capital (as on 31.03.2017)	Rs. 15000.00 lakh
4.	4.1 Paid up capital as on 31.03.2017 a) By the State Government b) By SIDBI c) By others 4.2 Share Application Money	Rs. 2857.11 lakh Rs. 2197.79 lakh Rs. 654.89 lakh Rs. 4.43 lakh Rs. 7100.00 lakh
5.	Capital employed during 2016-17	Rs. 21681.92 lakh
6.	Working results (Cumulative as on 31.03.2017) Loss after provisioning of Rs. 7207.62	(---) Rs. 16106.33 lakh
7.	Cumulative depreciation charged in accounts (as on 31.03.2017)	Rs. 116.23 lakh
8.	Total debt liability as per Balance Sheet a) State Government b) Financial Institutions other than Banks (including bonds subscribed by insurance companies) c) Bank i) Term loans (including bonds) ii) Working capital	Rs. 6834.24 lakh Rs. 2937.16 lakh Rs.1475.83 lakh
9.	Debt liability due for payment but not paid (as on 31.03.2017) a) State Govt. plan (PL) b) State Govt. plan (Interest Accrued) c) Loan from Financial Institutions other than Banks d) Loan from banks	Rs.1675.00 lakh Rs.1488.44 lakh - -
10.	Man Power as on 31.03.2017 a) Class-A b) Class-B c) Class-C Total..	05 04 05 14
11.	Total dividend paid in cash up to 31.03.2017	Rs. 39.60 lakh
12.	Amount of dividend paid in cash to Govt. accounts up to 31.03.2017	Rs. 3.30 lakh
13.	Amount of dividend credited to reserves up to 31.03.2017	Rs. 181.89 lakh
14.	Total interest payable to State Govt. (due but not paid as on 31.03.2017)	Rs.1488.44 lakh

Himachal Pradesh Financial Corporation is a development financial Institution with the main object of providing medium and long term loans for setting up of Small & Medium enterprises and promotion of eligible activities including transport vehicles in the State Companies and Co-operative Societies could avail loans up to Rs. 20 crores whereas others including Sole Proprietary and Partnership concerns were eligible for availing loan up to Rs. 8 crores. Financial accommodation could be availed for expansion, diversification and modernization of existing units and also for working capital. During 50 years of operations up to 31st March, 2017, the Corporation disbursed total loans of Rs. 53038.25 lakh to 4521 entrepreneurs in the State out of which the Corporation made total recovery of Rs. 84216.14 lakh consisting of principal Rs. 44630.24 lakh and interest Rs. 39585.90 lakh. During this period 4070 loan cases (90.02%) were closed and at the close amount of Rs. 16468.82 lakh remained outstanding in 460 loan accounts. The Corporation has stopped fresh lending and now it is looking after recovery work alone.

The main sources of funds of the Corporation are borrowings from the SIDBI, Bonds and recovery of loans from the assisted units. The status of resources position of HPFC for the last three year is given hereunder:

(Rs. in lakh)

Sl. No.	Item	2014-15	2015-16	2016-17
1.	Share capital by the State Govt.	-	-	-
2.	Share capital by IDBI	-	-	-
3.	Issue of Bonds	-	-	-
4.	Redemption of Bonds	1286.00	816.00	1036.00
5.	Amount of Bonds outstanding up to the end of year (Principal only).	3226.00	2410.00	1374.00
6.	Refinance availed from IDBI/SIDBI	-	-	-
7.	Repayment to SIDBI	875.00	900.00	115.00
8.	Total refinance secured from IDBI/SIDBI up to the end of year.	31576.28	31576.28	31576.28
9.	Total outstanding of the IDBI/SIDBI up to the end of year (OTS Balance).	1125.00	225.00	110.00

The Recovery performance of the Corporation for the last three year is given hereunder:

RECOVERY PERFORMANCE

Particulars	2014-15	2015-16	2016-17
Arrears at the beginning of the year			
Principal	6981.20	7092.87	6658.80
Interest	7884.23	8541.65	8942.38
Total..	14865.43	15634.52	15601.18
Due for recovery during the year			
Principal	732.90	393.82	430.55
Interest	1182.33	859.97	1056.25
Total..	1915.23	1253.79	1486.82
Recovery during the year			
Principal	611.78	802.61	208.27
Interest	438.89	393.36	257.51
Total..	1050.67	1195.97	465.78
Rescheduled/written off during the year and transferred to the suit filed.			
Principal	9.45	25.28	1.43
Interest	86.02	65.88	491.19
Total..	95.47	91.16	492.62
Arrears at the close of the year			
Principal	7092.87	6658.80	6879.67
Interest	8541.65	8942.38	9249.93
Total..	15634.52	15601.18	16129.60
Out of which arrear in suit filed cases			
Principal	5473.78	5322.71	5172.28
Interest	6757.93	6979.48	7147.87
Total..	12231.71	12302.19	12320.15

**INDUSTRIE-WISE BREAKUP DEFAULT FOR THE LAST TWO YEARS IS GIVEN IN THE
FOLLOWING TABLE**

Sl. No.	Head	2015-16				2016-17			
		Number	Principal	Interest	Total	Number	Principal	Interest	Total
1	2	3	4	5	6	7	8	9	10
1.	Cement	7	111.42	197.94	309.36	7	110.83	197.94	308.77
2.	Chemicals	48	1041.91	1038.52	2080.43	47	1027.73	1227.73	2255.46
3.	Cold Storage & Ice Factory	4	41.16	22.44	63.60	4	41.16	22.44	63.60
4.	Electrical Appliances/ Goods	28	348.86	636.38	985.24	26	341.56	620.59	962.15
5.	Engineering Goods	21	155.25	367.19	522.44	20	149.74	361.90	511.64
6.	Fertilizers	1	11.81	6.44	18.25	1	11.81	6.44	18.25
7.	Food Manufacturing	47	574.92	619.85	1194.77	46	794.30	714.42	1508.72
8.	Hotel & Restaurants	40	377.38	1159.52	1536.90	36	360.82	1250.72	1611.54
9.	Leather Products	8	143.39	103.04	246.43	8	142.92	103.04	245.96
10.	Metal Products	30	1758.15	1405.09	3163.24	29	1835.70	1831.68	3667.38
11.	Minerals	5	53.23	106.42	159.65	5	53.23	128.84	182.07
12.	Miscellaneous	69	528.78	743.69	1272.47	65	516.58	432.67	949.25
13.	Petroleum & Coal	1	3.15	1.40	4.55	1	2.06	1.40	3.46
14.	Paper Products	34	386.73	682.53	1069.26	33	385.64	642.87	1028.51
15.	Printing Presses	4	10.15	30.23	40.38	4	10.15	30.32	40.47
16.	Rubber & Plastics	41	350.22	394.46	744.68	40	319.32	393.18	712.50
17.	Service Stations	3	6.89	6.30	13.19	3	6.89	6.30	13.19

Sl. No.	Head	2015-16				2016-17			
		Number	Principal	Interest	Total	Number	Principal	Interest	Total
18.	Stone Crushers	12	79.38	197.86	277.24	12	74.75	204.03	278.78
19.	Textiles	37	482.16	369.99	852.15	37	530.72	388.36	919.08
20.	Transport Equipments	20	60.35	159.53	219.88	19	49.97	146.38	196.35
21.	Transport Operators	94	128.14	691.68	819.82	82	108.42	536.80	645.22
22.	Watches & Parts	1	5.37	1.88	7.25	1	5.37	1.88	7.25
	Total..	555	6658.8	8942.38	15601.18	526	6879.67	9249.93	16129.60

The Corporation has also been initiating recovery action as per law in respect of persistent defaulting units. At the close of Financial Year 2016-17 civil suits for recovery of Rs. 12320.15 lakh were pending in various Courts. Legal action for recovery of Rs. 1689.99 lakh was also going on U/s 32 G of SFCs Act/Arrears.

The profit & loss account position of the Corporation for the last three years is given in the following table:

(Rs. in lakh)

Particulars	2014-15	2015-16	2016-17
Total Income	532.49	463.24	343.08
Total Expenditure	675.25	1538.19	969.25
Provisions for NPAs	(—)33.80	(—)109.34	13.80
Pre-Tax profit/losses	(—) 108.96	(—) 965.61	(—) 639.97

The balance sheet of the Corporation as on 31.03.2017 and profit & loss accounts for 2016-17 are given at Annexure “1.1” & “1.2” respectively. Total income for FY 2016-17 worked out to Rs. 343.08 lakh and total expenditure Rs. 969.25 lakh and the provision for NPAs has been made for Rs. 13.80 lakh thus the Corporation suffered business loss of Rs. 639.97 lakh as against business loss of Rs. 965.61 lakh in the previous year.

ANNEXURE-1.1

HIMACHAL PRADESH FINANCIAL CORPORATION, SHIMLA
BALANCE SHEET AS AT 31st MARCH 2017

As at 31.03.2016	Capital & liabilities	As at 31.03.2017	As at 31.03.2016	Assets	At 31.03.2017
9957.11	Share capital	9957.11	966.04	Cash & Bank balance	1034.73
497.46	Reserve fund & other reserves	497.46	7445.04	Loans & advances	7218.88
2536.21	Bonds & debentures	1446.02	7105.61	Investments	7105.61
9654.32	Borrowings	11289.66	65.19	Motor Vehicle, Furniture, Fixtures & Building	68.48
1256.56	Other Liabilities	1174.60	47.25	Other Assets	38.44
0	Transferred general fund	0.00	0.00	Advance Income Tax	0.00
78.76	Subvention from State Govt.	78.76	78.76	Dividend deficit account	78.76
7193.74	Provision for non- performing assets (NPA)	7207.62	15466.36	Net loss including NPA	16106.33
0.09	Contingency provision against standard assets	0.00	0.00		0.00
31174.25		31651.23	31174.25		31651.23

ANNEXURE-1.2

HIMACHAL PRADESH FINANCIAL CORPORATION, SHIMLA
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2017

Income From	2015-16	2016-17	Expenditure on	2015-16	2016-17
Interest receipt	457.24	341.68	Interest payments	1281.89	756.74
Sale of other assets	0	0	Salaries & allowances	181.97	169.91
Processing fee	0	0	TA & other allowance of Directors	1.12	1.29
Sale of application form	0	0	Rent, rate & taxes	9.99	10.13
Misc. income	6.00	1.40	Provident Fund	13.82	12.20
Excess NPA Provision Reversed	109.34	0			
Total..	572.58	343.08	Postage, Telegrams, Telephones etc.	1.92	1.74
Net loss carried out to balance sheet	965.61	639.97	Publicity & advertisements	0.26	0.21
			Repair & Renewal	0.65	0.76
			Bank Charges	0.06	0.07
			Audit fee	0.54	0.49
			Law & professional charges	0.58	0.40
			Depreciation	4.45	3.80
			Printing & stationery	1.52	1.46
			Loss of sale of other assets		0
			Bad debts written off	25.28	1.43
			Service Tax written off	0.00	0.00
			Other expenses	14.14	8.62
			Brokerage commission stamp duty on bonds		0
			To Income Tax (AY 1982-83)		0
			To Provision for NPA's		13.80
			Net profit for the year		0
Total	1538.19	983.05	Total	1538.19	983.05

HIMACHAL PRADESH FINANCIAL CORPORATION, SHIMLA
FINANCIAL DATA

Financial Year	Capital Investment	Gross profit/ loss	Net profit/ loss	Reserves & surplus	Dividend paid to Govt.	Establishment cost	Net Worth
1991-92	123.73	1.89	0.97	4.25	0.00	0.68	23.83
1992-93	127.84	2.56	0.15	4.29	0.00	0.66	26.13
1993-94	130.97	1.53	0.08	4.32	0.00	0.92	28.34
1994-95	130.67	3.21	0.10	4.91	0.00	1.12	30.43
1995-96	133.31	2.49	0.03	4.92	0.00	1.25	32.53
1996-97	134.51	5.02	0.12	5.02	0.00	1.27	31.56
1997-98	136.26	2.81	0.14	4.97	0.00	1.47	32.92
1998-99	143.12	1.80	(—)2.19	4.97	0.00	2.22	30.95
1999-2000	144.08	0.77	(—)4.08	4.97	0.00	2.11	26.87
2000-01	151.63	(—) 1.70	(—)5.52	4.97	0.00	2.30	31.35
2001-02	162.75	2.13	(—)2.39	4.97	0.00	2.17	18.96
2002-03	164.52	0.40	(—)5.03	4.97	0.00	2.62	13.93
2003-04	167.45	2.76	(—)2.36	4.97	0.00	2.66	11.57
2004-05	194.71	5.35	(—)2.51	4.97	0.00	2.48	9.07
2005-06	209.76	3.63	(—)6.04	4.97	0.00	3.29	3.43
2006-07	223.66	1.01	(—)4.56	4.97	0.00	3.38	—68.71
2007-08	223.85	2.72	(—)1.85	4.97	0.00	3.43	—62.18
2008-09	228.30	0.71	(—)4.16	4.97	0.00	4.05	—48.50
2009-10	259.23	0.79	(—)6.05	4.97	0.00	4.37	1.70
2010-11	283.63	(—) 3.77	(—) 9.78	4.97	0.00	5.30	—12.92
2011-12	266.92	4.56	(—) 1.41	4.97	0.00	4.73	(—)14.35
2012-13	246.64	2.20	(—) 8.53	4.97	0.00	11.76	(—)22.89
2013-14	233.18	0.15	(—)16.48	4.97	0.00	4.03	(—)39.37
2014-15	226.76	1.29	(—) 1.09	4.97	0.00	2.61	(—)40.46
2015-16	220.26	(—) 10.75	(—) 9.66	4.97	0.00	2.56	(---)50.12
2016-17	224.36	(—) 6.26	(—) 6.40	4.97	0.00	2.13	(---)56.52

Statement No. 1

LIST OF DIRECTORS ON THE BOARD OF HPFC AS ON 31.03.2017

Sl. No.	Name of Director	Occupation & Address	By whom nominated/ elected	Date of nomination	Tenure
1.	Sh. V.C. Pharka, IAS	Chief Secretary to the Govt. of Himachal Pradesh Shimla-171002.	Nominated as Director by the State Govt. & Chairman by the SIDBI.	23.06.2016 as Director and 31.05.2016 as Chairman.	Director:- At the pleasure of State Govt. Chairman: 3 Years
2.	Sh. R.D. Dhiman, IAS	Principal Secretary (Inds) to the Govt. of Himachal Pradesh, Shimla-171002.	State Govt.	18.09.2013	At the pleasure of State Government.
3.	Sh. Balbir Singh	Dy. General Manager, Small Industries Development Bank of India, Ludhiana.	Small Industries Dev. Bank of India.	22.06.2015	At the pleasure of SIDBI.
4.	Sh.V.K. Dhar	Sr. Divisional Manager, Life Insurance Corporation of India, Shimla-9.	LIC of India	28.06.2016	At the pleasure of LIC
5.	Sh. Vishesh Shrivastava	Dy. General Manager, Circle Head, Punjab National Bank, Circle Office Shimla-171001.	Punjab National Bank	26.06.2015	At the pleasure of Punjab National Bank.
6.	Sh. Arun Kumar Sharma, IAS	Managing Director, HPFC, Shimla-171001.	Appointed by the State Government.	16.06.2015	At the pleasure of State Govt.

EMPLOYEE'S STRENGTH AS ON 31-03-2017

Sl. No.	Name & Designation of Employee	Pay Scale + Grade Pay (Rs.)
	Smt./Shri	
1.	V.P. Singh, GM	37400—67000+8800
2.	Subhash Rana, DGM	15600—39100+7800
3.	Devi Bali, SAGI	10300—34800+4200
4.	Piara Singh, SAGI	10300—34800+4400
5.	D.P. Mian, DM	10300—34800+4600
6.	M.S. Chatranta, DM	10300—34800+4600
7.	Bihari Lal, AM (Legal)	10300—34800+4400
8.	Ramesh Chand, SAGI	10300—34800+4400
9.	Krishan Singh, Peon	5910—20200+1900
10.	Partap Chand, Peon	4900—10680+1650
11.	Muneer Deen, Driver	5910—20200+2400
12.	Kanwar Singh, SAGI	10300—34800+4400
13.	Karnail Singh, Driver	5910—20200+2400
14.	Sukhbir, Sweeper	4900—10680+1650
15.	Krishan Chand Sharma, Tehsildar	10300—34800+500
16.	Bal Ram Kumar, Deputy Controller	10300—34800+5400