

**HIMACHAL PRADESH FINANCIAL CORPORATION SHIMLA**  
**AT A GLANCE AS ON 31.03.2018**

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 31.03.2018)	Rs. 15000.00 lakh
4.	4.1 Paid up capital as on 31.03.2018 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 2017-18	Rs. 21681.92 lakh
6.	Working results ( Cumulative as on 31.03.2018) Loss after provisioning of Rs. 7075.06 lakh	(---) Rs. 16655.92 lakh
7.	Cumulative depreciation charged in accounts (as on 31.03.2018)	Rs. 121.50 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. 7378.69 lakh Rs. 2837.16 lakh Rs.946.60 lakh
9.	Debt liability due for payment but not paid (as on 31.03.2018) a) State Govt. plan (PL) b) State Govt. plan (Interest Accrued) c) Loan from Financial Institutions other than Banks d) Loan from banks	Rs.2780.10 lakh Rs.2083.72 lakh - -
10.	Man Power as on 31.03.2018 a) Class-A b) Class-B c) Class-C  <b>Total..</b>	04 03 04  <b>11</b>
11.	Total dividend paid in cash up to 31.03.2018	Rs. 39.60 lakh
12.	Amount of dividend paid in cash to Govt. accounts up to 31.03.2018	Rs. 3.30 lakh
13.	Amount of dividend credited to reserves up to 31.03.2018	Rs. 181.89 lakh
14.	Total interest payable to State Govt. ( due but not paid as on 31.03.2018)	Rs.2083.72 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 51 years of operations up to 31<sup>st</sup> March, 2018, 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. 84546.21 lakh consisting of principal Rs. 44764.23 lakh and interest Rs.39781.98 lakh. During this period 4072 loan cases (90.25%) were closed and at the closer of the year an amount of Rs. 17264.48 lakh remained outstanding in 449 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	2015-16	2016-17	2017-18
1.	Share capital by the State Govt.	-	-	-
2.	Share capital by IDBI	-	-	-
3.	Issue of Bonds	-	-	-
4.	Redemption of Bonds	816.00	1036.00	474.00
5.	Amount of Bonds outstanding up to the end of year (Principal only).	2410.00	1374.00	900.00
6.	Refinance availed from IDBI/SIDBI	-	-	-
7.	Repayment to SIDBI	900.00	115.00	100.00
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).	225.00	110.00	10.00

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

**RECOVERY PERFORMANCE**

Particulars	2015-16	2016-17	2017-18
Arrears at the beginning of the year			
Principal	7092.87	6658.80	6879.67
Interest	8541.65	8942.38	9249.93
<b>Total..</b>	<b>15634.52</b>	<b>15601.18</b>	<b>16129.60</b>
Due for recovery during the year			
Principal	393.82	430.55	48.56
Interest	859.97	1056.25	1153.74
<b>Total..</b>	<b>1253.79</b>	<b>1486.82</b>	<b>1202.30</b>
Recovery during the year			
Principal	802.61	208.27	133.99
Interest	393.36	257.51	196.08
<b>Total..</b>	<b>1195.97</b>	<b>465.78</b>	<b>330.07</b>
Rescheduled/written off during the year and transferred to the suit filed.			
Principal	25.28	1.43	0.00
Interest	65.88	491.19	26.94
<b>Total..</b>	<b>91.16</b>	<b>492.62</b>	<b>26.94</b>
Arrears at the close of the year			
Principal	6658.80	6879.67	6794.24
Interest	8942.38	9249.93	10180.65
<b>Total..</b>	<b>15601.18</b>	<b>16129.60</b>	<b>16974.89</b>
Out of which arrear in suit filed cases			
Principal	5322.71	5172.28	5094.23
Interest	6979.48	7147.87	7742.99
<b>Total..</b>	<b>12302.19</b>	<b>12320.15</b>	<b>12837.22</b>

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

Sl. No.	Head	2016-17				2017-18			
		Number	Principal	Interest	Total	Number	Principal	Interest	Total
1	2	3	4	5	6	7	8	9	10
1.	Cement	7	110.83	197.94	308.77	7	110.83	197.94	308.77
2.	Chemicals	47	1027.73	1227.73	2255.46	45	1006.87	1347.21	2354.08
3.	Cold Storage & Ice Factory	4	41.16	22.44	63.60	4	41.16	30.08	71.24
4.	Electrical Appliances/ Goods	26	341.56	620.59	962.15	26	335.50	615.66	951.16
5.	Engineering Goods	20	149.74	361.90	511.64	20	134.43	361.90	496.33
6.	Fertilizers	1	11.81	6.44	18.25	1	11.81	6.44	18.25
7.	Food Manufacturing	46	794.30	714.42	1508.72	46	787.86	851.98	1639.84
8.	Hotel & Restaurants	36	360.82	1250.72	1611.54	35	309.36	1371.33	1680.69
9.	Leather Products	8	142.92	103.04	245.96	8	140.91	103.04	243.95
10.	Metal Products	29	1835.70	1831.68	3667.38	29	1835.70	2224.89	4060.59
11.	Minerals	5	53.23	128.84	182.07	5	53.23	155.19	208.42
12.	Miscellaneous	65	516.58	432.67	949.25	62	504.11	420.27	924.38
13.	Petroleum & Coal	1	2.06	1.40	3.46	1	0.00	1.13	1.13
14.	Paper Products	33	385.64	642.87	1028.51	33	379.91	702.03	1081.94
15.	Printing Presses	4	10.15	30.32	40.47	4	10.15	30.70	40.85
16.	Rubber & Plastics	40	319.32	393.18	712.50	39	318.34	372.42	690.76
17.	Service Stations	3	6.89	6.30	13.19	3	6.89	6.33	13.22

Sl. No.	Head	2016-17				2017-18			
		Number	Principal	Interest	Total	Number	Principal	Interest	Total
18.	Stone Crushers	12	74.75	204.03	278.78	12	72.32	210.71	283.03
19.	Textiles	37	530.72	388.36	919.08	38	577.92	478.97	1056.89
20.	Transport Equipments	19	49.97	146.38	196.35	18	47.66	146.38	194.04
21.	Transport Operators	82	108.42	536.80	645.22	79	103.91	544.17	648.08
22.	Watches & Parts	1	5.37	1.88	7.25	1	5.37	1.88	7.25
	<b>Total..</b>	<b>526</b>	<b>6879.67</b>	<b>9249.93</b>	<b>16129.60</b>	<b>516</b>	<b>6794.24</b>	<b>10180.65</b>	<b>16974.89</b>

The Corporation has also been initiating recovery action as per law in respect of persistent defaulting units. At the close of Financial Year 2017-18 civil suits for recovery of Rs. 12837.22 lakh were pending in various Courts. Legal action for recovery of Rs. 1790.83 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	2015-16	2016-17	2017-18
Total Income	463.24	343.08	258.34
Total Expenditure	1538.19	969.25	940.49
Provisions for NPAs	(—)109.34	13.80	(—)132.56
Pre-Tax profit/losses	(—) 965.61	(—) 639.97	(—) 549.59

The balance sheet of the Corporation as on 31.03.2018 and profit & loss accounts for 2017-18 are given at Annexure “1.1” & “1.2” respectively. Total income for FY 2017-18 worked out to Rs. 258.34 lakh and total expenditure Rs. 940.49 lakh and the provision for NPAs has been reversed for Rs. 132.56 lakh thus the Corporation suffered business loss of Rs. 549.59 lakh as against business loss of Rs. 639.97 lakh in the previous year.

## ANNEXURE-1.1

**HIMACHAL PRADESH FINANCIAL CORPORATION, SHIMLA**  
**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2018**

<b>As at 31.03.2017</b>	<b>Capital &amp; liabilities</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>Assets</b>	<b>At 31.03.2018</b>
9957.11	Share capital	9957.11	1034.73	Cash & Bank balance	966.50
497.46	Reserve fund & other reserves	497.46	7218.88	Loans & advances	7083.82
1446.02	Bonds & debentures	946.60	7105.61	Investments	7105.61
11289.66	Borrowings	12299.56	68.48	Motor Vehicle, Furniture, Fixtures & Building	63.22
1174.60	Other Liabilities	1139.23	38.44	Other Assets	39.95
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
7207.62	Provision for non- performing assets (NPA)	7075.06	16106.33	Net loss including NPA	16655.92
0.00	Contingency provision against standard assets	0.00	0.00		0.00
31651.23		31993.78	31651.23		31993.78

## ANNEXURE-1.2

**HIMACHAL PRADESH FINANCIAL CORPORATION, SHIMLA**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2018**

<b>Income From</b>	<b>2016-17</b>	<b>2017-18</b>	<b>Expenditure on</b>	<b>2016-17</b>	<b>2017-18</b>
Interest receipt	341.68	255.24	Interest payments	756.74	761.77
Sale of other assets	0	0	Salaries & allowances	169.91	143.69
Processing fee	0	0	TA & other allowance of Directors	1.29	0.05
Sale of application form	0	0	Rent, rate & taxes	10.13	10.15
Misc. income	1.40	3.10	Provident Fund	12.20	9.38
Excess NPA Provision Reversed	0	132.56			
<b>Total..</b>	<b>343.08</b>	<b>390.90</b>	Postage, Telegrams, Telephones etc.	1.74	0.27
Net loss carried out to balance sheet	639.97	549.59	Publicity & advertisements	0.21	0.12
			Repair & Renewal	0.76	0.61
			Bank Charges	0.07	0.04
			Audit fee	0.49	0.52
			Law & professional charges	0.40	0.46
			Depreciation	3.80	5.27
			Printing & stationery	1.46	1.32
			Loss of sale of other assets	0.00	0.00
			Bad debts written off	1.43	0.00
			Service Tax written off	0.00	0.00
			Other expenses	8.62	6.84
			Brokerage commission stamp duty on bonds	0	0.00
			To Provision for NPA's	13.80	0.00
			Net profit for the year	0	
<b>Total</b>	<b>983.05</b>	<b>940.49</b>	<b>Total</b>	<b>983.05</b>	<b>940.49</b>

**HIMACHAL PRADESH FINANCIAL CORPORATION, SHIMLA**  
**FINANCIAL DATA**

(Rs. In Crore)

<b>Financial Year</b>	<b>Capital Investment</b>	<b>Gross profit/ loss</b>	<b>Net profit/ loss</b>	<b>Reserves &amp; surplus</b>	<b>Dividend paid to Govt.</b>	<b>Establishment cost</b>	<b>Net Worth</b>
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
2017-18	234.46	(—) 6.82	(—) 5.50	4.97	0.00	1.79	(---)62.01



## LIST OF DIRECTORS ON THE BOARD OF HPFC AS ON 31.03.2018

Sl. No.	Name of Director	Occupation & Address	By whom nominated/ elected	Date of nomination	Tenure
1.	<b>Sh. Vineet Chaudhry, IAS</b>	Chief Secretary to the Govt. of Himachal Pradesh Shimla-171002.	Nominated as Director by the State Govt. & Chairman by the SIDBI.	17.01.2018 as Director and 17.01.2018 as Chairman.	<b>Director:-</b> At the pleasure of State Govt. <b>Chairman:</b> 3 Years
2.	<b>Sh. R.D. Dhiman, IAS</b>	Principal Secretary (Inds) to the Govt. of Himachal Pradesh, Shimla-171002.	State Govt.	17.01.2018	At the pleasure of State Government.
3.	<b>Sh. Balbir Singh</b>	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.	<b>Sh.V.K. Dhar</b>	Sr. Divisional Manager, Life Insurance Corporation of India, Shimla-9.	LIC of India	28.06.2016	At the pleasure of LIC
5.	<b>Sh. Deepak Kumar</b>	Dy. General Manager, Circle Head, Punjab National Bank, Circle Office Shimla-171001.	Punjab National Bank	05.10.2017	At the pleasure of Punjab National Bank.
6.	<b>Sh. H.S. Chaudhry, IAS</b>	Managing Director, HPFC, Shimla-171001.	Appointed by the State Government.	03.08.2017	At the pleasure of State Govt.

**EMPLOYEE'S STRENGTH AS ON 31-03-2018**

Sl. No.	Name & Designation of Employee	Pay Scale + Grade Pay (Rs.)
	Smt./Shri	
1.	V.P. Singh, GM	37400—67000+8800
2.	M.S. Chatranta, Manager	15600—39100+6600
3.	Sunil Chauhan, Tehsildar	10300—34800+5000
4.	Bihari Lal, AM (Legal)	10300—34800+4600
5.	Devi Bali, SAGI	10300—34800+4200
6.	Kanwar Singh, SAGI	10300—34800+4400
7.	Ramesh Chand, SAGI	10300—34800+4200
8.	Partap Chand, Peon	4900—10680+1650
9.	Muneer Deen, Driver	5910—20200+2400
10.	Karnail Singh, Driver	5910—20200+2400
11.	Sukhbir, Sweeper	4900—10680+1650