



PERFORMANCE AT A GLANCE

(₹ crore)

PARTICULARS	2014-15	2015-16	AS ON 31.03.16
OPERATIONS			
1. Sanction	-	0.43	1317.60
2. Disbursement	0.04	-	1309.90
3. Recovery	15.33	6.08	1976.09
4. Outstanding	272.40	265.14	265.14*
SHARE CAPITAL			
5. Paid Up	-	-	415.34
BONDS			
6. Issued	-	-	424.44
7. Repaid	-	-	424.34
8. Outstanding Prin. Transferred to Un-claimed liabilities			0.10
REFINANCE			
9. Availed	-	-	691.56
10. Repaid	4.00	3.72	609.62
11. Outstanding (Prin)			81.94
12. 0% Funded Loan			17.95
13. Total :			99.89
{ Crystallised OTS amount }			16.28
{ Agreed for Waiver }			83.61
FINANCIAL SUMMARY			
14. Gross Income	14.20	11.61	
15. Total Expenditure	12.24	9.95	
16. Operating Profit	1.96	1.65	
17. Prior period adjustment	17.27	3.32	
18. Less provision for NPA & Standard Assets	62.09	-	
19. Net Profit / (Loss)	(77.40)	(1.67)	

* Outstanding of ₹265.14 Cr. as on 31.03.2016 includes vehicle, housing loan and Personal Loan to employees of ₹0.16 Cr.



BANKERS
AS ON 31.03.2016

Union Bank of India
Central Bank of India
IDBI Bank Limited

AUDITORS

A.C. Jena & Co.
Chartered Accountants
Link Road, Cuttack-753012



THE MANAGEMENT (as on 31.03.2016)

BOARD OF DIRECTORS

Shri Gagan Kumar Dhal, IAS
Chairman.

Shri Nityananda Palai, IAS
Managing Director.

Shri Fakir Mohan Naik
Addl. Secretary to Government,
Government of Odisha,
MSME Department, Bhubaneswar.

Shri Gopabandhu Satapathy, IAS
Additional Secretary to Government,
Government of Odisha, (Transferred)
Finance Department, Bhubaneswar.

Shri Santanu Sarma Barua
Deputy General Manager,
SIDBI, OCHC building,
Near Ram Mandhir,
Bhubaneswar.

Shri P.K.Sethi
Sr. Divisional Manager,
LIC of India, Cuttack Division, Cuttack.

Shri B.Venu Gopala Reddy
Chief General Manager,
State Bank of India,
Local Head office, Bhubaneswar.

Prof. Asit Ranjan Mohanty
Professor (Finance),
Xavier Institute of Management,
Bhubaneswar-751013.

Shri A.K.Parida
Addl. Secretary to Government,
Public Enterprise Department,
Govt. of Odisha, Bhubaneswar.

EXECUTIVE COMMITTEE

Shri Gagan Kumar Dhal, IAS
Chairman

Shri Nityananda Palai, IAS
Member

Shri Santanu Sarma Barua
Member

Prof. Asit Ranjan Mohanty
Member

AUDIT COMMITTEE OF BOARD

Shri F.M.Naik, Addl. Secretary, MSME
Chairman

Shri Nityananda Palai, IAS, MD
Member

Shri S.S.Barua, D.G.M, SIDBI
Member

Prof. Asit Ranjan Mohanty, XIMB
Member



ODISHA STATE FINANCIAL CORPORATION
O.M.P. SQUARE, CUTTACK-753003

NOTICE

Notice is hereby given in pursuance of Regulation 45 of the Odisha State Financial Corporation General Regulation 2003 that the 59th Annual General Meeting of the share holders of the corporation for the year 2015-16 will be held on 05.08.2016 at 11.30 A.M at the Registered Office of the Corporation located at O.M.P Square, Cuttack-3 to transact the following business:-

1. To read the audited balance sheet as on 31.03.2016 and Profit & Loss account of the Corporation for the year ending 31.03.2016 together with the Report of the Board of Directors on the working of the Corporation during the FY 2015-16.
2. Appointment of statutory auditors for the FY 2016-2017.
3. Any other item with the permission of the chair.

The share register of the corporation will remain closed and the registration of the transfer of share(s) shall be suspended from 20.07.2016 to 05.08.2016 (both days inclusive).

Cuttack,
Dt.13.07.2016

Sd/-
(B.B.Behera)
Managing Director

Notes:

1. Copies of the Resolution appointing representatives of the shareholders (which are companies/ Bodies Corporate) duly certified to be true copy by the Chairman of the meeting at which it was passed should reach the Head Office of the corporation on or before 28.07.2016.
2. Any proxy shall be executed in terms of Odisha State Financial Corporation (Voting rights) Rules, 2003 and shall be deposited at the Head office of the Corporation on or before 28.07.2016 along with the documents in compliance with Rule 7 of the said rules.



ODISHA STATE FINANCIAL CORPORATION
O.M.P. SQUARE, CUTTACK-753003

NOTICE

Notice is hereby given in pursuance of Regulation 45 of the Odisha State Financial Corporation General Regulation 2003 that the adjourned 59th Annual General Meeting of the share holders of the corporation for the year 2015-16 is scheduled to be held on 24.01.2017 at 04.30 P.M at the Registered Office of the Corporation located at O.M.P Square, Cuttack-3 to transact the following business:-

1. To read the audited balance sheet as on 31.03.2016 and Profit & Loss account of the Corporation for the year ending 31.03.2016 together with the Report of the Board of Directors on the working of the Corporation during the FY 2015-16.
2. Appointment of statutory auditors for the FY 2016-2017.
3. Any other item with the permission of the chair.

The share register of the corporation will remain closed and the registration of the transfer of share(s) shall be suspended from 10.01.2017 to 24.01.2017 (both days inclusive).

Cuttack,
Dt.02.01.2017

Sd/-
(B.B.Behera)
Managing Director

Notes:

1. Copies of the Resolution appointing representatives of the shareholders (which are companies/ Bodies Corporate) duly certified to be true copy by the Chairman of the meeting at which it was passed should reach the Head Office of the corporation on or before 10.01.2017.
2. Any proxy shall be executed in terms of Odisha State Financial Corporation (Voting rights) Rules, 2003 and shall be deposited at the Head office of the Corporation on or before 18.01.2017 along with the documents in compliance with Rule 7 of the said rules.



DIRECTORS' REPORT

The Board of Directors has the pleasure in presenting the 59th Annual Report on the functioning of the Corporation together with Audited statement of Accounts for the year ended on 31st March 2016.

MACRO ECONOMIC SCENARIO OF INDIA

Amidst gloomy landscape of volatile international economic environment, India stands out as a heaven of stability and an outpost of opportunity. India's macro economy which is now entwined with the world has stabilized due to government's commitment to fiscal consolidation and low inflation.

Gaining momentum, Indian economy grew by 7.6 per cent in 2015-16 against 7.2 per cent in previous fiscal to consolidate India's position as the fastest growing major economy with a five-year high growth rate on robust manufacturing growth. Incidentally, India's economic growth is amongst the highest in the world, helped by a reorientation of government spending towards much needed public infrastructure. The task now is to sustain them in an even more difficult global environment.

Accelerated structural reforms at the Centre, the dynamism of competitive federalism, and good economics being good politics could all combine to maintain the fundamental promise that is India. No more optimism is endangered by the dynamic of competitive federalism. States that perform are increasingly becoming "models and magnets" for others states to emulate.

India has also shunned unrealistic "Big Bang" reforms because of the dispersed nature of power in India. A "persistent, creative and encompassing incrementalism" has become the guide for prospective action and the benchmark for retrospective assessment.

On the government's "reform to-transform" agenda, a series of measures, each incremental but collectively meaningful have been enacted.

Corruption at the centre has been meaningfully addressed, reflected in transparent auctions of public assets and non-interference in regulatory decisions.

Government has liberalized Foreign Direct Investment (FDI) across the board. FDI reforms reflect a decisive change in philosophy i.e. from viewing FDI as a tolerable necessity to something to welcome.

Vigorous pursuance to ease the cost of doing business has made India to advance in cross country competitiveness rankings. As a result of unprecedented dynamism, startup and e-commerce sectors have mushroomed in India generating employment.

The Government has restored stability and predictability in tax decisions, reflected in the settlement of the Minimum Alternate Tax (MAT) imposed on foreign companies, and increasing substantially the limits beyond which the tax department will file appeals.

A major public investment program is being implemented to strengthen the country's infrastructure and make up for the deficiency of private investment. A major crop insurance program has been instituted to cushion farmers against adversity.



The financial inclusion agenda has been realized via Jan Dhan Yojana by creating bank accounts for over millions of people within months. Advancing the game-changing JAM (*Jan Dhan Aadhaar Mobile*) agenda, LPG witnessed the world's largest direct benefit transfer program, with about 151 million beneficiaries receiving a total of ₹ 29,000 crore in their bank accounts. Now this infrastructure is being created for extending the JAM agenda to other government programs and subsidies.

Undertaking comprehensive reforms of the power sector UDAY Scheme has been introduced. Attempts have been made for major investments in health and education of people which are necessary to exploit India's demographic dividend.

India's macro-economy is robust, and it is likely to be the fastest growing major economy in the world in 2016. For an economy where exports have declined due to weak global demand and private investment remains weak, India's economy is performing remarkably well. Steady progress is being made and there is still scope for translating potential into actuality.

SNAPSHOT OF ODISHA ECONOMY

As per The Odisha Economic Survey Report 2015-2016, the macro picture of Indian economy so also of the States has acquired a new look as the base year of GDP estimation changed from 2004-05 to 2011-12. Odisha endeavors progressively to achieve sustainable and inclusive higher growth with reduction of regional disparities, faster poverty reduction, effective delivery mechanisms, infrastructure development etc. The structural shift is well pronounced in Odisha from agriculture to non agriculture sectors. The Industry and Services sectors have emerged as main drivers of growth. The standard of living in Odisha has improved over the years with the rise in real per capita income.

Employment

Employment of human resources is the pre condition for sustainable livelihood, food security and rising standard of living of people. Odisha has the advantage of having higher proportion of active population in the age group of 15-49 years. Gainful employment generation has been the priority policy issue before the State over the plan periods. Public sector in Odisha predominate the economy in terms of employment absorption.

Agriculture Sector

Odisha's economy is no more purely agrarian, the way it was a decade back. Recurring natural shocks like cyclones, floods and droughts led to fluctuation in growth rates and value additions in agriculture sector. Despite such inherent constraints in stepping up of agriculture production, State Government continues to give high priority to the sector because of its huge potential in physical resources, its high labour intensive nature and rural livelihood sustenance characteristics.

Industry Sector

Structural transformation necessarily requires industry sector to be the driver of growth for the State. The sector contributed about 39 percent average share of Odisha's GSDP. The sector expects to grow at 10.58 percent in 2015-16. Most large-scale industries in Odisha are mineral-



based. There is substantial scope for expansion in steel production in the State. So it is no wonder that Odisha has been a favorite destination for big investments in this Sector during the past years.

The number of “Micro, Small and Medium Enterprises (MSME)” units in the State has been increasing over time and the largest number belongs to repairing and services sector followed by textile sector. Industrial sickness continues to be a problem area among MSMEs. The handicraft and cottage industry in Odisha exhibits a declining trend in terms of the number of units as well as employment generation.

The Services Sector

The services sector overtook State’s agriculture sector as the major contributor of the economy. As per the advance estimate, the real growth rate for the Sector during 2015-16 expects to touch 9.65 percent.

Infrastructure

Infrastructure development is a prerequisite for economic development. It also ensures quality human settlements, smooth mobility, effective communications and better socio-cultural-political cohesion. Government of Odisha is keen to develop infrastructure sector of the State with special focus on Bijli, Sadak and Pani.

Odisha is the leading State in power reforms. Power availability in the State improved remarkably to accommodate sharply rising demand for power in domestic, agriculture, industry and other commercial sectors.

Road density in Odisha is better than the all- India average. Railway density in the State is 16 km per thousand square km of area, which is below the national average of 20 km. The cargo shipment at Paradeep port has shown consistent growth despite recent global recession.

Tele-density, which is equal to the number of telephone connections per 100 population, has grown rapidly in the State. Cell phones constitute about 75 percent of total telephone connections in the State.

The State has undertaken several initiatives to improve the use of Information Technology, especially in public administration. e-Governance has been taken up and enforced at various levels. Two software technology parks are in operation: one at Bhubaneswar and the other at Rourkela.

Poverty

Among the major States Odisha has the distinction of achieving maximum poverty reduction i.e. 24.6 percentage points from 57.2 percent in all regions and among all social classes. This conforms to the inclusive growth objective of the State.

Social Sectors

In the past few decades focus of development has shifted from economic growth to human development, world wide. Development of social sectors plays a crucial role in improving human development indicators and attainment of Millennium Development Goals (MDG). These sectors include education, health, safe drinking water, sanitation as well as development of the marginalized



groups and backward regions. The State Government has been according high priority to the sectors over the successive Plans with positive outcomes.

There exist gender disparities in Odisha in several human development indicators. Only sixty-four percent of the female population is literate in comparison to about eighty two percent of the male population in Odisha. Women constitute about 45 percent of the total workforce in Odisha. Employment of women in the organized sector has, however, been rising in recent years.

Public Finance

The overall fiscal scenario in Odisha continued to be broadly satisfactory. The basic prudential policy of maintaining revenue account surpluses to finance the capital outlays continued to be successfully implemented, thereby reducing the need for incurring fresh debt as also providing the fiscal space to enhance capital expenditures for development of the State.

The overall growth trajectory of Odisha is promising notwithstanding the shocks caused by recurring natural disasters, global slowdown and inflationary pressures. Inclusive growth process has gained momentum leading to faster reduction of poverty in the State.

VISION AND MISSION OF OSFC

Vision

- Meet the financial and developmental needs of the MSME sector in the State of Odisha to make it strong, vibrant, and competitive.
- Make OSFC, a Customer friendly institution.
- Provide efficient and cost effective services to the customer through application of modern technology and good governance.

Mission

Empower MSME sector with a view to contributing the process of economic growth, employment generation, creation of successful entrepreneur and balanced regional development.

OSFC: IT'S RELEVANCE & PROSPECTS

OSFC, established in the year 1956, has played a pivotal role in extending credit support and financial services to first generation entrepreneurs to set up MSMEs in the State and thereby ushering an era of industrialization in the State. It has completed more than six decades of dedicated service in financing MSMEs and has contributed to the process of economic development of the State in terms of value addition, employment generation, development of industries, dispersal of credit, entrepreneurship skill development and export earnings.

OSFC has also played a key role in revival of potentially viable sick units by providing fund and non-fund based assistance along with reliefs and concessions. This is one area where banks are particularly reluctant to step in, but OSFC would continue to play its role in the rehabilitation of potentially viable sick units of the State, provided required support of the State Government is made available to the Corporation.

In post liberalization financial sector reforms, industries in the MSME sector failed to compete with the big business houses and became sick, thereby affecting the financial health of OSFC



adversely. The financial health of the Corporation further deteriorated due to poor recovery, rising NPAs and growing provisions as per stringent provisioning norms stipulated by RBI.

In the past, OSFC raised high cost fund to repay low cost borrowings on maturity due to low recovery and fell in to a debt trap. The lending activities of OSFC declined and ultimately stopped during FY 2002-03 to FY 2009-10. OSFC was restructured with active support from the State Government and other stakeholders like SIDBI, IDBI & Banks and it resumed its lending activities from March 2010. However, it failed to continue its business at a desired level for non-availability of refinance support from SIDBI and presently, it is striving hard for a turnaround.

Meanwhile, most of its good and proven customers have migrated to banks and other FIs as OSFC was away from lending activities for almost six years and presently, OSFC is facing constraint of working fund to continue lending activities at the desired level. The Corporation has the following constraints to continue its lending activity at a desired level:

- Non availability of refinance support from SIDBI and funding support from State Govt.
- Sharp decline in recovery of loan dues (mostly from NPA portfolio) which is only source of fund for the Corporation to meet its establishment expenses, institutional repayment obligation and to continue with the lending activity.
- Non availability of CGTMSE coverage to the Corporation for extension of collateral free credit facility to eligible MSMEs.
- Single product business (i.e.,Credit facility by way of term loan only) and inability to meet the comprehensive credit requirement (i.e. both term loan as well as working capital loan) of MSMEs.

However, the strength of OSFC lies in its network of Branches, experienced manpower and commitment to the cause of MSMEs. While adapting itself to the fast changing environment, the Corporation has focused on strengthening customer satisfaction through prompt & quality service. The Loan Policy has been framed to support small/micro enterprises besides established entrepreneurs and enterprises. OSFC has revisited, modified and firmed up its policies and practices and streamlined its procedures as per best Banking norms and practices. Apart from extension of the term loan to industrial unit, OSFC has made tie up arrangement with Union Bank of India to facilitate sanction of working capital. The Corporation has adopted interest rate structure ranging from 12.25% to 14.25% which is competitive in the prevailing market scenario with provision of rebate of 0.50% to encourage borrowers for prompt payment.

The wave of industrialization is sweeping the State with destination of several mega projects and the same has opened up large opportunities for setting up of ancillary/downstream industries. The Corporation would continue to identify areas of business opportunity, scale-up it's capacity and broad base its business for sustained earnings provided need based funding support is made available to the Corporation either from the State Govt. or from any other source. OSFC is looking forward to finance such industries and fulfill the aspirations of young entrepreneurs of the State by providing credit assistance and financial services. However, for this, the Corporation needs funding support from state Govt., since the refinance support from SIDBI is ruled out at present in view of OTS with SIDBI.



OPERATIONAL HIGHLIGHTS

SANCTION

The Corporation was out of lending activities for almost eight years. Therefore, most of the good customers of the Corporation migrated to other Banks & Fis. Although Loan Policy for FY 2009-10 & FY 2010-11 laid emphasis on finance to standard units only, it did not get satisfactory response. Subsequent Loan Policies of the Corporation for the relevant years also failed to attract the old customers as the Corporation provided only Term Loan assistance whereas Commercial Banks provided both Term Loan and Working Capital. In view of constraint of funds, the Corporation could sanction only one loan during the year 2015-16 and the cumulative sanction as on 31.03.2016 after resumption of lending on March 2010 stood at ₹ 12.26 crore to 24 units.

DISBURSEMENT

There was no disbursement during the year 2015-16.

FEE BASED ACTIVITIES

The following fee based activities were undertaken during the year 2015-16 :-

- Preparation of Project Profiles
- Preparation of Detailed Project Reports
- Two Follow-up Programmes against past Entrepreneurship Development Programmes
- Valuation of assets

PREPARATION OF PROJECT PROFILES & DETAILED PROJECT REPORTS

The Corporation continues to prepare project profiles & DPRS for MSMEs at affordable rates. During FY 2015-16, the Corporation has prepared 102 nos. of project profiles and 3 Nos. of DPRs for different clients.

TRAINING SUPPORT FOR ENTREPRENEURSHIP DEVELOPMENT

During the year under report, the Corporation has conducted two EDP Follow-up programmes against EDPs conducted earlier at Baripada and Jeypore.

VALUATION OF ASSETS

Pursuant to the decision taken in the Sub-Committee of SLC, the Corporation made valuation of the Buildings and other civil works of 33 units, mostly fly ash brick units.

BUSINESS INITIATIVES TAKEN

The Corporation has taken following initiatives to increase loan portfolios:

- The Corporation has formulated its Loan Policy, Credit Delivery Methodology and Risk Assessment Modules for creating healthy portfolio.
- Certain modifications have been made to the Loan policy and credit methodology so as to enlarge the scope of investment. Now credit proposals can be processed with the help of Credit Appraisal & Rating Tool (CART) software provided by SIDBI without much difficulty in a faster and efficient manner.



- Fixation of rate of interest is based on Risk Assessment Modules adopted by the Corporation.
- Rebate of 0.50% is allowed in the applicable rate of interest for prompt payment of dues in respect of newly disbursed standard loan accounts to bring down the effective rate of interest as well as to attract prospective loanees.
- Effective steps have been taken to reduce the response time for a systematic and quick credit delivery process so as to continue with its business programme in this highly competitive environment.
- To supplement the revenue, the Corporation has been taking up some fee based activities like preparation of project profiles for small enterprises, valuation of assets and organizing EDP training programmes.
- Arrangement with Union Bank of India has been made to support working capital to assisted projects of OSFC.
- The Corporation has put in place a comprehensive Loan Recovery Policy wherein Post Disbursement Monitoring and NPA Monitoring & Management have been emphasized to prevent slippage of standard accounts and upgradation of NPA accounts.

FAIR PRACTICES CODE

The Corporation is following Fair Practice Code for lenders as per RBI guidelines. Therefore, complete guidelines for processing loan application, appraisal, disbursement, post-disbursement supervision and credit monitoring have been clearly laid down. All the information relating to charges/fees for processing have also been disclosed in the application form. Besides, the facility for prepayment of loans is also available.

RISK MANAGEMENT AND CREDIT RATING

The Corporation has adopted two risk rating models for new projects and existing projects which evaluate all conceivable risks as per risk rating parameters. The models are drawn up in a structured manner incorporating financial analysis, projections and sensitivity, financial risk, industrial risk, management risk, business risk etc. It has also prescribed certain level of standard or initial parameters beyond which no proposal shall be entertained. It also lays down minimum rating below which no credit exposure would be undertaken.

However, in order to expedite and standardize the process of appraisal and risk rating of credit proposals in a more rational and objective manner, the Corporation has adopted Credit Appraisal & Rating Tool (CART) software of SIDBI for credit exposure up to ₹ 100 lakh in existing enterprises. In-house risk rating models is being used to rate the risk in credit proposals involving credit in excess of ₹ 100 lakh and green field projects.

KNOW YOUR CUSTOMER (KYC) & ANTI MONEY LAUNDERING (AML) STANDARDS

As advised by SIDBI, the Corporation has put in place a proper policy framework on “KNOW YOUR CUSTOMER” and “ANTI MONEY LAUNDERING STANDARDS”. Detailed Customer Acceptance Policy, Customer Identification Procedures, Monitoring of Transactions and Risk Management Procedures have been laid down under KYC norms. The guidelines are issued with an aim to develop and evolve a robust system to prevent abuse of financial institutions for combating



financing terrorism. The objective of this policy is to prevent OSFC from being used intentionally or unintentionally by criminal elements for money laundering activities. The KYC procedure enables to understand the customer and their financial dealings which in turn help the Corporation to manage the risk prudently. A policy for identification of high value cash transactions and suspicious transactions and monitoring thereof have been laid down under AML policy. One senior officer has been designated as Principal Officer, who in turn is responsible for monitoring and implementation of KYC norms and AML standards.

STEPS TAKEN FOR OVERALL IMPROVEMENT OF WORK PROCESS:

- Effective steps have been initiated to improve the overall image of the Corporation through timely service to the borrowers, issue of balance confirmation certificates and responding to the difficulties of the borrowers in time bound manner.
- Policy and procedures are being revisited and modification are being taken-up wherever felt necessary, including adoption of new policies for timely follow-up and monitoring as well as for overall improvement in the working of the Corporation with an aim to continue with the business activities in a more organized and systematic manner in keeping with prudential norms and competitive environment.

RECOVERY

Recovery of loan dues has become the thrust area of operation and has been given prime importance to achieve the twin objectives of reduction of NPA as well as improving liquidity for resource mobilization. Keeping an eye on the above, the Corporation has resorted to appropriate follow up & monitoring at the level of Branch/Head Office for maximizing recovery. Corporation has adhered to its relentless efforts for collection of dues from borrowers so as to diminish the quantum of NPA accounts.

During FY 2015-16, the Corporation could recover ₹ 6.08 crore against MoU target of ₹ 20 crore. The main reasons for not achieving the target are attributed to the followings:

- Major portion of loan portfolios are not backed by marketable security.
- Difficulty in disposal of seized assets due to various reasons.
- Inordinate delay in vacation of restrains order from various Courts.
- Non-creation of new loan portfolios.

Since the Corporation is suffering from an excessively high level of NPAs in its loan portfolio, with a view to salvage such NPAs, the current Recovery Mix is more in favour of One Time Settlement (OTS) followed by action under section-29, although the other tools of NPA management are being resorted to as per necessity. In spite of adverse conditions, the Corporation was able to recover ₹ 6.08 crore during the current fiscal by relentless efforts in recovery. The Corporation approved 153 nos. of applications under OTS-11 Scheme at a settlement amount of ₹ 2.43 crore against an outstanding of ₹ 38.37 crore during FY 2015-16.



The recovery particulars for the year are shown in Table -1.

TABLE - 1		₹ crore		
Particulars	Principal	Interest	Others	Total
TL & Other Loans	1.98	3.01	0.11	5.10
SDDP & Adv against OTS & Others	0.00	0.00	0.90	0.90
Agency Loans	0.03	0.05	0.00	0.08
Total Recovery	2.01	3.06	1.01	6.08

The percentage of net demand to principal default is 3.15% and the percentage of amount collected to Recoverable is 5.77%. The Corporation has therefore, resolved to spear head its activities for improving the recovery performance.

The position of recovery for the year is given in Table-2.

TABLE-2		₹ crore		
Particulars	Principal	Interest	Total	
Opening balance as on 01.04.2015	264.33	3100.17	3364.50	
Add: Misc. Expenses on Loan & Advances	0.18	0.00	0.00	
Add: Interest accrued till 31.03.2016 on Standard Assets	0.02	0.00	0.00	
Add: Adjustment on Reconciliation & Rectification of Mistakes for earlier year	-0.27	15.33	15.06	
Sub Total	264.26	3115.50	3379.56	
Add: Current Demand during the year	1.05	387.38	388.43	
Sub Total	265.31	3502.88	3767.99	
Less: Amount on account of Doubtful and Loss Asset	253.38	3338.13	3591.51	
Add/Less: Adjustment of Recovery(Net) for earlier years	3.46	3.46	0.00	
Less Waiver through OTS	0.13	60.36	60.49	
Net Demand	8.34	107.85	116.19	
Less Recovery during the year	3.69	3.01	6.70	
Over dues at the end of the year	258.03	3442.97	3701.00	
Outstanding at the end of the year	264.99	3442.97	3707.96	
Percentage of Recovery against Net Demand (Principal)			44.24	
Percentage of Recovery against Net Demand (Interest)			2.79	
Percentage of Recovery from Recoverable			5.77	
Percentage of Net Demand to Principal Outstanding			3.15	
Note: Recovery includes collection against Misc. Expenses on Loans & Advances, adjustment against SDDP and Advance against OTS received during earlier years but excluding Agency Loans.				

POSITION OF SEIZURE & SALE

During FY 2015-16, Corporation took over 20 cases U/s 29 of SFCs Act 1951 involving loan outstanding of ₹ 6.60 cr.(Pr.0.68 cr). Four nos of DDAC meetings were held for sale of 19 nos of



seized items. Out of this, only 08 cases were decided for sale at an aggregate sale consideration of ₹ 0.27cr (Pr.0.28 cr.). In toto 12 nos. of cases materialized for sale at an outstanding of ₹ 26.08 Cr (Pri.0.96 Cr) including cases taken over and remaining unsold in earlier years. Consequently, the Corporation could reduce the portfolio of unsold seized assets by 33 nos involving an outstanding of ₹ 41.32 cr. (Pr.5.40 cr.) by full materialisation of the sale (12 nos) and through release to original borrower (21 nos). The position of seizure & sale during FY 2015-16 is given in Table-3

Sl. No	Particulars(u/s 29) 2015-16	No.	Amount Outstanding		
			Pri.	Int.	Total
1.	Seizure:				
(i)	Cases pending for disposal at the beginning of the year	441	35.59	474.01	509.60
(ii)	Cases taken over U/s 29 during the year	20	0.68	5.92	6.60
	Total:	461	36.27	479.93	516.20
2.	Cases disposed off during the year				
	-By release to borrower	21	4.44	10.80	15.24
	-By sale through DDAC (Sale materialised fully paid cases only)	12	0.96	25.12	26.08
	Total:	33	5.40	35.92	41.32
3.	Seized unsold assets as on 31.03.2016	428	30.87	444.01	474.88

COURT CASES

Although the Suit Section of the Legal Department of the Corporation is in place to focus on the litigated account, a sizeable amount continued to remain logged up due to fresh incidence of Legal tangle and non-disposal of old cases. The position regarding cases U/s 29 is given in Table -4.

Particulars	Outstanding	
	No. of Case	Amount
Pending at the beginning of the year.	107	60.01
Filed during the year.	07	14.05
Disposed of during the year .	05	2.25
Pending for disposal at the end of year.	109	71.81

The Corporation usually resorted to recovery measures U/s 31 of SFCs Act after exhausting action U/s 29 for realisation of balance loan outstanding or where for some reasons or the other, it is not possible to take action U/s 29. The status of cases filed U/s 31 is given in Table -5.



Particulars	Outstanding	
	No.	Amt.
Pending at beginning of the year	726	274.03
Filed during the year	04	23.24
Disposed of during the year	62	19.22
Pending for disposal at the end of the year	668	278.05

FOLLOW UP

The objective of the Corporation is not limited to mere financial assistance for creation of new capacity, modernisation, expansion and diversification etc., but also comprises of building a relationship with the borrowers for proper utilisation of funds, achievement of physical results, periodic review and prompt servicing of the assistance. Therefore, the relationship goes beyond the scope of lenders/borrowers, but as a continuous partnership with a common goal. Implementation of proper follow up mechanism and monitoring thereof aims to achieve a common goal while optimising the benefits of investments within the prevailing environment. Keeping this in view, the Corporation has intensified the follow up and monitoring mechanism for regular persuasion with the borrowers to maximise the recovery during the current fiscal. The standard loan portfolio is under constant surveillance to avoid incidence of slippage to NPA category. The follow up inspection of the assisted units are being conducted regularly to ensure timely payments of dues.

REVIVAL OF SICK UNITS

Although revival of sick units is basic tool of NPA Management, the Corporation is unable to utilise this tool primarily due to liquidity constraints. However, Corporation encourages non-fund based revival by allowing restructuring of loan account in deserving cases. The detail status on revival of sick industry is given in Table-6.

Particulars	Nos. as on 31.03.2016
Identified as sick	1690
Viability study completed	1690
Prima-facie not viable including cases approved under OTS	1023
Rehabilitation package approved	
-with additional loan	322
-without additional loan	345
Cases under study	Nil



SUBSIDY

The Corporation acts as an agent of the State Government for disbursement of Interest Subsidy and Capital Investment Subsidy under earlier IPRs. During the year under report, ₹ 287.83 lakh was disbursed towards Interest Subsidy in favour of 85 units & ₹ 5.34 lakh towards Capital Investment Subsidy in favour of 2 units.

PROFITABILITY

Net profit / loss

Consequent upon modification in the Prudential Accounting and provisioning norms and prior year adjustments, the Corporation although posted with operating profit of profit of ₹ 1.65Cr during this fiscal but finally posted with a loss of ₹ 1.67 Cr on adjustment prior period expenditure of ₹ 3.32 Cr as against net loss of ₹ 77.40 Cr during previous year.

Net worth

The Net-worth of the Corporation stood at ₹(-)59.05 Cr as on 31.03.16 as against ₹(-)57.38 Cr. as on 31.03.15.

Capital Adequacy Ratio

The Capital Adequacy Ratio as on 31.03.2016 stood at (-) 38.55% as against (-) 37.30% as on 31.03.15.

FINANCIAL PERFORMANCE

Income & Expenditure

The Gross income earned by the Corporation during 2015-16 was ₹ 11.61 crore comprising of interest on loan and advance of ₹ 3.01 crore , other income of ₹ 2.13 crore in addition to Provision and Expenses written back amounting ₹ 6.46 Cr against gross income of ₹ 14.20 crore comprising of interest income ₹ 11.90 crore and other income of ₹ 2.30 crore in FY 2014-15 there by registering a decrease of 18.24%. The personnel and administrative expenses, which were ₹ 11.89 crore in 2014-15, has gone down to ₹ 9.73 crore during 2015-16, registering decrease by 18.17%. Total expenses has also decreased to ₹ 9.95 crore in 2015-16 from ₹ 12.24 crore in 2014-15 registering a decrease of 18.71%.

Profit & Loss position

The Corporation is posted with an operating profit of ₹ 1.65Cr during this fiscal but finally posted with a loss of ₹ 1.67 ccr on adjustment prior period expenditure.

AUTHORISED AND PAID-UP SHARE CAPITAL

The authorized share capital of the Corporation stood at ₹ 500 crore. SIDBI has agreed for conversion of Loan in Lieu of Share Capital of ₹ 6.225 crore together with interest accrued thereon from 01.04.2008 till date of actual conversion to ordinary share capital. Similarly both SIDBI & IDBI Bank have also agreed to convert unpaid minimum guaranteed dividend of ₹ 25.48 crore to Share Capital (50% each). Pending approval of State Government u/s/4(3) of SFCs (Amendment) Act, 2000, the amount of ₹ 33.57 crore is treated as Share Deposits on account of SIDBI and IDBI Bank (including interest of ₹ 1.87 crore accrued on LISC outstanding from 01.04.2008 to 31.03.2012).

The position of share capital and loan in lieu of share capital is indicated in Table-7



The position of share capital and loan in lieu of share capital is indicated in **Table-7**

TABLE-7		₹ crore	
Share capital	As at 31.03.2016	As at 31.03.2015	
Issued			
- Ordinary	421.00	421.00	
- Special	4.00	4.00	
Total	425.00	425.00	
Subscribed and paid-up			
- Fully allotted (Ordinary)	378.76	378.76	
- Fully allotted (Special)	3.00	3.00	
- Share deposit pending for allotment	33.57	33.57	
Grand Total:	415.33	415.33	

RESOURCE MANAGEMENT

The details of resource mobilization during the year is indicated in **Table -8.**

TABLE-8		₹ crore.	
Particulars	2015-16	2014-15	
Increase in paid-up capital pending allotment			
- State Govt.	-	-	
- SIDBI/IDBI Bank	-	-	
Sub-total	-	-	
Refinance			
- SIDBI	-	-	
Sub-total	-	-	
Bonds	-	-	
Recovery (Net) including Recovery of Loans to Employees	6.29	15.33	
Others	-	-	
Total	6.29	15.33	

SOURCES & USES OF FUND

The overall sources and uses of funds during the year are given in **Table-9.**

TABLE -9		₹ Crore	
Sources	2015-16	Uses	2015-16
Opening Cash/Bank	16.81	Disbursement	-
SIDBI refinance	-	SIDBI repayment under OTS	3.72
Interest Subsidy	3.64	C.I.S. / Int. Subsidy Disb.	2.93
Recovery	6.08	Int. & Other Financial charges	-
		Admn.& Personnel Expense	9.72
Other Income	2.13	Repayment of Agency Loan	0.30
Other Receipts	0.38	Funded Interest loan to SIDBI	-
		Others (NEF& service charges paid to SIDBI)	1.00
		Other cash out go	0.10
		Closing balance	11.27
Total	29.04	Total	29.04



CLASSIFICATION OF ASSETS & PROVISIONING

The assets classification and provisioning is made as follows: (₹ Crore)

Asset Category	Outstanding Loans		Rate of Provisions		Provision (Loan)		Net Assets (Loan Outstanding)	
	As on 31.03.16	As on 31.03.15	Current Year	Previous Year	As on 31.03.16	As on 31.03.15	As on 31.03.16	As on 31.03.15
Standard								
Direct Loan Regular	1.60	2.32	0.25%	0.25%	0.0040	0.00783	1.60	2.32
Direct Loan - Restructured A/c	-	0.15	0.40%	0.40%	-	-	-	0.15
Personal Loan	.03	0.07	0.40%	0.40%	-	-	0.03	0.07
Vehicle & Housing Loan	0.13	0.29	0.40%	0.40%	0.00064	0.0001	0.13	0.29
	1.76	2.83	-	-	0.005	0.0078	1.76	2.83
NPA								
Sub Standard	-	0.13	25%	25%	-	0.13	-	-
Doubtful - I	-	-	40%	40%	-	0.00	-	-
Doubtful - II	5.61	12.91	100%	100%	5.61	12.91	-	-
Doubtful - III	124.74	120.97	100%	100%	124.74	120.97	-	-
Loss	133.03	135.56	100%	100%	133.03	135.56	-	-
Total (NPA)	263.38	269.57			263.38	269.57	-	-
Grand Total	265.14	272.40			263.385	269.578	1.76	2.83

- Standard Assets as on 31.03.16 includes ₹ 0.13 Cr representing House Building Advance (including Interest Accrued) and vehicle advance and ₹ 0.03 Cr as Personal Loan to Employees disclosed under Advance to Employees - Other Assets - Schedule J.
- Loan outstanding and Net Assets as on 31.03.16 includes Principal + Other Charges.
- AS per RBI/ SIDBI norms, no netting is required for provision for standard assets.

FRESH RESTRUCTURING INITIATIVE BY GOVERNMENT

As per the decision in a meeting chaired by Hon'ble Finance Minister and Hon'ble Minister, MSME on 17.12.2013, National Productivity Council (NPC), Bhubaneswar under Ministry of Commerce and Industry, GoI was appointed as consultant for a study for restructuring of OSFC. However, after two rounds of deliberation and presentation by NPC basing on the recommendations in their report before Chief Secretary, Odisha, on 12.09.2014 and 25.11.2014, it was decided that a comprehensive Business Plan be prepared. Subsequently, on discussion on the Business Plan on 28.02.2015, it was again decided to have another study by Price Water House Coopers (PWC) under OMEGA TAST.

The recommendations of the OMEGA team for revival and restructuring of the Corporation was deliberated before Chief Secretary on 20.06.2015 and 19.08.2015, wherein it was decided for restructuring of OSFC in principle while extending need based financial and other support as recommended by OMEGA team with certain modifications. The details of financial support are as follows:



- Assistance of ₹ 28 crore in FY 2015-16 for liquidation of SIDBI OTS outstanding dues against refundable deposit of ₹ 23.09 crore made to Government by OSFC without any liability.
- Assistance of ₹ 50 Crore against transfer of NPAs to State Government in line with model adopted by Government of Madhya Pradesh for MPFC (against recommendation of ₹ 70 crore by Consultant in FY 2015-16).
- Assistance of ₹ 9 crore for implementation of VR/VS Scheme for further right sizing of present work force.

Besides, the team also recommended the followings

- Reduction of Capital against Accumulated Loss.
- Allotment of Share Capital against Share Deposit.
- Any other need based support including allied support for fund raising from other FIs for continuing business.
- Corporation be entrusted immediately for implementing some Government Schemes like State Mission for Food Processing, Youth Innovation Fund etc. where OSFC can function as Nodal Agency for disbursing Subsidy/Incentives. Similarly, OSFC be allowed to undertake EDP, Valuation of Government Assets and similar skill development schemes of the Government relating to MSMEs.

The proposal has been submitted to Finance Department through MSME Department since august, 2015 and is pending for acceptance/concurrence.

MoU WITH STATE GOVERNMENT

The MoU for the FY 2015-16 approved by the Board of OSFC in its 379th meeting held on 30.03.2015 was executed with MSME Department of the State Government on 31.03.2015.

AUDIT COMMITTEE OF BOARD

During the year under reference, the Audit Committee met on 07.07.2015 and reviewed the Internal Audit Observations, Action Taken Report on Internal Audit Observations, Annual Accounts for FY 2015-16 with notes thereon and compliance thereof.



INTERNAL AUDIT

Books of accounts, financial and operational transactions of the Branches have been audited by the Internal Audit Department (IAD) of the Corporation during the year under reference. Procedural lapses, Operational lapses, Documentation lapses, Monitoring & Follow up lapses were examined and brought to the attention of the management for necessary corrective measures. Internal control lapses in key functional areas were pointed out. The department has mainly focused its attention on review and evaluation of NPA accounts of Branch loan portfolio and has suggested remedial measures for realisation of Corporation dues, thereby resulting in reduction of NPAs. The department has conducted verification of loan accounts settled under various OTS schemes on random basis. Payments like Provident Fund, Terminal dues, Arrears etc., relating to staff were also verified and authenticated by this department.

Critical issues of Branch were brought to the notice of management for necessary action. After resumption of lending, the business initiatives of the Branch to mobilise credit-worthy proposals were also evaluated. Initiatives of the Branch to earn fee-based income were also highlighted in the audit reports.

The position of audits conducted and reports submitted during the year are given below.

Position of Internal Audit conducted during (2015-16)

i)	No. of reports pending for submission at the beginning of the year	0
ii)	No. of Audits completed during the year	9
iii)	No. of Audit reports submitted during the year	9
iv)	No. of Audit reports pending for submission at the end of the year	0

STATUTORY AUDIT

The Corporation appointed A.C. Jena & Co, Chartered Accountants, Link Road, Cuttack-753012 as Statutory Auditors in the Annual General Meeting held on 30.07.2015 to conduct the Audit of the Books of Accounts of the Corporation for FY 2015-16 basing on the recommendation of the Reserve Bank of India under section 37(1) of SFC Act. The auditors have completed the Statutory Audit for the FY 2015-16.

ANNUAL GENERAL MEETING

The 58th Annual General Meeting of shareholders was held in time on 30.07.2015 to adopt the audited Balance Sheet and Profit & Loss accounts of the Corporation for FY 2014-15.

A.G. AUDIT

Each year C & AG of India has been conducting audit of the Corporation under section 37 (6) of SFCs Act, 1951. Audit report of the C & AG of India on the accounts of the Corporation with compliance thereof needs to be placed before the Legislative Assembly of the State along with the Annual Accounts and Auditor's Report U/s 37 (7) of SFCs Act. In addition, C & AG has conducted the transaction audit of the Corporation for the FY 2014-15 and submitted its inspection report on 23.12.2015. The compliance to the observations have been submitted on 31.03.2016.



COMMITTEES

The Committee approach for decision making is continuing for ensuring efficiency and transparency in the working system. For better governance, the Corporation de-centralized the process of decision making with an appropriate delegation of power to Committees namely Default-Cum-Disposal Advisory Committee (DDAC), MD Committee & One Time Settlement Advisory Committee (OTSAC).

In addition to the above committees, three more internal committees namely Finance Committee, Recovery Committee & HR Committees are functioning to examine various issues of significant importance including policy matters and recommend course of action prior to obtaining approval from the competent authority.

FINANCIAL TECHNOLOGY

Adapting over time has always been essential for success of a financial service organisation like OSFC. As such, managing transition to a digitally driven business model is not only critical to beating competitors, it is crucial to the survival of OSFC as it ensures business to run effectively and efficiently. The corporation is well aware that an organisation whose IT constraints make it hard to deliver a cutting edge customer experience cannot survive. Digital strategy is, therefore, intrinsic to business strategy of OSFC.

Over the years, the digital revolution has given birth to an interconnected world that binds entrepreneurs, employees, executives, and systems together in a network of unprecedented complexity and opportunity. Our entrepreneurs, employees and all the people we interact across the financial service sector are much more technology literate today and want to be empowered through technology. It is now increasingly felt that, investments in technology can only enable the business of OSFC.

It is pertinent to mention here that, OSFC is the pioneer public sector organisation in the state to use 'intranet' for data and document transfer among its offices located all over the state before the advent of 'Internet'. With the spread of internet the corporation immediately switched over to this communication technology keeping pace with the development.

However, the Internet is now more than 20 years old, which means that anyone under 40 has never known a social or working life without it. As a result, younger new generation entrepreneurs come with different expectations. Instead of technology being used to hold them captive, they expect OSFC to use technology to empower them to determine not only how services will be provided, but what services will be provided.

The visible solution to the entrepreneur expectation lies in development of business API (Application Programming Interface) or most recent software developments like web robot simply known as 'Bot'. The APIs or 'Bot' today make business functions available as components on the Internet independent of devices. These applications are required to be accessible safely and reliably from connected devices like smart phones and more recently wearable devices like smart watch.



To encompass all these revolutionary changes in digital technology a new discipline is fast developing now popularly known as 'Financial Technology'. The main task of the Corporation today is, how it can leverage these changes in 'Financial technology' to make low cost, secure and reliable financial services to its new generation entrepreneurs for digital interaction, once OSFC is revived.

HUMAN RESOURCE MANAGEMENT

The HR Department deals with formulating strategy to upgrade skill of the existing manpower and to utilize the human resource with their optimum potentiality. The Department not only gives emphasis on skill development but also concern for the welfare of the employees vis-a-vis initiatives and motivation.

During the year, 3 employees have retired from the Corporation service due to death/ VRS reducing the staff strength from 183 to 180 as on 31.03.2016. Out of 180 employees under different categories, 26 employees consisting of 10 officers and 16 Assistants are continuing under deputation service to P.E. Department, IDCO, IPICOL, OSBC Ltd, H& UD Department and DEP&M in Government of Odisha. Out of rest 154 manpower, 94 employees are posted at Field Offices, 60 employees are placed at Head Office. Besides the regular employees, there is one consolidated employee in 'C' Class. The details of manpower position as on 31.03.2016 are as under:

Category	Position as on 01.04.15	Employees retired/ Expired during the year	Employees retired under VRS/VSS	Employees under Deputation service	Present Strength excluding Deputation
A Class (Officers)	47	0	0	10	37
B Class (Ministerial)	108	1	1	16	90
C Class (Subordinate)	28	1	0	0	27
Total	183	02	01	26	154

As against 47 officers, 5 officers consisting of Private Secretary and Personal Assistant are from non-functional area. Other officers are having professional qualifications which include C.A, ICWA, MBA, PGDMA, Engineering Graduates, Law Graduates and Post Graduate qualification. The average age of employees is about 56 years.

The Corporation is having 9 Branch Offices and 7 FRCs as on 31.03.2016.

TRAINING OF EMPLOYEES

To upgrade the skills of the employees, 27 employees have undergone various training on Good Governance its Issues & Challenges, Leadership Development Techniques, Financial & Accounts Management, Odisha Public Service Delivery Act and Citizen Charter & Doctrine of Good Governance etc. during the year.



STAFF ACCOUNTABILITY POLICY (SAP)

In order to develop accountability in the Corporation and to increase the sense of responsibility among the employees while discharging their various official assignments, Staff Accountability Policy (SAP) is in force. The policy on Staff Accountability covered both credit and non-credit functions of the Corporation. The Staff of the Corporation are accountable for action / inaction leading to loss to the Corporation, as well as non-adherence to the guideline and procedure in non-credit functions.

GRIEVANCE REDRESSAL CELL

In order to expedite speedy redressal of the grievance petitions/representations received from the customers / entrepreneurs, a Grievance Cell at the Corporate Office is functioning. Since most of the grievances relate to recovery measures of the Corporation, the same were handled by the concerned Department. During the year, the cell has received 4 grievance petitions and disposed 5 (including one previous year pending) cases leaving no case pending at the end of the year.

INTERNAL VIGILANCE CELL

Internal Vigilance Department is in operation at Head Office of the Corporation to function as the coordinator / facilitator in between State Vigilance Department and the Corporation. During the year, no fresh vigilance case has been registered by the State Vigilance and no such complaints/irregularities have been noticed.

RIGHT TO INFORMATION CELL

The Corporation has appointed Public Information Officer, Asst. Public Information Officer and Appellate Authority at its Head Office as required under RTI Act, 2005. Besides, one Public Information Officer and one Appellate Authority for each Branch Office have also been designated to enable the citizens to access the information available with the Organization. Necessary and relevant information for public has also been placed in the website of the Corporation, which is being up-dated at regular intervals. The position of receipt and disposal of the RTI applications and appeals during the year is given below:

		No. of Applications	No. of Appeals
1	Pending at the beginning of the year	04	01
2	Received during the year	62	03
3	Disposed during the year	63	04
4	Pending for disposal at the end of the year	03	00

CORPORATE GOVERNANCE

The Corporation is committed to uphold high level of ethical standard of Corporate Governance in all of its functional areas. The Board of the Corporation is constituted as per the provisions of SFCs (Amendment) Act. 2000. The Board of Directors meet regularly to provide effective leadership, guidance and monitors/ review performance of different policies and



procedures. During the year, the Board has adopted calendar of review which enables thorough critical information to the Board periodically. Various aspects like Loan Policy, OTS policy, Recovery Policy, Annual Business Plan, Cash-Flow Statement, overall assessment of Financial position, actual performance vis-à-vis target in key areas, status of NPAs etc. were periodically reviewed and appropriate policy directives were given by the Board during the year under report.

As a part of Corporate Governance Manual, the Corporation has signed MoU with MSME Department, in Government of Odisha for the FY 2015-16 within the stipulated period. The Corporation has also prescribed Code of Ethics for the Directors on the Board and submitting compliance report as required under Corporate Governance Manual.

Board of Directors

The Corporation is managed by a Board of Directors constituted under Section-10 of the SFC's (Amendment) Act.2000.

During the year, following changes took place in the Board of Directors:

Shri Gagan Kumar Dhal, IAS, Principal Secretary to Government, MSME Department was nominated as a Director and Chairman of the Board of Directors, OSFC in place of Shri Panchanan Dash, ISS vide MSME Department Notification No.IV-MSME / 71 /15 / 209 / MSME dt.07.01.2016 for a period of two years initially with immediate effect from the date of issue of the notification until further instruction or so long as Sri Dhal Continues as such in the post of Principal Secretary to Government, MSME Department whichever is earlier. Shri Gagan Kumar Dhal, IAS has assumed the charge of the Office of the Chairman, OSFC.

Shri Santanu Sarma Barua, Dy. General Manager, SIDBI, Bhubaneswar has been nominated as Director in place of Shri S.S.Acharya, DGM, SIDBI, Bhubaneswar under section 10(c) of SFCs Act., 1951 vide SIDBI's letter SIDBI-IFV No.1630 dt.22.06.2015.

Shri B.Venu Gopala Reddy, CGM, State Bank of India has been nominated as a Director to the Board of Directors of OSFC in place of Shri Krishna Mohan Trivedi vide SBI letter No.SMEBU / 231 dated 01.10.2015.

Shri Gopabandhu Satapathy, IAS, Additional Secretary to Government, Finance Department was continuing as Director on the Board of OSFC since 10.11.2014 under Sec.-10(e)(iv) of SFC's (Amendment) Act, 2000. Consequent upon his transfer from Finance Department, OSFC has requested through MSME Department to nominate another officer in his place.

Board Meetings and Executive Committee Meetings held during 2015-16

BOARD OF DIRECTORS MEETINGS			EXECUTIVE COMMITTEE MEETINGS		
1	380 th Board Meeting	15.05.2015	1	336th EC Meeting	05.10.2015
2	381 st Board Meeting	07.07.2015	2	337th EC Meeting	28.03.2016
3	382 nd Board Meeting	27.02.2016			



ACKNOWLEDGEMENT

The Board of Directors expresses its deep sense of gratitude to the Government of Odisha and all stakeholders for the valuable guidance and support received from them.

The Board also places on record its appreciation for the co-operation and support received from MSME Department, the Directorate of Industries, Industrial Promotion and Investment Corporation of Odisha Ltd., Odisha Industrial Infrastructure Development Corporation, Life Insurance Corporation of India, Scheduled Commercial Banks and all other stakeholders.

The Board also expresses its gratitude to the Shareholders of the Corporation for their confidence reposed in the Corporation.

The Board of Directors would like to thank the valued customers/ entrepreneurs/ various Industry Associations/ Forums for their continued contribution to the growth of MSMEs in Odisha and rendering support to the Corporation.

The Board would like to place on record its appreciation for the dedicated services of its employees at its difficult situation.



*Statement
of
Accounts*



A.C. JENA & CO.
CHARTERED ACCOUNTANTS
LINK ROAD, CUTTACK - 753012

To

The Shareholders,
Odisha State Financial Corporation,
Cuttack-753 003

AUDITORS' REPORT

1. We have audited the accompanying standalone financial statements of Odisha State Financial Corporation (OSFC), which comprise of the Balance Sheet as at 31st March 2016, Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone Financial Statements

2. Corporation's Management is responsible with respect to the preparation of these standalone 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 standards and principles generally accepted in India and as per the requirements of Small Industries Development Bank of India (SIDBI). This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the SFCs 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 judgement 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 misstatements whether due to fraud or error.

Auditor's responsibility

3. Our responsibility is to express an opinion on these standalone 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 under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India and provisions of Section 37 of the State Financial Corporation's Act, 1951 as amended by SFCs (Amendment) Act.2000. 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 misstatements.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depend upon the auditor's judgement, 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 statement that give a true and fare view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on whether the Corporation has been place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 laid down by SIDBI for SFCs and generally accepted in India, of the State of affairs of the Corporation as at 31st March, 2016, and its profit/ loss and its cash flows for the year ended on that date.

Report on other legal and Regulatory requirements

On the basis of our audit subject to Notes on Accounts as contained in Schedule "R", we report that

- i) We have sought and obtained all the information and explanations which to the best to our knowledge and belief were necessary for the purpose of our audit.
- ii) 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 Branches not visited by us.
- iii) The operations of the Corporation and transactions that have come to our notice have been conducted in accordance with the provisions of SFCs Act, 1951.
- iv) The income recognition, assets classification, provisioning, calculation of CRAR, assessment of capital adequacy ratio, various other ratios/items and disclosures in the notes on accounts have been done as per the guidelines and circulars issued by the SIDBI from time to time.
- v) The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow statements dealt with by this Report are in agreement with the books of account and returns.
- vi) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards and guide lines issued by SIDBI for SFCs from time to time.
- vii) (a) According to the information and explanations given to us, no material discrepancies has been noticed/reported by the management between the books records and the physical fixed assests.
(b) The matter regarding physical possessions and title deeds of immovable properties are disclosed vide Note-8- Schedule R- Notes on Accounts. Since title of all immovable properties are not held in the name of the corporation, its impact on accounts, could not be ascertained/ commented.
- viii) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the corporation has been generally regular in depositing



undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they became payable.

- ix) According to information and explanations given to us, the Corporation has requested SIDBI for re-schedulement of re-finance OTS dues. Awaiting response from SIDBI default dues could not be determined.
- x) Based upon the Audit procedure performed and the information and explanations given by the management, we report that no fraud by the Corporation or on the Corporation by its officers or employees has been noticed or reported during the year.
- xi) The Corporation needs further improvement in its policy and procedure of internal audit system and internal financial control system to make the present system effective and solve the purpose of the monitoring and control of branches and head office.

Cuttack
Dated:12th July 2016

FOR A. C. JENA & CO
CHARTERED ACCOUNTANTS
FRN. 319053E

Sd/-
(S. R. BASTIA, FCA)
Membership No. 059893
PROPRIETOR



ODISHA STATE FINANCIAL CORPORATION
BALANCE SHEET AS ON 31st MARCH 2016

Particulars	Schedule Ref.	As on 31st March 2016 ₹	As on 31st March 2015 ₹
CAPITAL AND LIABILITIES			
CAPITAL	A	4,15,33,85,300	4,15,33,85,300
Loan pending conversion to Share Capital	B	-	-
Reserves and Surplus	C	24,24,05,392	24,24,05,392
Borrowings	D	1,07,30,62,781	1,11,02,62,781
Other Liabilities and Provisions	E	52,51,29,354	54,51,14,241
TOTAL		5,99,39,82,827	6,05,11,67,714
ASSETS			
Cash and Bank Balances	F	11,27,01,871	16,81,07,302
Investments	G	2	2
Loans and Advances (Net of provisioning for NPA)	H	1,60,17,860	2,47,06,881
Fixed Assets	I	21,71,80,434	21,93,84,360
Other Assets	J	86,24,60,305	87,00,13,290
Profit and Loss Appropriation Account		4,78,56,22,355	4,76,89,55,879
TOTAL		5,99,39,82,827	6,05,11,67,714

SIGNIFICANT ACCOUNTING POLICIES Q

NOTE ON ACCOUNTS R

THE SCHEDULES REFERRED TO ABOVE FORM AN
INTEGRAL PART OF THE BALANCE SHEET

As per our Report of even date

For A.C. JENA & CO.
Chartered Accountants
FRN.319053E

Sd/-
(Alok Dash)
HoD, (FAD)
OSFC

Sd/-
(B.K. Sahoo)
JGM
OSFC

Sd/-
(B.B. Behera)
MANAGING DIRECTOR
OSFC

Sd/-
(S.S. Barua)
DIRECTOR
OSFC

Sd/-
(F.M. Naik)
DIRECTOR
OSFC

Sd/-
(S.R. BASITA, FCA)
Membership No. 059893
PROPRIETOR



ODISHA STATE FINANCIAL CORPORATION
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2016

Particulars	Schedule Ref.	2015-16 (Current year) ₹	2014-15 (Previous year) ₹
INCOME (A)			
Income from Operations (Interest)	N	3,01,43,406	11,90,07,208
Other Incomes	O	2,13,19,812	2,30,02,311
Provisions/ Expenses Written Back		6,45,89,758	-
Total Income (A)		11,60,52,976	14,20,09,519
EXPENDITURES (B)			
Other Financial Expenses	K	17,215	8,67,489
Personnel Expenses	L	9,19,92,436	11,30,40,312
Administrative Expenses	M	52,78,895	58,74,470
Depreciation	I	22,21,739	26,17,595
Total Expenditure (B)		9,95,10,285	12,23,99,866
Operating Profit (A - B)		1,65,42,691	1,96,09,653
Less Provision for NPA (Net)			62,08,63,487
Profit Before Tax		1,65,42,691	(60,12,53,834)
Less: Provision for Taxation		0	0
Profit after Tax		1,65,42,691	(60,12,53,834)
Less Net prior period Adjustments	P	3,32,09,167	17,27,05,134
Profit/(Loss) Carried to P & L Appropriation A/C		(1,66,66,476)	(77,39,58,968)

As per our Report of even date

THE SCHEDULES REFERRED TO ABOVE FORM AN
INTEGRAL PART OF THE PROFIT AND LOSS ACCOUNT

For A.C. JENA & CO.
Chartered Accountants
FRN.319053E

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(S.R. BASITA, FCA)
Membership No. 059893
PROPRIETOR



ODISHA STATE FINANCIAL CORPORATION
PROFIT AND LOSS APPROPRIATION ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2016

Particulars	Schedule Ref.	2015-16 (Current year) ₹	2014-15 (Previous year) ₹
Balance as per last Balance Sheet - General Reserve/ (Accumulated Loss)		(4,76,89,55,879)	(3,99,49,96,911)
PROFIT / (LOSS) FOR THE YEAR AS PER PROFIT AND LOSS ACCOUNT		(1,66,66,476)	(77,39,58,968)
SPECIAL RESERVE (U/S 36(1) (viii) OF THE INCOME TAX ACT 1961)		-	-
PROFIT TRANSFERRED TO GENERAL RESERVE/(ACCUMULATED LOSSES)		(4,78,56,22,355)	(4,76,89,55,879)

As per our Report of even date

THE SCHEDULES REFERRED TO ABOVE FORM AN
INTEGRAL PART OF THE PROFIT AND LOSS ACCOUNT

For A.C. JENA & CO.
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PROPRIETOR



**ODISHA STATE FINANCIAL CORPORATION
CASH FLOW STATEMENT**

PARTICULARS	For the Year ended on March 31 ST 2016 (CURRENT YEAR) ₹	For the Year ended on March 31 ST 2015 (PREVIOUS YEAR) ₹
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before Tax	1,65,42,691	(60,12,53,834)
Add: - Depreciation	22,21,739	26,17,595
Cash from Operations (i)	1,87,64,430	(59,86,36,239)
ADJUSTMENTS FOR OPERATING ASSETS/ LIABILITIES & OTHER EXPENDITURES		
Increase/ (Decrease) in Liabilities		
Borrowings	(3,72,00,000)	(4,00,00,000)
Other Liabilities	(1,99,84,887)	(4,36,07,629)
Decrease / (Increase) in Assets		
Loans and Advances	86,89,021	66,57,39,065
Other Assets	75,52,985	18,87,86,993
Other Expenditures		
Direct Taxes Paid		
Net Prior Period Adjustment	(3,32,09,167)	(17,27,05,134)
Net Cash Used in Operating Liabilities/ Assets & Expenditures (ii)	(7,41,52,048)	59,82,13,295
Net Cash (Used in)/ Flow from Operating Activities. (i) + (ii)	(5,53,87,618)	(4,22,944)
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets (Net Addition)	(17,813)	(4,971)
Adjustment of depreciation for earlier year	-	(1,42,705)
Redemption of Investment (Net)	-	-
Sale of fixed Assets	-	3,20,196
Net Cash from investment activities	(17,813)	1,72,520
C) OTHER CASH FLOWS (from financial activities)		
Increase/ (Decrease) in Share Capital/ Subordinated Debts	-	-
Increase/ (Decrease) in Reserve Fund	-	4,995
Net Cash Flow from Other/ Financial Activities	-	4,995
NET CASH FLOW/ NET CASH USED DURING THE YEAR (A+B+C)	(5,54,05,431)	(2,45,429)
Net increase/ (decrease) in cash and Cash equivalents	(5,54,05,431)	(2,45,429)
Cash & Cash equivalents at beginning of the year	16,81,07,302	16,83,52,731
Cash & Cash equivalents at the end of the year	11,27,01,871	16,81,07,302

As per our Report of even date

For A.C. JENA & CO.
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Membership No. 059893
PROPRIETOR



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE A - SHARE CAPITAL

Particulars	As at 31. 03. 2016 ₹	As at 31. 03. 2015 ₹
AUTHORISED 50000000 SHARES OF ₹ 100/- EACH	5000000000	5000000000
ISSUED	5000000000	5000000000
(A) 42100000 (42100000) ORDINARY SHARES OF ₹ 100/- EACH ISSUED U/S(4)(2) OF SFCs ACT 1951	4210000000	4210000000
(B) 400000 SPECIAL SHARES OF ₹ 100/- EACH ISSUED U/S 4-A OF SFCs ACT 1951	40000000	40000000
SUBSCRIBED & PAID UP	4250000000	4250000000
(A) 37876305 (8457305) ORDINARY SHARES OF ₹ 100/- EACH FULLY ALLOTTED, U/S 6(1) OF THE SFCs ACT 1951 AMENDED BY SFCs (AMENDMENT) ACT, 2000. (6120 share surrendered for retirement in pursuant to Sec-6 (1) of SFCs (Amendment) Act 2000)	3787630500	3787630500
(B) 300000 (300000) SPECIAL SHARES OF ₹ 100/- EACH FULLY ALLOTTED U/S(4) (A) OF THE SFCs ACT 1951 AS AMENDED BY SFCs(AMENDMENT) ACT 2000	30000000	30000000
(C) SHARE DEPOSITS PENDING ALLOTMENT	335754800	335754800
TOTAL	4153385300	4153385300

* Out of Loan in Lieu of Share Capital outstanding of ₹ 622.50 lac, ₹ 622.00 lac has been converted to Ordinary Share Capital and Share allotments of ₹ 0.50 lac is pending for sanction and approval of State Govt. for allotment.

* SIDBI has already agreed for conversion of LISC, Principal O/s and Interest Accrued at 7.50% pa from 01/04/2008 to till the actual date of conversion to Share Capital SIDBI & IDBI Bank have agreed for conversion of Minimum Guaranteed Dividend payable to Share Capital on 50:50 basis. Approval of State Govt. u/s 4(3) of SFC's (Amendment) Act 2000 for allotment of Shares on such conversion is awaited. Pending concurrence of State Govt. amount on account of LISC(SIDBI) & MGD (SIDBI & IDBI Bank) has been treated as Share deposits.

	Amount ₹
SIDBI-LISC (PRINCIPAL)	62250000
Interest from 01/04/2008 to 31.03.2012	18675000
	80925000
MGD (SIDBI Share)	127389900
	208314900
IDBI - MGD	127389900
TOTAL	335704800



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE B - LOAN PENDING CONVERSION TO SHARE CAPITAL

Particulars	As at 31.03.2016	As at 31.03.2015
	₹	₹
STATE GOVERNMENT		
Loan in lieu of Share Capital	-	-
TOTAL	0	0

SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE C - RESERVES, FUNDS & SURPLUS

Particulars	As at 31.03.2016	As at 31.03.2015
	₹	₹
(A) DISTRIBUTABLE PROFITS		
i) GENERAL RESERVES (U/S 35 of SFCs ACT)	148000	148000
ii) SPL. RESERVE (U/S 36(1) OF IT ACT 1961)	38145132	38145132
SUB TOTAL (A)	38293132	38293132
(B) NON DISTRIBUTABLE PROFITS		
i) SPECIAL RESERVE FUND (U/S 35-A OF SFC's ACT,1951)	3436867	3436867
ii) REVALUATION RESERVE	200675393	200675393
SUB TOTAL (B)	204112260	204112260
TOTAL (A+B)	242405392	242405392



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE D - BORROWINGS

Particulars	As at 31.03.2016	As at 31.03.2015
	₹	₹
LONG-TERM BORROWINGS		
(A) REFINANCE(U/s 7(4) of SFCs Act 1951 AS AMENDED BY SFCs (AMENDMENT) ACT 2000		
i. From Small Industries Development Bank of India		
(i) Restructured Refinance	-	-
(ii) New LOC under TRA	-	-
ii. 0% Funded Loan	-	-
iii. Interest Accrued & Due on Refinance	-	-
iv. REFINANCE / LOC AGREED FOR OTS	162800000	200000000
v. REFINANCE / LOC / FUNDED LOAN & INTEREST AGREED FOR WAIVER	836087217	836087217
Sub Total	998887217	1036087217
(B) INTEREST ACCRUED AND DUE (LISC)		
i. On Loan-in-lieu of Share Capital - SIDBI/IDBI	74175564	74175564
Sub Total	74175564	74175564
TOTAL	1073062781	1110262781



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE E - OTHER LIABILITIES AND PROVISIONS

	Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
A	OTHER LIABILITIES		
I.	SUNDRY DEPOSITS	364131499	361771466
II.	EXCESS AMOUNT PAYABLE ON SALE OF MORTGAGED/ HYPOTHECATED ASSETS	6625611	6630554
III.	DIVIDEND PAYABLE	539101	539101
IV.	UNCLAIMED LIABILITIES	1730000	1730000
	AMT. PAYABLE TO STATE AID FUND	283233	283233
V.	SHARE OF STATE GOVT. & OTHERS PAYABLE- LOANEE	1386495	1386495
VI.	AGENCY FUND		
	(a) St. Govt. Seed Money Fund	17189074	17189074
	(b) St. Govt. Soft Loan Fund	2276533	3304625
	(c) St. Govt. M.M. Assistance Fund	3748315	5108315
	(d) SIDBI Seed Capital Fund	2116215	2116215
	(e) SIDBI National Equity Fund	46159637	55347065
	(f) Orissa Venture Capital Scheme Fund	4690000	4690000
	(g) Orissa MSME Tech.Upgradation Fund	4800000	4800000
VII.	OTHER DEPOSITS- AGENCY	26498708	39478612
	SUB TOTAL - (A)	482174421	504374755
B.	PROVISIONS		
VIII.	CONTINGENT PROVISION AGAINST STANDARD ASSETS	46400	78400
IX.	PROVISION AGAINST EXPENSES	42908533	40661086
	SUB TOTAL - (B)	42954933	40739486
	T O T A L (A + B)	525129354	545114241



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE - F CASH AND BANK BALANCES

	Particulars	As at 31.03.2016	As at 31.03.2015
		₹	₹
(A)	CASH IN HAND	1878796	2018433
(B)	BALANCE WITH BANK U/S 33(2) OF THE SFCs ACT 1951 AS AMENDED BY SFCs (AMENDMENT) ACT 2000		
i.	Scheduled Banks In Current/ Savings Accounts	1934300	3848649
ii.	Scheduled Banks In Fixed Deposit Accounts	68689975	66093073
iii.	Scheduled Banks in Flexi Deposit Accounts	40196132	96144253
(C)	STAMPS IN HAND	2668	2894
	TOTAL	112701871	168107302

SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE G - INVESTMENTS

	Particulars	As at 31.03.2016	As at 31.03.2015
		₹	₹
(A)	IN SHARES : UNQUOTED - AT COST		
1)	M/s Bhaskar Textile Mills Ltd. (400 Preference Shares of ₹100/-Each)	40000	40000
2)	M/s.Orissa Industrial and Technical Consultancy Organisation Ltd. (87 Equity Shares of ₹1000/-Each)	87000	87000
	Sub Total	127000	127000
(B)	Less: Provision/Depreciation Reserve	126998	126998
	Net value (A - B)	2	2
	Total	2	2



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE H - LOANS AND ADVANCES

	Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
1.	PRINCIPAL AMOUNT		
(A)	Direct Operation		
	i. Term Loan under various schemes	2513714567	2581028402
	ii. Soft loan under Special Share Capital Schemes	19914668	20324548
	iii. Bridge Loan	1790160	1790160
	iv. Loan against Govt. Seed Money	655941	655941
	v. Loan against IDBI Seed Capital	504996	504996
	vi. New Term Loan under TRA	20816762	24535029
	INTEREST ACCRUED ON STANDARD LOAN UNDER MERCANTILE SYSTEM	140589	-
	Sub Total :	2557537683	2628839076
(B)	Loan Under Special Schemes		
	i. Short Term Working Capital Loan	77994229	77994229
	Sub Total :	77994229	77994229
	Total (A + B)	2635531912	2706833305
	2. Misc. Expenses on Loans & Advances	14320197	13579277
	Total (1 + 2)	2649852109	2720412582
	3. Less NPA Provision	2633834249	2695705701
	NET AMOUNT OF LOANS & ADVANCES	16017860	24706881



**SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE I - FIXED ASSETS AS ON 31.03.2016**

TYPE OF ASSETS	Rate of Depreciation	COST (In Rupees)						DEPRECIATION (In Rupees)				WRITTEN DOWN VALUE		
		As on 31-03-2015	Additions during the Year	Sale/ Transfer during the year	Addition due to Revaluation	Less aid received from Govt.	Net Addition during the year	As on 31-03-2016	Up to 31-03-2015	During the year	Addition during the year for prior year	Up to 31-03-2016	As at 31-03-2016	As at 31-03-2015
LAND		179123947					179123947					179123947	179123947	179123947
OFFICE BUILDING	4.87%	86626042					86626042				1893981	49629251	36996791	38890772
OTHER BUILDING	4.87%	3000000					3000000				30458	2405039	594961	625419
VEHICLE (Motor Cycle)	25.89%	9626408					9626408				36212	9484635	141773	195295
VEHICLE (Motor Car)	31.23%									17310				
FURNITURE & FIXTURE	25.89%	3995382					3995382				38978	3883807	111575	150553
OFFICE EQUIPMENTS	45.07%	5789586	33000		33000		5822586				90949	5678740	110846	201795
COMPUTER	63.16%	14841920	97346		82573	14773	14856693				103912	14786085	70608	159747
ELECTRICAL INSTALLATION & EQUIPMENTS	25.89%	796679	460499		457459	3040	799719				9939	769786	29933	36832
LIBRARY	100.00%	339776					339776				339776	339776	0	
CURRENT YEAR TOTAL		304139740	590845	0	0	17813	304190553	573032	0	2221739	0	86977119	217180434	219384360
PREVIOUS YEAR TOTAL		304454965	4971	320196	0	0	304139740	0	0	2617595	142705	84755380	219384360	222174475

NOTE: Land and Buildings located at Cuttack, Bhubaneswar & Sambalpur were valued at ₹ 2273.32 Lakh during the year 07-08 based on valuation certificates of registered valuers resulting in an increase of ₹ 2006.75 Lakh in the Gross block of fixed assets and the same is transferred to revaluation reserve during that year. Depreciation for the year was provided for on the revised values of building.



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE J - OTHER ASSETS

	Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
i	Stationery & Stores	14273	-
ii	Loans/ Advance to Employees	2621978	4777002
iii	Travelling Advance to Managing Director		
iv	Deposit of Fees - under CPA	217615	217615
v	Other Recoverable Dues		
	(a) Rent of Premises receivable	261708	-
	(b) Advance to Advocates	1105180	1064180
vi	Interest accrued but not due on deposits with bank	6775314	41167
vii	Agency Operation		
	(a) State Govt. Seed Money Disbursed	14401853	14401853
	(b) State Govt.M.M. Asst. Disbursed	2567995	3927995
	(c) IDBI Seed Capital Disbursed	1000000	1000000
	(d) SIDBI Seed Capital Disbursed	2123378	2123378
	(e) SIDBI NEF Disbursed	29186747	38342425
	(f) State Govt. Soft Loan Disbursed	817192	1845284
	(g) Service charges IDBI seed capital recoverable	153600	153600
	(h) SIDBI MUN Soft Loan Fund Disbursed	134600	134600
	(i) Agency commission accrued	281920	281920
viii	(a) Funded Interest - SIDBI Refinance	179500000	179500000
	(b) Payment of Refinance Interest under protest	301386698	301386698
ix	Sale of Mort.Assets Settlement Account (Jt.Finance)		
	(a) IPICOL	20793754	20793754
x	Advance Taxes	5503795	5218439
xi	Disputed payments-under protest	179069	179069
xii	Deposits against Court Directives	62259469	61733519
xiii	Security Deposit - Telephone	17000	18000
xiv	Security Deposit - Electrical Installation	273070	273070
xv	Advance payment of Loan to State Govt.	230884097	230884097
xvi	Interest Accrued on Deposits with Bank	-	1715625
	TOTAL	862460305	870013290



**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE K - FINANCIAL EXPENSES**

Particulars	2015-16 (Current year) ₹	2014-15 (Previous year) ₹
I Bank Charges & Commission	2652	7231
II Interest / Compensation Payment as per Court Directive	-	845166
III Service Tax	14563	15092
Total	17215	867489

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE L - PERSONNEL EXPENSES**

Particulars	2015-16 (Current year) ₹	2014-15 (Previous year) ₹
i. Salaries & Allowances		
(a) Managing Director Salary	-	-
(b) Employees Salary	68048900	81371988
(c) Consolidated wages	67500	54000
ii. Employer's contribution to EPF	7808386	9171837
iii. Medical aid to staff	504353	517750
iv. Insurance Premium paid on GIS	152366	139426
v. Contribution to Employees Group Gratuity Fund-LIC of India	11600680	989469
vi. Leave Encashment	45885	1701368
vii. Gratuity Payment	209871	5845299
viii Contribution to Employees Group Leave Encashment Fund-LIC of India	3039985	4126981
ix. Leave Salary Contribution - Deputationists	-	52355
x. Pension Contribution - Deputationists	-	557331
xi. Employer's contribution to Staff Welfare Fund	21800	23198
xii. Ex-Gratia under-VRS	492710	8489310
TOTAL	91992436	113040312



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE M- ADMINISTRATIVE EXPENSES

	Particulars	2015-16 (Current year) ₹	2014-15 (Previous year) ₹
1	Travelling Expenses		
	I. Managing Director	-	-
	ii. Directors and Committee Members	-	-
	iii. Employees and others	229185	197957
2	Directors and Committee Members Sitting Fee	4000	7000
3	Rent, Electricity & Water Charges	1233720	1187441
4	Computer Stationary	1590	170
5	Printing & Stationary	117977	683471
6	Publicity & Advertisement	55730	10209
7	Recovery Expedition	30000	5000
8	Repairs & Renewals	46708	67054
9	Computer Software	39250	-
10	Audit Fees		
	(a) Statutory Audit	118788	87500
	(b) Tax Audit	23760	17500
11	AMC Fees & Expenses	223818	429312
12	Audit Expenses	28835	34874
13	Other Legal Expenses	266	150318
14	Professional Fees & Expenses	60280	21698
15	Fees & Subscription	17618	31749
16	Newspapers & Periodicals	1475	3165
17	Rates, Taxes & Insurance	191112	137068
18	Vehicle Repair & Maintenance	147558	77490
19	Telephone Expenses	307755	324104
20	Fuel & Lubricants Expenses	340173	348616
21	Postage Stamps & Telegrams	49521	68261
22	Conveyance Expenses	664600	670300
23	Vehicle hire Charges	85804	67574
24	Miscellaneous Expenses	1104932	1086908
25	Fees paid to Advocates	91150	66850
26	Telex & Fax	-	80
27	Meeting Expenses	54290	70441
28	Computer Servicing Expenses	9000	22360
	TOTAL	5278895	5874470



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE N - INTEREST INCOME (ON LOANS & ADVANCES)

	Particulars	2015-16	2014-15
		(Current year)	(Previous year)
		₹	₹
I.	Interest on Term Loans	15247809	25949777
ii.	Interest on Soft Loans	262080	16504
iii.	Interest on FITL	13345	-
iv.	Penal Interest on Loan	3713396	85482834
v.	Interest on Standard Loan	3172220	3501158
vi.	Interest on Short Term Loan	1354756	263298
vii.	Interest on Rephased Loan	176800	-
viii.	Pre-Payment Premium	-	2300
ix.	Delayed Period Interest (OTS)	6182699	3697193
x.	Interest on NEF Loan (OSFC Share)	20301	94144
	Total	30143406	119007208

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE O - OTHER INCOME

	Particulars	2015-16	2014-15
		(Current year)	(Previous year)
		₹	₹
i.	Interest on Term & Flexi deposits with Bank	15648770	18235319
ii.	Interest on SB A/c	28100	33894
iii.	Sale of Forms	25150	37564
iv.	Sale of Project Profiles	95900	30450
v.	Right to Information Fees	2047	2508
vi.	Miscellaneous Income	1791607	821328
vii.	Other Income on regular basis	3062949	2560517
viii.	Interest on Staff Advances		
	(a) Interest on House Building Adv.	194938	430058
	(b) Interest on Vehicle Adv.	14089	385536
	(c) Interest on Personal / Commercial Loan	23925	131131
ix..	Misc. Receipt - Recovery Administration	117000	146000
x.	Agency Commission	-	366
xi.	Processing Charges	22500	5000
xii.	Income from other Fee based activities	271152	179457
xiii.	Up Front Fees	20500	2060
xiv.	Insurance Commission	1185	1123
	Total	21319812	23002311



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE P - INCOME & EXPENDITURES FOR PREVIOUS YEAR

(A)	Prior Year Income	2015-16 (Current year) ₹	2014-15 (Previous year) ₹
i)	House Rent FY 2014-15 received in FY 2015-16 (HO & BO)	246414	99474
ii)	Write back of expenditures excess provided in previous year	1159486	10140
iii)	Expenses incurred earlier by issue of cheque became stale & cancelled	-	9293
iv)	Write back of depreciation excess charged from 2001-02 to 2013-14	-	142705
v)	Earnest Money deposited in 2001-02 to 2008-09 appropriated in 2014-15	-	13000
vi)	Amt. credited towards principal appropriated as Int. income on reconciliation (Berhampur Branch)	12869	153770
	TOTAL	1418769	428382
	(B) - Prior Year Expenditure		
(i)	Int. accrued on LISC payable to SIDBI for the period 01.04.1996 to 31.01.2008 charged to P&L A/c	-	55257534
(ii)	Differential amount of Gratuity paid to Sri N. K. Mishra as per Court directives	-	383723
(iii)	Interest income reversal at Branches on reconciliation of Loan account under OTS which was wrongly appropriated in earlier years	34627936	19878325
(iv)	Interest on Bond paid to SBI in 2006-07 wrongly vouched rectified in 2014-15		87500000
(v)	Arrear Salary & allowances and Employer Contribution to EPF of earlier years paid in 2014-15		784409
(vi)	Consolidated wages for 2013-14 paid in 2014-15		4500
(vii)	Interest on SVP accrued earlier wrongly vouched rectified in 2014-15		30000
(viii)	Medical Aid relating to earlier years sanctioned and accounted by adjustment of Medical Advance		10823
(ix)	Amount recoverable accounted for in 1995-96 on a/c of Deputationist regularised by charging to P & L A/c		26251
(x)	Amount paid to IPICOL on a/c of Ashoka Industries wrongly vouched earlier rectified in 2014-15		7152180
(xi)	Advance to Others paid earlier regularised as expenses in 2014-15		1686390
(xii)	Past liabilities towards pension contribution (₹ 211313) and leave salary cotribution (₹ 208068) payable to Government on account of deputationists		419381
	TOTAL	34627936	173133516
	NET (B) - (A)	33209167	172705134



SCHEDULE - 'Q'

SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

1.1 The accompanying Financial Statements are prepared on historical cost convention (other than revalued Land & Building) by following going concern concept and conforming to the prevailing statutory provisions and practices, unless otherwise stated.

1.2 Method of Accounting

In accordance with the norms prescribed by SIDBI for adoption of uniform Accounting policies and practices by SFC's, the Corporation has been following Mercantile System of accounting with an exception relating to the Interest Income on Non Performing Assets (NPA) which is accounted for on actual receipt/ realization basis.

2. INCOME RECOGNITION

2.1 Income are accrued except in the case of Non-Performing Assets where it is recognized upon realization as per prudential norms of RBI / SIDBI.

2.2 Interest on Lending

The Corporation is charging Interest on the Loan accounts of assisted units (financed from FY-2010-11 onwards) on monthly compounding basis due for payment on 6th of every month.

2.3 Accounting of Receipts

The Corporation follows the policy of crediting the cheques recovered on the loanee account only on realization except on 31st March . The cheque received on 31st March against NPA accounts are accounted on receipt basis of 31st March & subsequently realised. Effects in the subsidiary ledger of Loan Accounts are given from the date of realisation.

3. WRITING OFF LOANS

Bad debts are written off through the NPA provision Account. After adjustment of provision residual amount are charged to the Profit & Loss Account. In case of subsequent recovery of Bad debts already written off, recovered amount is recognized as other income in the year of receipt.

4. INVESTMENTS

Investment in equity shares are considered as current investments and are valued at lower of cost / market value as per guidelines issued by SIDBI/ RBI. Investments are stated at purchase price less provisions for erosion in the value of investment made, in accordance with the guidelines prescribed by SIDBI.

5. LOANS & ADVANCES & APPROPRIATION OF RECEIPTS/RECOVERIES

5.1 The assets under loans and advances have been classified as per prudential norms set by SIDBI/RBI.

5.2 The Miscellaneous Expenses on loans and advances recoverable from the loanees are being shown under Loans & Advances.

5.3 Amounts received from loanees are credited in the books of accounts and appropriated in the following order.



1st Other charges, 2nd Additional and Penal interest, 3rd Interest Accrued & due, Last Principal. However, incase of One Time Settlement(OTS), sale of Seized Assets U/s 29 of SFCs Act and rephasement / reschedulement cases appropriation are made in the following manner,

One Time Settlement (OTS) Case	Sale of Assets U/s 29 of SFCs Act cases	Rephasement/Re-schedulement cases
1 st - Principal	1 st - Other charges	1 st Other charges
2 nd Other charges	2 nd - Principal	2 nd Interest & Penal Interest (on funded capital & unrephased portion of loan) 3 rd principal overdues of rephased/Funded capital/ unrephased portion of Loan (1 st due 1 st adjustment basis)
3 rd Additional & Penal Interest	3 rd Additional & Penal interest	4 th principal of rephased / Funded capital.
Last Interest Accrued & due	Last Interest Accrued & due	5 th Principal of unrephased & portion of loan 6 th Interest on FITL Last Funded Interest Term loan (FITL)

6. SHARING OF SALE PROCEEDS ON JOINT FINANCING CASES

- 6.1 Sharing of sale proceeds realised on sale of assets of joint financed cases u/s 29 of SFCs Act 1951 are made on prorata basis on loan outstanding/ principal outstanding of financiers with mutual acceptance and consent.
- 6.2 In the case of Joint Finance Single documentation is done at OSFC level as per the mutual understanding with the Co-Financers.

7. Fixed Assets:

- 7.1 Fixed assets are recorded at their historical cost and are stated at historical cost less accumulated Depreciation or at their present replaceable value, wherever revalued.

7.2 Capitalisation of Assets:

The Corporation is following the practice of capitalisation of assets at the time of put to use on the basis of cost of acquisition & other expenses directly related thereto.

8. DEPRECIATION:

In accordance with the guidelines set by SIDBI for SFCs, Corporation charges depreciation as per provisions of Companies Act. In absence of details of acquisition and details of components of Fixed Assets since inception, it is difficult to apply component approach and calculate depreciation as per Companies Act 2013. Depreciation on fixed assets is provided on written down value method at the minimum rates prescribed under part "C" of Schedule II Companies Act, 2013 as follows.



Rate of Depreciation

Building -	4.87%
Office Vehicle-Motorcycle	25.89%
Office Vehicle-Motor Car	31.23%
Furnitures & Fixtures-	25.80%
Office Equipments-	45.07%
Library-	100%
Computers-Hardware & Software	63.16%
Electrical Installation & Equipments	25.89%

In case of additions to fixed assets during the year, depreciation is charged on pro-rata basis from the date of addition of the fixed assets and in case of sale/transfer/deletion of fixed assets the depreciations charged up to the date of the sale / transfer / deletion of the asset.

9. RETIREMENT BENEFITS TO EMPLOYEES: (AS 15)

Provident Fund - The Corporation is having its own P.F. Regulations. Contribution to the Provident Fund are remitted to Board of Administrator, OSFC Employees Provident Fund and charged to P & L Account.

a) Gratuity and leave encasement benefits to Employees are covered by OSFC Group Gratuity-cum-life Assurance Scheme and Group leave Encashment Scheme respectively adopted by the Corporation.

b) Liability towards Gratuity and Leave encashment salary payable to employee are determined by Life Insurance Corporation of India under the Group Gratuity Scheme and Group leave encashment Scheme of LIC of India. Premium paid to LIC of India against such Schemes & payments made to employees towards gratuity & Leave Encashment salary to the extent not covered by the Group Gratuity Scheme & Group Leave Encashment scheme of LIC are charged to the profit & loss account.

10. ASSET CLASSIFICATION AND PROVISIONING

(a) Loan Assets are classified based on record of recovery as standard, sub-standard, doubtful and loss and accordingly provision is made as per guidelines issued from time to time to SFCs by SIDBI as under :

		Provisions
i.	Standard Assets	- @ 0.25% of Loan Assistance to MSME, @0.40% of others @1% of CRE, @ 0.75% of CRE (Residential Housing sector) and Restructured Accounts (Non Infrastructure Sector @0.40%)
ii.	Sub-Standard Assets	- a) Secured Substandard - Up to 6 month @15% 6 month to 1Yr @25% b) Unsecured Substandard - Up to 6 month @25% 6 month to 1Yr @40%
iii.	Doubtful Assets	- Doubtful upto 1 Year (Secured portion) @40% Doubtful above 1 Year upto 3 years (Both Secured & unsecured portion) @100% Doubtful more than 3 Years @100%
iv.	Loss Assets	- The entire loan (i.e. 100%)



- (b) As per the guidelines issued by SIDBI vide No.2928/SFCs (CELL) NPA dated.04.09.2015 provisions made against Standard Assets are not reckoned for arriving at net NPAs. Contingent Provisions against Standard Assets are shown under current liabilities & provisions and are eligible item for inclusion in Tire-II Capital.
- (c) As per the guide lines issued by SIDBI vide circular no. FI No.06/2015-16 dt.04.09.2015 treatment of provisions against NPA are provided for in the Profit & Loss Account of the year (above the line) and the current profit i.e. profit for the year determined accordingly

11. CAPITAL ADEQUACY STANDARDS/RISK WEIGHT ON ASSETS

Capital Adequacy Ratio has been calculated based on the standards and guidelines issued by SIDBI from time to time to SFCs. Risk weight attached to Assets are as under

	Assets	Risk Weights
i)	Cash Balance, Bank Balance with RBI	Nil
ii)	Balance in Current Accounts with Scheduled Banks & fixed assets	20%
iii)	Investments in Govt. Guaranteed Securities of Govt. Undertakings	20%
iv)	Other Investments	100%
v)	Loans and Advances	100%
vi)	Fixed Assets	100%
vii)	Other Assets	100%

12. AGENCY FUNCTIONS

- The funds received from State Government /SIDBI are classified as liabilities.
- The Loans given from these funds are shown separately from the loans given by the Corporation from its own funds under other Assets.
- Such loans are not eligible for NPA provisioning purposes
- Recoveries made against such loans are accounted for as liabilities refundable to the principal.
- Unutilised Agency Funds are carried forward and benefits arrived on such Fund is appropriated by the corporation as per the practice followed since institution of the Agency Fund operations under Agency arrangements.

13. PROVISIONS, CONTINGENT LIABILITIES/ ASSETS (AS 29)

Contingent Liabilities are disclosed by way of notes. Contingent Assets are not recognized. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that then will be an outflow of resources.

14. PRIOR PERIOD ADJUSTMENT

Considering the nature of Business all prior period adjustment including those ascertained and determined during the year are accounted as prior period items.

As per our Report of even date

For A.C. JENA & CO.
Chartered Accountants
FRN.319053E

Sd/-
(Alok Dash)
HoD, (FAD)
OSFC

Sd/-
(B.K. Sahoo)
JGM
OSFC

Sd/-
(B.B. Behera)
MANAGING DIRECTOR
OSFC

Sd/-
(S.S. Barua)
DIRECTOR
OSFC

Sd/-
(F.M. Naik)
DIRECTOR
OSFC

Sd/-
(S.R. BASITA, FCA)
Membership No. 059893
PROPRIETOR



SCHEDULE 'R' NOTES ON ACCOUNTS

1. SHARE CAPITAL:

- 1.1 Approval of State Govt. u/s 4(3) of SFC (Amendment) Act 2000 for allotment of shares of ₹ 3357.55 lakh (₹ 3357.55 lakh) is awaited.
- 1.2 Against Special Share Capital received U/s 4(A) of the SFCs Act 1951 for ₹ 300 lakh, the Corporation has disbursed Soft Loan of ₹ 411.73 lakh and the outstanding amount of such soft loan as on 31.3.2016 is ₹ 199.15 lakh. (₹ 203.24 lakh)

2. DIVIDEND PAYABLE:

- 2.1 No dividend for the year has been declared for non-availability of surplus due to accumulated loss as on 31.03.2016

3. OTHER LIABILITIES:

- 3.1 Sundry deposit includes ₹ 681.78 Lakh (₹ 681.78 Lakh) towards sale proceeds of assets jointly financed by Odisha State Financial Corporation, IPICOL & SBI. Sharing of the same among Co-financer is under the process of reconciliation and confirmation.

4. LIABILITIES FOR RETIREMENT BENEFITS

- 4.1 For payment of Gratuity and Encashment of Leave Salary, the Corporation employees are covered under Group Gratuity Scheme & Group Leave Encashment Scheme of LIC of India.
- 4.2 Employees Provident Fund is governed under its own P.F. Regulations formulated with prior approval of State Government and RBI. The fund is managed by the Board of Administrators.
- 4.3 Gratuity liability as per amended provisions of Gratuity Act 1972 and Leave Salary Encashment liability as per Regulation 83(1) (d) of OSFC Staff Regulation 1975 as per actuarial valuation by LICI has been fully provided for. ₹ 415.90 lakh is payable to LICI towards Gratuity Fund as on 31.03.2016
- 4.4 As per annual actuarial valuation made by LICI, total liability as on 01.03.16 (the renewal date of policy) comes to ₹ 1281.66 lakh under GGS towards total service gratuity & ₹ 659.87 lakh under GLES. Funds available with LICI stands at ₹ 672.72 lakh & ₹ 620.63 lakh respectively as at 31.03.16

5. OTHER STAFF LIABILITIES

- 5.1 Arrear salary on account of 6th pay revision adopted by the Board in the 368th meeting held on 18.06.2012 for the period 01.04.2012 to 31.03.2016 payable is estimated at ₹ 1255.60 lakh (approx) but not provided pending approval of State Govt.

6. GOVT. GRANT/AID/FINANCIAL ASSISTANCE

- 6.1 State Government has provided Financial Assistance/Grant of ₹ 10,00,000/- for technology modernization which has been appropriated as prior period income to the extent of ₹ 426968.00 as the expenses already incurred during previous year and ₹ 573032.00 has been netted from the gross block of fixed assets.



7. LOANS AND ADVANCES

- 7.1 Letters seeking confirmation of outstanding balances in Loan Accounts were sent by the Corporation to borrowers, except cases under litigation. Balance in respect of loanees accounts have been treated as confirmed where there is no dispute regarding the demand notices (which includes outstanding amount) sent by the Corporation. Continuing with the process of reconciliation and adjustment the net difference between General Ledger and Sub Ledger amounting to ₹ 5.04Lakh (Pr. Yr. ₹ 5.07 Lakh) has been fully provided for.
- 7.2 The loans and advances have been shown net of funded interest term loan of ₹ 2520.00 Lakh (last year ₹ 2538.00 Lakh)
- 7.3 During the year 120 loan (117) accounts are settled under OTS and ₹ 625.10 lakh (₹ 400.46 lakh) has been realized. The Corporation waived/sacrificed Interest/penal interest amounting to ₹ 6035.56 lakh (₹ 4272.02 lakh) and principal of ₹ 13.39 lakh (₹ 0.19 lakh) for settling these accounts under OTS out of which ₹ 13.39 lakh (₹ 0.19 lakh) has been adjusted from provisions. The interest sacrifice / waiver is made from Loan Memorandum A/c.
- 7.4 During the year, the Corporation has settled Agency Loan like State Government Seed Money (two accounts) and margin money assistance (one accounts) at ₹ 0.65 lakh and ₹ 0.82 lakh with waived/sacrificed of ₹ 0.79 lakh and ₹ 1.08 lakh towards interest respectively.
- 7.5 As on 31.3.2016, Interest dues of ₹ 3442.97 Crore (₹ 3100.17 Crore) is outstanding for recovery on loan accounts of NPA Loanees as per Loan Memorandum Account, which is not recognized as income.
- 7.6 Interest income of ₹ 346.28 Lakh of earlier years reversed and appropriated towards Principal under OTS is considered as prior year expenditures.
- 7.7 During the year, the Corporation had advertised 21 nos of units u/s 29 of the SFC Act, 1951. Out of these, 8 nos of units decided to sale for a total amount of ₹ 26.83 lakh (Principal outstanding was ₹ 27.81 lakh). During this year, sale in 12 cases fully materialized for ₹ 77.59 lakh pertaining to previous year sale proceeds. Principal due against these cases stands at ₹ 199.19 lakh as on 31.03.16.
- 7.8 Corporation filed money suit u/s 31 of SFC Act, 1951 in respect of 730 nos of units involving ₹ 29726.55 lakh (726 nos ₹ 27402.73 lakh). During the year 62 cases has been disposed involving ₹ 1922.00 lakh & 668 nos. of cases are still pending at the end of the year involving ₹ 27804.55 lakh.

8. FIXED ASSETS

- 8.1 Title ownership in respect of premises located at Bhubaneswar, Khurda, Balasore, Sambalpur and Rourkela are transferred in favour of the Corporation, transfer of ownership formalities in respect of Cuttack OMP Square, Cuttack Madhupatna, Barbil, Phulbani are under process for execution.
- 8.2 Land and Building shown under schedule 'I' is inclusive of ₹ 32.50 lakh representing the cost of Hotel Alankar (P) Ltd., acquired by the Corporation but the possession thereof could not be taken due to dispute.



9. INCOME/PROVISIONS WRITTEN BACK

- 9.1 Out of provisions against NPA made upto 31.03.2015, ₹ 605.33 lakh is no more required due to recovery of Loans and hence written back to P & L Account. Similarly provision of ₹ 0.32 lakh made against Standard Assets has been written back due to reduction in amount of Standard Assets.
- 9.2 Provision for Office Expenses of ₹ 40.25 lakh made upto FY 2014-15 no more required and written back to P & L Account.

10. INCOME TAX & SERVICE TAX

- 10.1 Income Tax scrutiny Assessment has been completed up to the A.Y. 2013-14
- 10.2 No provision for Income Tax for the year has been made, as the liability for the same does not arise.

11. CLASSIFICATION OF ASSETS & PROVISIONING

- 11.1 The assets classification and provisioning thereof is made as follows: (₹ in Crore)

Asset Category	Outstanding Loans		Rate of Provisions		Provision (Loan)		Net Assets (Loan Outstanding)	
	As on 31.03.16	As on 31.03.15	Current Year	Previous Year	As on 31.03.16	As on 31.03.15	As on 31.03.16	As on 31.03.15
Standard								
Direct Loan Regular	1.60	2.32	0.25%	0.25%	0.0040	0.00783	1.60	2.32
Direct Loan - Restructured A/c	-	0.15	0.40%	0.40%	-	-	-	0.15
Personal Loan	.03	0.07	0.40%	0.40%	-	-	0.03	0.07
Vehicle & Housing Loan	0.13	0.29	0.40%	0.40%	0.00064	0.0001	0.13	0.29
	1.76	2.83	-	-	0.005	0.0078	1.76	2.83
NPA								
Sub Standard	-	0.13	25%	25%	-	0.13	-	-
Doubtful - I	-	-	40%	40%	-	0.00	-	-
Doubtful - II	5.61	12.91	100%	100%	5.61	12.91	-	-
Doubtful - III	124.74	120.97	100%	100%	124.74	120.97	-	-
Loss	133.03	135.56	100%	100%	133.03	135.56	-	-
Total (NPA)	263.38	269.57			263.38	269.57	-	-
Grand Total	265.14	272.40			263.385	269.578	1.76	2.83

- Standard Assets as on 31.03.16 includes ₹ 0.13 Cr representing House Building Advance (including Interest Accrued) and vehicle advance and ₹ 0.03 Cr as Personal Loan to Employees disclosed under Advance to Employees - Other Assets - Schedule J.
- Loan outstanding and Net Assets as on 31.03.16 includes Principal + Other Charges.
- AS per RBI/ SIDBI norms, no netting is required for provision for standard assets.
- 11.2 In respect of consortium finance cases the classification of loans and advances is done based on the record of payment of borrower with the Corporation.
- 11.3 Valuation of Industrial and collateral securities as per advise of SIDBI for classification of assets is under



process. Pending finalization of valuation entire NPA is fully provided.

12. SEGMENT REPORTING (AS-17)

The Corporation operates as a single unit with single profit centre and has concentrated mainly on its term lending activity. It has started few non fund based activities like sale of the products of GIC of India also but the segment of non fund based activity has not been reported as the same are not reportable segment as per AS-17 issued by ICAI.

13. DEFERRED TAX ASSETS & LIABILITIES (AS-22)

Since the Corporation has incurred loss in the past and considering the huge available carry forward losses and allowances/ prudence factor, there dose not seem to be any reasonable certainty that sufficient future taxable income will be available against which the deferred taxes assets could be realized therefore, no provision has been made towards deferred tax assets / liabilities in accordance with AS-22.

14. CONTINGENT LIABILITIES ENVISAGED BY THE CORPORATION

Estimates

- i. Consultancy Fees of ₹ 5.00 lakh payable to AXIS Bank Ltd. And ₹ 4.33 lakh payable to National Productivity Council.
- ii. VR benefits held up in respect of 10 voluntary retirees ₹ 0.21 Cr (Pr.Yr.10 nos. ₹ 0.21 Cr).
- iii. Interest on LISC (SIDBI) for the period 01.04.2012 to 31.03.2016 ₹ 186.75 lakh agreed for conversion to Share Capital.
- iv. 14 nos. of cases filed against the Corporation involving claims of ₹ 651.76 lakh (7 nos. ₹ 359.60 lakh)

15. RELATED PARTIES DISCLOSURES

As required by the Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the disclosure of details pertaining to related party transactions are as follows:

The Key Management personnel of the Corporation during the year

- (i) Sri Panchanan Dash, ISS, Chairman upto 06.01.2016.
 - (ii) Sri Gagan Kumar Dhal, IAS, Principal Secretary to Govt., MSME Department & Chairman from dt.07.01.2016
 - (iii) Sri Nityananda Palai, IAS, Managing Director up to dt. 31.03.2016
- | | | |
|---|---|-----|
| Gross salary including perquisites / Honorarium | - | Nil |
| Outstanding Balance of loans as on 31.03.16 | | |
| in respect of above persons | - | Nil |
| Interest on Loan granted to Key Managerial person | - | Nil |
- 16. Disclosure Requirements in terms of chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997** - Nil

17. GENERAL

17.1 COMPUTERISATION

Accounts of the Corporation are maintained and generated through Application Softwares of Financial Accounting System (FAS) and Loan Accounting System (LAS). Both the systems are in operation at Branch Office and Head Office. Transfers of Data are made through Internet/Captive Email account for integration/consolidation.

- 17.2 Prior period expenses shown in the Profit & Loss Account is the net of credit of Prior period income of ₹ 1418769 (₹ 428382) Ref. Schedule-P
- 17.3 The Corporation has no suppliers/ vendors as such to be classified as required by Micro, Small and Medium Enterprises Developments Act 2006.
- 17.4 Figures have been rounded up to the nearest rupee.
- 17.5 Figures mentioned in the brackets relate to previous year



17.6 Previous year's figures have been regrouped/rearranged and reclassified, wherever considered necessary.

**18. DISCLOSURE REQUIREMENT AS PER SIDBI GUIDELINES VIDE
CIRCULAR NO.355/SFC(CELL) DT.4.5.2001**

CAPITAL

CAPITAL ADEQUACY

STATEMENT OF CAPITAL FUNDS RISK ASSETS AND RISK ASSET RATIO				₹ Lakh
1	CAPITAL BASE	Core Capital	Tier-II Capital	TOTAL Capital
	Ordinary Share Capital	41533.85	-	41533.85
	Loan pending conversion to Share Capital	-	-	0
	Free Reserve & Surplus	417.30	-	417.30
	Provision on Standard Assets	-	0.46	0.46
	Assets Revaluation Reserve (₹ 2006.75 lakh discounted at 55%)	-	903.04	903.04
	Total	41951.15	903.50	42854.65
	Accumulated losses	47856.22	-	47856.22
	Net Capital Base	(-) 5905.07	903.50	(-) 5001.57

2	Risk Weight Adjusted Assets	Amount as per Balance Sheet (Book Value)	Risk weight %	Risk Products Amount
A)	On Balance Sheet Items			
a)	Cash & Bank Balance			
	Cash / Stamp in Hand	18.81	0%	0
	Bank Balance with Nationalised/Scheduled Banks and in transit.	19.34	20%	3.87
	Short Term Deposits with Banks	1088.87	20%	217.77
	Total	1127.02		221.64
b)	Investments		100%	-
c)	Loans and Advances(including other charges)	160.18	100%	160.18
d)	Fixed Assets (Net)	2171.80	100%	2171.80
e)	Other Assets			
	Staff Advance	26.22	20%	5.24
	Others	8598.38	100%	8598.38
f)	Intangibles	-		-
	Total Assets	12083.60		11157.24
B)	Off Balance Sheet Items			
i.	Guarantees	-	100%	-
ii.	Claims against the Corporation	651.76	100%	651.76
iii.	Contigent Liabilities		100%	-
iv.	Other Items	1165.97		1165.97
	TOTAL B	1817.73		1817.73
	GRAND TOTAL (A+B)	13901.33		12974.97



RISK BAND - RISK BASED ASSETS

Risk Band	Total Amount (including OBS)	Loss Reserves Intangibles	Net Amount	Net Risk Weighted Value
Zero Risk	18.81	0	18.81	0
20% Risk	1134.43	0	1134.43	226.88
100% Risk				
BS	10930.36	0	10930.36	10930.36
OBS	1817.73	0	1817.73	1817.73
TOTAL	13901.33	0	13901.33	12974.97

a) CAPITAL TO RISK ASSETS RATIOS/RISK BASED CAPITAL RATIOS

(i) CORE CRAR	=	$\frac{\text{Net Capital Base - } (-)5905.07}{\text{Net Risk Weighted Assets } 12974.97}$	=	(-) 45.51% [Pr. Yr. (-)44.24%]
(ii) Supplementary CRAR	=	$\frac{903.50}{12974.97}$	=	6.96% [Pr. Yr. 6.97%]
CRAR (i+ii)	=	$\frac{(-)5001.57}{12974.97}$	=	(-) 38.55% [Pr. Yr. (-)37.30%]

b) NET WORTH → (-) ₹ 59.05 Cr (Pr. Yr. (-) ₹ 57.38 Cr.)

The amount of subordinate debt raised during the year as Tier-II Capital :

	Nil		Nil	
	As on 31-03-16		Previous Year (₹ lakh)	
	Gross	Net	Gross	Net
Risk weighted assets	13901.33	12974.97	14347.68	12960.56

c) Share holding pattern as on the date of the Balance Sheet is as follows : (₹ lakh)

	Ordinary Paid up Share Capital		Special Share Capital		Sub Total		Share Deposits Pending Allotment	Total
	No	Amt.	No	Amt.	No	Amt.		
State Government	34121495	34121.495	150000	150.00	34271495	34271.495	0.50	34271.995
SIDBI	3738935	3738.935	150000	150.00	3888935	3888.935	2083.149	5972.084
IDBI Bank	-	-	-	-	-	-	1273.899	1273.899
Insurance Companies	8060	8.060	-	-	8060	8.060	-	8.060
Scheduled Banks	6300	6.300	-	-	6300	6.300	-	6.300
Co-Op. Banks	1340	1.340	-	-	1340	1.340	-	1.340
General Public	175	0.175	-	-	175	0.175	-	0.175
Total:	37876305	37876.305	300000	300	38176305	38176.305	3357.548	41533.853



Asset quality and credit concentration

(d) Percentage of net NPAs to net Loans & Advances - NIL (NIL)

(e) Amount and % of net NPAs under the prescribed asset classification categories - (₹ in Crore)

	As on 31.3.16		Previous Year	
	Net NPA Amt.	% to total Net NPAs	Net NPA Amt.	% to total Net NPAs
i) Sub-standard	Nil	Nil	Nil	Nil
ii) Doubtful	Nil	Nil	Nil	Nil

f) Amount of provisions made during the year towards	As on 31.3.16	(Previous Year)
Standard Assets-	(-) 0.0046 Cr	(-) 0.94 Cr
NPAs	Nil	5.19 Cr
Investments-	Nil	Nil
Income Tax-	Nil	Nil

g) Movement of Net NPAs Against	As on 31.3.16	Previous Year
Sub-Standard Assets-	Nil	Nil
Against		
Doubtful Assets-	Nil	Nil
Total:-	Nil	Nil

h) Credit exposure as % to Capital funds and as % to Total assets -	(₹ Lakh)					
	As on 31.03.16			Previous Year		
	Total Credit Exposure	% to Capital fund	%to total assets	Total Credit exposure	% to Capital fund	%to total assets
i) The largest single borrower	278.06	(-) 4.71	2.23	278.06	(-) 4.85%	1.62%
ii) The largest borrower group	828.63	(-) 14.04	6.65	828.63	(-) 14.44%	4.84%
iii) The 10 largest single borrower	1846.67	(-) 31.28	14.82	1846.67	(-) 32.18%	10.79%
iv) The 10 largest borrower groups	1515.29	(-) 25.65	12.16	1515.29	(-) 26.40%	8.86%

i) Credit exposure to the five largest Industrial sectors as % to Total loan assets:

	As on 31.3.16	
Largest Industrial Sectors	Total Credit Exposure (₹ in Crore)	%Total Loan Assets
1. Food manufacturing	26.50 (27.18)	21.28% (15.88%)
2. Other Chemical & Chemical Prods.	19.61 (19.60)	15.75% (11.46%)
3. Services		
Hotels	7.79 (8.14)	6.25% (4.76%)



Transport	32.33 (33.08)	25.96% (19.33%)
Other Services	18.30 (21.39)	14.69% (12.50%)
4. Textiles	16.40 (16.48)	13.17% (9.63%)
5. Basic Metals	15.61 (15.42)	12.53% (9.01%)
6. Paper & Paper products	9.26 (9.54)	4.43% (5.57%)
7. Other Industries	95.26 (95.02)	76.49% (55.53%)

LIQUIDITY

- j) Maturity pattern of Rupee
Assets & Liabilities - (Rupees in Crore)

Items	Less than or equal to 1 yr.	More than 1 yr upto 3 yrs.	More than 3 yrs upto 5 yrs	More than 5 yrs upto 7 yrs.	More than 7 yrs upto 10 yrs	More than 10 yrs	Total
Rupee Assets	4.39	60.17	-	257.77	-	277.07	599.40
Rupee Liabilities	8.00	151.82	-	-	-	439.58	599.40
Difference	(-)3.61	(-)91.65	-	257.77	-	(-)162.51	-

- k) Maturity pattern of foreign
currency assets and liabilities - Nil (there is no foreign currency assets and liabilities).

l) OPERATING RESULTS

a) Interest Income as % to average working fund	$\frac{301.43}{12452.86}$	= 2.42% (Pr.Yr. 6.96%)
b) Non- Interest income as a % to average working funds:	$\frac{213.20}{12452.86}$	= 1.71% (Pr.Yr. 1.34%)
c) Operating profit as a % to average working funds	$\frac{165.43}{12452.86}$	= 1.33% (Pr.Yr. 1.15%)
d) Return on average assets:	$\frac{(-)166.66}{12452.86}$	= (-)1.34% (Pr.Yr. (-)45.23%)
e) Net Profit/(Loss) per employee	$\frac{(-)166.66}{180}$	= (-) 0.93 lakh (Pr.Yr. (-)42.29 lakh)

19. The disclosure requirements under the RBI guidelines Dt. 7.7.1999 on- Forward rate agreements and Interest rate swap

During the year the Corporation has not made any such transaction.

Nil

As per our Report of even date

For A.C. JENA & CO.
Chartered Accountants
FRN.319053E

Sd/-
(Alok Dash)
HoD, (FAD)
OSFC

Sd/-
(B.K. Sahoo)
JGM
OSFC

Sd/-
(B.B. Behera)
MANAGING DIRECTOR
OSFC

Sd/-
(S.S. Barua)
DIRECTOR
OSFC

Sd/-
(F.M. Naik)
DIRECTOR
OSFC

Sd/-
(S.R. BASITA, FCA)
Membership No. 059893
PROPRIETOR



ANNEXURE-I

**PARTICULARS IN RESPECT OF LOANS AND ADVANCES FORMING PART OF
SCHEDULE - H**

(₹ lakh)

As at 31.03.2015	PARTICULARS	As at 31.03.2016
	1 Particulars of Loans & Advances	
16464.98	(a) Debts considered good in respect of which the Corporation is fully secured(out of this loan amounting ₹ 15704.24 (₹ 15730.46) lakh also covered by personal guarantees)	15785.66
9823.41	(b) Debts fully secured but under litigation	9789.72
26288.39	Total (a) + (b)	25575.38
-	(c) Debts due by concerns in which one or more Directors of the Corporation is interested as Directors, Partners or Proprietors or Managing Agents or in case of Private Ltd., Companies as members excluding nominee Directors u/s. 27 of SFCs Act.	
-	(d) Total amount of loans disbursed during the year to concerns in which one or more Directors of the Corporation is interested as Directors, Partners or Proprietors or Managing Agents or in case of Private Limited Companies as members including nominee Directors U/s.27 of SFCs Act.	
33983.00	(e) (i) Total amount of instalment whether of principal or interest of which default was made at any time during the year.	50974.50
301225.82	(ii) Total amount of instalment whether of principal or interest of which default was made at the end of the year (excluding cases U/s 31 and 29 of SFCs Act).	370100.54
-	(iii) Total amount of instalment whether of principal or interest overdue by concerns in which the Directors of the Corpn. Are interested excluding Nominee Directors U/s. 27 of SFCs Act.	-
33403.18	(iv) Total amount due from industrial concerns against whom legal action has been taken for recovery of the dues U/s 31 of the SFCs Act (incl. Trawlers) taken over by the Corporation U/s of the SFC Act.	44092.01
734.52	(v) Debts guaranteed by the State Govt. Schedule Banks or State Co-operative Banks.	734.52
	2 Classification of Loans and Advances according to the size of the industrial units.	
18401.87	(i) Debts due from small scale industrial concerns	18299.30
7886.52	(ii) Debts due from concerns other than those included under (i) above.	7276.08
26288.39	Total	25575.38



	3	Classification of Loans and Advances according to the Constitution of the Industrial Units.	
9314.70	(a)	Proprietary	9221.38
1610.48	(b)	Partnership	1610.42
-	(c)	Hindu Undivided Family	-
307.99	(d)	Co-operatives	307.99
14255.03	(e)	Private Limited Companies	13743.28
800.19	(f)	Public Limited Companies	692.31
-	(g)	Trusts	-
26288.39		Total:	25575.38



SUB SCHEDULES FORMING PART OF SCHEDULE - E
SUB SCHEDULE - SUNDRY DEPOSITS

Particulars	As at 31.03.16 ₹	As at 31.03.15 ₹
Deposits towards Loan Administration Fees	90226	72726
Security Deposit by Security Service agencies	1620505	1730187
State Investment Subsidy (M & LI)	9359248	9359248
Interest Subsidy from State Govt. - SPL. Enterprenuer	721116	809091
Security Deposit by Recovery Agency	100000	150000
Advance Deposit towards OTS	56727002	52302485
Security Deposit & Down Payment	172074101	183082651
State Investment Subsidy (H & T Promoters)	753961	753961
State Investment Subsidy (SSI)	37628078	38162478
State Govt. Interest Subsidy (IPR 07)	7890449	190157
Suspense	22750	-
Govt. assistance for EDP under TASP	-	42584
LIC Deduction from Salary	34427	48423
Other Deduction - Terminal Dues	878706	878706
Advance against House Rent	356438	356438
Tax Deduction at Source - Others	3962	41093
Co-Operative Loan deduction -Salary	476560	451120
Co-Operative Thrift Deposits	63600	57030
Employees Union Fees Deduction - Salary	610	460
Association Fees ded.-Salary	2250	2020
Staff Welfare Fund	21800	23198
Professional Tax Deduction - Salary	46725	44050
Bank Loan Deduction Salary	9056	65702
Employee's Welfare Fund Deduction-Salary	3120	3290
P.F Advance (Recovered)	176793	157674
Service Tax Recovered	244370	23465
Deposits by Loanee as per Court Directives	37212717	35686767
Emplyee's Provident Fund	690164	1144209
Salary & Allowances Payable	4177767	3381200
Consolidated Wages Payable	6000	4500
EMD Refundable / Distributable	32491729	32491729
OSFC Foundation Day Celebration Fund	247269	254824
Total----->	364131499	361771466



SUB SCHEDULES FORMING PART OF SCHEDULE - E
SUB SCHEDULE - OTHER DEPOSITS AGENCY

Particulars	As at 31.03.16 ₹	As at 31.03.15 ₹
State Govt. Seed Money Recovered-Agency	4297598	4652817
Int.on State Govt. Seed Money Recovered	4783816	4582192
State Govt. MM Asst. Recovered	70000	1360000
Int.on State Govt. M.M. Asst.Recovered	67712	572149
Soft Loan from SIDBI - (MUN) Recovered	222093	222093
SIDBI NEF Recovered - Agency	8187575	17348784
Service Charges SIDBI NEF-Agency	8852066	9664638
Interest on State Govt. Soft Loan Recovered	-	47847
State Govt. Soft Loan recovered	17848	1028092
Total----->	26498708	39478612



SUB SCHEDULES FORMING PART OF SCHEDULE - F
SUB SCHEDULE - CASH BALANCE

Particulars	As at 31.03.16 ₹	As at 31.03.15 ₹
Head Office	972200	614107
Cuttack Branch	10846	1635
Paradeep Branch	4239	120898
Bhubaneswar Branch	695176	404394
Balasore Branch	49200	490319
Berhampur Branch	89212	221786
Jeypore Branch	3447	209
Rourkela Branch	5032	34682
Sambalpur Branch	38507	119021
Dhenkanal Branch	10937	11382
Total—————>	1878796	2018433



**SUB SCHEDULES FORMING PART OF SCHEDULE- F
CASH & BANK BALANCES**

Balance with Scheduled Banks in Current Accounts

Particulars	As at 31.03.16 ₹	As at 31.03.15 ₹
At Head Office		
Central Bank of India, OMP Square, Ctc.	25478	758596
Union Bank of India, College Square, Cuttack (Withdrawal A/c)	760685	498896
IDBI Bank Ltd., Cuttack (TRA)	278394	278394
Total----->	1064557	1535886
(1) Cuttack Branch		
Union Bank of India (Deposit)	97623	113775
Union Bank of India (Withdrawal)	22916	28478
Total----->	120539	142253
(2) Paradeep Branch		
Union Bank of India, Link Road, Ctc (Deposit)	41000	12000
Union Bank of India, Link Road, Ctc (Withdrawal)	12284	715280
Total----->	53284	727280
(3) Balasore Branch		
Union Bank of India (Deposit)	1000	701000
Union Bank of India (Withdrawal)	2874	19352
Union Bank of India, Bhadrak (Recovery Cell A/c)	1000	1000
Total----->	4874	721352
(4) Berhampur Branch		
Union Bank of India (Deposit)	135978	11850
Union Bank of India (Withdrawal)	10587	3553
Union Bank of India, Phulbani (Recovery Cell A/c)	142752	6389
Total----->	289317	21792
(5) Jeypore Branch		
Union Bank of India (Deposit)	1000	1000
Union Bank of India (Withdrawal)	2912	4992
Total ----->	3912	5992



Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(6) Rourkela Branch		
Union Bank of India (Deposit)	175741	330967
Union Bank of India (Withdrawal)	4858	5079
Total----->	180599	336046
(7) Bhubaneswar Branch		
Union Bank of India, Nayapalli (SB-Deposit)	47697	230970
Union Bank of India, Nayapalli (SB-Withdrawal)	4078	5728
Union Bank of India (Deposit A/c.)	25000	25000
Union Bank of India, Khurda (Recovery Cell A/c)	31527	30080
Union Bank of India, Puri (Recovery Cell A/c)	50500	1000
Total----->	158802	292778
(8) Dhenkanal Branch		
Union Bank of India (Deposit)	389	406
Union Bank of India (Withdrawal)	4547	29315
Union Bank of India, Angul (Recovery Cell A/c)	1000	1000
Total----->	5936	30721
(9) Sambalpur Branch		
Union Bank of India (Deposit)	1000	1000
Union Bank of India (Withdrawal)	4827	31486
Union Bank of India, Bhawanipatna (Recovery Cell A/c)	1000	1000
Union Bank of India, Bolangir (Recovery Cell A/c)	45653	1063
Total----->	52480	34549
Grand Total----->	1934300	3848649



SUB SCHEDULES FORMING PART OF SCHEDULE- F
SUB SCHEDULE - STAMP IN HAND

Particulars	As at 31.03.16 ₹	As at 31.03.15 ₹
Head Office	-	-
Bhubaneswar Branch	218	443
Cuttack Branch	138	90
Balasore Branch	222	317
Paradeep Branch	507	415
Berhampur Branch	159	165
Jeypore Branch	212	49
Rourkela Branch	199	990
Sambalpur Branch	694	133
Dhenkanal Branch	319	292
Total ----->	2668	2894



**SUB SCHEDULES FORMING PART OF SCHEDULE- F
DETAILS OF FIXED DEPOSIT WITH BANK**

Sl.No.	Name of the Bank	As at 31.03.16 ₹	As at 31.03.15 ₹
1	Union Bank of India, Choudhury Bazar, Cuttack. (303/284391)	2900516	2653518
2	Union Bank of India, Choudhury Bazar, Cuttack. (303/284615)	1253876	1152847
3	AXIS Bank Ltd., Rourkela (For Bank Guarantee)	211493	190778
4	The Odisha State Co-operative Bank, Link Road Branch, Cuttack	51057802	51057802
5	The Odisha State Co-operative Bank, Link Road Branch, Cuttack	13266288	11038128
	TOTAL ----->	68689975	66093073

**SUB SCHEDULES FORMING PART OF SCHEDULE- F
DETAILS OF FLEXI DEPOSIT WITH BANK**

Sl.No.	Name of the Bank	As at 31.03.16 ₹	As at 31.03.15 ₹
1	Union Bank Of India, College Square, Cuttack. (ESCROW A/c)	36132016	92395506
2	Union Bank Of India, Main Branch, Choudhury Bazar, Cuttack.	4064116	3748747
	Total	40196132	96144253

**SUB SCHEDULES FORMING PART OF SCHEDULE J
SUB SCHEDULE - ADVANCE TO EMPLOYEES**

Particulars	As at 31.03.16 ₹	As at 31.03.15 ₹
House Building Advance	49384	215392
Interest Accrued on HB Loan	1255631	2693532
Vehicle Advance	1800	10823
Pay Advance	280413	323913
Festival Advance	383846	445846
Medical Advance	1350	17350
Office Expenses Advance	83295	121512
Personal Loan / Commercial Loan	277104	681748
Travelling Advance - Employees	289155	266886
Total ----->	2621978	4777002

Personal / Commercial Loan to Employees, House Building Advance and Vehicle Advance outstandings are taken as Standard Assets for the purpose of provisioning as per SIDBI norms.



SUB SCHEDULES FORMING PART OF SCHEDULE J
SUB SCHEDULE - ADVANCE TAXES, DEPOSITS & OTHERS

ADVANCE TAXES	As at 31.03.16 ₹	As at 31.03.15 ₹
Income Tax paid under protest	568243	568243
Income Tax Deducted at source	2823277	2537921
Income Tax Refundable by I.T.Dept.	2112275	2112275
Total----->	5503795	5218439

DETAILS OF DISPUTED PAYMENT UNDER PROTEST	As at 31.03.16 ₹	As at 31.03.15 ₹
UBI, Nayasarak, Cuttack, A/c Jayaguru Cold Storage Ltd.	179069	179069
TOTAL	179069	179069

DETAILS OF DEPOSITS AGAINST COURT DIRECTIVES		As at 31.03.16 ₹	As at 31.03.15 ₹
1.	Hrisikesh Das (A/c Dibakar Iron & Steel Co (P) Ltd.) with SBI, I/A Berhampur & Andhra Bank	57319401	56793451
2.	The Registrar, Delhi High Court (28.09.96) A/c. Bombay Amonia (P) Ltd. Vrs. Premier Cold Storage case No.50/95	195224	195224
3.	The Registrar, Delhi High Court (6/8/97) A/c. Bombay Amonia (P) Ltd. F. A. No.354/96	104537	104537
4.	The Registrar, Delhi High Court A/c. Blue Diamond Ice Factory (29/9/99)	395800	395800
5.	The Official Liquidator Orissa High Court (23/12/06) A/c. Coastal Synthetics, Balasore	30000	30000
6.	The Civil Judge, Senior Division, Baripada A/c Hotel Ashirbad Execution Case No.-18/11	2500000	2500000
7.	Union Bank of India, College Square, Cuttack A/c Orissa Polytex (P) Ltd.	1714507	1714507
	TOTAL	62259469	61733519



**SCHEDULES FORMING PART OF THE BALANCE SHEET
PROVISIONS FOR NPA (NON PERFORMING ASSETS) SUB SCHEDULE - H**

Sl.No.	PARTICULARS	As at 31.03.16 ₹	As at 31.03.15 ₹
	PROVISION FOR NPA		
i.	Balance as per last Balance Sheet	2695705701	2074768000
	SUB TOTAL	2695705701	2074768000
ii.	Add.:		
	Provision during the year		651851000
	SUB TOTAL	0	651851000
	(A) Total (i) + (ii)	2695705701	2726619000
iii.	Less:		
	Excess Provisioning written back	2304370	
	Written off during the year	1338680	19386
	Provisions written back during the year against OTS cases	58228402	30893913
	Sub-Total	61871452	30913299
	TOTAL (i)+(ii)-(iii)	2633834249	2695705701

ODISHA STATE FINANCIAL CORPORATION

Details of subscriber-wise Bonds issued, Redeemed, Off-market transaction & Balance outstanding as on 31.03.2016

₹ In lakh

Sl No.	Name of the Institution	Balance as on 31.03.15	Issued during the year	Off- market transaction		Bond Holding	Redeemed/ Transferred unclaimed liability during the year	Balance as on 31.03.16	Redemption on accrued & due as on 31.03.16	Premature Redemption during the year
				Buy	Sell					
1	2	3	4	5	6	7	8	9	10	11
1	Kalol Nagrik Sahakari Bank *	0.00	0.00	0.00	0.00	10.00	10.00	0.00	0.00	0.00
	Total:	0.00	0.00	0.00	0.00	10.00	10.00	0.00	0.00	0.00

* Transferred to unclaimed liabilities as there is no claimant despite repeated correspondence & advertisement in News Paper shown under Schedule-E (Other Liabilities)



**STATE FUND ACCOUNT
BALANCE SHEET AS ON 31ST MARCH 2016**

LIABILITIES			ASSETS		
As at 31.03.2015	Particulars	As at 31.03.2016	As at 31.03.2015	Particulars	As at 31.03.2016
₹		₹	₹		₹
4,06,623	STATE FUND	4,06,623	0	BANK BALANCE	0
69	DEPOSIT TOWARDS VALUATION OF PROPERTIES	69	3,18,121	LOANS AND ADVANCES	3,18,121
			9,11,200	INT. ACCD. ON LOANS & ADVANCES	9,29,135
168	PROPERTIES RECEIVED	168	3,857	LAW CHARGES ON LOANS UNDER LITIGATION	3,857
			850	ADV. TO LEGAL ADVISOR	850
351	SUSPENSE ACCOUNT	351	1,238	INSURANCE PREMIUM PAID ON MORTGAGED ASSETS	1,238
11,11,288	INCOME/EXPENDITURE ACCOUNT	11,29,223	2,83,233	AMOUNT RECEIVABLE FROM OSFC	2,83,233
15,18,499	TOTAL	15,36,434	15,18,499	TOTAL	15,36,434

FOR ODISHA STATE FINANCIAL CORPORATION

Sd/-
(Alok Dash)
HoD, (FAD)
OSFC

Sd/-
(B.K. Sahoo)
JGM
OSFC

Sd/-
(B.B. Behera)
MANAGING DIRECTOR
OSFC

Sd/-
(S.S. Barua)
DIRECTOR
OSFC

Sd/-
(F.M. Naik)
DIRECTOR
OSFC



STATE FUND ACCOUNT

INCOME AND EXPENDITURE ACCOUNT UP TO THE YEAR ENDED 31ST MARCH 2016

EXPENDITURE			INCOME		
2014-2015 ₹		2015-2016 ₹	2014-2015 ₹		2015-2016 ₹
1071	BANK CHARGES & COMMISSION	1,071	10,38,240	INT. ON LOANS & ADV.	10,56,175
-	POSTAGE STAMP	-	6,608	LESS REBATE	6,608
			<u>10,31,632</u>		<u>10,49,567</u>
11,11,288	EXCESS AMOUNT TRANSFERRED TO BALANCE SHEET	11,29,223	1,250	PROCESSING CHARGES	1,250
			78,537	INTEREST ON DEPOSIT WITH BANK	78,537
			940	INTEREST ON STATE FUND A/C	940
11,12,359	TOTAL	11,30,294	11,12,359	TOTAL	11,30,294

FOR ODISHA STATE FINANCIAL CORPORATION

Sd/-
(Alok Dash)
HoD, (FAD)
OSFC

Sd/-
(B.K. Sahoo)
JGM
OSFC

Sd/-
(B.B. Behera)
MANAGING DIRECTOR
OSFC

Sd/-
(S.S. Barua)
DIRECTOR
OSFC

Sd/-
(F.M. Naik)
DIRECTOR
OSFC



**MANAGEMENT REPLY TO THE AUDITOR'S REPORT FOR THE YEAR ENDING
31ST MARCH, 2016**

AUDITOR'S REPORT	REPLY
1 We have audited the accompanying standalone financial statements of Odisha State Financial Corporation (OSFC), which comprise of the Balance Sheet as at 31st March 2016, Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summery of significant accounting policies and other explanatory information.	No Comments
2 Corporation's Management is responsible with respect to the preparation of these standalone 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 standards and principles generally accepted in India and as per the requirements of Small Industries Development Bank of India (SIDBI). This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the SFCs 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 judgment 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 misstatements whether due to fraud or error.	No Comments
3 Our responsibility is to express an opinion on these standalone 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 under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the standards on auditing issued by the Institute of	No Comments



<p>Chartered Accountants of India and provisions of Section 37 of the State Financial Corporation's Act. 1951 as amended by SFCs (Amendment) Act.2000. 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 misstatements.</p>	
<p>4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depend upon 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 statement that give a true and fare view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on whether the Corporation has place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements.</p>	No Comments
<p>5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.</p>	No Comments
<p>6 Opinion :In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 laid down by SIDBI for SFCs and generally accepted in India, of the State of affairs of the Corporation as at 31st March, 2016, and its profit/ loss and its cash flows for the year ended on that date.</p>	No Comments



<p>7 Report on other legal and Regulatory requirements:</p> <p>On the basis of our audit subject to Notes on Accounts as contained in Schedule "R", we report that</p> <p>i) We have sought and obtained all the information and explanations which to the best to our knowledge and belief were necessary for the purpose of our audit.</p> <p>ii) 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 Branches not visited by us.</p> <p>iii) The operations of the Corporation and transactions that have come to our notice have been conducted in accordance with the provisions of SFCs Act, 1951.</p> <p>iv) The income recognition, assets classification, provisioning, calculation of CRAR, assessment of Capital Adequacy Ratio, various other ratios/ items and disclosures in the notes on accounts have been done as per the guidelines and circulars issued by the SIDBI from time to time.</p> <p>v) The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow statements dealt with by this Report are in agreement with the books of account and returns.</p> <p>vi) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards and guide lines issued by SIDBI for SFCs from time to time.</p> <p>vii) (a) According to the information and explanations given to us, no material discrepancies has been noticed/ reported by the management between the books records and the physical fixed assets.</p> <p>(b) The matter regarding physical possessions and title deeds of immovable properties are disclosed vide Note-8-Schedule R- Notes on Accounts. Since title of all immovable properties are not held in the name of the Corporation, its impact on accounts could not be ascertained/ commented.</p> <p>viii) According to information and explanations given to us and on the basis of our examination of the books</p>	<p>No Comments</p> <p>No Comments</p> <p>No Comments</p> <p>No Comments</p> <p>No Comments</p> <p>No Comments</p> <p>No Comments</p> <p>In a meeting of the senior officers of the Corporation it has been decided to take necessary steps to bring the record of rights of all the immovable properties in favour of the Corporation and accordingly the Corporation has initiated necessary action.</p> <p>No Comments</p>
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<p>of account, and records, the Corporation has been generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no disputed amounts payable in respect of the above were in arrears as at March 31,2016 for a period of more than six months from the date of when they become payable.</p> <p>(x) According to information and explanations given to us, the Corporation has requested SIDBI for re-schedulement of re-finance OTS dues. Awaiting response from SIDBI default dues could not be determined.</p> <p>(x) Based upon the Audit procedure performed and the information and explanations given by the management, we report that no fraud by the Corporation or on the Corporation by its officers of employees has been noticed or reported during the year.</p> <p>(xi) The Corporation needs further improvement in its policy and procedure of internal audit system and internal financial control system to make the present system effective and solve the purpose of the monitoring and control of branches and head office.</p> <p style="text-align: center;">Sd/- A.C.JENA & CO. CHARTERED ACCOUNTANTS LINK ROAD, CUTTACK -753 012</p>	<p style="text-align: center;">No Comments</p> <p style="text-align: center;">No Comments</p> <p style="text-align: center;">Noted for further action.</p> <p style="text-align: center;">Sd/- MANAGING DIRECTOR</p> <p style="text-align: center;">Sd/- JOINT GENERAL MANAGER</p>
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Separate Audit Report of the Comptroller and Auditor General of India under section 37(6) of the State Financial Corporations Act, 1951 on the accounts of Odisha State Financial Corporation for the year ended 31 March 2015.

The preparation of the financial statements of Odisha State Financial Corporation for the year ended 31 March 2015 in accordance with financial reporting framework prescribed under the State Financial Corporations Act, 1951 and the generally accepted accounting principles is the responsibility of the management of the Corporation. The statutory auditors appointed by the Shareholders out of the panel of Auditors approved by Reserve Bank of India under section 37(I) of the State Financial Corporations Act, 1951 are responsible to express an opinion on these financial statements based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body-the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 07th July 2015.

This Separate Audit Report contains the comments of the Comptroller & Auditor General of India on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any are reported through inspection reports / Comptroller and Auditor General of India's Audit Reports separately.

We, on behalf of the Comptroller & Auditor General of India, have conducted the audit of the financial statements of the above said Corporation for the year ended 31 March 2015 under Section 37(6) of the State Financial Corporations Act, 1951. This audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and the Corporation's personnel and a selective examination of some of the accounting records. Based on our audit, we would like to highlight the following significant matters under section 37(6) of the State Financial Corporations Act, 1951 which have come to our attention and which in our view are necessary for enabling a better understanding of the financial statements and the related Audit report issued by the Statutory Auditors.

(A) Profit & Loss Account

Income

Other Incomes (Schedule P)

Interest on Term & Flexi Deposits with Bank: ₹ 1.82 crore.

1. The above includes ₹ 0.44 crore being the interest earned and accrued for the financial year 2014-15 on the deposits made out of funds received from State Government as interest subsidy for disbursement to the beneficiaries under different schemes. Similarly, Company accounted for ₹ 2.25 crore up to 2013-14 as interest income of the Corporation. As the Corporation is only an intermediate agency for disbursement of subsidy and the funds do not belong to it, accounting of interest earned on this fund as income without specific condition in the sanction order, has resulted in overstatement of other income ₹ 0.44 crore understatement of loss for the year by ₹ 0.44 crore, overstatement Reserve and Surplus ₹ 2.25 crore and understatement of liabilities by ₹ 2.69 crore each.



(B) General:

2. The Corporation has provided liability towards Group Gratuity Scheme & Leave Encashment based on Actuarial valuation as on 01 March 2015 (Notes on Accounts-Schedules-S sl.No.5.4) instead of the valuation as on 31 March 2015. In absence of Actuarial valuation report as on 31 March 2015, its impact on the accounts could not be quantified.
3. The Corporation has not submitted the annual accounts for the year 2014-15 along with the report of the Statutory Auditor to the Comptroller and Auditor General of India (submitted only on 20.07.2015) at least one month before it was placed before the shareholders in the Annual General Meeting (held on 30.07.15) as required under section 37(5) of the SFCs Act,1951

For and behalf of
The Comptroller and Auditor General of India

Place: Bhubaneswar
Date: 07.09.2015

Sd/-
DEVIKA
(PRINCIPAL ACCOUNTANT GENERAL)



**COMPLIANCE TO THE SAR OF THE C & AG OF INDIA ON THE ACCOUNTS OF
OSFC FOR THE YEAR ENDING 31ST MARCH 2015.**

AUDITORS OBSERVATION/ COMMENTS	COMPLIANCES
<p>The preparation of financial statement of Odisha State Financial Corporation for the year ended 31 March 2015 in accordance with financial reporting framework prescribed under the State Financial Corporation Act,1951 and the generally accepted accounting principles is the responsibility of the management of the Corporation. The Statutory Auditors appointed by the Shareholders out of the panel of the Auditors approved by Reserve Bank of India under section 37(I) of the State Financial Corporation Act 1951 are responsible to express an opinion on these financial statements based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body- the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 07th July 2015.</p>	No comments
<p>This Separate Audit Report contains the comments of the Comptroller and Auditor General of India on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum- performance aspects etc., if any are reported through inspection reports/Comptroller and Auditor General of India's Audit Reports separately.</p>	No comments
<p>We, on behalf of the Comptroller & Auditor General of India, have conducted the audit of the financial statements of the above said Corporation for the year ended 31st March 2015 under section 37(6) of the State Financial Corporation Act, 1951. This audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and the Corporation's personnel and a selective examination of some of the accounting records. Based on our audit, we would like to highlight the following significant matters under section 37(6) of the State Financial Corporations Act, 1951 which have come to our attention and which in our view are necessary for enabling a better understanding of the financial statements and the related Audit report issued by the Statutory Auditors.</p>	No comments
<p>(A) Profit & Loss Account Income Other Income (Schedule-P) Interest on Term & Flexi Deposits with Bank: ₹1.82 crore.</p>	



<p>1. The above includes ₹ 0.44 crore being the interest earned and accrued for the financial year 2014-15 on the deposits made out of funds received from State Government as interest subsidy for disbursement to the beneficiaries under different schemes. Similarly, company accounted for ₹ 2.25 crore upto 2013-14 as interest income of the Corporation. As the Corporation is only an intermediate agency for disbursement of subsidy and the funds do not belong to it, accounting of interest earned on this fund as income without specific condition in the sanction order, has resulted in overstatement of other income ₹ 0.44 crore, understatement of loss for the year by ₹ 0.44 crore, overstatement Reserve and Surplus ₹ 2.25 crore and understatement of liabilities by ₹ 2.69 crore each.</p>	<p>1. Interest on Term and Flexi Deposits with Bank ₹ 1.82 crore.</p> <ul style="list-style-type: none">➤ The Corporation is acting as an intermediate agent of State Govt. under Agency agreement as a mandatory activity under provisions of SFCs Act being assigned by the Government.➤ For operating this function, the Corporation has created a separate and specific section under its administration, posting requisite personnel and incurring all incidental expenses in implementation of the Agency Schemes of the Govt. For this, no compensation/ financial assistance/service charges is provided by Govt. for operating such Agency Functions.➤ As per Agency agreement/arrangement, except implementing various schemes, submitting utilization certificate and monitoring from time to time as & when required as per instruction of Government, the Corporation has no other obligation to discharge on the Unutilized Agency Fund.➤ Since inception, unutilized Fund under the Agency Function is allowed to be held by the Corporation. Hence Corporation has not acted on its own, for deprivation of the use of the money for which interest may be payable by the Corporation as compensation to the Government. It is acting only as per the Agency arrangements so far made by the Government.➤ Considering the position of the Corporation, the State Govt. had instructed OSFC to escrow the entire receipt and available Funds. The Corporation has kept the available fund in Flexi deposit account and earns some interest. Such interest on the available fund is used to supplement to the extent possible against the personnel cost. Normally, it would have been kept in current account separately, where no interest could have been earned.
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	<ul style="list-style-type: none"> ➤ There is neither any instruction from the principal (Govt.) nor any provision in the scheme operated under agency for separate maintenance of Fund Account by the Corporation and remitting interest income thereon to the Government. ➤ The expenditures/expenses incurred by the Corporation for operation/administration of the Agency Function is much more than the interest income earned in parking the portion of Fund under agency arrangement in Flexi Account. Moreover, this aspect can not be ignored by the Corporation while separating income from agency fund alone. Further, providing liability without any obligations on this account under this agency arrangement simultaneously may not be prudent. ➤ We would therefore request Audit to drop the observations considering the conditions and functioning of the Corporation under the Agency arrangement.
<p>(B) General</p> <p>2. The Corporation has provided liability towards Group gratuity Scheme & Leave Encashment based on Actuarial valuation as on 01 March 2015 (Notes on Accounts-Schedule-S Sl.No.5.4) instead of the valuation as on 31 March 2015. In absence of Actuarial valuation report as on 31 March 2015, its impact on the accounts could not be quantified.</p>	<p>General</p> <p>2. The Corporation has adopted group gratuity Scheme of LIC for the employees of the Corporation from 2005 and renewal date of policy being 1st March of every year and accordingly gratuity liabilities valued and provided for/ paid and this practice is being followed regularly & consistently since F.Y. 2004-05. In the reported year, liabilities for 12 months accrued from March'14 to Feb'15 have been provided for. However, observation of audit is noted for due provision of liability for 13 months (from March'15 to March'16) in the accounts of 2015-16.</p>
<p>3. The Corporation has not submitted the annual accounts for the year 2014-15 along with the report of the Statutory Auditor to the Comptroller and Auditor General of India (submitted only on 20.07.2015) at least one month before it was placed before the shareholders in the Annual General Meeting (held on 30.07.2015) as required under section 37(5) of the SFC Act, 1951.</p>	<p>3. The accounts were authenticated and audited on dt.07.07.2015. In order to conduct the AGM of Share Holders within the statutory time limit of July'2015, the date of AGM was fixed to 30-07-2015 and audited accounts could not be submitted to C & AG of India before one month of the AGM (held on 30-07-2015). The Corporation is trying its best to comply the statutory provisions. Violation of the section-37(5) of SFC's Act may kindly be condoned.</p>



Statistical Annexures



ANNEXURE 1 : OPERATIONAL HIGHLIGHTS OF THE CORPORATION DURING THE LAST TEN YEARS
(₹ lakh)

PARTICULARS	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	As on 31.03.16
OPERATIONS											
1. Sanction	-	-	-	93.00 (2)	393.58 (6)	411.35 (8)	265.46 (6)	20.00 (1)	-	43.00 (1)	131760.00 (28231)
2. Disbursement	-	-	-	-	71.23 (3)	83.55 (4)	205.82 (6)	113.38 (2)	3.74	-	130990.09 (28222)
3. Recovery	7614.57	6478.51	4657.46	4024.71	4202.86	3655.49	1934.31	1138.83	1533.49	608.43	197609.44
4. Outstanding	46707.92 (12595)	43454.12 (11918)	40369.94 (11386)	37070.85 (10507)	32614.55 (9885)	30111.85 (9332)	28753.48 (8915)	27668.56 (8751)	27204.12 (8595)	26498.52 (8467)	26498.52 (8467)
SHARECAPITAL											
5. Paid Up	-	27104.25	2316.25	-	3170.30	186.75	-	(-0.99)	-	-	41533.85
BONDS											
6. Issued	-	-	-	-	-	-	-	-	-	-	42444.25
7. Repaid	13160.00	1963.50	2607.50		80.00						42434.25
8. Outstanding (Principal)	4661.00	2697.50	90.00	90.00	-	10.00	-	-	-	-	-
9. Balance outstanding transferred to Unclaimed liabilities					10.00	-	-	-	-	-	10.00
REFINANCE (SIDBI)											
10. Availed					53.28						69156.34
11. Repaid	2620.00	1500.00	1500.39	1500.00	1500.00	752.06	1000.00	800.00	400.00	372.00	60962.47
12. Outstanding	17465.04	15965.04	14464.65	12964.65	11517.93	10765.87	-	-	-	-	8193.87
13. 0% Funded Loan						1795.00					9988.87
14. Total											-
15. a) Crystallised OIS Amt. 4200.00											1628.00
b) Agreed for waiver 8360.87											8360.87



PARTICULARS	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Ason 31.3.16
SUBSIDY											
16. Received	75.65	692.24	411.93	159.26	104.78	97.00	54.00	45.00	39.93	363.47	12482.02
17. Sanctioned	62.87	92.23	62.00	67.23	1.64	10.14	7.34	34.19	-	1.62	12824.83
18. Disbursed	49.33	465.61	370.25	92.10	92.38	86.08	13.83	4.07	68.38	293.17	11960.75
FINANCIAL SUMMARY											
19. Gross Income	2671.56	2742.87	2327.62	2347.05	2547.46	2603.32	1981.69	1743.97	1420.09	1160.53	-
20. Total Expenditure	2554.07	2485.85	2140.47	1959.27	2433.69	2454.70	1464.55	1240.94	1224.00	995.10	-
21. Profit/Loss Before Tax	117.49	257.02	187.15	387.78	113.77	148.62	517.14	503.03	196.09	165.43	-
22. Less provision for NPA & Standard Assets							448.02	407.78	6208.63	-	
23. Less Appropriation Income / net Prior period adjustment		-	87.19	207.76	52.68	96.05	9.31	44.07	1727.05	332.09	-
24. Reserves		102.06	54.37	36.00	12.22	10.51	11.96	10.23	-	-	
25. Provision for Tax	5.31	1.88	2.48	-		-	-	-	-	-	
26. Net Profit/Loss	112.18	255.14	271.86	180.02	61.09	52.57	59.81	51.18	(-)/7739.59	(-)/166.66	(-)/47856.22
STAFF STRENGTH (Number)	330	329	299	297	296	253	242	209	183	180	180

* Refinance outstanding of SIDBI of ₹ 125.61 Cr. has been settled under OTS at ₹ 42.00 Cr. Against this ₹ 25.72 Cr. has been paid as on 31.03.2016.

ANNEXURE 2 : LOAN APPLICATION RECEIVED AND DISPOSED DURING LAST 2 YEARS

(₹ lakh)

Sl No.	Particulars of Application	FY 2014-15						FY 2015-16											
		Small Scale		SRTOs		Others		Small Scale		SRTOs		Others		Total					
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.				
1	Pending at the beginning of the year	3	102	-	-	-	-	3	102	-	-	-	-	2	75	-	-	2	75
2	Received during the year	1	45	-	-	-	-	1	45	-	-	-	-	1	26	-	-	1	26
A	Total (1+2)	4	147	-	-	-	-	4	147	-	-	-	-	3	101	-	-	3	101
3	Sanction (Gross) during the year	-	-	-	-	-	-	-	-	-	-	-	-	1	43	-	-	1	43
4	Rejected, withdrawn, closed or lapsed during the year	2	72	-	-	-	-	2	72	-	-	-	-	2	56	-	-	2	56
5	Amt. of loan reduced while sanctioning	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	2
6	Pending at the end of the year	2	75	-	-	-	-	2	75	-	-	-	-	0	0	-	-	0	0
B	Total (3+4+5+6)	4	147	-	-	-	-	4	147	-	-	-	-	3	101	-	-	3	101
C	(6) as % of A	50	51	-	-	-	-	50	51	-	-	-	-	0	0	-	-	0	0





ANNEXURE 3 : SCHEME WISE CLASSIFICATION OF ASSISTANCE

(₹ lakh)

Sl.No.	SCHEMES	SANCTION (EFFECTIVE)		DISBURSEMENT	
		Since Inception up to 31.3.16		Since Inception up to 31.3.16	
		No.	Amt.	No.	Amt.
i)	Composite Loan	5349	246.47	5349	246.47
ii)	Single Window Scheme				
	- Term Loan	203	1206.07	203	1206.07
	- Working Capital	-	1188.94	-	1188.94
iii)	Modernisation	63	1050.66	65	1016.00
iv)	Rehabilitation	102	822.13	102	822.13
v)	Equipment Finance	6	67.01	6	67.01
vi)	Women Entrepreneur (Mahila Udyog Nidhi)	176	591.24	176	591.24
vii)	Ex-Servicemen(SEMFEX)	43	163.55	43	163.55
viii)	S R T O s	9139	26040.66	9139	26039.03
ix)	RTDM	26	683.52	26	683.52
x)	Cyclone Assistance	733	5073.25	733	5073.25
xi)	Factoring Service	349	15613.05	349	15613.05
xii)	Hire Purchase	163	1188.93	163	1188.93
xiii)	N.E.F	(576)	1657.75	(576)	1657.75
xiv)	Loans Not Covered Above	11879	76166.77	11868	75433.15
	TOTAL	28231	131760.00	28222	130990.09

N.B.: The number in bracket has already been accounted for in Sl.No.(xiv)

ANNEXURE 4: SECTOR-WISE CLASSIFICATION OF TERM LOAN SANCTION, DISBURSEMENT AS ON 31.03.16

(₹ lakh)

Sl. No.	SECTOR	SANCTION (EFFECTIVE)		DISBURSEMENT	
		No.	Amt.	No.	Amt.
1.	SRTOs	9139	26040.66	9139	26039.03
2.	Small Scale	15740	67811.04	15732	67068.58
a)	Tiny	1311	3290.59	1311	3290.59
b)	Ancillaries	1345	5325.60	1345	5325.60
c)	Composite	9975	443.45	9975	443.45
d)	Other SSI Units	3109	58751.40	3101	58008.94
3.	Medium Scale	78	12276.90	78	12276.90
4.	Others	3274	25631.40	3273	25605.58
	TOTAL	28231	131760.00	28222	130990.09





**ANNEXURE 5 : DISTRICTWISE ANALYSIS OF LOANS SANCTION,
DISBURSEMENT, RECOVERY & OUTSTANDING AS ON 31.03.2016**

(₹ lakh)

Sl. No.	Name of the District	SANCTION (EFFECTIVE)							
		SSI		SRTO		Others		Total	
		No	Amount	No	Amount	No	Amount	No	Amount
1	Cuttack	1927	10645.96	1665	3811.59	564	6952.99	4156	21410.54
2	Jagatsinghpur	1789	865.80	356	1543.02	101	837.91	2246	3246.73
3	Jajpur	140	2654.02	402	1673.41	114	2990.92	656	7318.35
4	Kendrapara	770	758.12	303	831.98	109	943.51	1182	2533.61
5	Puri	659	1558.24	246	810.44	283	2693.01	1188	5061.69
6	Khurda	1662	12632.88	744	1832.69	223	5025.17	2629	19490.74
7	Nayagarh	1061	1506.22	169	485.37	36	178.29	1266	2169.88
8	Ganjam	805	3617.98	648	1678.86	240	1589.82	1693	6886.66
9	Gajapati	46	278.80	7	30.16	33	342.24	86	651.20
10	Phulbani	160	569.85	206	506.81	149	542.73	515	1619.39
11	Boudh	89	151.97	101	248.96	35	121.91	225	522.84
12	Sambalpur	282	2697.99	358	889.85	96	2084.89	736	5672.73
13	Deogarh	43	188.32	22	87.64	15	11.43	80	287.39
14	Bargarh	277	831.45	115	514.58	22	290.73	414	1636.76
15	Jharsuguda	94	617.17	232	755.05	69	676.29	395	2048.51
16	Sundargarh	968	8408.17	522	1636.31	336	4757.95	1826	14802.43
17	Balasore	758	6402.55	457	1220.62	116	2450.23	1331	10073.40
18	Bhadrak	179	1154.65	252	818.43	57	311.66	488	2284.74
19	Mayurbhanj	837	2325.96	330	824.00	96	949.87	1263	4099.83
20	Bolangir	613	2178.39	367	946.21	88	923.92	1068	4048.52
21	Sonepur	87	41.26	55	19.26	7	5.00	149	65.52
22	Kalahandi	308	1094.31	231	661.64	197	347.54	736	2103.49
23	Nuapada	54	185.63	46	194.85	24	41.58	124	422.06
24	Dhenkanal	722	1368.24	310	646.34	98	509.43	1130	2524.01
25	Angul	220	591.62	112	527.14	27	199.23	359	1317.99
26	Keonjhar	312	1430.64	582	1969.49	68	968.89	962	4369.02
27	Koraput	461	1561.26	140	343.32	86	697.20	687	2601.78
28	Malakangiri	113	115.69	13	35.07	2	29.16	128	179.92
29	Nawarangpur	139	468.06	79	183.81	6	49.96	224	701.83
30	Rayagada	165	909.84	69	313.76	55	384.84	289	1608.44
	Total	15740	67811.04	9139	26040.66	3352	37908.30	28231	131760.00



**ANNEXURE 5 : DISTRICTWISE ANALYSIS OF SANCTION,
DISBURSEMENT, RECOVERY AND OUTSTANDING AS ON 31.03. 2016**

(₹ lakh)

Sl. No.	Name of the District	DISBURSEMENT								
		SSI		SRTO		Others		Total		Recovery
		No	Amount	No	Amount	No	Amount	No	Amount	Amount
1	Cuttack	1927	10613.68	1665	3810.81	564	6941.49	4156	21365.98	28268.50
2	Jagatsinghpur	1789	865.59	356	1543.02	101	837.91	2246	3246.52	3476.35
3	Jajpur	140	2652.76	402	1673.41	114	2990.92	656	7317.09	3620.67
4	Kendrapara	770	757.61	303	831.98	109	943.51	1182	2533.10	12040.47
5	Puri	659	1558.24	246	810.44	283	2693.01	1188	5061.69	9509.86
6	Khurda	1661	12332.50	744	1832.69	222	5025.17	2627	19190.36	31965.25
7	Nayagarh	1061	1506.22	169	485.37	36	178.29	1266	2169.88	1158.21
8	Ganjam	805	3363.90	648	1678.86	240	1589.82	1693	6632.58	7310.78
9	Gajapati	46	278.80	7	30.16	33	342.24	86	651.20	4110.42
10	Phulbani	160	569.85	206	506.48	149	542.73	515	1619.06	1485.21
11	Boudh	89	151.97	101	248.96	35	121.91	225	522.84	617.34
12	Sambalpur	282	2697.99	358	889.85	95	2074.89	735	5662.73	9197.50
13	Deogarh	43	188.32	22	87.64	15	11.43	80	287.39	3368.96
14	Bargarh	277	831.45	115	514.58	22	290.73	414	1636.76	1645.39
15	Jharsuguda	94	617.17	232	755.05	69	676.29	395	2048.51	2802.61
16	Sundargarh	966	8326.08	522	1636.31	336	4757.95	1824	14720.34	23067.26
17	Balasore	755	6333.95	457	1220.62	116	2450.23	1328	10004.80	15776.87
18	Bhadrak	179	1154.65	252	817.91	57	311.66	488	2284.22	1147.61
19	Mayurbhanj	837	2324.70	330	824.00	96	949.87	1263	4098.57	6133.41
20	Bolangir	613	2177.10	367	946.21	88	923.92	1068	4047.23	3628.91
21	Sonepur	87	41.26	55	19.26	7	5.00	149	65.52	2061.20
22	Kalahandi	308	1094.31	231	661.64	197	347.54	736	2103.49	2406.80
23	Nuapada	54	185.63	46	194.85	24	41.58	124	422.06	1438.90
24	Dhenkanal	722	1368.24	310	646.34	98	509.43	1130	2524.01	3731.76
25	Angul	220	591.12	112	527.14	27	199.23	359	1317.49	2948.92
26	Keonjhar	312	1430.64	582	1969.49	68	968.89	962	4369.02	6041.54
27	Koraput	460	1561.26	140	343.32	88	704.34	688	2608.92	3209.36
28	Malakangiri	113	115.69	13	35.07	2	29.16	128	179.92	1312.79
29	Nawarangpur	139	468.06	79	183.81	6	49.96	224	701.83	1529.18
30	Rayagada	164	909.84	69	313.76	54	373.38	287	1596.98	2337.00
	Total	15732	67068.58	9139	26039.03	3351	37882.48	28222	130990.09	197349.03*

* (I) Excludes personal loan to employees ₹22.75 lakh (II) Excludes interest on personal loan to employees ₹1.55 lakh (III) Interest accrued on standard loan ₹52.21 lakh (IV) (-) Unadjusted recovery ₹728.19 lakh (V) Excludes Head Office recovery ₹ 912.09 lakh of earlier years



**ANNEXURE 5 : DISTRICTWISE ANALYSIS OF LOANSSANCTION,
DISBURSEMENT, RECOVERY & OUTSTANDING AS ON 31.03. 2016**

(₹ lakh)

Sl. No.	Name of the District	OUTSTANDING (PRINCIPAL)							
		SSI		SRTO		Others		Total	
		No	Amount	No	Amount	No	Amount	No	Amount
1	Cuttack	1180	3018.17	503	790.22	105	278.50	1788	4086.89
2	Jagatsinghpur	971	215.32	196	65.44	69	158.56	1236	439.32
3	Jajpur	140	585.80	113	380.28	117	485.24	370	1451.32
4	Kendrapara	320	82.25	163	265.12	67	99.73	550	447.10
5	Puri	43	126.90	60	88.12	270	219.02	373	434.04
6	Khurda	454	4468.69	116	284.11	86	560.64	656	5313.44
7	Nayagarh	270	687.71	71	18.09	14	50.95	355	756.75
8	Ganjam	194	1184.01	93	152.98	34	16.58	321	1353.57
9	Gajapati	7	427.90	3	25.59	4	29.04	14	482.53
10	Phulbani	20	273.90	64	131.54	9	44.28	93	449.72
11	Boudh	16	15.62	16	29.01	3	17.35	35	61.98
12	Sambalpur	85	661.23	37	64.84	23	7.28	145	733.35
13	Deogarh	7	176.22	7	40.42	5	2.02	19	218.66
14	Bargarh	32	254.96	11	33.99	3	3.15	46	292.10
15	Jharsuguda	20	99.42	4	39.43	2	0.88	26	139.73
16	Sundargarh	290	2084.72	61	127.88	8	144.28	359	2356.88
17	Balasore	254	2636.80	68	123.75	24	74.86	346	2835.41
18	Bhadrak	48	763.91	27	44.93	8	56.62	83	865.46
19	Mayurbhanj	116	616.98	42	50.50	6	19.36	164	686.84
20	Bolangir	217	614.85	44	67.51	46	38.89	307	721.25
21	Sonepur	41	10.07	9	12.46	2	0.69	52	23.22
22	Kalahandi	75	401.60	28	96.84	44	17.60	147	516.04
23	Nuapada	16	30.33	7	41.56	2	18.60	25	90.49
24	Dhenkanal	450	466.86	67	82.45	21	65.73	538	615.04
25	Angul	64	188.56	16	30.85	10	43.85	90	263.26
26	Keonjhar	20	112.84	64	114.69	16	101.56	100	329.09
27	Koraput	135	277.39	6	11.28	5	21.24	146	309.91
28	Malakangiri	16	15.07	1	3.59	1	2.56	18	21.22
29	Nawarangpur	24	68.26	3	6.93	2	3.57	29	78.76
30	Rayagada	31	85.24	3	8.36	2	26.50	36	120.10
	Total	5556	20651.58	1903	3232.76	1008	2609.13	8467	26493.47 *

* Excludes difference between G.L. and S.L. ₹5.05 lakh

ANNEXURE 6 : BRANCH WISE COMPARATIVE POSITION OF SANCTION & DISBURSEMENT AS ON 31.03.2016

(₹ lakh)

SL. NO.	Name of the Branch	SANCTION Since Inception		DISBURSEMENT Since Inception	
		No.	Amt.	No.	Amt.
1	Balasure	4044	20826.99	4041	20756.61
2	Berhampur	2519	9680.09	2519	9425.68
3	Bhubaneswar	5083	26722.31	5081	26421.93
4	Cuttack	4156	21410.54	4156	21365.98
5	Dhenkanal	1489	3842.00	1489	3841.50
6	Jeyapore	1328	5091.97	1327	5087.65
7	Paradeep	4084	13098.69	4084	13096.71
8	Rourkela	2221	16850.94	2219	16768.85
9	Sambalpur	3307	14236.47	3306	14225.18
	G.Total:	28231	131760.00	28222	130990.09



**ANNEXURE 7 :INDUSTRY -WISE CLASSIFICATION OF LOAN SANCTION, DISBURSEMENT &
OUTSTANDING AS ON 31.03.16**

(₹ lakh)

TYPE OF INDUSTRIES	SANCTION						DISBURSEMENT						Outstanding (Principal)	
	Since Inception						Since inception						No.	Amt.
	SSI			Total			SSI			Total				
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Food Manufacturing														
a) Sugar	12	81.06	14	110.55	12	81.01	14	110.33	15	9.75				
b) Others	2955	14845.22	3197	14970.60	2955	14837.06	3198	14964.06	659	2640.71				
Textiles														
a) Cotton	3927	1963.51	4659	1902.43	3927	1962.33	4659	1902.43	809	1030.78				
b) Jute	11	302.25	36	537.92	11	302.06	36	537.92	15	225.13				
c) Others	54	707.54	67	699.80	54	707.11	67	699.80	184	384.25				
Paper & Paper Products	195	1626.10	252	2201.10	195	1625.12	252	2201.10	83	925.80				
Manufacture of Rubber Products	154	1467.65	198	1572.63	154	1466.76	198	1571.68	38	452.74				
Basic Industrial Chemicals other than Fertilisers	105	1362.69	113	1525.66	105	1361.87	113	1525.66	9	167.11				
Fertilisers	5	185.79	8	296.02	5	185.79	8	296.02	4	44.37				
Other Chemicals & Chemical Products	535	5921.53	584	7198.44	535	5888.06	583	7048.44	181	1960.72				
Cement	26	1463.47	56	1632.18	26	1462.59	56	1632.18	25	687.82				
Basic Metal Industries														
a) Iron & Steel	178	3649.44	218	3579.70	178	3647.25	218	3579.70	90	1130.90				
b) Non-Ferrous	134	3003.00	194	1605.78	134	3001.19	194	1605.78	44	429.54				





TYPE OF INDUSTRIES	SANCTION						DISBURSEMENT						Outstanding (Principal)	
	Since Inception						Since inception							
	SSI			Total			SSI			Total			No.	Amt.
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.				
Metal Products Except Machinery & Transport Equipment	744	2660.20	763	3531.62	744	2655.05	763	3526.80	179	1025.92				
Manufacture of Machinery Except Electrical Machinery	252	1043.48	321	1260.79	252	1042.85	321	1260.03	10	106.09				
Manufacture of Transport Equipment	170	507.74	212	776.42	170	507.43	212	775.95	5	92.42				
Services Sector														
a) Hotel			755	9342.30			753	9282.29	74	779.46				
b) SRTOs			9139	26040.66			9139	26039.03	1903	3232.76				
c) Others			658	4344.35			659	4366.24	934	1829.67				
Other Industries	6283	27020.37	6787	48631.05	6275	26335.05	6779	48064.65	3206	9337.53				
TOTAL	15740	67811.04	28231	131760.00	15732	67068.58	28222	130990.09	8467	26493.47	*			

* Excludes personal loan of ₹ 15.84 lakh and difference between G.L. and S.L. ₹ 5.05 lakh.



**ANNEXURE 8 : CONSTITUTION WISE DISTRIBUTION OF TERM LOANS
AS ON 31.03.2016**

(₹lakh)

CONSTITUTION	SANCTION Since Inception		DISBURSEMENT Since Inception	
	No.	Amt.	No.	Amt.
Public Limited Companies	140 (46)	7347.04 (2292.49)	140 (46)	7347.04 (2292.49)
Private Limited Companies	1467 (809)	50738.03 (30150.61)	1463 (807)	50093.50 (29580.63)
Co-operatives	101 (72)	705.92 (368.42)	101 (72)	705.92 (368.42)
Partnership	1565 (960)	16231.12 (7173.37)	1562 (957)	16171.70 (7084.27)
Proprietorship	24821 (13828)	54378.25 (27558.69)	24818 (13825)	54312.09 (27475.31)
Hindu Undivided Family	5 (1)	49.67 (0.51)	5 (1)	49.67 (0.51)
Others	132 (24)	2309.97 (266.95)	133 (24)	2310.17 (266.95)
TOTAL	28231 (15740)	131760.00 (67811.04)	28222 (15732)	130990.09 (67068.58)

Figures in Bracket indicates information relating to SSI units.

ANNXURE 9 : BRANCH-WISE RECOVERY, OUTSTANDING & DEFAULT AS ON 31.03.16

(₹ lakh)

Sl. No.	Name of the Branch	RECOVERY DURING -2015-16			Principal Outstanding			DEFAULT		
		Principal	Interest	Total	No.	Amount	Principal	Interest	Total	
1	Balasure	-10.75	63.66	52.91	693	4716.78	4564.45	57808.73	62373.17	
2	Berhampur	9.09	10.28	19.37	463	2347.79	2324.52	23602.48	25927.00	
3	Bhubaneswar	52.59	24.49	77.08	1384	6504.23	6277.08	99565.09	105842.17	
4	Cuttack	91.54	146.74	238.28	1788	4086.89	4055.83	48079.61	52135.44	
5	Dhenkanal	0.28	3.93	4.21	628	878.30	878.30	9699.19	10577.49	
6	Jeyppore	84.02	3.46	87.48	229	530.01	503.84	5582.35	6086.19	
7	Paradeep	3.27	25.05	28.32	2156	2337.75	2256.95	20421.87	22678.82	
8	Rourkela	55.84	19.05	74.89	359	2356.88	2243.90	34211.60	36455.50	
9	Sambalpur	16.59	9.30	25.89	767	2734.84	2693.50	45326.20	48019.70	
	Grand Total	302.47	305.96	608.43 *	8467	26493.47**	25798.37	344297.12	370095.49	

* Includes Agency Loan recovery of ₹ 7.59 lakh.

** Excludes different between G.L. & S.L. ₹ 5.05 lakh.





ANNEXURE 10 : SOURCES AND USES OF FUNDS DURING LAST 3 YEARS

(₹ lakh)

Sl.No.	SOURCES	2013-14	2014-15	2015-16
1	Opening Cash and Bank Balance	2397.77	1683.53	1681.07
2	Subsidy and Other Incentives Received.			
	i) CIS (Small Scale)	45.00	-	-
	ii) CIS (Interest Subsidy)	-	39.93	363.47
3	Repayment by Borrowers			
	i) Principal	546.37	315.91	197.68
	ii) Interest	504.24	1190.07	301.44
	iii) Other Receipt from Borrowers	65.12	-	101.68
	iv) Agency Loan	0.82	11.32	3.07
	v) Staff advance / loan recovery	16.42	10.91	-
	vi) Agency Interest /Service Charges	-	5.29	4.52
4	Other Income	-	230.02	213.20
5	Other cash inflow	150.28	107.27	38.13
6	Other Receipts	305.72	-	-
	TOTAL	4031.74	3594.25	2904.26



ANNEXURE 10 : SOURCES AND USES OF FUNDS DURING LAST 3 YEARS

(₹lakh)

Sl.No	USES	2013-14	2014-15	2015-16
1	Disbursement of			
	i) Term Loan	113.38	3.74	-
	ii) CIS (SSI Sector)	-	5.35	-
	iii) Interest Subsidy	4.07	63.03	293.18
2	Repayment of Loan to			
	i) SIDBI paid under OTS	800.00	400.00	372.00
	ii) State Govt (Soft Loan)	-	-	10.76
	iii) NEF repayment to SIDBI including service charge	49.90	174.44	100.00
3	Repayment of Margin Money	-	-	19.32
4	i) Interest Dividend & other Charges Paid	15.45	-	-
	ii) Administrative Expenses	1198.03	1189.15	972.23
	iii) Others	-	8.67	9.75
5	Other cash outflow	167.38	68.80	-
6	Closing Cash Balance	1683.53	1681.07	1127.02
	TOTAL	4031.74	3594.25	2904.26



ANNEXURE 11 : SUMMARY OF PROFIT & LOSS ACCOUNT FOR THE LAST FIVE YEARS

(₹ lakh)

Sl.No.	Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
1	Interest Earned	1438.19	1145.39	1352.83	1190.07	301.43
2	Other Income	210.28	356.62	307.20	230.02	213.20
3	Provision Add Back	954.85	-	-	-	-
4	Interest waived and expenditure written back.	-	261.01	83.94	-	645.90
	Total Income	2603.32	1763.02	1743.97	1420.09	1160.53
5	Interest paid	866.87	0.00	14.60	-	-
6	Other Financial Expenses	8.31	12.34	0.85	8.67	0.17
7	Establishment Expenses Including P.F.contribution gratuity, Medical & Interest on P.F..Incentives Allowance to Staff, Pension & Leave Salary Contribution & others.	1579.49	1452.05	1225.49	1215.32	994.93
8	Other Expenses Including Bad Debts Written Off & Provisioning	0.03	0.16	0.00	-	-
	Total Expenditure	2454.70	1464.55	1240.94	1223.99	995.10
9	Gross Profit	148.62	298.47	503.03	196.10	165.43
10	Provision for Taxation	-	-	0.00	-	-
11	Net Prior period Adjustment	96.05	9.31	44.07	1727.05	332.09
12	Less provision for NPA & standard assets	-	229.35	407.78	6208.63	-
13	Net Profit / (Loss)	52.57	59.81	51.18	(7739.58)	(166.66)
14	Appropriation Income	-	-	-	-	-
15	Less prior period expenditure adjustment over income	-	-	-	-	-
16	Net Effect	52.57	59.81	51.18	(7739.58)	(166.66)
17	Transfer to Reserve	10.51	11.96	10.23	-	-

Figures of F.Y. 2013-14 and 2014-15 regrouped / rearranged / reclassified wherever considered necessary

ANNEXURE 12 : STATEMENT SHOWING THE NUMBER OF SCHEDULED CASTE AND SCHEDULED TRIBE EMPLOYEES OF THE CORPORATION

Sl. No.	Category of Posts	Employees As On 31.03.2015				Employees retired/dismitted/resigned /VRS/VSS in 2015-16				Employees As On 31.03.2016				
		Total	SCs	STs	% of Total	Total	SC	ST	% of Total	Total	SC	ST	% of Total	
													SC	ST
1	CLASS A - Officers	47	-	-	-	-	-	-	47	-	-	-	-	
2	CLASS B - Assistants & Clerical Staff	108	1	1	0.93	2	-	-	106	1	1	0.94	0.94	
3	CLASS C- Other Subordinate Staff	28	2	2	7.14	1	-	-	27	2	2	7.41	7.41	
4	Consolidated	1	-	-	-	0	-	-	1	-	-	-	-	
	TOTAL	184	3	3	1.63	3	0	0	181	3	3	1.66	1.66	

**ANNEXURE 13 :STATEMENT INDICATING THE POSITION OF UNDERWRITING BY THE CORPORATION
ASON 31.03.2016**

Sl.No.	Name of the Company	No. of Share Held		Value		Outstanding	
		Ordinary Share	Preference Share	Nominal Per Share (₹)	Share Held (₹ lakh)	Paid up Value Per Share (₹)	Total (₹ lakh)
1	Bhaskar Textiles Mills Ltd.	-	400	100.00	0.40	100.00	0.40
2	ORITCO (Equity Shares)	87	-	1000.00	0.87	1000.00	0.87
	TOTAL	87	400	-	1.27	-	1.27





ANNEXURE 14 : PERFORMANCE OF THE CORPORATION DURING LAST 15 YEARS

(₹ crore)

Year	Gross sanction during the year		Cumulative sanction (effective)		Disbursement during the year		Cumulative disbursement		Outstanding at the end of each year		Recovery during the year		
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	Prin. Amt.	Int. Amt.	Total Amt.
2001-02	1021	122.31	46600	1426.20	1000	95.19	27727	1263.38	19371	631.71	62.55	68.26	130.81
2002-03	180	15.25	46742	1430.97	345	29.06	28072	1292.45	19633	616.86	41.08	50.96	92.04
2003-04	83	10.86	46802	1431.46	68	10.47	28140	1302.91	15302	585.79	41.76	35.26	77.02
2004-05	44	2.85	28219	1305.33	67	2.09	28207	1305.00	15038	552.97	45.41	27.65	73.06
2005-06	0	0	28207	1305.33	0	0.11	28207	1305.12	13266	511.52	45.52	23.86	106.75
2006-07	0	0	28207	1305.33	0	0	28207	1305.12	12595	477.08	48.24	27.91	76.15
2007-08	0	0	28207	1305.33	0	0	28207	1305.12	11918	434.54	29.90	17.08	64.78
2008-09	0	0	28207	1305.33	0	0	28207	1305.12	11386	403.70	27.33	19.24	46.57
2009-10	2	0.93	28209	1306.26	0	0	28207	1305.12	10507	370.71	19.05	21.10	40.15
2010-11	6	3.94	28215	1310.20	3	0.71	28210	1305.84	9885	325.38	24.35	17.68	42.03
2011-12	8	4.11	28223	1314.31	4	0.84	28214	1306.68	9332	301.11	21.74	14.64	36.38
2012-13	6	2.65	28229	1316.97	6	2.06	28220	1308.73	8915	287.53	6.77	12.57	19.34
2013-14	1	0.20	28230	1317.17	2	1.13	28222	1309.86	8751	276.42	5.67	5.72	11.39
2014-15	0	0.00	28230	1317.17	0	0.04	28222	1309.90	8595	271.99	3.37	11.96	15.33
2015-16	1	0.43	28231	1317.60	0	0.00	28222	1309.90	8467	264.93	3.02	3.06	6.08



**ANNEXURE 15 : DISTRICT WISE SANCTION & DISBURSEMENT OF CAPITAL INVESTMENT
SUBSIDY (SSI SECTOR, M/L SECTOR & INTEREST SUBSIDY DURING THE FY 2015-16**

(₹ Lakh)

SI.No	District	CIS (SSI Sector)				CIS (M/L Sector)				Interest Subsidy	
		Sanction		Disbursement		Sanction		Disbursement		Disbursement	
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
1	Cuttack	-	-	-	-	-	-	-	-	1	1.72
2	Jagatsinghpur	-	-	-	-	-	-	-	-	-	-
3	Jajpur	-	-	-	-	-	-	-	-	8	35.14
4	Kendrapara	-	-	-	-	-	-	-	-	3	18.35
5	Puri	-	-	-	-	-	-	-	-	4	13.49
6	Khurda	-	-	1	2.14	-	-	-	-	10	52.03
7	Nayagarh	-	-	-	-	-	-	-	-	1	0.9
8	Ganjam	-	-	-	-	-	-	-	-	1	1.34
9	Gajapati	-	-	-	-	-	-	-	-	1	0.6
10	Phulbani	-	-	-	-	-	-	-	-	-	-
11	Boudh	-	-	-	-	-	-	-	-	-	-
12	Sambalpur	-	-	-	-	-	-	-	-	-	-
13	Deogarh	-	-	-	-	-	-	-	-	-	-
14	Bargarh	-	-	-	-	-	-	-	-	6	65.09
15	Jharsuguda	-	-	-	-	-	-	-	-	2	20.23
16	Sundargarh	-	-	-	-	-	-	-	-	8	29.91
17	Balasore	-	-	1	3.20	-	-	-	-	5	10.80
18	Bhadrak	-	-	-	-	-	-	-	-	18	20.25
19	Mayurbhanja	-	-	-	-	-	-	-	-	6	4.16
20	Bolangir	-	-	-	-	-	-	-	-	3	4.95
21	Sonepur	-	-	-	-	-	-	-	-	-	-
22	Kalahandi	-	-	-	-	-	-	-	-	-	-
23	Nuapada	-	-	-	-	-	-	-	-	1	0.88
24	Dhenkanal	-	-	-	-	-	-	-	-	4	6.77
25	Angul	-	-	-	-	-	-	-	-	-	-
26	Keonjhar	-	-	-	-	-	-	-	-	3	1.22
27	Koraput	-	-	-	-	-	-	-	-	-	-
28	Malkanagiri	-	-	-	-	-	-	-	-	-	-
29	Nawarangpur	-	-	-	-	-	-	-	-	-	-
30	Rayagada	-	-	-	-	-	-	-	-	-	-
	TOTAL	-	-	2	5.34	-	-	-	-	85	287.83



ANNEXURE - 16: POSITION OF SHARE CAPITAL

(₹ lakh)

Year	STATE GOVT.					SIDBI					IDBI	Others	Total share capital (7+12+13)	
	Authorised share capital at the end of the year	At the beginning of the year	During the year received	By way of conversion of loan / Refund	Sub Total (4 + 5)	Total share capital (3+6)	At the beginning of the year	During the year received	By way of conversion of loan	Total				Total share capital (8+11)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1988-89	8000.00	1602.08	550.00	35.00	585.00	2187.08	1477.07	675.00	35.00	710.00	2187.07	.(13)	.(14)	4390.00
1989-90	-	2187.08	600.00	35.00	635.00	2822.08	2187.07	-	35.00	35.00	2222.07			5060.00
1990-91	10000.00	2822.08	635.00	32.94	667.94	3490.02	2222.07	635.00	32.945	667.945	2890.015			6395.885
1991-92	10000.00	3490.02	500.00	124.50	624.50	4114.52	2890.015	373.324	124.50	497.824	3387.839			7518.209
1992-93	10000.00	4114.52	-	124.50	124.50	4239.02	3387.839	3.096	124.50	127.60	3515.435			7770.305
1993-94	10000.00	4239.02	-	124.50	124.50	4363.52	3515.435	-	124.50	124.50	3639.935			8019.305
1994-95	10000.00	4363.52	240.00	124.50	364.50	4728.02	3639.935	-	124.50	124.50	3764.435			8508.305
1995-96	10000.00	4728.02	-	124.50	124.50	4852.52	3764.435	-	124.50	124.50	3888.935			8757.305
1996-97	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
1997-98	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
1998-99	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
1999-00	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2000-01	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2001-02	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2002-03	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2003-04	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2004-05	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2005-06	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2006-07	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2007-08	10000.00	4852.495	-	27104.249	27104.249	31956.744	3888.935	-	-	-	3888.935			35861.554
2008-09	50000.00	31956.744	-	2316.25	2316.25	34272.994	3888.935	-	-	-	3888.935			38177.804
2009-10	50000.00	34272.994	-	-	-	34272.994	3888.935	-	-	-	3888.935			38177.804
2010-11	50000.00	34272.994	-	-	-	34272.994	3888.935	-	1896.399	1896.399	5785.334	1273.899		41348.102
2011-12	50000.00	34272.994	-	-	-	34272.994	5785.334	-	186.75	186.75	5972.084	1273.899		41534.852
2012-13	50000.00	34272.994	-	-	-	34272.994	5972.084	-	-	-	5972.084	1273.899		41534.852
2013-14	50000.00	34272.994	-	(-0.999)	(-0.999)	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853
2014-15	50000.00	34271.995	-	-	-	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853
2015-16	50000.00	34271.995	-	-	-	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853
As on 31.03.2016	50000.00	34271.995	-	-	-	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853

Share deposit pending allotment -State Government ₹ 0.50 lakh, SIDBI ₹ 2083.149 lakh, IDBI ₹ 1273.899 lakh.



ANNEXURE - 17 : POSITION OF LOAN IN LIEU OF SHARE CAPITAL (₹ lakh)

Year	STATE GOVT.					SIDBI					TOTAL LOAN
	At the Beginning of the year.	During the year	Total	Converted to Share Capital	Balance Outstanding	At the Beginning of the Year	During the Year	Total	Converted to Share Capital	Balance Outstanding	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1989-90	1312.94	-	1312.94	35.00	1277.94	1312.94	-	1312.94	35.00	1277.94	2555.88
1990-91	1277.94	-	1277.94	32.94	1245.00	1277.94	-	1277.94	32.94	1245.00	2490.00
1991-92	1245.00	-	1245.00	124.50	1120.50	1245.00	-	1245.00	124.50	1120.50	2241.00
1992-93	1120.50	-	1120.50	124.50	996.00	1120.50	-	1120.50	124.50	996.00	1992.00
1993-94	996.00	-	996.00	124.50	871.50	996.00	-	996.00	124.50	871.50	1743.00
1994-95	871.50	-	871.50	124.50	747.00	871.50	-	871.50	124.50	747.00	1494.00
1995-96	747.00	-	747.00	124.50	622.50	747.00	-	747.00	124.50	622.50	1245.00
1996-97	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
1997-98	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
1998-99	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
1999-00	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2000-01	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2001-02	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2002-03	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2003-04	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2004-05	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2005-06	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2006-07	622.50	24608.00	25230.50	-	25230.50	622.50	-	622.50	-	622.50	25853.00
2007-08	622.50	1873.74	27104.24	27104.24	-	622.50	-	622.50	-	622.50	622.50
2008-09	-	2316.25	29420.50	29420.50	-	622.50	-	622.50	-	622.50	622.50
2009-10	-	-	29420.50	29420.50	-	622.50	-	622.50	-	622.50	622.50
2010-11	-	-	-	-	-	622.50	-	622.50	622.50	-	-
2011-12	-	-	-	-	-	622.50	-	622.50	622.50	-	-
2012-13	-	-	-	-	-	-	-	-	-	-	-
2013-14	-	-	-	-	-	-	-	-	-	-	-
2014-15	-	-	-	-	-	-	-	-	-	-	-
2015-16	-	-	-	-	-	-	-	-	-	-	-



CONNECTIVITY CHART HEAD OFFICE

ADDRESS	Odisha State Financial Corporation, OMP Square, Cuttack-753003
WEBSITE	www.osfcindia.com
EMAIL	osfcho@osfcindia.com
FAX	0671-2443644
EPABX	0671- 2446996 / 2443337
RECEPTION	0671- 2446152 PBX-40

CHAIRMAN	
NAME	LANDLINE/FAX
Shri Gagan Kumar Dhal, IAS (till 17.08.2016)	MSME:0674-2391384 FAX: 0674-2394051
Shri Laxmi Narayan Gupta, IAS (from 25.10.2016) Principal Secretary to Government, MSME Department & Chairman, OSFC.	OSFC: 0671-2443629

MANAGING DIRECTOR			
NAME	LANDLINE/FAX	MOBILE	EMAIL
Shri Nityananda Palai, IAS Managing Director (till 31.03.2016) Shri B. B. Behera, OAS (SAG), Addl Secretary to Govt., MSME Dept. & Managing Director (Continuing)	MSME:0674-2393055 OSFC: 0671-2443659 FAX : 0671-2443644	9437961610	mdosfc@osfcindia.com & osfcho@osfcindia.com

JOINT GENERAL MANAGER			
NAME	LANDLINE/FAX	MOBILE	EMAIL
Shri Bijay Kumar Sahoo, JGM	OFF:0671- 2443529	9338234949	osfcho@osfcindia.com

DEPARTMENTS OF HEAD OFFICE			
SL	DEPARTMENT	LANDLINE	MOBILE
1	RECOVERY & RISK MANAGEMENT	0671-2442748	9437113180
2	LEGAL	0671-2443325	9437113180 9776772051
3	ADMINISTRATION & PREMISES	0671-2444193	9437113180
4	FINANCE & ACCOUNT	0671-2440223	9437270692
5	CREDIT	0671-2440060	9437270692
6	PLANNING & MIS	0671-2442801	9238579931
7	COMPUTER SERVICES		
8	HUMAN RESOURCE	0671-2443590	9937764107
9	BOARD DIVISION / INTERNAL VIGILANCE		
10	INTERNAL AUDIT		9861221067



INTERCOM NETWORK OF HEAD OFFICE

LOCATION	INTERCOM NO.
CHAIRMAN	23
MD	21
JGM	22
PS TO MD	26
ADMINISTRATION & PREMISES DEPARTMENT	27
BOARD DIVISION / INTERNAL VIGILANCE	35
CREDIT DEPARTMENT	31
CREDIT DEPARTMENT (HOD)	30
COMPUTER SERVICE, PLANNING & MIS DEPARTMENT (HoD)	25
DIARY	28
DOCUMENT \ RECORD	24
FINANCE & ACCOUNT DEPARTMENT	33
FINANCE & ACCOUNT DEPARTMENT (HoD)	32
HUMAN RESOURCE DEPARTMENT	36
HUMAN RESOURCE DEPARTMENT (HOD)	37
INTERNAL AUDIT (HOD)	29
LEGAL SUIT	38
LIBRARY	34
RECEPTION	40
RECOVERY & RISK MANAGEMENT DEPARTMENT	42
RECOVERY & RISK MANAGEMENT DEPARTMENT (HoD)	41
XEROX	27/39

BRANCH OFFICES

SL.	BRANCH	ADDRESS	LANDLINE/PHONE	MOBILE	EMAIL
1	BALASORE	Padhuanpada, Proof Road, Balasore, PIN:756001	06782-262457	9437990904	bbs@osfcindia.com
2	BERHAMPUR	Station Road, Hill Patna, Berhampur, Pin:750005	0680-2233501	9437455065	bam@osfcindia.com
3	BHUBANESWAR	Indradhanu Market Complex, Nayapalli, Bhubaneswar, PIN:751015	0674-2555852	9437172125	bbsr@osfcindia.com
4	CUTTACK	I/E, Madhupatna, Cuttack, PIN:753010	0671-2342035	9861076264	ctc@osfcindia.com
5	DHENKANAL	Durga Bazar, Dhenkanal, PIN:759001	06762-224627	9437278034	dkl@osfcindia.com
6	JEYPORE	Main Road, Jeypore Pin:764001	06854-233049	9437455065	jpr@osfcindia.com
7	PARADEEP	I/E, Madhupatna, Cuttack, PIN:753010	0671-2344107	9861324270	pdp@osfcindia.com
8	ROURKELA	New Civil Township, Rourkela, PIN:769004	0661-2665544	9437360429	rkl@osfcindia.com
9	SAMBALPUR	Bareipalli, N.H-6, Sambalpur, PIN:768001	0663-2115185	9437360429	sbp@osfcindia.com

FACILITATION-CUM-RECOVERY CENTER (FRC)

SL	FRC	ADDRESS
1	BHADRAK	Charmpa, Bhadrak, PIN:756101
2	BHAWANIPATNA	Kandhapada, Ward No.-1, Bhawanipatna, Kalahandi, PIN:766001
3	BOLANGIR	Qr. No.-2RA/27, Hatisalpada, Bolangir, PIN:767001
4	KHURDA	Industrial Estate, Khurda, PIN:752055
5	PHULBANI	Industrial Estate, Phulbani, PIN:762001
6	PURI	DIC, Chakratirtha Road, Puri, PIN:752002