



OSFC

54th
Annual Report
2010-11



ORISSA STATE FINANCIAL CORPORATION
OMP SQUARE, CUTTACK - 753003



54th

ANNUAL REPORT

2010- 11

ORISSA STATE FINANCIAL CORPORATION

Board of Directors

(as on 31.03.2011)



P.R. Das
Chairman



B.K. Bose
Managing Director



K.N. Khatal
Director of Industries



D.P. Mohanty
Spl. Secy. to Govt.
Industries Dept.



Ramnath
CGM, SIDBI



Kirpal Singh
GM, SIDBI



Ajay Kumar
Sr. Divn. Mgr., LIC



Prof. Dr. S. Moharana
P.G. Dept. of Commerce
Utkal University



P.C. Pathi
Jt. Secy. to Govt.
Finance Dept.



P.R. Giri
Spl. Secy. to Govt.
P.E. Dept.

Senior Executives

(as on 31.03.2011)



D. Mohapatra
JGM



B.K. Sahoo
JGM



L.D. Bhoi
DGM



A.K. Nayak
DGM



S.N. Sahoo
DGM



A.K. Das
DGM



P. Nayak
DGM



B.K. Sahoo
DGM



H.C. Sahoo
Manager



P.K. Samantaray
Manager



M. Sarangi
Manager



P.K. Ray
Manager



G.B. Pani
Manager



B. Mohapatra
Manager



U.C. Khandaystray
Manager



Md. Akmal
Manager



M.S. Lenka
Manager



N.C. Mohanty
Manager



B.K. Swain
Manager



M.S. Mishra
Manager



N.C. Ray
Manager



K.C. Mohapatra
Manager



A. Dash
Manager



D.P. Mishra
Manager



S.K. Nayak
Manager



D.G. Moharana
Manager



S.K. Kar
Manager



K.N. Hota
Manager



P.K. Mohapatra
Manager



K.K. Giri
Manager



H.K. Ray
Manager



N.K. Senapati
Manager



S. Mohanty
Manager



K.C. Parigrahi
Secy. to Board

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PERFORMANCE AT A GLANCE

(₹ crore)

PARTICULARS	2009-10	2010-11	AS ON 31.03.11
OPERATIONS			
1. Sanction	0.93	3.94	1310.20
2. Disbursement	-	0.71	1305.84
3. Recovery	40.15	42.03	1887.39
4. Outstanding	372.09	326.15	326.15
SHARE CAPITAL			
5. Paid Up	-	31.70	413.48
6. Loan in Lieu of Share Capital	-	6.22	-
BONDS			
7. Issued	-	-	424.44
8. Repaid	-	0.80	424.34
9. Outstanding (Principal)	0.90	-	-
10. Outstanding Prin. Transferred to Un-claimed liabilities	-	0.10	0.10
REFINANCE			
11. Availed	-	-	691.03
12. Repaid	15.00	15.00	576.38
13. Outstanding(prin.)		114.65	114.65
14. New LoC under TRA		0.53	0.53
15. Repaid	-	-	-
16. Outstanding (Principal)	-	0.53	0.53
FINANCIAL SUMMARY			
17. Gross Income	23.47	25.48	
18. Total Expenditure	19.59	24.34	
19. Operating Profit	3.38	1.14	
20. Appropriation of Expenditure Income (Provn. Written back)	2.08	0.53	
21. Provision For Tax	-	-	
22. Net Profit/Loss	1.80	0.61	
23. Reserve	0.36	0.12	

Outstanding of ₹326.15 crore as on 31.03.11 includes personal loan to employees of ₹0.54 crore and difference between and difference between G.L. and Sub-ledger of ₹0.23 crore.

BANKERS
AS ON 31.03.2011

Central Bank of India
Union Bank of India
Canara Bank
State Bank of India
Syndicate Bank
Andhra Bank
Indian Overseas Bank
Allahabad Bank
AXIS Bank Limited
IDBI Bank Limited
HDFC Bank Limited

AUDITORS
M/s G.P.Mishra & Co.
Chartered Accountants
Malasahi, Mangalabag
Cuttack

THE MANAGEMENT
(AS ON 31.03.2011)

BOARD OF DIRECTORS

Sri P.R.Das
Chairman.

Shri Bijay Kumar Bose
Managing Director,
Orissa State Financial Corporation,
O.M.P.Square, Cuttack-753003.

Shri K.N.Khatai, IAS
Director of Industries,
Orissa, Cuttack.

Shri D.P.Mohanty
Special Secretary to Government,
Government of Orissa,
Industries Department, Bhubaneswar.

Shri Ram Nath
CGM, SIDBI, Eastern Zonal Office,
11, Dr. U.N.Bramhachari Street,
8th floor, Opp. La Martiniere Girls School
Kolkatta-17.

Shri Kirpal Singh
General Manager, SIDBI,
4th floor, OCHC Building, Bhubaneswar.

Shri Ajay Kumar
Sr. Divisional Manager,
LIC of India, Cuttack Division, Cuttack.

Prof. Dr. Samson Moharana
Professor, Post Graduate Department of
Commerce, Utkal University, Vani Vihar.

Shri P.C.Pathy
Joint Secretary to Government,
Finance Department,
Government of Orissa, Bhubaneswar.

Shri P.R.Giri
Special Secretary to Government,
Public Enterprise Department,
Govt. of Orissa, Bhubaneswar.
(Special Invitee)

EXECUTIVE COMMITTEE

Shri P.R.Das
Chairman

Shri Bijay Kumar Bose
Member

Shri K.N.Khatai, IAS
Member

Shri Kirpal Singh
Member

Shri Ajay Kumar
Member

AUDIT COMMITTEE OF BOARD

Shri K.N.Khatai, IAS
Chairman

Shri Bijay Kumar Bose
Member

Shri Kirpal Singh
Member

Shri J.K.Sahoo, F.C.A
Member



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

NOTICE

Notice is hereby given in pursuance of Regulation 45 of the Orissa State Financial Corporation General Regulation 2003 that the 54th Annual General Meeting of the share holders of the corporation for the year 2010-11 will be held on 29.07.11 at 11.00 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 31.03.2011 and Profit & Loss account of the Corporation for the year ending 31st March 2011 together with the Report of the Board of Directors on the working of the Corporation during the FY-2010-11.
2. Appointment of statutory auditors for the FY- 2011-2012.
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 14.07.2011 to 29.07.2011 (both days inclusive).

Cuttack,
Dt.07.07.2011

Sd/-
(B.K.Bose)
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 21.07.2011.
2. Any proxy shall be executed in terms of Orissa State Financial Corporation (Voting rights) Rules, 2003 and shall be deposited at the Head office of the Corporation on or before 22.07.2010 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 54th Annual Report on the functioning of the Corporation together with the audited statement of accounts for the year ended 31st March 2011.

NATIONAL ECONOMIC SCENARIO

Robust growth and steady fiscal consolidation have been the hallmark of Indian economy in FY 2010-11. As per the advance estimate of Central Statistical Office (CSO), the economic growth as measured by Gross Domestic Product (GDP) improved to 8.6 % in 2010-11 from 8% in 2009-10. This was propelled by better firm output, construction activities and performance of financial services. On the domestic side, the rise in savings and investment & pickup on private consumption have resulted growth of the Gross Domestic Product (GDP). Manufacturing and service sector have registered impressive gains.

The growth in the Industrial Sector was buoyant during the first two quarters of FY 2010-11. The rise in savings and investments have resulted 9.7% growth of GDP at market price (constant) in 2010-11. Saving and investment rate has gone up to 33.7% and 36.5% respectively. The contribution of service sector to the Indian Economy stood at 57.3 percent share of the GDP. Credit growth of the Banking sector at 21.4 percent was above the RBI's indicated trajectory.

Food inflation, higher commodity prices and volatility in global commodity markets have been a cause of concerns, for which there is need for fiscal consolidation and stronger reserve. It is a fact that inflation continues to be a cause of concern in FY 2010-11. It started with a double-digit inflation of 11 percent in April 2010 and came down to single-digit of 8.4 percent in December 2010. The inflationary pressures on the domestic front are likely to be exacerbated by the higher levels of global commodities prices and also easy money policy being followed in several industrial nations trying to jump start their own economies.

India's export of US \$ 245.6 billion during 2010-11 posted an increase of 37.8 percent as against US\$178.23 billion in 2009-10. Similarly import payments of US \$ 300.6 billion also recorded a decline of 2.6 percentages in 2009-10 as compared to US \$ 308.5 billion in 2008-09. Trade deficit increased by 2.4 percent to US \$ 82 billion on 2010-11 (April to December) from US \$ 80.1 billion in the correspondence period of the previous year. The foreign exchange reserves during FY 2010-11 increased from US \$ 279.6 billion at the end of the April 2010 to US\$ 297.3 billion at the end of December 2010.

Outlook for FY 2011-12

The year 2011-12 shows signs of being a challenging year; the Country's growth story continues to hold out, even as vulnerabilities in the global economic and financial space remain a concern. Japanese recovery, Europe's fiscal consolidation and the liquidity overhang in US with moderate growth in the second half of 2011, coupled with expectations of hike in policy rate to contain rising inflation. In India, inflationary pressures are likely to persist which will result in tighter monetary stance, while higher

interest rates are likely to boost growth in domestic saving, credit growth may slacken owing to rising interest rates. The GDP growth is expected to grow near to 9 percent in the coming FY. However, several factors like high interest scenario, high input prices, and uncertainties in international economic scenario are likely to limit the GDP growth. The service and Industrial sector is expected to grow by 9.9 percent and 8.7 percent respectively during FY 2011-12.

STATE ECONOMY

Orissa's Economy has been following a high growth trend in recent years. It has grown at an average rate of 9.57% per annum in the 1st three years of the 11th five year plan which is, in line with national trend. As per advance estimate, Net State Domestic Product (NSDP) has increased from ₹38399 crore in 1999-2000 to ₹134241 crore in 2009-10, recording annual growth rate of 12.65 percent. As per quick estimate, Orissa's real growth rate in 2009-10 was 10.57 percent at 2004-05 prices. Orissa's Economy has undergone a structural change and the service sector becoming more & more pronounced. The service sector accounted for about 54% of Gross State Domestic Product (GSDP) followed by exposure of Industries & Agriculture of 28 percent and 18 percent respectively. The Share of the construction sector in Orissa's GSDP in 2009-10 was about 7 percent. This sector recorded a modest growth rate of 5.35 percent per annum in comparison to 9.08 percent at the national level.

The high growth rate of State Economy is due to high growth in Industrial Sector. This sector has an average annual growth rate of 12.56 percent at 2004-05 prices during the 1st three years of 11th plan. The service sector recorded an average annual growth rate of 9.5 percent in real terms at 2004-05 prices in the 1st three years of 11th plan. Advance to MSME sector in the state during FY 2010-11 stood at ₹9904 crore which constitute 12.43% of the total advance. The nos. of MSMEs has been increasing over the time and maximum nos. of SMEs setup during 2009-10 was in Sundergarh district followed by Cuttack, Khurda & Ganjam. The Banking and Insurance Sector which constitute about 6 percent of the service sector provides invaluable indirect benefits to the economy in the form of financial infrastructure.

The revenue deficit of the State Government has been eliminated since 2005-06. Fiscal deficit has been reduced below the prescribed limit. However, there are two factors that have impacted State fiscal scenario in 2009-10. The 1st one was worldwide recession and the 2nd one was impact of implementation of revision of salaries and pensions as per recommendation of 6th pay commission. Despite adverse fiscal impact during 2009-10, both in Revenue & Expenditure side, the State has been able to manage its finance well and to keep broad fiscal indicators at judicious level.

The value of exports from Orissa to foreign countries stood at ₹11778 crore in 2009-10 in comparison to ₹14664 crore in 2008-09.

Outlook for FY 2011-12

Orissa has made significant achievement in terms of economic growth, poverty reduction and other socio economic indicators. The State Government has been giving emphasis for overall development of the following areas.

- State Economy needs to grow faster than the national average.
- Agriculture and allied sectors needs to perform above the national average.
- Sustained efforts are needed to mitigate adverse impact of natural calamities.
- Thrust is to be given to reduce regional, social and gender disparities.
- Special efforts are required to improve employable skills of educated and uneducated youth and also to reduce the poverty.

The outlook for both Industrial Sector and Services Sector in Orissa which can absorb enough of burgeoning labour force of the State, remains bright. The market for IT (computer services), communications as well as financial services within India, and moreso in Orissa, remains under-penetrated. Education and healthcare both need to expand considerably. Transport, storage, hotels & restaurants and retail trade all have untapped potential.

VISION AND MISSION OF OSFC

Vision

- Emerge as a single-window for meeting the financial and developmental needs of MSME sectors in the State to make it strong, vibrant, and competitive both nationally and internationally.
- OSFC brand as a Customer friendly institution.
- Provide efficient cost effective services to the customer through application of modern technology and good governance.

Mission

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

OSFC: ITS 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 of Orissa and thereby ushering in an era of industrialization in the State. It has completed more than five 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, dispersal of industries, mobilization of capital, entrepreneurship skill development and export earnings. Post liberalization and financial sector reforms, industries in the MSME Sector failed to compete and became sick, thereby impacting the financial health of OSFC adversely. The financial health of the Corporation steadily deteriorated due to poor recovery, rising NPAs and growing provisions as per provisioning norms.

The percentage of net NPAs to net loans and advances stood at 97%. In the past, OSFC raised high cost fund to repay low cost borrowings on maturity and fell in to debt trap. The lending activities of OSFC declined progressively and ultimately stopped since 2005-06. Its cumulative loss amounted to ₹400.75 crore. Now OSFC is on revival path, restructured and rejuvenated mainly with active support from the State Government besides support of other stakeholders like SIDBI. OSFC has restarted its lending activities from March, 2010 and looks forward to early turn-around encouraged by well – performing SFCs, particularly in South.

OSFC has also played a key role in reviving potential 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, because of its NPA status. OSFC would continue to play its role in the rehabilitation of sick units of the State and looks forward to the support of the State Government in this regard.

After resumption of lending, OSFC faces keen competition from the banks, FIs and private players in terms of cost of funds, availability of resources and credit pricing. Most of its good and proven customers have migrated to banks and other FIs as OSFC was away from business of lending for almost 6 years. However, the strength of OSFC lies in its network of Branches, experienced quality manpower and commitment to the cause of MSMEs. A new Loan Policy which is being introduced intends to support small/micro enterprises besides established entrepreneurs and enterprises.

During the year, the Corporation has taken several measures to remove bottom-line deficiencies covering Policy, Procedure, Practice, Computerisation, Man-power motivation, orientation & Staff Accountability with a view to act like a true Financial Institution in the competitive environment. OSFC has revisited, modified and firmed up its policies and practices and streamlined its procedures as per best banking norms and practices. Apart from meeting the term loan requirements of an 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 12.75% to 14.50% which is competitive in the prevailing market scenario with provision of rebate of 0.50% to encourage loanees for prompt payment.

While adapting itself to the fast changing environment, the Corporation would focus on strengthening customer relationship through prompt quality service. The Corporation would continue to identify areas of business opportunity, scale-up and broad base its business for sustained earnings. The Corporation is fully geared to substantially increase the sanction of loans and has set a target of ₹50 crore for FY 2011-12. Improved financial position of OSFC in terms of sustained profit, growth in net worth to ₹16.57 crore and capital adequacy to 10.89% would propel the Corporation for better performance in coming years.

The wave of industrialization is sweeping the State and several mega projects have come up, which has opened up large opportunities for setting up of ancillary/ downstream industries. 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. The new Loan Policy for FY 2011-12 lays emphasis on providing credit assistance to new industries like Hotel at strategic locations and places of tourist importance, Nursing Homes, Industrial Clusters, IT & ITES projects, Food Processing units, Transport loans and export oriented units.

OPERATIONAL HIGHLIGHTS

Sanction

The Corporation remained away from the business of lending for almost six years. Consequently, most of the good customers of the Corporation migrated to other banks & FIs. Loan Policy for FY 2010-11 which laid emphasis on finance to standard units only did not yield satisfactory response. The Corporation could be able to sanction ₹3.94 crore only to 6 units during the year 2010-11. Penetration to the market within a very short period after a gap of 6 years has been extremely tough and challenging. The cumulative sanction after resumption of lending in March 2010 stood at ₹4.87 crore as on 31.03.2011.

Consortium / joint finance

OSFC has initiated the process of joint financing with SIDBI/Commercial Banks for diversification of risk. All joint finance cases shall be governed by the terms and conditions, credit norms and modalities contained in respect of joint finance agreement. The participating lenders shall have pari-passu charge over the assets of the borrowers unit.

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 models. 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 ₹100.00 lakh. On successful operationalisation, the same software would be used for other cases. In-house risk rating models is being used to risk rate credit proposals involving credit in excess of ₹100.00 lakh and green field projects.

Privileged Customer Scheme (PCS)

The Corporation intends to incentivize well performing units of OSFC having good repayment track records for last 3 years with the Corporation/Banks/FIs. The Scheme provides credit on softer term to such borrowers to meet their non-project specific business requirements, under permissible annual limit. The loan under this Scheme shall be guided by the following:

- Interest rate applicable as per risk rating,
- 0.5% interest rebate for prompt payment,
- Minimum 150% overall asset coverage,
- Positive net worth and no accumulated loss,
- Loan limit - ₹50.00 lakh maximum.

Fair practices code

The Corporation is following Fair Practice Code for lenders as per RBI guidelines. The guidelines for processing loan application; appraisal, disbursement, post-disbursement supervision, and credit monitoring have been laid down. All the information relating to charges/fees for processing has been disclosed in the application form. The facility for prepayment of loans is also available and pre-payment premium shall be calculated as per the extant loan policy.

Know Your Customer (KYC) & Anti Money Laundering (AML) standards

As advised by SIDBI, the Corporation has put in place a proper policy frame work 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 were 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.

Fee Based Activities

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

- General Insurance Business
- Preparation of Project Profiles
- Training Support for Entrepreneurship Development

General Insurance Business

The Corporation continued to market General Insurance products of The New India Assurance Company Ltd. and posted modest growth in this area during the year. The Corporation has also lined up with Life Insurance Corporation of India (LIC) to market life insurance products.

Preparation of Project Profiles

The Corporation continues to prepare project profiles for MSMEs at affordable rates. During the FY 2010-11, the Corporation has prepared 16 nos. of project profiles for different clients.

Training Support for Entrepreneurship Development

The Corporation has supported EDP training programme and successfully completed training programme in four districts namely Gajapati, Kalahandi, Keonjhar and Balasore.

Disbursement

The Corporation disbursed a modest amount of ₹0.71 crore during the year to 3 units after resumption of lending.

BUSINESS INITIATIVES

The Corporation has taken following new initiatives to increase loan portfolios:

- Formulated a new revised Loan Policy for FY 2011-12 based on its past experience and performance. The Corporation has identified emerging sectors and has fixed industry-wise exposure limits. It aims at broad basing eligibility base/ borrowers/ activities and extending loans to proven customers of OSFC on liberal terms.
- Rationalised loan application form and revised checklist.
- Adopted CART Software of SIDBI for appraisal and risk rating of credit proposal up to ₹1.00 crore.
- Made tie-up arrangement with Union Bank of India to facilitate sanction of working capital.
- Initiated process of joint financing with SIDBI for sharing of risk.
- Formulated the Technology Up-gradation Scheme as per MSME Development Policy- 2009 which is under consideration of the State Government.
- Put in place a comprehensive Loan Recovery Policy wherein Post Disbursement Monitoring and NPA Monitoring & Management have been emphasized particularly prevention of slippage of standard accounts and upgradation of NPA accounts.
- Took active participation in the celebration of 7th Entrepreneurship Week (5-11 March 2011) organized by the State Government throughout the State. Opened a stall at IDCO Exhibition Ground where NSIC had organized MSME International Trade Fair-2011 and distributed Scheme Brochure of OSFC widely among visitors and entrepreneurs. Made a power point presentation on "OSFC on Revival path to serve MSME Sector" during the Seminar session and provided printed information to Press and Mass Media regarding resumption of lending activities and future business plan of the Corporation.

Business Review Meetings

Business Review Meetings were held at regular intervals with Branch managers and Heads of Departments to review performance of the Branches and identify weak areas for improvement. The review of operations of the Branch was done in the presence of the Chairman and Managing Director of the Corporation. Two such meetings were also attended by the Principal Secretary/Commissioner-cum-Secretary to Government, Industries Department, Government of Orissa. During the year under report, four review meetings were held.

RECOVERY

OSFC has suffered due to continuous rise in the level of NPAs in its loan portfolio over the years; as a result, the Corporation was neither able to discharge the institutional liabilities nor sustain its core activity of lending since 2003-04. Hence, recovery of loan dues has been a thrust area of operation to achieve twin objectives of reduction of NPAs as well as mobilization of required resources. In fact, NPA management has assumed greater significance for real turnaround of the Corporation. This includes credit monitoring and timely follow-up, application of various recovery measures including initiation of legal proceedings and settlement through OTS etc. A comprehensive Loan Recovery Policy FY 2010-11 was formulated to serve as a Ready Reckoner for field level operations.

The basic objective of Loan Recovery Policy is to introduce procedure to maintain uniformity, transparency, and a prudent approach to maximize recovery of dues including salvaging out of the excessively high level of NPAs. The following basic tools in the order of priority are being adopted by the Corporation for NPA management.

- Monitoring and follow-up
- Restructuring (Rephasing / Rescheduling)
- Rehabilitation / Interest Reduction.
- Mutual Transfer.
- One Time Settlement
- Disposal under Section-29 of SFCs Act
- Legal Action (Section-31 of SFCs Act., DRT, SARFAESI Act)
- Write off

The Corporation has streamlined the existing system by decentralizing most of the activities for timely decision coupled with better NPA management. The annual recovery target has been distributed on monthly basis among the 15 branches basing on their loan portfolios. All the employees of the Branch Offices are involved in the process.

During the year, the overall recovery of ₹42.03 crore (more than annual target) has become possible due to dedicated efforts of the employees of the Corporation, continuous monitoring by the management. As on 31.03.2011, the Corporation approved 2681 nos of OTS application under MFD-OTS-07 scheme for a settlement amount of ₹83.47 crore against an outstanding of ₹625.55 crore. The Corporation recovered ₹43.79 crore from the 1634 number of fully paid OTS cases. The Corporation waived / sacrificed interest / penal interest amounting to ₹127.24 crore and Principal of ₹0.02 crore for settling these accounts under OTS.

Recovery through seizure & sale u/s 29 of SFCs Act continues to be the mainstream activity for the Corporation. During the year, 49 cases were seized involving loan outstanding of ₹135.85 cr. (Pr. ₹11.12 cr.). Centralized disposals of seized assets are undertaken by Head Office through Default-Cum-Disposal Advisory Committee (DDAC) for better transparency and quicker decision. 11 nos. of DDAC meetings were held for sale of 95 cases including units seized in earlier years. Out of these, 50 units were decided for sale at a total sale amount of ₹18.52 cr. (Principal O/s ₹8.00 cr.). Against this sale, only 38 cases could be fully materialized for ₹9.76 cr.

(Principal O/s ₹5.94 cr.) during the year. Besides, 11 cases where sale was decided in previous years were fully materialized at ₹1.49 cr. (Pr. O/s ₹1.73 cr.) during the year. In addition, 40 units having principal O/s of ₹5.13 cr. were released to the original borrowers on receipt of part/full loan dues during FY 10-11.

The Recovery particulars of the year are shown in **Table- 1**.

TABLE-1				
₹ crore				
Particulars	Principal	Interest	Others	Total
Term Loan & Other Loans	45.35	15.92	1.39	62.66
Agency Loans	0.86	0.37	-	1.23
Sub Total	46.21	16.29	1.39	63.89
Less: Net excess adjustment of Advance against OTS,Rephasement and Security Deposit and Down Payment over actual receipts during the Year	7.28	-	-	7.28
Less: Interest income reversed & appropriate as principal recovery under OTS	14.58	-	-	14.58
Recovery for the Year-Total	24.35	16.29	1.39	42.03

The percentage of net demand to loan outstanding (Principal) is 18.66% and the percentage of amount collected to recoverable is 4.84%. The Corporation has therefore, decided to streamline its procedures further and also to adopt new strategies for the purpose of making improvement on the recovery front.

The position of Recovery for the year is given in **Table- 2**

TABLE – 2			
₹ crore			
Particulars	Principal	Interest	Total
Overdues at the beginning of the year	335.25	2307.72	2642.97
Add: Adjustment arising out of reconciliation	6.20	0.00	6.20
Less: Adjustment arising out of reconciliation	0.00	44.33	44.33
Sub Total	341.45	2263.39	2604.84
Add : Current Demand during the Year	2.31	226.86	229.17
Total Demand	343.76	2490.25	2834.01
Less Prin./ Interest on account of loss assets & doubtful assets (iii)	171.35	1368.88	1540.23
Net Demand	172.41	1121.37	1293.78
Less i) Waiver through OTS	0.02	127.24	127.26
ii) Recovery	46.74	15.92	62.66*
Overdues at the end of the Year	297.00	2347.09	2644.09
Outstanding at the end of Year(31.03.11)	326.15	2347.09	2673.24
Percentage of recovery against net demand (Pri.)			18.66
Percentage of recovery against net demand (Int.)			1.42
Percentage of Recovery from recoverables			4.84
Percentage of net demand to loan O/s (Pri.)			48.40
* NOTE:			
1) ₹14.58 crore has been adjusted towards principal recovery out of interest recovery of earlier years under OTS.			
2) Recovery on Agency loans amounting ₹1.23 crore have not been included.			

Seizure and sale

The position regarding seizure of units under section 29 of the SFCs Act and their disposal during 2010-11 is given in **Table-3**.

TABLE – 3 Particulars (U/s 29) 2010-11	₹ Crore		
	No.	O/s Amt.	
		Pri.	Total
Cases pending for disposal at the beginning of the year	573	47.48	314.11
Cases taken over u/s 29 during the year	49	11.12	135.85
Total	622	58.60	449.96
Cases disposed through DDAC/BLDC (Sale price Rs.14.70 Cr.)	49	7.67	66.97
Cases released to original loanees including OTS cases	40	5.13	14.85
Total	89	12.80	81.82
Cases pending for disposal at the end of the year including partly sold & sales pending for materialization.	533	45.80	368.14

Court cases

The position regarding section 29 cases is given in **Table-4**.

TABLE – 4 Particulars	(Outstanding) ₹ crore	
	No.	Principal
Pending at the beginning of the year	156	48.71
Filed during the year	38	22.04
Disposed of during the year	73	29.18
Pending for disposal at the end of the year	121	41.57

The Corporation usually takes recourse to section 31 when application of section 29 still leaves an unrealized amount against a unit's total outstanding or when for some reason or the other it is not possible for the Corporation to take action under section 29. Besides, the Corporation for recovery of its dues has filed cases under section 31 of SFCs Act and before DRT. Details in respect of cases filed by the Corporation under section 31 of the SFCs Act are given in **Table –5**.

TABLE –5 Particulars (u/s 31)	₹ crore	
	No.	Amt.
Pending at the beginning of the year	741	151.59
Filed during the year	99	54.41
Disposed of during the year	7	7.62
Pending for disposal at the end of the year	833	198.38

Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act).

The Corporation for recovery of its dues from the defaulters is taking action U/s 29 and 31 of SFC's Act, 1951 in addition to taking recourse to the provision of Recovery of Debts to Bank and Financial Institution Act 1993 (DRT Act). In the mean time, another Central Act namely Securitization & Reconstruction of Financial Assets & Enforcement of Security Interest Act 2002 (SARFAESI Act) came in to force with effect from 21.6.2002. The Corporation during FY 2010-11 has decided to resort to the provision under SARFAESI Act 2002 for recovery of the dues of the Corporation from defaulting units.

Follow-up

The follow-up visit is one of the effective tools for close monitoring of the units with a view to ensuring proper end use of the funds, assess progress of projects to avoid time and cost overrun, mitigate constraints faced by the units. The follow-up inspection is being conducted during implementation of the project as well as during operation of the unit to ascertain health of the enterprise and ensure timely payment of dues. The case of incipient sickness is detected while conducting follow-up inspection and the Corporation is taking prompt remedial measures in close co-ordination with bankers for smooth running of enterprises.

REVIVAL OF SICK UNITS

The detailed position regarding identification and rehabilitation of sick industries is given in **Table – 6**.

Particulars	As on 31.03.2010	As on 31.03.2011
Identified as sick	1690	1690
Viability study completed	1684	1687
Prima-facie not viable including cases approved under OTS	1017	1020
Rehabilitation package approved		
- with additional loan	322	322
- without additional loan	345	345
Cases under study/BIFR Cases	6	3

SUBSIDY

The Corporation acts as an agent of the State Government for disbursement of capital investment subsidy and interest subsidy. During the year under report, ₹ 72.79 lakh and ₹ 14.54 lakh was disbursed as capital investment subsidy and interest subsidy to 19 and 30 units respectively. Joint inspection with DIC is carried out for release of Subsidy to eligible units as per procedural requirement.

PROFITABILITY

Net profit

The Corporation's net profit during the year 2010-11 stood at ₹ 0.61 crore as against net profit of ₹ 1.80 crore during 2009-10 reflecting a decline of 66.11%. The decrease in net profit during the year is on account of decrease in interest income and increase in personnel expenses.

Net worth

The net worth of the Corporation stood at ₹ 16.57 crore as on 31.03.11 compared to ₹ 9.74 crore as on 31.03.10 recording a growth of 70.12%.

Capital Adequacy Ratio

The Capital Adequacy Ratio stood at 10.89% as on 31.03.11 compared to 8.76% as on 31.03.10 against the benchmark of 9% set by SIDBI.

FINANCIAL PERFORMANCE

Income & Expenditure

The Gross income earned by the Corporation during 2010-11 amounted to ₹ 25.47 crore comprising of interest on loan and advance of ₹ 15.40 crore which includes interest accrued on standard loan amounting to ₹ 0.46 crore and other income of ₹ 2.44 crore as against ₹ 23.47 crore in 2009-10 registering increase of 8.50%. The personnel and administrative expenses, which were ₹ 8.44 crore in 2009-10, has gone up to ₹ 14.25 crore during 2010-11, registering increase by 68.83%. Total expenses has also increased to ₹ 24.33 crore in 2010-11 from ₹ 23.26 crore in 2009-10. After prior year adjustments net profit for the year 2010-11 is ₹ 0.61 crore in comparison to ₹ 1.80 crore of previous year.

Profit & Loss position

The Corporation has earned net profit consecutively for the 6th year and the net profit for the year under report is ₹ 0.61 crore. The interest income decreased by ₹ 5.71 crore (₹ 21.10 crore during the previous year to ₹ 15.39 crore this year). Non-interest income increased by 3% i.e. by ₹ 0.08 crore (from ₹ 2.37 crore during previous fiscal to ₹ 2.45 crore this year). Personnel expenses have been increased from ₹ 7.60 crore in 2009-10 to ₹ 13.35 crore in 2010-11 i.e. raised by ₹ 5.75 crore due to payment of regular increments in salary and allowances & payment of ₹ 3.45 crore towards initial contribution to Group Gratuity Fund and on enhancement of Gratuity Payable Limit. Administrative expenses increased by 6.38% i.e. by ₹ 0.05 crore (from ₹ 0.84 crore during 2009-10 to ₹ 0.89 crore in 2010-11).

Authorised and Paid-up Share Capital

The authorized share capital of the Corporation stood at ₹ 500 crore. Ordinary shares of ₹ 294.19 crore has been allotted in favour of the State Government during this year. SIDBI has agreed for conversion of Loan in Lieu of Share Capital of ₹ 6.225 crore together with interest accrued thereon from dt.1.4.2008 till the date of actual conversion. Similarly both SIDBI & IDBI Bank have agreed to convert 50% each of minimum unpaid guaranteed dividend of ₹ 25.48 crore to Share Capital. Pending approval of State Government U/S/4 (3) of SFCs (Amendment) Act, 2000 the said amount of ₹ 31.70 crore is treated as Share Deposits on account of SIDBI and IDBI Bank.

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

TABLE -7 Particulars – Share capital	₹ Crore	
	As at 31.03.2010	As at 31.03.2011
Issued		
- Ordinary	421.00	421.00
- Special	4.00	4.00
Total	425.00	425.00
Subscribed and paid-up		
- Fully allotted (Ordinary)	84.57	378.76
- Fully allotted (Special)	3.00	3.00
- Share deposit pending for allotment	294.20	31.72
Total	381.77	413.48
Loan in lieu of Share Capital(SIDBI)	6.23	-
Sub Total	6.23	-
Grand Total	388.00	413.48

RESOURCE MANAGEMENT

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

Particulars	₹ crore.	
	2009-10	2010-11
Increase in paid-up capital pending allotment		
- State Govt.	-	-
- SIDBI/IDBI Bank	-	31.72
Sub-total	-	31.72
Refinance		
- SIDBI	-	0.53
Sub-total	-	0.53
Bonds	-	-
Recovery (Net)	40.25	42.03
Borrowing from RBI	-	-
State Govt. loan	-	-
Others	5.14	6.51
Total	45.39	80.79

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

Sources	2010-11	₹ Crore	
		Uses	2010-11
Opening Cash/Bank	24.99	Disbursement	0.71
SIDBI refinance	0.53	SIDBI repayment (Prin.)	15.00
C.I.S.	1.05	C.I.S.	0.92
Recovery	42.03	Int. & Other charges paid	9.75
Subvention	-	Admn.& Personnel Exp.	14.25
Other Income	2.45	Redemption of Deposit & Bonds	0.80
Other Receipts	4.08	Funded Interest loan to SIDBI	7.44
Increase in Paid-up Capital (Pending allotment)	31.72	Others	2.60
		Conversion of Loan to Share Capital	6.23
		Conversion of Dividend payable to Share Capital	25.49
		Closing balance	23.64
Total	106.83	Total	106.83

CLASSIFICATION OF ASSETS & PROVISIONING THEREOF

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

Asset Category	Outstanding Loans		Rate of Provisions		Provision (Loan)		Net Assets (Loan) Outstanding	
	As on 31.03.11	As on 31.03.10	Current Year	Previous year	As on 31.03.11	As on 31.03.10	As on 31.03.11	As on 31.03.10
Standard								
Direct Loan	2.24	2.79	0.25%	0.25%	0.006	0.007		
Personal Loan	0.54	0.40	2%	2%	0.011	0.008		
Vehicle & Housing Loan	0.62	0.54	0.40%	0.40%	0.002	0.002		
	3.40	3.73			0.02	0.02	3.40	3.73
NPA								
Sub Standard	0.35	2.20	10%	10%	0.04	0.22	0.31	1.98
Doubtful – I	1.79	45.56	20%	20%	0.36	9.11	1.43	36.45
Doubtful – II	139.51	119.63	30%	30%	41.85	35.89	97.66	83.74
Doubtful – III	43.50	49.68	100%	100%	43.50	49.68	-	-
Loss	138.22	151.29	100%	100%	138.22	151.29	-	-
Total (NPA)	323.37	368.36			223.97	246.19	99.40	122.17
Grand Total	326.77	372.09			223.99	246.21	102.80	125.90

- Standard Assets as on 31.03.11 includes ₹ 0.61cr. representing House Building Advance and ₹ 0.01 crore representing vehicle advance to employees
- Loan outstanding and Net Assets as on 31.03.11 includes Principal + Other Charges.

Provisioning has been made in conformity with prudential requirement. There is 8.63 % decrease in loss assets (decreased from ₹ 151.29 crore as on 31.03.10 to ₹ 138.22 crore as on 31.03.11) and decrease in doubtful assets by 13.99 % (decreased from ₹ 214.87 crore as on 31.03.10 to ₹ 184.80 crore as on 31.03.11). Due to recovery of loans, the standard asset has been decreased by 8.85% and substandard category decreased to the extent of 84.09 % due to re-classification of assets as on 31.03.11 basing on Recovery & Accounts position. Total required provisioning as on 31.03.2011 has been assessed & estimated at ₹ 223.99 crore.

PENDING ISSUES OF RESTRUCTURING OF OSFC

The financial and organizational restructuring of the Corporation which was approved by the State Cabinet during Dec'06 and Feb'09 is nearing completion. However, the following pending issues are yet to be addressed.

- Approval of State Government U/S 4(2) and 4(3) of SFC's Amendment Act 2000 for allotment of shares in favour of SIDBI and IDBI Bank on account of :-
 - a) Conversion of Loan Lieu of Share Capital (LISC) of ₹ 6.225 crore plus interest from 1.4.2008 till date of actual conversion to ordinary share capital.
 - b) Conversion of unpaid dividend of ₹ 25.48 crore to ordinary share capital.
- Waiver of interest by SIDBI on LISC amounting to ₹ 7.42 crore. (since inception till 31.01.08) and waiver of Funded Interest.
- Support from SIDBI to assist capacity building project of OSFC.

AUDIT COMMITTEE OF BOARD

The Corporation has a full-fledged Audit Committee dully approved by the Board. The said Committee as on 31.03.2011 comprises of the following members.

- | | |
|--|----------|
| 1. Sri K.N.Khatai, IAS,
Commisioner – cum- Director of Industries | Chairman |
| 2. Sri B.K.Bose,
Managing Director, OSFC | Member |
| 4. Sri Kirpal Singh, G.M., SIDBI | Member |
| 5. Sri J.K.Sahoo, F.C.A. | Member |

During the year under reference, the Audit Committee met thrice on 11.06.2010, 06.01.2011 & 21.03.2011 and reviewed the Internal Audit observations, Action Taken Report on Internal Audit observations, Annual Accounts including Profit & Loss Account and Balance Sheet for FY 2009-2010 with notes thereon and compliance thereof.

INTERNAL AUDIT

The Internal Audit Department (IAD) of the Corporation has been dis-charging its role by reviewing the accounting, financial and operational transactions of the Branches as well as Head Office of the Corporation. IAD acts as a tool in the hands of the Management to provide meaningful feedback on the achievement of specified goal and corporate objectives by adhering to the pre-determined policies and procedures. It acts as a significant constituent of the corporate governance mechanism. The Department has mainly focused its attention on review and evaluation of NPA accounts of the loan portfolio and suggested remedial measures for realization of the dues of the

Corporation; thereby resulting in up-gradation of the status of NPA accounts. The Critical Observations, which need to be brought to the notice of the management, are analyzed and highlighted. Internal Control Lapses in key functional areas resulting in leakage of revenue are pointed out. The Department has conducted verification of loan accounts settled under various OTS schemes on random basis. Suggestions/ Recommendations are also provided on the achievement of specified goal and corporate objectives by adhering to the existing policies and procedures. During the current year, IAD has submitted 17 Reports covering operational and accounting aspects. The Management has already initiated necessary action on the observations made in the audit reports. The Branches are given one month time for compliance of Audit observations and IAD examines the compliance reports for satisfactory action and closure.

The internal audit reports were also placed to the Audit Committee. The position of audit conducted and reports submitted during the year is given below:

1	No. of reports pending for submission at the beginning of the year	Nil
2	No. of audits completed during the year	17
3	No. of audit reports submitted during the year	17
4	No. of audit reports pending for submission at the end of the year	Nil

STATUTORY AUDIT

The Corporation appointed M/s. G.P. Mishra & Company, Chartered Accountants, Malasahi, Mangalabag, Cuttack as Statutory Auditors in the Annual General Meeting held on 28.06.2010 to conduct the Audit of the Books of Accounts of the Corporation for FY 2010-11 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 2010-11.

A.G.AUDIT

Each year C & A.G. 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 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. Basing on the observations of Audit Report of C & AG, Industries Department. of Govt. of Orissa has advised the Corporation to include the available report of C & AG in the Annual Report of the Corporation separately. Accordingly, the audit report of C & AG in respect of FY 2009-10 with compliance thereof is appended separately in this report.

INSPECTION BY SIDBI

SIDBI in terms of the provisions of Sub-Section(1) of Section 37A of SFCs Act, 1951 had conducted inspection of the Corporation for FY 2008-09 during Dec-Jan, 2010. The summary observations/suggestions/ recommendations made by SIDBI with compliance thereof was placed and approved in the 358th Meeting of the Board of Directors held on 10.11.2010 and subsequently furnished to SIDBI on 19.11.2010. Further follow-up action on some of the suggestions of SIDBI have been taken.

COMMITTEES

The Committee approach for decision making is continuing for ensuring efficiency and transparency in the working system. Committees set up for various purposes functioned well during the year. For better governance, the Corporation decentralized the process of decision making with an appropriate delegation of power to Committees namely Executive Committee (EC), Default-Cum-Disposal Advisory Committee (DDAC), MD Committee, One Time Settlement Advisory Committee (OTSAC) & Branch Level One Time Settlement Advisory Committee (BLOTSAC).

Three internal committees namely Finance Committee, Recovery Committee & HR Committee 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.

COMPUTERIZATION

Building capacity of IT infrastructure was one of the thrust areas of the Corporation during the Financial Year, to improve the financial service of the Corporation after mass exodus of employees in VRS and resumption of investment activities. The Corporation is aware that advancement in Information Technology is a worldwide phenomenon as IT sector always follow the pet principle – ‘we can do better’. This continuous transformation in information technology provided both opportunities and challenges to the Corporation. The task of the Corporation was to strike a balance between optimum utilization of scarce resources and meet the rising expectation of employees and customers for IT enabled services. Therefore, during the Financial Year, the Corporation invested ₹ 19 lakh in procuring high end energy saving Computers, Multi Function Printers (MFP) and UPS to improve the efficiency of employees in delivering quality service to the customers.

Today, all Branch Offices and Departments of Head Office are connected through internet. Broadband internet technology has made connectivity for information interchange ‘always on’. Taking advantage of this technology, the interoffice paper or hard copy mode communication is being gradually replaced with softcopy mode or scanned copy of letters sent through email. This has not only reduced cost and time but also reduced time in execution of order and service delivery. Further, it was also a significant step towards achieving our IT mission of a ‘Paperless Office’ and fulfills the social responsibility and commitment of the Corporation towards a green environment.

During the Financial Year, the Corporation adopted the Credit Appraisal and Rating Tool (CART) application software of SIDBI to shorten the processing time of credit proposals and risk analysis. The employees from each Branch Office and Head Office were trained to use this useful software. Further, a team from Computer Service Department visited Karnataka State Financial Corporation to study their in-house developed Entrepreneur Resources Planning (ERP) software. The report of the team was reviewed by a duly constituted committee. On the basis of the recommendation of the committee, the Board has decided in-principle to implement this application software subject to financial assistance of SIDBI & Government of Orissa. Thus, by building

capacity of IT Infrastructure the Corporation aspires to serve the customers better through IT enabled services.

HUMAN RESOURCE MANAGEMENT

The most valuable resource of any organization is the human resource. The Corporation has professional talents with bright academic back ground, experience and high degree of motivation. The initiative of the employees coupled with dedication and commitment in discharging duty have smoothened the revival process and improved image of the Corporation.

The area of expertise covers all the spheres of the Corporation's activities. As on 31.03.2011, the Corporation had staff strength of 292 with a composition of 100 'A' Class Officers, 152 'B' Class (Ministerial and Supervisory staff) and 40 'C' Class (subordinate staff). The 'A' Class officers comprises of 65 professionals which includes CA, ICWA, MBA, PGDMA, Engineering graduate and Legal professionals, 24 post graduates and 11 other graduates. The average age of 'A & 'B' Class employees is 52 years.

TRAINING

Knowledge management practice encompasses identifying and mapping intellectual assets, generating new knowledge for competitive advantage within the organization and sharing of best practices and technology. Training is part of knowledge management and it enhances organization's operational efficiencies and growth in core capacity. The Corporation nurtures employees as its critical assets and tries to develop their career and work culture. Keeping this in view and to provide learning opportunities the Corporation has nominated 12 Officers in the areas of stress management, risk management, project appraisal, NPA management to the external training programmes conducted by APSFC. The Corporation has also conducted in-house training programme for 15 employees on computer data entry to make them computer savvy. In addition, a training programme was conducted in OSFC for familiarization of Credit Appraisal and Rating Tools (CART) software developed by SIDBI where 22 Officers participated.

PROMOTIONAL AVENUES

A sizable numbers of employees have opted for VR/VS Scheme of the Corporation since 2005 as per restructuring package. In between, employees have retired by attaining the age of Superannuation. During the year the Corporation has also floated a fresh VR/VS Scheme. After a gap of 13 years, the Corporation has opened up the promotional avenue for employees of the Corporation in most of the grades. Accordingly 59 officers 89 ministerial and supervisory staff and 17 subordinate staff have been promoted to the next higher grade. This was done with a view to instill motivation and to assign higher responsibility for smooth functioning of the Corporation as per the Delegation of Power approved by the Board.

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, the Corporation has already adopted Staff Accountability Policy (SAP) for adoption. This was done with a view to acquainting the employees with various operational circulars, guidelines and delegation of power from time to time. The policy on Staff Accountability covered both credit and non-credit functions of the Corporation. The Credit functions include assistance by way of loans and advances, line of credit, refinance, grant/subsidy, non-conformity to credit manuals or violation of guidelines and procedures and equity finance etc. The Staff of the Corporation are accountable for action / inaction leading to loss to the Corporation in credit functions as well as non-adherence to the guideline and procedure in non-credit functions such as purchase and procurement of stores and stationery, Computer Soft-ware/hard-ware peripheral, premises matter. The Internal Control and monitoring mechanism has been strengthened by the introduction of Staff Accountability Policy.

RE-ORGANIZATION OF DEPARTMENTS & BRANCHES

Re-organization of different departments of the Corporation has been made with a view to give more focus on lending operation, monitoring and management of NPAs and human resource development. The Corporation has resumed its lending operation with effect from March 2010 after a gap of almost 6 years. Therefore, it was felt necessary to re-organize the departments so as to make the Corporation more responsive towards growth of new business and monitoring of both standard and non-performing assets. Besides this, considering the volume of loan portfolio and area of operation, two Branches namely, Baragarh and Rayagada have been merged with Sambalpur and Jeypore Branches respectively. One Facilitation-cum-Recovery Center (FRC) i.e Jharsuguda has been closed and its activities have been merged with Sambalpur Branch. The Corporation will continue its renewed effort and endeavor for the growth of MSMEs in the State through its network of 15 Branches and 8 FRCs.

DOCUMENT MANAGEMENT POLICY (DMP)

In order to facilitate proper storage, easy retrieval and sharing of information and data within the Corporation as well as to fulfill the legal and statutory requirements, the Corporation has implemented Document Management Policy in line with similar policy of SIDBI during FY 2010-11. The spirit behind efficient document handling is the need to keep the minimum records/documents commensurate with statutory/regulatory and other requirements. There are some records/documents which are required to be stored on permanent basis in both soft and hard copies.

GRIEVANCE REDRESSAL CELL

In order to expedite quick 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 were relating to recovery measures of the Corporation, the same were handled by concerned Department with approval of MD/Board. During the year, the cell has disposed off four cases including the cases of

previous year. Besides, the Cell is taking prompt action with regard to redressal of grievances published in various Newspapers relating to activities of the Corporation.

VIGILANCE CELL

Vigilance cell headed by Joint General Manager, as Chief Vigilance Officer (CVO) is in operation at Corporate Office, to look into the grievances & complaints of entrepreneurs and public at large for ensuring observance of rules and guidelines as prescribed from time to time by the Corporation. The Cell has been able to convey a positive message in the public by attending genuine grievances and complaints promptly and focused much on preventive vigilance. This will pave the way for functioning of OSFC as transparent as possible.

RIGHT TO INFORMATION ACT CELL

The Corporation, following the operational guidelines of Orissa Right to Information Rules, 2005, has implemented Right to Information Act 2005. In accordance to the said Act & Rules, the Corporation has appointed Public Information Officer, Asst. Public Information Officer and Appellate Authority at its Head Office. In addition, one Public Information Officer and one Appellate Authority for each Branch Office has also been appointed to enable the Citizens to secure access to information available with the Organization. With a view to promoting transparency and accountability, necessary and relevant information for public has been placed in the website of the Corporation, which is being up-dated at regular intervals. Names of the Appellate Authority and Public Information Officers and Asst. Public Information Officers stationed at Head Office and 15 nos. of Public Information Officers along with equal nos. of Appellate Authority stationed at Branch offices have been notified. The position of receipt and disposal of the RTI applications during the year is given below:

1	No. of pending applications at the beginning of the year	3
2	No. of applications received during the year	102
3	No. of applications disposed during the year	98
4	No. of applications pending for disposal at the end of the year	7

All the appeals received during the year have been disposed off within the stipulated period.

CORPORATE GOVERNANCE

The Corporation is committed to uphold high level of ethical standard of Corporate Governance in all of its functional areas. The effective implementation of Corporate Governance depends on adoption of cardinal principles which interalia includes independence, credibility, accountability, responsibility, transparency, fair and timely decision making etc. The Board of the Corporation is constituted as per the provisions of SFCs (Amendment Act 2000). The Directors in the Board are professionally qualified having vast experience in the areas of Banking and Industry. The Board of Directors meet regularly to provide effective leadership and monitors performance and review management policies. During the year the Board adopted a calendar of review which enables through 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.

The Corporation has initiated the following steps to ensure good corporate governance practices:

- Reconstitution of the Board with induction of Independent Director,
- Appointment of a Senior Executive of SIDBI as the Managing Director
- Reorganisation of HO Departments,
- Internal Audit has been strengthened/ streamlined.
- Audit committee has been constituted and Meetings of the Audit committee have been more regular/ streamlined.

Apart from the above, Appraisal mechanism, project monitoring, risk management, internal controls and procedures have been streamlined and clear policy guidelines on Lending, Recovery, Valuation, IT etc introduced.

BOARD OF DIRECTORS

During FY 2010-11, the Board met 5 times.

1. Chairman :

Sri P.R.Das, Ex-Executive Director of SIDBI has been re-nominated by SIDBI as a Non-official Chairman of the Corporation during the year 2010-11.

2. Managing Director:

Sri K.N. Khatai, IAS was appointed as the Managing Director of the Corporation by the Government of Orissa w.e.f. 31.01.08 and continued as such up to 08.10.2010.

Shri Bijay Kumar Bose was appointed by the State Government as Managing Director of the Corporation. Shri B.K.Bose assumed the charge w.e.f 08.10.2010.

3. 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 to the Board of Directors.

Shri Bijay Kumar Bose was appointed by the State Government as Managing Director in place of Shri K.N.Khatai, IAS transferred. Shri B.K.Bose assumed the charge w.e.f 08.10.2010.

Shri Ram Nath, Chief General Manager, SIDBI, Eastern Zonal Office, Kolkata has been nominated to the Board of OSFC under Section 10-(c) of SFCs Act w.e.f 10.06.2010.

Consequent upon transfer of Sri B.K.Tripathy, Sr. Divisional Manager, LIC of India, Shri Ajay Kumar, Sr. Divisional Manager has been nominated as, Director w.e.f 18.06.2010.

Shri Kirpal Singh, General Manager, SIDBI, Bhubaneswar has been re-nominated under section 10-(c) of SFCs Act w.e.f 20.07.2010.

Shri C.J.Venugopal, IAS, CMD, IPICOL was nominated as Director to the Board of OSFC in place of Shri Suresh Chandra Pattnaik, IAS, retired under section 10-(b) of SFCs Act w.e.f. 27.07.2010.

Subsequently, Industries Department vide notification No.13517 dt.08.09.2010 has nominated Shri D.P.Mohanty, Special Secretary to Government in place of Shri C.J.Venugopal, IAS.

Shri P.C.Pathi, Joint Secretary to Government, Finance Department has been co-opted as a Director by the Board of OSFC with concurrence of Finance Department in Government of Orissa w.e.f 08.09.2010 in place of Shri B.K.Samal, Addl. Secretary to Govt. retired.

Shri K.N.Khatai, IAS, Director of Industries has been nominated as a Director to the Board of OSFC under section 10-(b) of SFCs Act by Govt. of Orissa in place of Shri Hemant Sharma, IAS transferred vide notification No.16176 dt.03.11.2010.

Sri P.R.Giri, Special Secretary to Govt., Public Enterprise Department, continues as Special Invitee to the Board to represent the P.E.Department in Govt. of Orissa.

ACKNOWLEDGEMENT

The Board of Directors expresses its deep sense of gratitude to the Government of Orissa and SIDBI 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 the Directorate of Industries, Industrial Promotion and Investment Corporation of Orissa Ltd., Orissa Industrial Infrastructure Development Corporation, Orissa Small Industries Corporation, District Industries Centers, 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 for their contribution to the industrial growth of Orissa as well as for the confidence reposed in the corporation.

The Board would like to place on record its appreciation of the dedicated services and contribution made by the members of staff for the overall performance of the Corporation.

Sd/-
Managing Director

53rd Annual General Meeting

28.06.2010



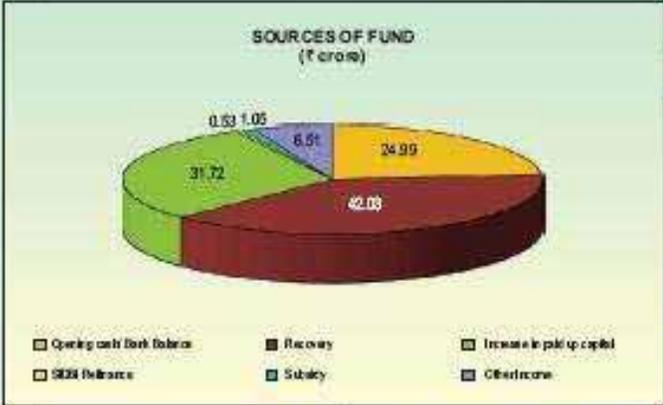
We share the success

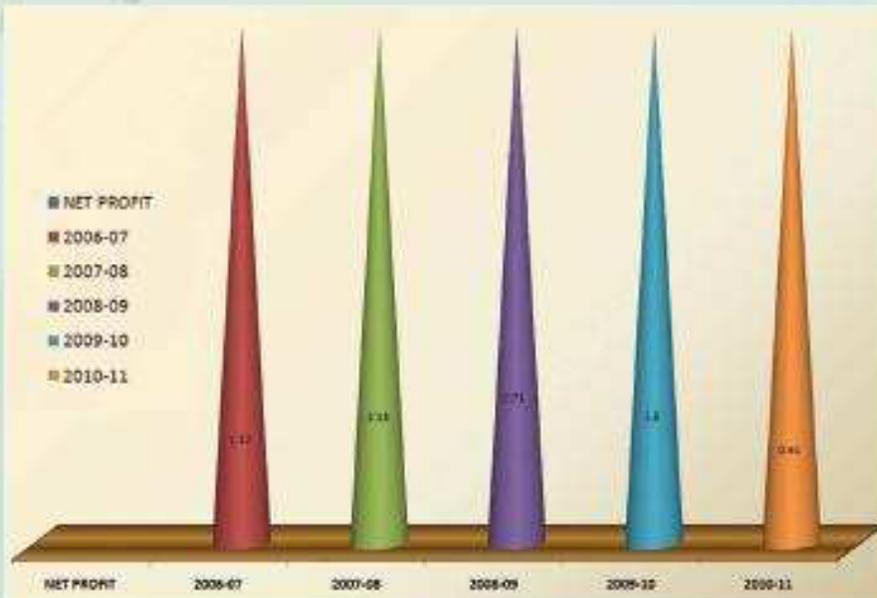


Excel Packaging I.E. Mancheswar



Anuja Ceramics I.E. Mancheswar





Statement of Accounts

G. P. MISHRA & CO.

CHARTERED ACCOUNTANTS

MALA SAHI, MANGALABAG CUTTACK -753 001

Phone : (0671) 2301855

E-mail: gp_mishra@hotmail.com

To

**The Shareholders,
Orissa State Financial Corporation,
Cuttack-753 003**

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of Orissa State Financial Corporation as at 31st March 2011 and the Profit and Loss Account annexed thereto for the year ended on that date in accordance with the provisions of section 37 of the State Financial Corporations Act, 1951 as amended by SFCs (Amendment) Act, 2000.
2. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on test check basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

On the basis of our audit, subject to our observation/comments as mentioned in point no.8 below and Notes on Accounts as contained in Schedule-V, we report that:

4. We have obtained all the information and explanations both from Head Office and Branches which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
5. In our opinion, proper books of accounts have been kept by the Corporation so far as it appears from our examination of those books.
6. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts.

G. P. MISHRA & CO.

CHARTERED ACCOUNTANTS

MALA SAHI, MANGALABAG CUTTACK -753 001

Phone : (0671) 2301855

E-mail: gp_mishra@hotmail.com

- 2 -

7. In our opinion, the Balance Sheet and Profit and Loss Account are in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India.
8. The following are our observations/comments:
- i) With reference to Note No.8.1, fixed assets also include those assets where ownership is yet to be transferred to the Corporation in view of the restraint order from different courts.
 - ii) During the year, the Corporation has continued its internal audit system through its own Internal Audit Department.
9. In our opinion and to the best to our information and according to the explanations given to us, the said accounts of the Corporation read with the Schedules and above observations give the information required by the State Financial Corporation Act, 1951 as amended by the State Financial Corporation (Amendment) Act, 2000 and are properly drawn up in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- i) In the case of said Balance Sheet of the State of Affairs of the Corporation as at 31st March, 2011.
 - ii) In the case of Profit and Loss Account of the profit for the year ended on that date.
 - iii) The Cash Flow statement gives a true and fair view of the cash flows for the year ended on that date.

**FOR G. P. MISHRA & CO.
CHARTERED ACCOUNTANTS**

Cuttack
Dated :13th July, 2011

Sd/-
(G. P. MISHRA, FCA)
Membership No.053398
PROPRIETOR

ORISSA STATE FINANCIAL CORPORATION

BALANCE SHEET AS ON 31st March 2011

Particulars	Schedule Ref.	As on 31st March 2011	As on 31st March 2010
CAPITAL AND LIABILITIES			
		₹	₹
CAPITAL	A	4,134,810,200	3,817,780,400
Loan pending conversion to Share Capital	B	12	62,250,012
Reserves and Surplus	C	239,129,278	237,907,502
Bonds and Debentures	D	0	12,740,500
Deposits	E	0	1,175,859
Borrowings	F	1,456,674,856	1,680,181,835
Other Liabilities and Provisions	G	723,292,879	1,008,239,362
TOTAL		6,553,907,225	6,820,275,470
ASSETS			
Cash and Bank Balances	I	236,445,373	249,906,600
Investments	J	3	3
Loans and Advances(Net of provisioning for NPA)	K	1,021,811,370	1,253,623,244
Fixed Assets	L	220,008,156	220,411,692
Other Assets	M	1,067,560,936	1,083,365,395
Dividend Deficit		545,108	255,324,955
Profit and Loss Appropriation Account		4,007,536,279	3,757,643,581
TOTAL		6,553,907,225	6,820,275,470

SIGNIFICANT ACCOUNTING POLICIES

U

NOTE ON ACCOUNTS

V

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

As per our Report of even date

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(P.K.Samantray)	(B.K. Sahoo)	(B.K. Bose)	(P.C. Pathi)	(S. Acharya)
HoD, (F&A)	J.G.M.	MANAGING DIRECTOR	DIRECTOR	DIRECTOR
OSFC	OSFC	OSFC	OSFC	OSFC

For G.P.MISHRA & CO.
CHARTERED ACCOUNTANTS

Sd/-
(G.P. Mishra)

Membership No.053398 PROPRIETOR

ORISSA STATE FINANCIAL CORPORATION			
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011			
Particulars	Schedule Ref.	2010-11 (Current Year)	2009-10 (Previous Year)
INCOME (A)		₹	₹
Income from Operations (Interest)	R	153,998,254	210,959,608
Other Incomes	S	24,470,812	23,745,796
Net Provision for Loan Assets Added Back		76,276,989	79,000
Total Income (A)		254,746,055	234,784,404
EXPENDITURES (B)			
Interest Expended	N	96,542,353	107,859,351
Other Financial Expenses	O	969,305	251,040
Personnel Expenses	P	133,568,158	75,991,511
Administrative Expenses	Q	8,946,646	8,409,835
Depreciation	L	3,342,825	3,415,199
Bad Debts Written off		-	367
Interest Income reversed under OTS (Net after adjustment of Provisions)		-	36,700,804
Total Expenditure (B)		243,369,287	232,628,107
Profit / (Loss) before tax (A) - (B)		11,376,768	2,156,297
Less: Provision for Taxation		0	0
Profit after Tax		11,376,768	2,156,297
Less Net prior period Adjustments	T	5,267,890	(15,845,859)
Profit/(Loss) Carried to P & L Appropriation A/C		6,108,878	18,002,156

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

As per our Report of even date

Sd/- (P.K.Samantray) HoD, (F&A) OSFC
Sd/- (B.K. Sahoo) OSFC
Sd/- (B.K. Bose) MANAGING DIRECTOR OSFC
Sd/- (P.C. Pathi) DIRECTOR OSFC
Sd/- (S. Acharya) DIRECTOR OSFC

For G.P.MISHRA & CO.
CHARTERED ACCOUNTANTS
Sd/-
(G.P. Mishra)

Membership No.053398 PROPRIETOR

PROFIT AND LOSS APPROPRIATION ACCOUNT			
FOR THE YEAR ENDED 31st MARCH, 2011			
PARTICULARS		2010-11 (Current Year) Rs.	2009-10 (Previous Year) Rs.
Balance as per last Balance Sheet - General Reserve/ (Accumulated Loss)		(3,757,643,581)	(3,772,045,306)
PROFIT / (LOSS) FOR THE YEAR AS PER PROFIT AND LOSS ACCOUNT		6,108,878	18,002,156
SPECIAL RESERVE (U/S 36(1) (viii) OF THE INCOME TAX ACT, 1961)		1,221,776	3,600,431
DIVIDEND CONVERTED TO SHARE DEPOSITS		254,779,800	-
PROFIT TRANSFERRED TO GENERAL RESERVE/ (ACCUMULATED LOSSES)		(4,007,536,279)	(3,757,643,581)

As per our Report of even date

Sd/- (P.K.Samantray) HoD, (F&A) OSFC
Sd/- (B.K. Sahoo) J.G.M. OSFC
Sd/- (B.K. Bose) MANAGING DIRECTOR OSFC
Sd/- (P.C. Pathi) DIRECTOR OSFC
Sd/- (S. Acharya) DIRECTOR OSFC

For G.P.MISHRA & CO.
CHARTERED ACCOUNTANTS
Sd/-
(G.P. Mishra)

Membership No.053398 PROPRIETOR

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE A - SHARE CAPITAL

	As at 31.03.2011	As at 31.03.2010
	₹	₹
AUTHORISED 50000000 SHARES OF RS.100/- EACH	5000000000	5000000000
ISSUED	5000000000	5000000000
(A) 42100000 (42100000) ORDINARY SHARES OF RS.100/- EACH ISSUED U/S(4)(2) OF SFC's ACT, 1951	4210000000	4210000000
(B) 400000 SPECIAL SHARES OF RS.100/- EACH ISSUED U/S 4-A OF SFC's ACT, 1951	40000000	40000000
	4250000000	4250000000
SUBSCRIBED & PAID UP		
(A) 37876305 (8457305) ORDINARY SHARES OF RS.100/- EACH FULLY ALLOTTED, U/S 6(1)OF THE SFC's ACT 1951 AMENDED BY SFC's (AMENDMENT) ACT, 2000. (6120 share surrendered for retirement in pursuant to Sec-6(1) of SFC's (Amendment) Act,2000)	3787630500	845730500
(B) 300000(300000) SPECIAL SHARES OF RS.100/- EACH FULLY ALLOTTED U/S(4) (A) OF THE SFC's ACT,1951 AS AMENDED BY SFC's(AMENDMENT) ACT, 2000	30000000	30000000
(C) SHARE DEPOSITS PENDING ALLOTMENT *	317179700	2942049900
TOTAL:	4134810200	3817780400

* Out of share deposits of ₹2942049900 as on 31.03.10, shares amounting to ₹2941900000 has been allotted in favour of Govt. of Orissa and balance ₹149900 is pending for sanction and approval of State Govt. for allotment.

* SIDBI has already agreed for conversion of LISC to share capital and both 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 LISC(SIDBI) & MGD (SIDBI & IDBI Bank) has been treated as share deposits.

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE B - LOAN PENDING CONVERSION TO SHARE CAPITAL

	As at 31.03.2011	As at 31.03.2010
	₹	₹
STATE GOVERNMENT Loan in lieu of Share Capital	12	12
SMALL INDUSTRIES DEVELOPEMNT BANK OF INDIA (LISC)	-	62250000
TOTAL:	12	62250012

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE C - RESERVES, FUNDS & SURPLUS

	As at 31.03.2011	As at 31.03.2010
	₹	₹
(A) DISTRIBUTABLE PROFITS		
1 GENERAL RESERVES (U/S 35 of SFC's ACT)	148000	148000
2 SPL. RESERVE (U/S 36(1) OF I.T.ACT,1961)	34874013	33652237
SUB TOTAL (A)	35022013	33800237
(B) NON DISTRIBUTABLE PROFITS		
i) SPECIAL RESERVE FUND (U/S 35-A OF SFC's ACT,1951)	3431872	3431872
ii) REVALUATION RESERVE	200675393	200675393
SUB TOTAL (B)	204107265	204107265
TOTAL (A+B)	239129278	237907502

SCHEDULES FORMING PART OF THE BALANCE SHEET**SCHEDULE D - BONDS**

	Category	As at 31.03.2011	As at 31.03.2010
(A)	OSFC Bonds (Guaranteed by State Govt. U/S 7(1) of SFC's Act.1951 AS AMENDED BY SFC's(AMENDMENT) ACT, 2000	₹	₹
i.	46th series. * 5000 (5000) nos. 11.5% Bonds(20 years) of Rs.100/- Each redeemable on 05.09.2011	-	500000
	Sub Total	0	500000
(B)	Interest Accrued & Due on Bond	0	3740500
(C)	Bonds RedemptionAccrued & Due	0	8500000
	Total (I) + (II)	0	12740500

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE E - DEPOSITS

Category	As at 31.03.2011	As at 31.03.2010
TERM DEPOSITS (U/S 8 OF THE SFC'S ACT 1951) AMENDED BY SFC's (AMENDMENT) ACT, 2000	₹	₹
Redemption accrued and due	-	1175859
Total	0	1175859

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE F- BORROWINGS

Category	As at 31.03.2011	As at 31.03.2010
	₹	₹
LONG-TERM BORROWINGS		
(A) REFINANCE(U/s 7(4) of SFC's Act,1951 AS AMENDED BY SFC's(AMENDMENT) ACT, 2000		
i. From Small Industries Development Bank of India		
(i) Restructured Refinance	1146465042	1296465042
(ii) New LOC under TRA	5328000	-
ii. 0% Funded Loan	216700000	291100000
iii. Interest Accrued & Due on Refinance	-	9103729
Sub Total	1368493042	1596668771
(B) INTEREST ACCRUED AND DUE (LISC)		
i. On Loan-in-lieu of Share Capital - SIDBI	88181814	83513064
Sub Total	88181814	83513064
TOTAL	1456674856	1680181835

SCHEDULES FORMING PART OF THE BALANCE SHEET**SCHEDULE G - OTHER LIABILITIES AND CONTIGENT PROVISIONS**

	CATEGORY	As at 31.03.2011	As at 31.03.2010
		₹	₹
A	OTHER LIABILITIES		
I.	SUNDRY DEPOSITS	547843881	572532472
II.	UNCLAIMED DIVIDEND	2340	2340
III.	EXCESS AMOUNT PAYABLE ON SALE OF MORTGAGED/ HYPOTHECATED ASSETS	7256782	8266566
IV.	STALE CHEQUES	90358	85486
V.	GRATUITY FUND	-	28663
VI.	DIVIDEND PAYABLE	545108	255324955
VII.	UNCLAIMED LIABILITIES	1750000	-
VIII.	INTEREST ACCRUED BUT NOT DUE ON BONDS	-	4096
IX.	LIABILITY FOR OTHER EXPENSES	621263	1389878
X.	EXCESS RECOVERY REFUNDABLE ON LOAN ACCOUNT	1090030	2648466
XI.	SHARE OF STATE GOVT. & OTHERS PAYABLE- LOANEE	1386495	1386495
XII.	AGENCY FUND		
	(a) St. Govt. Seed Money Fund	17328428	17549232
	(b) St. Govt. Soft Loan Fund	3304625	3313755
	(c) St. Govt. M.M. Assistance Fund	5108315	5108315
	(d) SIDBI Seed Capital Fund	2116215	2116215
	(e) SIDBI National Equity Fund	79188387	92342555
	(f) Orissa Venture Capital Scheme Fund	4690000	-
	(g) Orissa MSME Tech.Upgradation Fund	4800000	-
XIII.	OTHER DEPOSITS- AGENCY	43935594	45603396
XIV.	LIABILITY FOR CAPITAL EXPENDITURE	135337	135337
	SUB TOTAL - (A)	721193158	1007838222
B.	PROVISIONS		
XV.	CONTIGENT PROVISION AGAINST STANDARD ASSETS	188000	173000
XVI.	PROVISION AGAINST EXPENSES	1911721	228140
	SUB TOTAL - (B)	2099721	401140
	TOTAL (A + B)	723292879	1008239362

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE H- PROVISIONS FOR NPA (NON PERFORMING ASSETS)

		AS AT 31.03.2011	AS AT 31.03.2010
		₹	₹
PROVISION FOR NPA			
i.	Balance as per last Balance Sheet	2461937000	2586042000
	SUB-TOTAL RS.	2461937000	2586042000
ii.	ADD : Provision during the year	44978000	19214238
	SUB-TOTAL RS.	44978000	19214238
	(A) TOTAL (i) + (ii)	2506915000	2605256238
iii.	LESS : Ajusted towards Interest Income reversed and treated as Principal Recovery under OTS	145770391	
	Written off during the year	229620	287885
	Provisions written back during the year	121269989	143031353
	Sub-Total	267270000	143319238
	TOTAL (i)+(ii)-(iii)	2239645000	2461937000

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - I CASH AND BANK BALANCES

	AS AT 31.03.2011	AS AT 31.03.2010
	₹	₹
(A) CASH IN HAND	1871043	14109902
(B) BALANCE WITH BANK U/S 33(2) OF THE SFC's ACT,1951. AS AMENDED BY SFC's(AMENDMENT) ACT, 2000		
i. Scheduled Banks In Current Accounts	28472794	72288316
ii. Scheduled Banks In Fixed Deposit Accounts	38364906	3629710
iii. Scheduled Banks in Flexi Deposit Accounts	28949870	4835388
iv. Scheduled Banks under Trust & Retention A/c Mechanism	500000	-
vi. Scheduled Bank under Escrow Mechanism in Flexi Deposit A/c	138262189	155016088
(C) STAMPS IN HAND	24571	27196
TOTAL	236445373	249906600

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE J - INVESTMENTS

	As at 31.03.2011	As at 31.03.2010
	₹	₹
(A) IN SHARES : UNQUOTED - AT COST		
1) M/S.BHASKAR TEXTILE MILLS LTD (400 Preference Shares of Rs.100/-Each)	40000	40000
2) M/s. Mamata Drinks & Ind.Ltd. (3370 Equity Shares of Rs. 100/- Each)	337000	337000
3) M/s.Orissa Industrial and Technical Consultancy Organisation Ltd. (87 Equity Shares of Rs.1000/-Each)	87000	87000
Sub Total	464000	464000
(B) Less: Provision/ Depreciation Reserve	463997	463997
Net value (A - B)	3	3
Total	3	3

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE K - LOANS AND ADVANCES

	As at 31.03.2011	As at 31.03.2010
	₹	₹
1. PRINCIPAL AMOUNT		
(A) Direct Operation		
i. Term Loan under various schemes	3129011385	3569533877
ii. Soft loan under Special Share Capital Schemes	22427289	23729947
iii. Bridge Loan	1850227	1850227
iv. Loan against Govt. Seed Money	655941	655941
v. Loan against IDBI Seed Capital	504996	549996
vi. New Term Loan under TRA	7123000	-
INTEREST ACCRUED ON STANDARD LOAN UNDER MERCANTILE SYSTEM	89799	5311030
Sub Total :	3161662637	3601631018
(B) Loan Under Special Schemes		
i. Short Term Working Capital Loan	90483304	97630427
ii. Hire Purchase Loan	2773549	5044359
iii. Commercial Loan to Employees	5356194	4031141
Sub Total :	98613047	106705927
Total (A + B)	3260275684	3708336945
2. Misc. Expenses on Loans & Advances	1180686	7223299
Total (1 + 2)	3261456370	3715560244
3. Less NPA Provision	2239645000	2461937000
NET AMOUNT OF LOANS & ADVANCES	1021811370	1253623244

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE L- FIXED ASSETS

TYPE OF ASSETS	Rate of Depreciation	COST (In Rupees)				DEPRECIATION (In Rupees)				WRITTEN DOWN VALUE		
		As on 31-03-2010	Additions during the Year	Sale/Transfer during the year	Addition due to Revaluation	As on 31-03-2011	Up to 31-03-2010	During the year	Addition Depreciation during the year for prior year	Up to 31-03-2011	As on 31-03-2011 ₹	As on 31-03-2010 ₹
LAND		167155250	655291			167810541	0	0	0	167810541	167155250	
OFFICE BUILDING	5%	86436350	79258			86515608	36447733	2501130	0	47566745	49988617	
OTHER BUILDING	5%	3000000	0			3000000	2192841	40358	0	766801	807159	
VEHICLE	25.89%	9399731	413633			9813364	8694383	276940	0	842041	705348	
FURNITURE & FIXTURE	18.10%	4015360	214797	21820		4208337	3307099	132403	0	768835	708261	
OFFICE EQUIPMENTS	13.91%	5450612	14030			5464642	5195010	37268	0	232364	255602	
COMPUTER	40%	12849137	1546830			14395967	12061203	350298	0	1984466	787934	
ELECTRICAL INSTALLATION & EQUIPMENTS	13.91%	718247	35735			753982	714726	2893	0	36363	3521	
LIBRARY	100%	337756	1835	300		339291	337756	1535	0	0	0	
CURRENT YEAR TOTAL		289362443	2961409	22120	0	292301732	68950751	3342825	0	72293576	22008156	220411692
PREVIOUS YEAR TOTAL		287770115	1766122	173794	0	289362443	62176992	3283582	74978	68950751	220411692	222309541

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 resulting in an additional depreciation of ₹15.97 Lakh (Previous year 16.81 lakh)

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE M - OTHER ASSETS

		As at 31.03.2011	As at 31.03.2010
		₹	₹
i	Stationery & Stores	690192	552815
ii	Advance to Employees	9018901	8538905
iii	Travelling Advance to Managing Director	-	-
iv	Deposit of Fees - under CPA	212615	237863
v	Other Recoverable Dues		
	(a) Deposit with State Govt. for land	1504541	1504541
	(b) Amount Recoverable from State Govt.against Deputationists	26251	26251
	(c) Advance to Advocates	1164930	1135180
	(d) Advance to Others	1679890	1676315
	(e) Advance for construction of Office building	93109	93109
	(f) Amount Receivable from Gratuity Fund	750000	200000
vi	Interest accrued but not due on deposits with bank	2002495	1335852
vii	Agency Operation		
	(a) State Govt. Seed Money Disbursed	14541207	14762011
	(b) State Govt.M.M. Asst. Disbursed	3862995	3912995
	(c) IDBI Seed Capital Disbursed	1000000	1000000
	(d) SIDBI Seed Capital Disbursed	2123378	2123378
	(e) SIDBI NEF Disbursed	76276553	89901371
	(f) State Govt. Soft Loan Disbursed	1845284	1854414
	(g) Service charges IDBI seed capital recoverable	153600	156303
	(h) Service charges SIDBI seed capital recoverable	125249	125249
	SIDBI MUN Soft Loan Fund Disbursed	134600	134600
	Agencycommission accrued	239217	225552
viii	(a) Funded Interest - SIDBI Refinance	216700000	291100000
	(b) Payment of Refinance Interest under protest	264186698	189786698
	(c) Interest Accrued on LISC under consideration of waiver	55257534	55257534
ix	Sale of Mort.Assets Settlement Account (Jt.Finance)		
	(a) IPICOL	33861934	33861934
	(b) Banks (Joint Finance)	1669876	1669876
	(c) IDCO	198149	198149
x	Advance Taxes	4927739	5320297
xi	Disputed payments-under protest	10439703	8168000
xii	Security Deposit- OST Registration	-	7500
xiii	Security Deposit- CST Registration	-	5000
xiv	Deposits against Court Directives	43510378	45217887
xv	Prepaid Expenses	18751	-
xvi	Security Deposit - Telephone	18000	18000
xvii	Security Deposit - Electrical Installation	273070	273070
xviii	Advance payment of Loan to State Govt.	319054097	319054097
xx	SIDBI dues paid in advance	-	3930649
TOTAL		1067560936	1083365395

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE N - INTEREST ON BONDS & OTHER BORROWINGS

		2010-11	2009-10
		₹	₹
1	Interest on Bonds	32767	176596
2	Interest on SIDBI Refinance (Restructured)	91625289	102847036
3	Interest on New LOC from SIDBI	111846	-
4	Interest on Deposits	103701	166969
5	Interest on Loan Covertion to Share Capital	4668750	4668750
	Total	96542353	107859351

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE O - FINANCIAL EXPENSES

	2010-11	2009-10
	₹	₹
I Bank Charges & Commission	22357	52790
II Interest Payment as per Court Directive	394500	198250
III Service Tax	552448	-
Total	969305	251040

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE P- PERSONNEL EXPENSES

		2010-11	2009-10
		₹	₹
i.	Salaries & Allowances		
(a)	Managing Director		
	Salary - 414766	960254	1069289
	Business Support Service Exp - 545488		
(b)	Others	85832178	64674821
(c)	Honourium to Chairman	210000	50000
(d)	Consolidated wages	35539	-
ii.	Employer's contribution to EPF	8811460	7123616
iii.	Medical aid to staff	882427	1039103
iv.	Insurance Premium paid on GIS	181307	171892
v.	Leave Encashment	253089	-
vi.	Productivity Incentives	730000	790000
vii.	Contribution to Employees Group Gratuity Fund-LIC of India	34470364	-
viii.	Gratuity Payment	849690	250375
ix.	Contribution to Employees Group Leave Encashment Fund-LIC of India	123244	550000
x.	Leave Salary Contribution - Deputationists	41483	138336
xi.	Pension Contribution - Deputationists	21317	88024
xii.	Employer's contribution to Staff Welfare Fund	35258	35280
xiv.	Ex-Gratia under-VRS	105549	-
xv.	HRD Expenses	16852	5775
xvi.	Employer's contribution to EPF - Deputationists	3147	
xvii.	Ex-Gratia Payment - Deceased Employees	5000	5000
TOTAL		133568158	75991511

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

		2010-11	2009-10
		₹	₹
1	Travelling Expenses		
	I. Managing Director	43534	102352
	ii. Directors and Committee Members	35030	-
	iii. Employees and others	686257	689597
2	Directors and Committee Members Sitting Fee	27500	5000
3	Rent, Electricity & Water Charges	1685579	1439924
4	Computer Stationary	310704	68801
5	Printing & Stationary	177234	539793
6	Publicity & Advertisement	34265	123281
7	Business Promotion Expenses	38610	-
8	Repairs & Renewals	136819	67196
9	Audit Fees		
	(a) Statutory Audit	96515	96513
	(b) Tax Audit	19305	17235
10	AMC Fees & Expenses	98929	4500
11	Audit Expenses	62582	30933
12	Other Legal Expenses	116179	16753
13	Professional Fees & Expenses	32010	40782
14	Fees & Subscription	74652	65460
15	Newspapers & Periodicals	30264	33811
16	Rates, Taxes & Insurance	272948	234432
17	Vehicle Repair & Maintenance	84772	166663
18	Telephone Expenses	626834	629948
19	Fuel & Lubricants Expenses	629318	600670
20	Postage Stamps & Telegrams	170152	179186
21	Conveyance Expenses	1250640	1368400
22	Vehicle hire Charges	210166	396149
23	Miscellaneous Expenses	1652036	1183671
24	Fees paid to Advocates	35800	16100
25	Telex & Fax	6812	413
26	Meeting Expenses	133105	126627
27	Computer Servicing Expenses	168095	165645
	TOTAL:	8946646	8409835

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE R - INTEREST INCOME (ON LOANS & ADVANCES)

		2010-11	2009-10
		₹	₹
i.	Interest on Term Loans	105336029	147734803
ii.	Interest on Soft Loans	643297	1439957
iii.	Interest on FITL	-	6607890
iv.	Penal Interest on Loan	37116465	36017473
v.	Interest on Standard Loan	4651611	4144616
vi.	Interest on H.P. Loan	502765	1049409
vii.	Interest on Short Term Loan	1039255	933287
viii.	Interest on Commercial Loans to Employees	23885	10369
ix.	Service Charge on Soft Loan from SIDBI	-	60094
x.	Interest on Term Loan against NEF	169376	257280
xi.	Interest on Rephased Loan	1537875	8188727
xii.	Pre-Payment Premium	247370	45179
xiii.	Interest on NEF Loan (OSFC Share)	2730326	4470524
	Total	153998254	210959608

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

		2010-11	2009-10
		₹	₹
i.	Interest on Term & Flexi deposits with Bank	12931200	15593540
ii.	Sale of Forms	109128	89500
iii.	Right to Information Fees	6858	2849
iv.	Miscellaneous Income	7068557	3509830
v.	Interest on Staff Advances		
	(a) Interest on House Building Adv.	3591899	1169024
	(b) Interest on Vehicle Adv.	78760	269573
vi.	Misc. Receipt - Recovery Administration	90000	3024100
vii.	Agency Commission	13977	13380
viii.	Processing Charges	427100	72000
ix.	Service Charges	49491	2000
x.	Up Front Fees	77900	-
xi.	Insurance Commission	25942	-
	Total	24470812	23745796

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

(A) - Prior Year Income		2010-11	2009-10
i)	Amount received from Govt. on account of Employees on deputation to Govt. towards Leave Salary & Gratuity Contribution in earlier years but wrongly booked as liabilities, rectified in 2010-11	52026	-
ii)	Interest on Refinance excess paid upto 31.03.09 arrived on recasting of interest dues by SIDBI @7.5% p.a.		19561557
iii)	Amount wrongly booked as Travelling Expenses instead of Travelling Advance on 06.08.09 rectified in 2010-11	10000	-
iv)	Interest Accrued on Flexi Deposits/ Term Deposits with Bank upto 31.03.09 but received/ credited to A/c in 2009-10		2037478
v)	Amount appropriated as Deposit redemption in 2009-10 reversed during the year	957859	-
vii)	Write back of expenditures excess provided in previous year	2068	32899
viii)	Interest on Staff Loan accrued upto previous year recovered from terminal benefits/ salary in 2009-10	-	89916
ix)	Insurance Commission Accrued upto 2009-10 received in 2010-11 from ICICI Lombard Insurance Co.	28573	-
x)	Amount appropriated in earlier years towards principal loan dues, reversed and appropriated in 2009-10 towards Interest on Reconciliation		712256
	TOTAL	1050526	22434106
(B) - Prior Year Expenditure			
(i)	Excess amount deducted as Int. on Vehicle Advance during 2009-10 refunded in 2010-11	480	-
(ii)	CST & OST Registration surrendered and expired w.e.f 31.03.04 but the Regd. Fees deposited is treated as Expenditure during 2010-11	12500	-
(iii)	Arrear Salary relating to period April'01 to Oct'01 sanctioned for payment in March'2011	4147888	-
(iv)	Differential amount of Tax Audit Fees for 09-10 paid in 10-11	1654	-
(v)	Deferred instalment of Ex-Gratia charged during the year in respect of employees retired under VRS in 05-06	-	5142031
(vi)	Water Tax & Holding Tax dues upto FY2009-10 paid in 2010-11	770916	-
(vii)	Interest Accrued & due on Loan in lieu of Share Capital during the period 01.02.09 to 31.03.09 paid in 2009-10 to SIDBI	-	767466
(viii)	Terminal benefits of Late L. D. Dash (Rs.356157) and late Katak Bahadur (2500) accounted for payment in 2008-09 but paid in 2009-10	-	358657
(ix)	Deduction made in earlier years from terminal benefits of Ex-employees accounted for in 2009-10	-	183816
(x)	Expenditure made in earlier years & utilised, but booked as "Advance to others", regularised in 2009-10 by accounting the transactions as prior year expenses	-	26710
(xi)	Depreciation on Computer acquired in earlier years not provided for earlier	-	74978
(xii)	Employees Contribution to Staff Welfare Fund relating to FY-2008-09 (Rs.12571), Rent for Accomodation of MD (Rs.2472) relating to 2008-09, arrear DA of Ex-employees relating to 2007-08 (Rs.3546) and News Paper & Periodicals bills for the period from July'04 to June'06 (Rs.16000/-) paid in 2009-10	-	34589
(xiii)	Reversal of Interest Income credited in 2008-09 on cancellation of sale of mortgaged assets as per Court Order	1236198	-
(xiv)	Reversal of int. (GS & Company) wrongly appropriated as income in earlier years at Cuttack Branch out of OTS Advance	148780	
	TOTAL	6318416	6588247
	NET (B) - (A)	5267890	-15845859

SCHEDULE - U
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 follows the method of Accounting as under:

- a) Loan Portfolio - Performing Assets on accrual basis
- Non-Performing Assets on realization basis
- b) All other items - On accrual 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 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:

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 SFC/s Act cases	Rephasement/Re-schedulement cases
1 st - Principal 2 nd Other charges	1 st - Other charges 2 nd - Principal	1 st Other charges 2 nd Interest & Penal Interest (on funded capital & unrephased portion of loan)

		3 rd principal overdues of rephrased/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 of financiers.
- 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:

Depreciation on fixed assets is provided on written down value method at the rates prescribed under Schedule – XIV of Companies Act, 1956 in accordance with the guidelines set by SIDBI for SFCs as follows.

Rate of Depreciation

Building-	5%
Office Vehicle-	25.89%
Furnitures & Fixtures-	18.10%
Office Equipments-	13.91%
Library-	100%
Computers-Hardware & Software	40%
Electrical Installation & Equipments	13.91%

- 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:

- a) 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.
- b) 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.
- c) 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 IDBI /SIDBI as under :

		<u>Provisions</u>
i.	Standard Assets @0.25% of Loan Assistance to SME, @0.40% of Housing Loan to Employees and @2% of Personal Loans to Employees.
ii.	Sub-Standard Assets 10% of Loan Assistance
iii.	Doubtful Assets 20% / 30%/ 100% of loan assistance depending on the period for which the loan /assistance has remained doubtful. (20% in case of assets remained doubtful for up to 1 years and 30% in case of assets remained doubtful beyond 1 years and up to 3 years and @100% in case of assets remained doubtful beyond 3 years).
iv.	Loss Assets The entire loan (i.e. 100%)

- (b) As per the guidelines issued by SIDBI vide No.592/SFCs (CELL) NPA dated.22/05/2001 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.

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.

13. Contingent Liabilities / Assets

Contingent Liabilities are disclosed by way of notes. Contingent Assets are not recognized.

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.

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(P.K.Samantray)	(B.K. Sahoo)	(B.K. Bose)	(P.C. Pathi)	(S. Acharya)
HoD, (F&A)	J.G.M.	MANAGING DIRECTOR	DIRECTOR	DIRECTOR
OSFC	OSFC	OSFC	OSFC	OSFC

For G.P.MISHRA & CO.
 CHARTERED ACCOUNTANTS
 Sd/-
 (G.P. Mishra)
 Membership No.053398
 PROPRIETOR

SCHEDULE `V`

NOTES ON ACCOUNTS

1. SHARE CAPITAL:

- 1.1 During the year, 29419000 nos. of Ordinary Shares of ₹ 100/- each totaling ₹.294.19 crore has been allotted in favour of State Govt.
- 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 31.3.2011 is ₹224.27 lakh. (₹237.30 lakh)
- 1.3 Approval has been accorded by SIDBI for conversion of Loan in lieu of Share Capital (LISC) of ₹622.50 lakh together with interest accrued thereon from 01.04.2008 till the date of conversion to share capital and conversion of SIDBI portion of minimum guaranteed dividend of ₹1273.90 lakh to share capital which is pending for approval by State Government u/s 4(3) of SFC's (Amendment) Act, 2000 for allotment. Pending approval of State Government amount of ₹1896.40 lakh is treated as Share Deposits.
- 1.4 Approval has been accorded by IDBI Bank for conversion of minimum guaranteed dividend of ₹1273.90 lakh to Share Capital and pending for approval by State Govt. u/s 4(3) of SFC's(Amendment) Act, 2000 for allotment. Pending approval of Govt. the amount is shown as Share Deposits.
- 1.5 In exercising options U/s 6(1) of SFC's (Amendment) Act 2000, 6 nos of share holders holding 6120 nos of shares of Rs.100/-/each had surrendered the share certificates for retirement at face value of ₹6.12 lakh. In view of the financial condition of the Corporation, the State Government has directed for retirement of such shares @ ₹1/-(Rupee one only) each, which is not acceptable to them. The Corporation has requested such share holders to continue to hold the shares till its revival / improvement in the financial health for retirement of the shares at face value.

2. RESERVE FUNDS AND SURPLUS:

- 2.1 In terms of Sec-36(1) (viii) fo the Income Tax Act,1961, Corporation has transferred ₹12.22 Lakh to Special Reserve calculated at 20% of the current year profit of ₹61.09 Lakh. (Pr. yr. ₹ 36.00 Lakh)

3. BONDS & BORROWINGS:

3.1 REFINANCE :

- 3.1.1 Pending request for waiver of Funded Loan the installments are being paid under protest. During the year Funded Loan of ₹7.44 crore paid under protest.
- 3.1.2 During the year Refinance of ₹53.28 Lakh has been availed under new Line of Credit from SIDBI.

3.2 BONDS

Bond Redumption accrued & due amounting to ₹16.25 Lakh (including Interest of ₹6.25 Lakh) payable to Kalol Nagarik Sahakari Bank Ltd. has been transferred to unclaimed liabilities and shown under other liabilities (Schedule-G) as there is no claimant.

3.3 DEPOSITS

Deposit Redemption Accrued & Due amounting to ₹1.25 Lakh has been transferred as unclaimed liabilities & shown under other Liabilities (Schedule-G) as there is no claimant for the same.

4. DIVIDEND PAYABLE :

- 4.1 SIDBI and IDBI Bank have agreed for conversion of dividend payable amount of ₹25.48 crores on 50:50 basis to share capital. Accordingly, entire Dividend payable to 'B' Class share holders has been treated as Share Deposits amounting to ₹254779800.00 (@₹100/- per share) and balance Rs.47.00 reversed contra against Dividend Deficit.
- 4.2 Dividend of ₹545108.00 is payable in respect of 'C' & 'D' Class Share holders for the year 1991-92 to 1999-2000

- 4.3 No dividend for the year has been declared for non-availability of surplus due to accumulated loss as on 31.03.2011

5. OTHER LIABILITIES:

- 5.1 Sundry deposit includes ₹661.00 Lakh (₹259.00 Lakh) towards sale proceed of assets jointly financed by Orissa State Financial Corporation, IPICOL & SBI. Sharing of the same among co-financer is under the process of reconciliation and confirmation.
- 5.2 During the year under OTS scheme approved by the State Government, the Corporation has settled Agency loans like State Government Seed money, Soft loan and Margin money assistance and sacrifices made thereon are as under.
- 5.2.1 **Seed money**
67 loan accounts are settled and ₹6.33 Lakh has been realized. A sum of ₹23.44 Lakh has been waived / sacrificed involving principal ₹2.21 Lakh and interest ₹21.23 Lakh.
- 5.2.2 **Soft loan**
2 loan accounts are settled and ₹0.10 Lakh has been realized. A sum of ₹0.75 Lakh has been waived / sacrificed involving principal ₹0.09 Lakh and interest ₹0.66 Lakh.
- 5.2.3 **Margin money assistance**
6 loan accounts are settled and ₹3.31 Lakh has been realized. A sum of ₹7.81 Lakh has been waived / sacrificed involving principal nil and interest ₹7.81 Lakh.
- 5.3 Interest sacrificed / waiver is made from loan memorandum account. Agency loan assets (Shown under Other assets Schedule - M) and Agency fund liabilities (Shown under Other liabilities Schedule – G) are reduced contra to the extent of principal sacrifices made under One Time Settlement (OTS).

6. LIABILITIES FOR RETIREMENT BENEFITS

- 6.1 For payment of Gratuity and Leave Encashment Salary, the Corporation employees are covered under Group Gratuity Scheme & Group Leave Encashment Scheme of LIC of India.
- 6.2 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 Board of Administrators.
- 6.3 Contribution to above funds are made on accrual basis by charging to Profit and Loss account. During the year, a sum of ₹344.70 Lakh has been paid to LIC towards additional amount of initial deposits required on account of enhancement of limit of gratuity from ₹1 Lakh to ₹3.50 Lakh.

7. LOANS AND ADVANCES

- 7.1 Balance in respect of loanes 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 ₹23.15 Lakh (Pr. Yr. ₹44.40 Lakh) has been fully provided for.
- 7.2 The loans and advances have been shown net of funded interest term loan of ₹ 3255.18 Lakh (last year ₹3559.25 Lakh)
- 7.3 During the year 602 loan (869) accounts are settled under OTS and ₹3262.97 lakh (₹2129.31 lakh) has been realised. The Corporation waived/sacrificed Interest/penal interest amounting to ₹12724.01 lakh (Rs.10575.41 lakh) and principal of ₹2.30 lakh (₹3.37 lakh) for settling these accounts under OTS (which has been adjusted from provisions). The interest sacrifice / waiver is made from Loan Memorandum A/c.
- 7.4 As on 31.3.2011 Interest dues of ₹ 2347.09 (₹ 2307.72 Crore) is outstanding for recovery on loan accounts of NPA Loanes as per loan memorandum account, which is not recognized as income.
- 7.5 Interest income of ₹1457.70 Lakh (Previous year 1605.18 Lakh) of earlier years reversed and appropriated towards Principal under OTS is adjusted against provisions written back and net effect amounting to ₹762.77 Lakh (Previous year ₹367.01 Lakh) is considered in Profit and Loss account.

- 7.6 During the year, the Corporation had advertised for sale of assets in respect of 95 nos of units (246 nos) u/s 29 of the SFC Act, 1951. Out of these, 50 nos.(51 nos) of units could be sold for a total amount of ₹1852.00 lakh (Total dues from these units amounted to ₹7915.00 lakh including principal outstanding of ₹800.00 lakh) (Pr.yr. ₹ 438.00 lakh) Against this, sale in 38 cases (35 cases) could be materialised for ₹1321.00 lakh (Principal balance dues against these cases stands at ₹594.00 lakh as on 31.03.11) (Pr. Yr. ₹240.00 lakh)
- 7.7 Corporation filed money suit U/S 31 of SFC Act, 1951 in respect of 833 nos of units involving ₹19837.71 lakh (741 nos ₹15158.83 lakh)
- 7.8 As on 31.03.11, 2578 nos. of units are identified as closed units involving credit exposure of ₹99.62 Crore (2976 nos. ₹113.26 Cr). Total overdue against these accounts is ₹839.61 Crore (Principal ₹90.15 Cr. and Interest ₹749.46 Cr.)

8. FIXED ASSETS

- 8.1 Premises also include those where ownership formalities are pending for execution due to restrain order from different Courts.
- 8.2 Land and Building shown under schedule 'L' 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 TAX

- 9.1 No provision for Income Tax for the year has been made, as the liability for the same does not arise.
- 9.1.1 Income Tax Assessment has been completed up to the Assessment Year 2008-2009. No Tax liabilities arose. Appeal has been preferred against expenditures disallowed by the Assessing Officer.

10. CLASSIFICATION OF ASSETS & PROVISIONING THEREOF

- 10.1 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 31.03.11	As on 31.03.10	Current Year	Previous year	As on 31.03.11	As on 31.03.10	As on 31.03.11	As on 31.03.10
Standard								
Direct Loan	2.24	2.79	0.25%	0.25%	0.006	0.007		
Personal Loan	0.54	0.40	2%	2%	0.011	0.008		
Vehicle & Housing Loan	0.62	0.54	0.40%	0.40%	0.002	0.002		
	3.40	3.73			0.02	0.02	3.40	3.73
NPA								
Sub Standard	0.35	2.20	10%	10%	0.04	0.22	0.31	1.98
Doubtful – I	1.79	45.56	20%	20%	0.36	9.11	1.43	36.45
Doubtful – II	139.51	119.63	30%	30%	41.85	35.89	97.66	83.74
Doubtful – III	43.50	49.68	100%	100%	43.50	49.68	-	-
Loss	138.22	151.29	100%	100%	138.22	151.29	-	-
Total (NPA)	323.37	368.36			223.97	246.19	99.40	122.17
Grand Total	326.77	372.09			223.99	246.21	102.80	125.90

- Standard Assets as on 31.03.11 includes ₹0.61Cr. representing House Building Advance and ₹0.01 crore representing vehicle advance to employees disclosed under Advance to Employees – Other Assets – Schedule M.
- Loan outstanding and Net Assets as on 31.03.11 includes Principal + Other Charges.
- AS per RBI/ SIDBI norms, no netting is required for provision for standard assets.

- 10.2 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. 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 LIC & 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.

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

Since the Corporation has the experience of past losses 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.

13. CONTINGENT LIABILITIES ENVISAGED BY THE CORPORATION

Estimates

- i. Arrear Salary and related expenses - ₹5.60 Crore (from 1.1.96 to 31.10. 01)
- ii. 121 nos. of cases filed against the Corporation involves claims of ₹ 41.57 Crore (156 cases ₹48.71 Crore)
- iii. Arrear DA and related expenses - ₹0.68 crore (1.7.10 to 31.3.11)
- iv. Consultancy Fees of ₹5.00 lac payable to AXIS Bank Ltd.
- v. VR benefits held up in respect of 10 voluntary retirees ₹0.24Cr (Pr.Yr.11nos. ₹0.26 Cr) and interest for delay in refund of VR assistance to Government Rs.0.05 Cr.

14. 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 P.R. Das , Chairman from July'08
- (ii) Sri Kabindra Nath Khatai, IAS Managing Director upto 07.10.2010
- (iii) Sri Bijay Kumar Bose, Managing Director from 08.10.2010

Gross salary including perquisites / Honorarium

- | | |
|---|-----------------------------------|
| (i) Sri P.R. Das , Chairman | ₹ 210000.00 |
| (ii) Sri Kabindra Nath Khatai, IAS, MD | ₹.414766.00 |
| (iii) Sri Bijay Kumar Bose, Managing Director | ₹.545488.00 (Reimbursed to SIDBI) |

Outstanding Balance of loans as on 31.03.10 in respect of above persons	- Nil
Interest on Loan granted to Key Managerial person	- Nil

15. Disclosure Requirements in terms of chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997

- Nil

16. GENERAL**16.1 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.

- 16.2 The Corporation has no suppliers / vendors as such to be classified as required by Micro, Small and Medium Enterprises Developments Act 2006.
- 16.3 Figures have been rounded up to the nearest rupee.
- 16.4 Figures mentioned in the brackets relate to previous year
- 16.5 Previous year's figures have been regrouped/rearranged and reclassified, wherever considered necessary.

**17. 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 ₹ in Lakh

1	CAPITAL BASE	Core Capital	Tier-II Capital	TOTAL Capital
	Ordinary Share Capital	41348.10	-	41348.10
	Loan pending conversion to Share Capital	-	-	-
	Free Reserve & Surplus	384.54	-	384.54
	Provision on Standard Assets	-	1.88	1.88
	Assets Revaluation Reserve (₹ 2006.75 lakh discounted at 55%)	-	903.04	903.04
	Total	41732.64	904.92	42637.56
	Accumulated loss	40075.36	-	40075.36
	Net Capital Base	1657.28	904.92	2562.20
2	Risk Weight Adjusted Assets	Amount as per balance Sheet (Book Value)	Risk weight % Amount	Risk Products
a)	Cash & Bank Balance			
	Cash / Stamp in Hand	189.56	0%	0.00
	Bank Balance with Nationalised/Scheduled Banks and in transit.	1791.24	20%	358.25
	Fixed Deposits with Banks	383.65	20%	76.73
	Total:-	2364.45		434.98
b)	Investments	4.64	100%	4.64
c)	Loans and Advances(including other charges)	32614.56	100%	32614.56
d)	Fixed Assets (Net)	2200.08	100%	2200.08
e)	Other Assets			
	Staff Advance	90.19	100%	90.19
	Others	10585.42	100%	10585.42
f)	Dividend Deficit	5.45	100%	5.45
	Total Assets	47864.79	-	45935.32

RISK BAND – RISK BASED ASSETS

Risk band	Book Value	Risk Product Value	Risk Coverage already provided in accounts	Net Risk Weighted Value
Zero Risk	189.56	0	0	0
20% Risk	2174.89	434.98	0	434.98
100% Risk	45500.34	45500.34	22402.97	23097.37
TOTAL	47864.79	45935.32	22402.97	23532.35

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

(i)	CORE CRAR	=	<u>Net Capital Base</u>	<u>1657.28</u>	=	7.04%	[Pr. Yr. 3.41%]
			<u>Net Risk Weighted Assets</u>	<u>23532.35</u>			
(ii)	Supplementary CRAR	=	<u>904.92</u>		=	3.85%	[Pr. Yr. 5.35%]
			<u>23532.35</u>				
	CRAR (i+ii)	=	<u>2562.20</u>		=	10.89%	[Pr. Yr. 8.76%]
			<u>23532.35</u>				

b) NET WORTH → ₹16.57 Cr. [Pr. Yr. → Rs.9.74 Cr.]
The amount of subordinate debt raised during the year

as Tier-II Capital → **Nil** [Nil]

	<u>As on 31-03-11</u>		<u>Previous Year</u> (₹ in lakh)	
	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>
Risk weighted assets	47871.05	23532.36	53150.57	28524.47

c) Share holding pattern as on the date of the balance sheet is as follows.

	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	1.499	34272.994
SIDBI	3738935	3738.935	150000	150.00	3888935	3888.935	1896.399	5785.334
Others	-	-	-	-	-	-	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	3171.797	41348.102

Asset quality and credit concentration

(d) Percentage of net NPAs to net Loans & Advances - 96.69% (97.03%)

(e) Amount and % of net NPAs under the prescribed

asset classification categories -

(₹ in Crore)

		<u>As on 31.3.11</u>		<u>Previous Year</u>	
		<u>Net</u>	<u>% to total</u>	<u>Net</u>	<u>% to total</u>
		<u>NPA</u>	<u>Net</u>	<u>NPA</u>	<u>Net</u>
		<u>Amt.</u>	<u>NPAs</u>	<u>Amt.</u>	<u>NPAs</u>
i)	Sub-standard	0.31	0.31%	1.98	1.62%
ii)	Doubtful	99.09	99.69%	<u>120.19</u>	<u>98.38%</u>
		99.40		122.17	

(f)	Amount of provisions made during the year towards		<u>(Previous Year)</u>
	Standard Assets-	0.01 Cr	(-) 0.01 Cr.
	NPAs	-	1.92 Cr.
	Investments-	Nil	Nil
	Income Tax-	Nil	Nil
(g)	Movement of	<u>As on 31.3.11</u>	<u>Previous Year</u>
	Net NPAs		
	Against		
	Sub-Standard		
	Assets-	₹1.67 Cr.(Decre. by 84.34%)	₹19.58 Cr. (Decre. by 9.82%)
	Against		
	Doubtful Assets-	₹21.10 Cr.(Decre. by 17.56%)	₹3.91 Cr. (Incr.by 3.36%)
	Total:-	₹ 22.77 Cr. (Decr. by 18.64%)	₹15.67 Cr (Decre.by 88.63%)

(h) Credit exposure as % to capital funds and as % to total assets –

	<u>As on 31.03.11</u>			<u>Previous Year</u>		
	<u>Total Credit Exposure</u>	<u>% to Capital fund</u>	<u>%to total assets</u>	<u>Total Credit exposure</u>	<u>% to Capital fund</u>	<u>%to total assets</u>
i) The largest single borrower	283.09	17.08%	1.11%	283.42	29%	0.93%
ii) The largest borrower group	879.96	53.10%	3.45%	942.82	96%	3.08%
iii) The 10 largest single borrower	1944.03	117.30%	7.63%	2013.69	206%	7.00%
iv) The 10 largest borrower groups	1993.71	120.30%	7.83%	1884.84	193.58%	6.16%

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

<u>As on 31.3.11</u>		
<u>Largest Industrial Sectors</u>	<u>Total Credit Exposure (₹ in Crore)</u>	<u>%Total Loan Assets</u>
1. Food manufacturing	34.92	10.71%
2. Other Chemical & Chemical Prods.	27.41	8.40%
3. Services		
Hotels	13.23	4.06%
Transport	40.29	12.35%
Other Services	24.85	7.62%
4. Textiles	17.46	5.35%
5. Basic Metals	19.89	6.10%
6. Paper & Paper products	10.42	3.19%

LIQUIDITY

k) Maturity pattern of Rupee Assets & Liabilities - (₹ 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	20.10	113.40	99.00	-	-	422.80	655.39
Rupee Liabilities	27.89	164.83	25.28	-	-	437.39	655.39
Difference	(-)7.79	(-) 51.43	(-) 73.81	-	-	(-) 14.59	-

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

liabilities).

OPERATING RESULTS

a)	Interest Income as % to average working fund	$\frac{1539.98}{28045.01} = 5.49\%$	(Pr.Yr. 6.61%)
b)	Non- Interest income as a % to average working funds:	$\frac{244.71}{28045.01} = 0.87\%$	(Pr.Yr. 0.74%)
c)	Operating profit as a % to average working funds	$\frac{113.77}{28045.01} = 0.41\%$	(Pr.Yr. 1.21%)
d)	Return on average assets	$\frac{61.09}{28045.01} = 0.22\%$	(Pr.Yr. 0.56%)
e)	Net Profit per employee	$\frac{61.09}{293} = 0.21$	lakh (Pr.Yr. 0.61lakh)

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

Sd/- (P.K.Samantray) HoD, (F&A) OSFC	Sd/- (B.K. Sahoo) J.G.M. OSFC	Sd/- (B.K. Bose) MANAGING DIRECTOR OSFC	Sd/- (P.C. Pathi) DIRECTOR OSFC	Sd/- (S. Acharya) DIRECTOR OSFC
---	--	--	--	--

For G.P.MISHRA & CO.
CHARTERED ACCOUNTANTS
Sd/-
(G.P. Mishra)
Membership No.053398
PROPRIETOR

PARTICULARS IN RESPECT OF LOANS AND ADVANCES FORMING PART OF SCHEDULE - K		
(Rs. In lakh)		
As at 31.03.2010	PARTICULARS	As at 31.03.2011
1	Particulars of Loans & Advances	
27780.06	(a) Debts considered good in respect of which the Corporation is fully secured(out of this loan amounting Rs.22899.26 lakh also covered by personal guarantees)	23633.78
8236.25	(b) Debts fully secured but under litigation	7982.85
36016.31	Total (a) + (b)	31616.63
-	(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.	-
10444.37	(e) (i) Total amount of instalment whether of principal or interest of which default was made at any time during the year.	22917.00
12436.01	(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).	240414.36
-	(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.	-
15158.83	(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.	19837.71
347.40	(v) Debts guaranteed by the State Govt. Schedule Banks or State Co-operative Banks.	734.52

As at 31.03.2010	PARTICULARS	As at 31.03.2011
	2 Classification of Loans and Advances according to the size of the industrial units.	
25661.97	(i) Debts due from small scale industrial concerns	22400.38
10354.34	(ii) Debts due from concerns other than those included under (i) above.	9216.25
36016.31	Total	31616.63
	3 Classification of Loans and Advances according to the Constitution of the Industrial Units.	
13945.77	(a) Proprietary	11993.59
2276.72	(b) Partnership	1942.33
222.95	(c) Hindu Undivided Family	-
347.40	(d) Co-operatives	309.77
18331.52	(e) Private Limited Companies	16399.71
884.66	(f) Public Limited Companies	971.23
7.29	(g) Trusts	-
36016.31	Total:	31616.63

ORISSA STATE FINANCIAL CORPORATION

CASH FLOW STATEMENT

PARTICULARS	For the Year ended on March 31 ST , 2011 (CURRENT YEAR)	For the Year ended on March 31 ST , 2010 (PREVIOUS YEAR)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
	Rs.	Rs.
Profit before Tax	11,376,768	2,156,297
Add: - Depreciation	3,342,825	3,415,199
Cash from Operations (i)	14,719,593	5,571,496
ADJUSTMENTS FOR OPERATING ASSETS / LIABILITIES & OTHER EXPENDITURES		
Increase/(Decrease) in Liabilities		
Bonds	(12,740,500)	172,500
Deposits	(1,175,859)	(350,000)
Borrowings	(223,506,979)	(326,781,685)
Other Liabilities	(284,946,483)	46,353,195
Decrease / (Increase) in Assets		
Loans and Advances	231,811,874	197,315,553
Other Assets	15,804,459	(21,849,678)
Dividend Deficit (Contra)	47	
Other Expenditures		
Direct Taxes Paid	-	-
Net Prior Period Adjustment	(5,267,890)	15,845,859
Net Cash Used in Operating Liabilities/Assets & Expenditures (ii)	(280,021,331)	(89,294,256)
Net Cash (Used in)/ Flow from Operating Activities. (i) + (ii)	(265,301,738)	(83,722,760)
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(2,961,409)	(1,766,122)
Adjustment of depreciation for earlier year	-	74,978
Sale of fixed Assets	22,120	173,794
Net Cash from investment activities	(2,939,289)	(1,517,350)
C) OTHER CASH FLOWS (from financial activities)		
Increase in Share Capital/ Subordinated Debts	254,779,800	-
Adjustment of Reserve towards Int. Accrued upto 31.03.83	-	-
Net Cash Flow from Other/ Financial Activities	254,779,800	-
NET CASH FLOW/ NET CASH USED DURING THE YEAR (A+B+C)	(13,461,227)	(85,240,110)
Net increase/ (decrease) in cash and Cash equivalents	(13,461,227)	(85,240,110)
Cash & Cash equivalents at beginning of the year	249,906,600	335,146,710
Cash & Cash equivalents at the end of the year	236,445,373	249,906,600

SUB SCHEDULES FORMING PART OF SCHEDULE- I
CASH & BANK BALANCES
Balance with scheduled Banks in Current Accts.

	As at 31.03.11	As at 31.03.10
	₹	₹
At Head Office		
SBI, Link Road (Attached)	-	2271703
Central Bank of India, Mahatab Road,Ctc.	2620187	190849
Union Bank, College Square,Cuttack.(Withdrawal A/c)	910318	5188197
HDFC Bank, Bajrakabati, Cuttack	77519	500000
Canara Bank, Main Br.,Cuttack.	226975	96975
S.B.I. Link Road,Cuttack.	1072015	955906
S.B.I. Main Branch,Cuttack.	362942	362942
Andhra Bank,Cuttack.	512241	818572
I.O.B., P.K.Parija Road,Cuttack.	540451	13761127
Syndicate Bank,Ch.Bazar,Cuttack.	1281210	254554
Allahabad Bank,Cuttack Main Branch	-	1200902
AXIS Bank, Cuttack	3955123	6977972
IDBI Bank Ltd.	497940	500000
Allahabad Bank,Madhupatna, Cuttack	375999	39068
IDBI Bank Ltd., Cuttack (TRA)	500000	-
Total ----->	12932920	33118767
(1) Cuttack Branch		
AXIS Bank, Cuttack (DEPOSIT)	10001	2069455
AXIS Bank, Cuttack (WITHDRAWAL)	13675	28820
Total ----->	23676	2098275
(2) Paradeep Branch		
Union Bank of India,Link Road, Ctc(Deposit)	344146	2593376
Union Bank of India,Link Road, Ctc(Withdrawal)	16272	77470
CBI, Chandikhol(Deposit)	347400	619963
Allahabad Bank (Deposit)-Kendrapara	358078	1168565
CBI, Paradeep	454605	343384
Total ----->	1520501	4802758
(3) Baripada Branch		
Union Bank of India (SB Deposit A/c)	1101000	
Union Bank of India (SB Withdrawal A/c)	1000	
Union Bank (Deposit A/c)	305730	318802
Union Bank (Withdrawal A/c)	30234	127913
Canara Bank, Rairangapur	92914	156924
Total ----->	1530878	603639
(4) Balasore Branch		
AXIS Bank, (DEPOSIT)	238500	95872
AXIS Bank, (WITHDRAWAL)	12334	7167
Union Bank of India (Deposit)	1000	9890
Union Bank of India (Withdrawal)	1000	
CBI, Bhadrak (deposit A/c)	45950	713576
Total ----->	298784	826505
(5) Berhampur Branch		
AXIS Bank, (DEPOSIT)	2664801	5787741
AXIS Bank, (WITHDRAWAL)	17988	51659
Total ----->	2682789	5839400
(6) Keonjhar Branch		
Union Bank of India, Keonjhar (Deposit A/c)	352221	160235
Union Bank of India, Keonjhar (Withdrawal A/c)	6149	17105
Total ----->	358370	177340
(7) Jeypore Branch		
I.O.B., Jeypur (Deposit A/c)	57000	57000
I.O.B., Jeypur(Withdrawal A/c)	15872	13831
Andhra Bank (Deposit A/c)	5956	402449
Union Bank of India (Deposit)	330975	
Union Bank of India (Withdrawal)	5000	
Total ----->	414803	473280

(8)	<u>Bhawanipatna Branch</u> Union Bank of India (DEPOSIT A/C) Union Bank of India (WITHDRAWAL A/C)	291515 7214	4065653 36544
	Total ----->	298729	4102197
(9)	<u>Bolangir Branch</u> Andhra Bank,Bolangir(Deposit A/C) Andhra Bank,Bolangir(Withdrawal A/C)	111160 41629	6824550 104551
	Total ----->	152789	6929101
(10)	<u>Rourkela Branch</u> Union Bank of India, Jharsuguda (Deposit) AXIS Bank, (DEPOSIT) AXIS Bank, (WITHDRAWAL)	- 1601510 28938	14413 725405 31636
	Total ----->	1630448	771454
(11)	<u>Bhubaneswar Branch</u> Union Bank of India, Nayapalli (SB-Deposit) Union Bank of India, Nayapalli (SB-Withdrawal) Allhabad Bank, Khurda(Deposit A/c) Allhabad Bank, Khurda(Withdrawal A/c) Union Bank of India(Withdrawal A/c.) Union Bank of India(Deposit A/c.) IOB,Nayagarh (Deposit A/c) Union Bank of India (Deposit) Patia Union Bank of India (Withdrawal) Patia	3294995 916576 - - 22423 36760 - - -	- - 2626649 27661 360633 84538 35670 5281281 32892
	Total ----->	4270754	8449324
(12)	<u>Puri Branch</u> Syndicate Bank (deposit a/c) Union Bank of India, Puri(Deposit) Union Bank of India, Puri(Withdrawal)	12068 527049 12285	2627735 5793 13086
	Total ----->	551402	2646614
(14)	<u>Phulbani Branch</u> SBI (Deposit A/C) SBI (Withdrawal A/C) Allahabad Bank	49034 50048 -	10359 50102 921
	Total ----->	99082	61382
(15)	<u>Rayagada Branch</u> AXIS Bank (Deposit) AXIS Bank (Withdrawal)	30000 26082	250500 20571
	Total ----->	56082	271071
(16)	<u>Angul Branch</u> IOB, Dhenkanal (Deposit) AXIS Bank, (DEPOSIT) AXIS Bank, (WITHDRAWAL)	848595 10001 50399	965635 10001 25425
	Total ----->	908995	1001061
(17)	<u>Sambalpur Branch</u> Union Bank of India, Jharsuguda AXIS Bank, Sambalpur (Deposit) AXIS Bank, Sambalpur (Withdrawal) Union Bank Baragarh (Deposit A/c) Union Bank Baragarh (withdrawal A/c.) AXIS Bank, Baragarh (Deposit) AXIS Bank, Baragarh (Withdrawal)	6526 1190501 10045 2623 22097 10000 -	- 20001 9412 2623 22097 25000 37015
	Total ----->	1241792	116148
	Grand Total----->	28972794	72288316

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

	As at 31.03.11	As at 31.03.10
	₹	₹
Suspense	5653218	6657618
Deposits towards Loan Administration Fees	3200	6700
Deposit Towards fees Payable - IED	10600	10600
Deposit for Rephasement	272250	141250
Security Deposit by Security Service agencies	1474212	1352959
State Investment Subsidy (M & LI)	483000	-
Interest Subsidy from State Govt. - SPL. Enterprenuer	169855	1023962
Advance Deposit towards OTS	204382172	332877034
Security Deposit & Down Payment	229955813	174411163
Central Investment Subsidy (M.S.)	3176248	3176248
State Investment Subsidy (H & T Promoters)	753961	753961
State Investment Subsidy (SSI)	37864776	36247685
EPF Administrative A/c	458599	574386
Govt. assistance for EDP under TASP	332430	1000000
Central Investment Subsidy(SSi)	111139	111139
LIC Deduction from Salary	91102	94035
Other Deduction - Terminal Dues	630261	630261
Advance against House Rent	93474	-
Liability for Leave Salary	-	23363
Misc. Deduction Salary-Deputationist	-	28000
Tax Deduction at Source - Others	42433	39719
Tax Deduction at Source from Salary	14915	-
Co-Operative Loan deduction -Salary	777205	495175
Co-Operative Thrieff Deposits	226736	44210
Employees Union Fees Deduction - Salary	1160	1270
Association Fees ded.-Salary	1460	1480
Staff Welfare Fund	35238	47851
Professional Tax Deduction - Salary	43425	43175
Bank Loan Deduction Salary	438725	458554
Employee's Welfare Fund Deduction-Salary	5850	5860
P.F Advance (Recovered)	91622	249848
Interest on P.F. Advance Recovered	11492	11492
Deposits by Loanee as per Court Directives	10556195	6803837
Emplyee's Provident Fund	1382741	1370767
Salary & Allowances Payable	8010674	3838870
Consolidated Wages Payable	2700	-
EMD Refundable / Distributable	40285000	-
Total ----->	547843881	572532472

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

	As at 31.03.11	As at 31.03.10
	₹	₹
Head Office	20475	20527
Bhubaneswar Branch	1288	1017
Puri Branch	284	30
Balasore Branch	275	609
Baripada Branch	40	361
Berhampur Branch	393	948
Bhawanipatna Branch	42	18
Bolangir Branch	122	1060
Jeypore Branch	27	121
Keonjhar Branch	457	230
Phulbani Branch	209	516
Rourkela Branch	105	16
Rayagada Branch	59	160
Sambalpur Branch	462	772
Angul Branch	333	811
Baragarh Branch	-	-
Total ----->	24571	27196

ORISSA STATE FINANCIAL CORPORATION

Details of Fixed Deposit with Bank

Sl.No	Name of the Bank	As on 31.03.11 ₹	As on 31.03.10 ₹
1	Union Bank of India, Choudhury Bazar, Cuttack.	1706491	1706491
2	Union Bank of India, Choudhury Bazar, Cuttack.	757856	757856
3	Allahabad Bank, Cantonment Road, Cuttack	-	1007411
4	AXIS Bank Ltd., Rourkela (For Bank Guarantee)	157952	157952
5	Union Bank of India, College Square, Cuttack	35742607	-
	TOTAL ----->	38364906	3629710

ORISSA STATE FINANCIAL CORPORATION

Details of Flexi Deposit with Bank			
Sl.No	Name of the Bank	As on 31.03.11	As on 31.03.10
1	Union Bank Of India, College Square, Cuttack. (ESCROW A/c)	138262189	155016088
2	Union Bank Of India, Main Branch, Cuttack.	28639870	4270388
3	Union Bank of India, Nayapalli, Bhubaneswar	310000	565000
	Total	167212059	159851476

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

	As at 31.03.11	As at 31.03.10
	₹	₹
State Govt. Seed Money Recovered-Agency	2793263	1347774
SIDBI NEF Recovered - Agency	24078504	30944681
Int.on State Govt. Seed Money Recovered	1934168	988420
State Govt. MM Asst. Recovered	895000	565000
Int.on State Govt. M.M. Asst.Recovered	188447	99635
Soft Loan from SIDBI - (MUN) Recovered	179087	179087
Penal Interest on Agency Loan	1751996	-
Service Charges SIDBI NEF-Agency	11467648	11374855
Interest on State Govt. Soft Loan Recovered	4566	-
State Govt. Soft Loan recovered	642915	103944
Total ----->	43935594	45603396

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

	As at 31.03.11	As at 31.03.10
	₹	₹
Head Office	486432	1831270
Cuttack Branch	5909	7106
Paradeep Branch	266854	840868
Bhubaneswar Branch	225768	2469467
Puri Branch	106093	233315
Balasore Branch	103196	320897
Baripada Branch	25391	33041
Berhampur Branch	25043	1004234
Bhawanipatna Branch	180127	536713
Bolangir Branch	7263	320969
Jeypore Branch	15807	87215
Keonjhar Branch	86760	391164
Phulbani Branch	35868	69209
Rourkela Branch	15216	827444
Rayagada Branch	42917	539863
Sambalpur Branch	217148	3730230
Angul Branch	25251	340196
Baragarh Branch	-	526701
Total----->	1871043	14109902

SUB SCHEDULES FORMING PART OF SCHEDULE M
SUB SCHEDULE - ADVANCE TO EMPLOYEES

	As at 31.03.11	As at 31.03.10
	₹	₹
House Building Advance	1795129	2847000
Vehicle Advance	-	20625
Pay Advance	314835	321895
Festival Advance	356346	364346
Medical Advance	1150446	1034407
Office Expenses Advance	441762	680323
Travelling Advance - Employees	537880	726719
Interest Accrued on HB Loan	4343667	2326048
Interest Accrued on Vehicle Adv.	78836	217542
Total ----->	9018901	8538905

1. 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 M

SUB SCHEDULE - ADVANCE TAXES, DEPOSITS & OTHERS

Amount in Rupees

ADVANCE TAXES	As at 31.03.11	As at 31.03.10
Income Tax paid under protest	568243	568243
Income Tax Deducted at source	2247221	2639779
Income Tax Refundable by I.T.Dept.	2112275	2112275
Total ----->	4927739	5320297

DETAILS OF DISPUTED PAYMENT UNDER PROTEST		
Bimala Cement (P)Ltd., Rourkela	6420000	6420000
Indo East Extraction (P)Ltd., Bls	1748000	1748000
Hanuman Works (P) Ltd.	2271703	-
TOTAL	10439703	8168000

DETAILS OF DEPOSITS AGAINST COURT DIRECTIVES		
1. Hrisikesh Das (A/c Dibakar Iron & Steel Co (P) Ltd.) with SBI, I/A Berhampur	41070310	37729974
2. The Register, Delhi High Court (28.09.96) A/c. Bombay Amonia (P) Ltd. Vrs. Premier Cold Storage case No.50/95	195224	195224
3. The Register, Delhi High Court (6/8/97) A/c. Bombay Amonia (P) Ltd. F. A. No.354/96	104537	104537
4. The Register, 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. Union Bank of India, College Square, A/c Blaze Electronics	-	5459867
7. Union Bank of India, College Square, Cuttack A/c Orissa Polytex (P) Ltd.	1714507	1302485
TOTAL	43510378	45217887

DIVIDEND DEFICIT ACCOUNT

Particulars	As at 31.03.11	As at 31.03.10
On A/c of	₹	₹
i. SIDBI	-	254779847
ii. Others	545108	545108
Total ----->	545108	255324955

ORISSA STATE FINANCIAL CORPORATION

Details of subscriber-wise Bonds issued, Redeemed, Off-market transaction & Balance outstanding as on 31.03.2011

₹ In lakhs.

SI No.	Name of the Institution	Balance as on 31.03.10	Issued during the year	Off- market transcation		Bond Holding	Redeemed / Transferred during the year	Balance as on 31.03.10	Redemption accrued & Due as on 31.03.11	Premature Redemption during the year
				Buy	Sell					
1	2	3	4	5	6	7	8	9	10	11
1	Urban Co.op Bank	80.00	0.00	0.00	0.00	80.00	80.00	0.00	0.00	0.00
2	Kalol Nagrik Sahakari Bank *	10.00	0.00	0.00	0.00	10.00	10.00	0.00	0.00	0.00
	Total:	90.00	0.00	0.00	0.00	90.00	90.00	0.00	0.00	0.00

**STATE FUND ACCOUNT
BALANCE SHEET AS AT 31ST MARCH 2011**

LIABILITIES		ASSETS	
As at 31.03.2010 (Rs.)	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2011 (Rs.)
406,623	406,623	283,919	283,719
69	69	318,121	318,121
168		821,525	839,460
351	168	3,857	3,857
1,022,299		850	850
1,429,510	1,447,245	1,238	1,238
		1,429,510	1,447,245

FOR ORISSA STATE FINANCIAL CORPORATION

FOR ORISSA STATE FINANCIAL CORPORATION

FOR ORISSA STATE FINANCIAL CORPORATION

Sd/-
(P.K. Samantray)
HoD, F&A

Sd/-
(B.K. Sahoo)
JOINT GENERAL MANAGER

Sd/-
(P.C. Pathi)
DIRECTOR

Sd/-
(S. Acharya)
DIRECTOR

STATE FUND ACCOUNT
INCOME AND EXPENDITURE ACCOUNT UP TO THE YEAR ENDED 31ST MARCH 2011

EXPENDITURE			INCOME		
2009-2010		2010-2011	2009-2010		2010-2011
(Rs.)		(Rs.)	(Rs.)		(Rs.)
384	BANK CHARGES & COMMISSION	584	948,564	INT. ON LOANS & ADV.	966,499
			<u>6,608</u>	LESS REBATE	<u>6,608</u>
	POSTAGE STAMP		941,956		959,891
1,022,299	EXCESS AMOUNT TRANSFERRED TO BALANCE SHEET	1,040,034	1,250	PROCESSING CHARGES	1,250
			78,537	INTEREST ON DEPOSIT WITH BANK	78,537
			940	INTEREST ON STATE FUND A/C	940
1,022,683	TOTAL	1,040,618	1,022,683	TOTAL	1,040,618

FOR ORISSA STATE FINANCIAL CORPORATION FOR ORISSA STATE FINANCIAL CORPORATION FOR ORISSA STATE FINANCIAL CO

Sd/-
(P.K. Samantray)
 HoD, F&A

Sd/-
(B.K. Saho
 JOINT GENERAL MANAGER

Sd/-
(B.K. Bose)
 MANAGING DIRECTOR

Sd/-
(P.C. Pathi)
 DIRECTOR

Sd/-
(S. Acharya)
 DIRECTOR

MANAGEMENT REPLY TO THE AUDITOR'S REPORT FOR THE YEAR ENDING
31ST MARCH, 2011

AUDITOR'S REPORT	REPLY
<p>1. We have audited the attached Balance Sheet of Orissa State Financial Corporation as at 31st March 2011 and the Profit and Loss Account annexed thereto for the year ended on that date in accordance with the provisions of section 37 of the State Financial Corporations Act, 1951 as amended by SFCs (Amendment) Act, 2000.</p>	No Comment
<p>2. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.</p>	No Comment
<p>3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on test check basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.</p>	No Comment
<p>On the basis of our audit, subject to our observation/comments as mentioned in point no.8 below and Notes on Accounts as contained in Schedule-V, we report that:</p>	No Comment
<p>4. We have obtained all the information and explanations both from Head Office and Branches which, to the best of our knowledge and belief, were necessary for the purposes of our audit.</p>	No Comment
<p>5. In our opinion, proper books of accounts have been kept by the Corporation so far as it appears from our examination of those books.</p>	No Comment
<p>6. The Balance Sheet and the Profit and Loss Account dealt with by this</p>	No Comment

report are in agreement with the books of accounts.	
7. In our opinion, the Balance Sheet and Profit and Loss Account are in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India.	No Comment
8. The following are our observations/comments:	
i) With reference to Note No.8.1, fixed assets also include those assets where ownership is yet to be transferred to the Corporation in view of the restraint order from different courts.	This the statement of facts and adequately disclosed.
ii) During the year, the Corporation has continued its internal audit system through its own Internal Audit Department.	No Comment
9. In our opinion and to the best to our information and according to the explanations given to us, the said accounts of the Corporation read with the Schedules and above observations give the information required by the State Financial Corporation Act, 1951 as amended by the State Financial Corporation (Amendment) Act, 2000 and are properly drawn up in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.	No Comment
i) In the case of said Balance Sheet of the State of Affairs of the Corporation as at 31 st March, 2011.	No Comment
ii) In the case of Profit and Loss Account of the profit for the year ended on that date.	No Comment
iii) The Cash Flow statement gives a true and fair view of the cash flows for the year ended on that date.	No Comment
<p style="text-align: center;">Sd/- G.P.MISHRA & CO. CHARTERED ACCOUNTANTS MALA SAHI, MANGALABAG CUTTACK -753 001 Phone : (0671) 2301855 E-mail: gp_mishra@hotmail.com</p>	<p style="text-align: center;">Sd/- (B.K.Bose) MANAGING DIRECTOR</p> <p style="text-align: center;">Sd/- (B.K.Sahoo) JOINT GENERAL MANAGER</p>

**MANAGEMENT REPLY ON THE REPORT OF THE C & AG AUDITORS FOR THE
YEAR ENDING 31.03.2010**

AUDITORS OBSERVATION	COMPLIANCE
<p>The preparation of the financial statements of Orissa State Financial Corporation for the year ended 31 March 2010 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 Auditors approved by Reserve Bank of India under section 37(l) 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</p>	No Comments
<p>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 and 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 31 March 2010 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 Corporation 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) Balance Sheet Loans & Advances, Assets (Net of provisioning for NPA) Schedule-K</p>	

Net Amount of Loans & Advances: Rs.125.36 Crores.	
<p>The above is overstated by Rs.1.77 Crore due to under-provisioning for Non-Performing Assets(NPA) arising from provisioning at the rate of 20 and 30 percent of loan assistances extended to fifteen Promoters after categorizing them as Doubtful Assets-I and II instead of classifying them as Doubtful Assets-III requiring 100 percent provisioning as per guidelines issued by Small Industries Development Bank of India. This has also resulted in overstatement of Profit by Rs.1.77 Crore each.</p>	<p>Noted. Required rectification in respect of the Concerned loan accounts has already been made in the Accounts of 2010-11.</p>
General.	
<p>The Corporation has not submitted the annual accounts for the year 2009-10 alongwith the report of the Statutory Auditors to the Comptroller and auditor General of India(submitted on 29.06.2010) at least one month before it was placed before the shareholders in the Annual General Meeting (held on 28.06.10) in violation of section 37(5) of the SFC Act,1951.</p>	<p>Due to short span of time between the date of auditors report and AGM, the audited accounts could not be submitted to C&AG of India in compliance to Sec-37(5) of SFCs Act,1951.</p> <p style="text-align: center;">Sd/- Managing Director</p> <p style="text-align: center;">Sd/- Joint General Manager</p>

Separate Audit Report of the Comptroller and Auditor General of India on the accounts of Orissa State Financial Corporation for the year ended 31 March, 2010.

The preparation of the financial statements of Orissa State Financial Corporation for the year ended 31 March 2010 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 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 16th June,2010.

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 and 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 2010 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 Corporation 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. Balance Sheet Assets.

Loans & Advances, Assets (Net of provisioning for NPA) Schedule-K

Net Amount of Loans & Advances: Rs.125.36 Crores.

1. The above is overstated by Rs.1.77 Crore due to under-provisioning for Non-Performing Assets (NPA) arising from provisioning at the rate of 20 and 30 percent of loan assistances extended to fifteen Promoters after categorizing them as Doubtful Assets-I and II instead of classifying them as Doubtful Assets-III requiring 100 percent provisioning as per guidelines issued by Small Industries Development Bank of India. This has also resulted in overstatement of Profit by Rs.1.77 Crore each.

B. **General.**

The Corporation has not submitted the annual accounts for the year 2009-10 alongwith the report of the Statutory Auditors to the Comptroller and auditor General of India (submitted on 29.06.2010) at least one month before it was placed before the shareholders in the Annual General Meeting (held on 28.06.10) in violation of section 37(5) of the SFC Act,1951.

Place: Bhubaneswar Date:11.08.2010	For and on behalf of The Comptroller and Auditor General of India. Sd/- (S.K.Mishra) PRINCIPAL ACCOUNTANT GENERAL
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OPERATIONAL HIGHLIGHTS OF THE CORPORATION DURING LAST TEN YEARS

ANNEXURE-1

₹ in lakh

PARTICULARS OF ITEMS	2001-2002	2002-2003	2003-2004	2004-2005	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	Ason 31.3.11
OPERATIONS											
1. Sanction	12230.75 (1021)	1525.30 (180)	1086.10 (83)	285.42 (44)	-	-	-	-	93.00 (2)	393.58 (6)	131020.19 28215
2. Disbursement	9519.30 (1000)	2906.04 (345)	1046.57 (68)	209.02 (67)	11.97	-	-	-	-	71.23 (3)	130583.60 28210
3. Recovery	13081.54	9204.21	7702.05	7306.10	10674.96	7614.57	6478.51	4657.46	4024.71	4202.86	188738.89
4. Outstanding	63171.17 (19371)	61686.27 (19633)	58579 (15302)	55391.72 (15040)	51152.51 (13266)	46707.92 (12595)	43454.12 (11918)	40369.94 (11386)	37070.85 10507		32537.85 9885
SHARE CAPITAL											
5. Paid Up	-	-	-	-	-	-	27104.25	2316.25	-	3170.30	41348.10
6. Loan in Lieu of Share Capital (SIDBI)	-	-	-	-	-	-	-	-	-	-	-
BONDS											
7. Issued	50.00	-	-	-	-	-	-	-	-	-	42444.25
8. Repaid	530.00	1530.00	1746.00	10360.00	3539.00	13160.00	1963.50	2607.50	-	80.00	42434.25
9. Un claimed liabilities	-	-	-	-	-	-	-	-	-	10.00	-
10. Outstanding	34996.25	33466.25	31720.25	21360.25	17821.25	4661.00	2697.50	90.00	90.00	-	42444.25
REFINANCE (SIDBI)											
11. Availed	5606.26	1368.38	-	-	-	-	-	-	-	-	69103.06
12. Repaid	3178.46	1767.49	1518.00	1323.00	2461.19	2620.00	1500.00	1500.39	1500.00	1500.00	57638.41
13. Outstanding	25750.04	25386.93	23868.90	22545.93	20084.74	17465.04	15965.04	14464.65	12964.65	-	11464.65
14. New LoC under TRA	-	-	-	-	-	-	-	-	-	0.53	0.53
15. Repaid	-	-	-	-	-	-	-	-	-	-	-
16-Outstanding	-	-	-	-	-	-	-	-	-	0.53	0.53
SUBSIDY											
17. Received	19.99	40.35	27.00	50.77	35.95	75.65	692.24	411.93	159.26	104.78	11303.90
18. Sanctioned	55.00	141.57	9.52	74.81	0	62.87	92.23	62.00	67.23	1.64	12771.54
19. Disbursed	341.00	22.81	44.40	3.80	49.51	49.33	465.61	370.25	92.10	92.38	11495.22
FINANCIAL SUMMARY											
20. Gross Income	7652.35	5117.10	3577.92	2952.69	2623.24	2671.56	2742.87	2327.62	2347.05	2547.46	-
21. Total Expenditure	7453.64	4987.48	4045.51	3757.15	2401.36	2554.07	2485.85	2140.47	1959.27	2433.69	-
22. Profit/Loss Before Tax	198.71	129.62	(-)467.59	(-)804.46	221.88	117.49	257.02	187.15	387.78	113.77	-
23. Appropriation Income / Prior period adjustment	-	-	-	-	-	-	-	87.19	207.76	52.68	-
Year and Provision											
24. Reserves	-	-	-	-	-	-	102.06	54.37	36.00	12.22	-
25. Provision For Tax	-	-	-	-	-	5.31	1.88	2.48	-	-	-
26. Net Profit/Loss	198.71	129.62	(-)467.59	(-)804.46	221.88	112.18	255.14	271.86	180.02	61.09	-
STAFF STRENGTH (Number)	898	891	881	877	342	330	329	299	297	293	-

* Outstanding amount of Rs.32614.55 lakh as on 31.03.2011 excluding personal loan to employees of Rs.53.56 lakh and deferent between general ledger sub-ledger of Rs.23.15 lakh.

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

₹ in lakh

SI No.	Particulars of Application	Small Scale		SRTOs		Others		Total		SI No.	Particulars of Application	Small Scale		SRTOs		Others		Total	
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.			No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
1	Pending at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Received during the year	2	106.00	-	-	-	-	2	106.00	-	-	13	1312.96	-	-	-	-	13	1312.96
A	Total (1+2)	2	106.00	-	-	-	-	2	106.00	-	-	13	1312.96	-	-	-	-	13	1312.96
3	Sanction (Gross) during the year	2	93.00	-	-	-	-	2	93.00	-	-	6	393.58	-	-	-	-	6	393.58
4	Rejected withdrawn, closed or lapsed during the year	-	-	-	-	-	-	-	-	-	-	5	465.00	-	-	-	-	5	465.00
5	Amt. of loan reduced while sanctioning	-	13.00	-	-	-	-	-	13.00	-	-	-	40.88	-	-	-	-	-	40.88
6	Pending at the end of the year	-	-	-	-	-	-	-	-	-	-	2	413.50	-	-	-	-	2	413.50
B	Total (3+4+5+6)	2	106.00	-	-	-	-	2	106.00	-	-	13	1312.96	-	-	-	-	13	1312.96
C	(6) as % of A	0	0	-	-	-	-	0	0	-	-	15.38	31.49	-	-	-	-	15.38	31.49

ANNEXURE:3

₹ In lakh

SCHEMES WISE CLASSIFICATION OF ASSISTANCE

SANCTION

(EFFECTIVE)

DISBURSEMENT

Sl.No.	SCHEMES	Since Inception up to 31.3.2011		Since Inception up to 31.3.2011	
		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	58	815.20	58	815.20
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	9137	26020.16	9137	26019.38
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	11870	75682.92	11865	75247.11
	TOTAL	28215	131020.19	28210	130583.60

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

ANNEXURE:4

₹ in lakh

SECTOR-WISE CLASSIFICATION OF TERM LOAN SANCTION, DISBURSEMENT UPTO 31.03.11

SCHEME	SANCTION (EFFECTIVE)		DISBURSEMENT	
	No.	Amt.	No.	Amt.
1. SRTOs	9137	26020.16	9137	26019.38
2. Small Scale Sector	15729	67137.24	15723	66746.70
a) Tiny Sector	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	3098	58077.60	3094	57716.34
3. Medium Scale	78	12276.90	78	12276.90
4. Others	3276	25937.97	3272	25511.34
TOTAL	28215	131020.19	28210	130583.60

ANNEXURE-5**DISTRICTWISE ANALYSIS OF LOANS SANCTIONED,DISBURSED,RECOVERY
AND OUTSTANDING AS ON 31ST MARCH - 2011****SANCTION (EFFECTIVE)**

(₹ in lakh)

Sl.No.	Name of the District	Small Scale		S.R.T.O		Others		Total	
		No	Amount	No	Amount	No	Amount	No	Amount
1	Cuttack	1925	10599.96	1665	3811.59	564	6952.99	4154	21364.54
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	1659	12286.38	744	1832.69	222	5011.32	2625	19130.39
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	Sambalpur	282	2697.99	358	889.85	95	2074.89	735	5662.73
11	Jharsuguda	94	617.17	232	755.05	69	676.29	395	2048.51
12	Bargarh	277	831.45	115	514.58	22	290.73	414	1636.76
13	Deogarh	43	188.32	22	87.64	15	11.43	80	287.39
14	Sundargarh	964	8175.87	522	1636.31	336	4757.95	1822	14570.13
15	Balasore	757	6374.55	457	1220.62	116	2450.23	1330	10045.40
16	Bhadrak	179	1154.65	251	807.93	57	311.66	487	2274.24
17	Bolangir	613	2178.39	367	946.21	88	923.92	1068	4048.52
18	Sonepur	87	41.26	55	19.26	7	5.00	149	65.52
19	Phulbani	160	569.85	205	496.81	149	542.73	514	1609.39
20	Boudh	89	151.97	101	248.96	35	121.91	225	522.84
21	Kalahandi	308	1094.31	231	661.64	197	347.54	736	2103.49
22	Nuapada	54	185.63	46	194.85	24	41.58	124	422.06
23	Dhenkanal	722	1368.24	310	646.34	98	509.43	1130	2524.01
24	Angul	220	591.62	112	527.14	27	199.23	359	1317.99
25	Keonjhar	312	1430.64	582	1969.49	68	968.89	962	4369.02
26	Mayurbhanj	837	2325.96	330	824.00	96	949.87	1263	4099.83
27	Koraput	460	1540.26	140	343.32	86	697.20	686	2580.78
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	54	363.18	288	1586.78
	Total	15729	67137.24	9137	26020.16	3349	37862.79	28215	131020.19

**ANNEXURE-5 DISTRICTWISE ANALYSIS OF SANCTION, DISBURSEMENT, RECOVERY AND
OUTSTANDING ASON 31ST MARCH, 2011**

(₹ in lakh)

SI.No.	Name of the district	DISBURSEMENT								RECOVERY
		SSI		Transport		Others		Total		
		No	Amount	No	Amount	No	Amount	No	Amount	
1	Cuttack	1925	10598.76	1665	3810.81	564	6952.09	4153	21321.06	26326.29
2	Jagatsinghpur	1789	865.59	356	1543.02	101	837.91	2246	3246.52	3378.35
3	Jajpur	140	2652.76	402	1673.41	114	2990.92	656	7317.09	3385.57
4	Kendrapara	770	757.61	303	831.98	109	943.51	1182	2533.10	11850.66
5	Puri	659	1558.24	246	810.44	283	2693.01	1188	5061.69	9054.03
6	Khurda	1658	12254.98	744	1832.69	222	5011.32	2624	19098.99	30131.58
7	Nayagarh	1061	1506.22	169	485.37	36	178.29	1266	2169.88	976.97
8	Ganjam	804	3351.94	648	1678.86	240	1589.82	1692	6620.62	6977.17
9	Gajapati	46	278.80	7	30.16	33	342.24	86	651.20	3978.65
10	Sambalpur	282	2697.99	358	889.85	95	2074.89	735	5662.73	8853.60
11	Jharsuguda	94	617.17	232	755.05	69	676.29	395	2048.51	2714.71
12	Bargarh	277	831.45	115	514.58	22	290.73	414	1636.76	1581.39
13	Deogarh	43	188.32	22	87.64	15	11.43	80	287.39	3329.01
14	Sundargarh	964	8158.88	522	1636.31	336	4757.95	1822	14553.14	22538.81
15	Balasore	755	6333.95	457	1220.62	116	2450.23	1328	10004.80	15159.09
16	Bhadrak	179	1154.65	251	807.93	57	311.66	487	2274.24	970.69
17	Bolangir	613	2177.10	367	946.21	88	923.92	1068	4047.23	3464.18
18	Sonepur	87	41.26	55	19.26	7	5.00	149	65.52	2030.88
19	Phulbani	160	569.85	205	496.81	149	542.73	514	1609.39	1432.68
20	Boudh	89	151.97	101	248.96	35	121.91	225	522.84	608.08
21	Kalahandi	308	1094.31	231	661.64	197	347.54	736	2103.49	2351.86
22	Nuapada	54	185.63	46	194.85	24	41.58	124	422.06	1419.96
23	Dhenkanal	722	1368.24	310	646.34	97	509.43	1130	2524.01	3520.76
24	Angul	220	591.12	112	527.14	27	199.23	359	1317.49	2866.62
25	Keonjhar	312	1430.64	582	1969.49	68	968.89	962	4369.02	5683.93
26	Mayurbhanj	837	2324.70	330	824.00	96	949.87	1263	4098.57	5987.35
27	Koraput	460	1540.26	140	343.32	86	664.15	686	2547.73	2979.66
28	Malakangiri	113	115.69	13	35.07	2	29.16	128	179.92	1268.32
29	Nawarangpur	139	468.06	79	183.81	6	49.96	224	701.83	1484.87
30	Rayagada	165	909.84	69	313.76	54	363.18	288	1586.78	2240.22
	Total	15725	66775.98	9137	26019.38	3348	37788.24	28210	130583.60	*188545.94

* (i) Excludes personal loan to employee Rs.13.15 lakh (ii) excludes interest on personal loan to employee Rs.0.24 lakh
(iii) Interest accrued on standard loan Rs.52.21 lakh (iv) (-) on adjusted recovery Rs.728.19 lakh
(v) excludes Head Office Recovery of Rs.855.54 lakh of earlier years.



ANNEXURE: 5
DISTRICTWISE ANALYSIS OF SANCTION,DISBURSEMENT,RECOVERY
AND OUTSTANDING AS ON 31ST MARCH - 2011

OUTSTANDING (PRINCIPAL)

(₹ in lakh)

Sl. No	Name of the District	SSI		S.R.T.O.		Others		Total	
		No	Amount	No	Amount	No	Amount	No	Amount
1	Cuttack	1082	3519.87	604	939.12	396	751.27	2082	5210.26
2	Jagatsinghpur	1076	121.21	227	81.72	64	167.25	1367	370.18
3	Jajpur	72	801.54	160	483.24	96	520.15	328	1804.93
4	Kendrapara	465	233.81	192	313.21	66	121.16	723	668.18
5	Puri	60	100.58	64	108.95	294	454.65	418	664.18
6	Khurda	406	4785.61	151	356.99	231	1077.59	788	6220.19
7	Nayagarh	279	717.03	76	26.17	16	60.24	371	803.44
8	Ganjam	94	1250.62	110	190.84	176	242.49	380	1683.95
9	Gajapati	12	436.62	7	30.24	5	64.92	24	531.78
10	Sambalpur	77	778.56	49	71.37	70	164.47	196	1014.40
11	Deogarh	7	182.95	8	64.29	5	71.23	20	318.47
12	Sundargarh	193	2265.62	89	195.88	173	265.21	455	2726.71
13	Jharsuguda	21	51.99	4	63.69	2	48.34	27	164.02
14	Bargarh	33	271.96	12	14.96	2	86.53	47	373.45
15	Balasore	269	2787.40	85	178.34	61	348.83	415	3314.57
16	Bhadrak	44	812.56	35	59.45	11	207.69	90	1079.70
17	Bolangir	272	813.38	65	95.33	43	248.63	380	1157.34
18	Sonepur	45	6.34	14	22.48	2	0.56	61	29.38
19	Phulbani	18	286.59	72	148.53	38	52.31	128	487.43
20	Boudh	25	19.44	16	31.28	5	18.60	46	69.32
21	Kalahandi	101	273.85	39	125.61	34	11.60	174	411.06
22	Nuapada	17	31.51	8	42.87	1	18.92	26	93.30
23	Dhenkanal	464	555.98	80	95.71	56	142.66	600	794.35
24	Angul	72	226.57	20	32.46	16	62.35	108	321.38
25	Keonjhar	30	253.76	78	145.16	22	136.64	130	535.56
26	Mayurbhanj	131	679.43	50	66.99	30	183.57	211	929.99
27	Koraput	144	354.29	13	24.25	40	68.41	197	446.95
28	Malakangiri	18	21.14	1	3.72	1	3.59	20	28.45
29	Nawarangpur	28	93.89	3	7.17	2	5	33	106.06
30	Rayagada	30	113.97	5	8.65	5	56.25	40	178.87
	Grand total	5585	22848.07	2337	4028.67	1963	5661.11	9885	32537.85

*Outstanding principal of ₹ 32537.85 lakh excludes personal loan to employees of ₹ 53.56 lakh and difference between General and Sub-ledger of ₹ 23.15 lakh.

ANNEXURE-6**BRANCH WISE COMPARATIVE POSITION OF SANCTION & DISBURSEMENT**

(₹ in lakh)

Sl.No.	Name of the Branch	Sanction		Disbursement	
		Since inception		Since inception	
		No.	Amount	No.	Amount
1	Balasore	1817	12319.64	1815	12279.04
2	Baripada	1263	4099.83	1263	4098.57
3	Berhampur	1779	7537.86	1778	7271.82
4	Bhawanipatna	860	2525.55	860	2525.55
5	Bhubaneswar	3891	21300.27	3890	21268.87
6	Bolangir	1217	4114.04	1217	4112.75
7	Cuttack	4154	21364.54	4153	21321.06
8	Dhenkanal	1489	3842.00	1489	3841.50
9	Jeypore	1038	3462.53	1038	3429.48
10	Keonjhar	962	4369.02	962	4369.02
11	Paradeep	4084	13098.69	4084	13096.71
12	Phulbani	739	2132.23	739	2132.23
13	Puri	1188	5061.69	1188	5061.69
14	Rayagada	288	1586.78	288	1586.78
15	Rourkela	2217	16618.64	2217	16601.65
16	Sambalpur	1229	7586.88	1229	7586.88
	G.Total:	28215	131020.19	28210	130583.60

ANNEXURE-7

INDUSTRY -WISE CLASSIFICATION OF LOAN SANCTION, DISBURSEMENT & OUTSTANDING AS ON 31.03.11

(₹ in lakh)

TYPE OF INDUSTRY	SANCTION						DISBURSEMENT						Outstanding (Prin.)			
	Since Inception			Total			Since inception			Total			SSI			
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Food Manufacturing	12	81.06	14	110.55	12	81.01	14	110.33	6	23.22	17	26.90				
a)Sugar																
b)Others	2954	14829.22	3196	14954.60	2954	14826.64	3196	14949.14	741	3292.28	825	3465.56				
Textiles																
a)Cotton	3927	1963.51	4659	1902.43	3927	1962.33	4659	1902.43	735	858.06	885	1129.01				
b)Jute	11	302.25	36	537.92	11	302.06	36	537.92	6	101.53	18	236.11				
c)Others	54	707.54	67	699.80	54	707.11	67	699.80	28	327.62	196	380.96				
Paper & Paper Products	195	1626.10	252	2201.10	195	1625.12	252	2201.10	96	802.07	104	1041.65				
Manufacture of																
Rubber Products	154	1467.65	198	1572.63	154	1466.76	198	1571.68	38	344.12	47	529.42				
Basic Industrial Chemicals																
Other Than Fertilisers	105	1362.69	113	1525.66	105	1361.87	113	1525.66	5	201.01	12	231.05				
Fertilisers	5	185.79	8	296.02	5	185.79	8	296.02	4	29.48	4	44.37				
Other Chemicals &																
Chemical Products	534	5771.53	583	7048.44	534	5768.06	583	7048.44	146	2293.44	219	2466.07				
Cement	26	1463.47	56	1632.18	26	1462.59	56	1632.18	16	539.58	30	759.52				
Basic Metal Industries																
a)Iron & Steel	178	3649.44	218	3579.70	178	3647.25	218	3579.70	81	1149.17	112	1336.25				
b)Non-Ferrous	134	3003.00	194	1605.78	134	3001.19	194	1605.78	44	567.61	54	652.43				
Metal Products Except																
Machinery & Transport																
Equipment	744	2660.20	763	3531.62	744	2655.05	763	3526.80	145	723.15	219	1153.91				
Manufacture of																
Machinery Except																
Electrical Machinery	252	1043.48	321	1260.79	252	1042.85	321	1260.03	12	96.95	13	128.41				
Manufacture of																
Transport Equipment	170	507.74	212	776.42	170	507.43	212	775.95	4	97.31	6	98.95				
Services Sector																
a)Hotel			752	9296.79												
b)SRTOs			9137	26020.46												
c)Others			658	4344.35												
Other Industries	6274	26512.57	6778	48122.95	6270	26172.87	6774	47786.97	3478	11401.47	3624	11020.85				
TOTAL	15729	67137.24	28215	131020.19	15725	66775.98	28210	130583.60	5585	22848.07	9885	32537.85				

*Outstanding principal of ₹ 32537.85 lakh excludes personal loan to employees of ₹ 53.56 lakh and difference between General Ledger and Sub-Ledger of ₹ 23.15 lakh.

ANNEXURE: 8

CONSTITUTION WISE DISTRIBUTION OF TERM LOANS AS ON 31.3.11

(₹ in lakh)

CONSTITUTION	SANCTION		DISBURSEMENT	
	Since Inception		Since Inception	
	No.	Amt.	No.	Amt.
Public Limited Companies	140	7347.04	140	7347.04
	.(46)	.(2292.49)	.(46)	.(2292.49)
Private Limited Companies	1463	50251.53	1461	49929.10
	.(805)	.(29664.11)	.(804)	.(29416.23)
Co-operatives	101	705.92	101	705.92
	.(72)	.(368.42)	.(72)	.(368.42)
Partnership	1558	16067.32	1558	16051.22
	.(955)	.(7030.07)	.(955)	.(7013.97)
Proprietorship	24817	54310.40	24814	54212.34
	.(13826)	.(27514.69)	.(13823)	.(27417.41)
Hindu Undivided Family	5	49.67	5	49.67
	.(1)	.(0.51)	.(1)	.(0.51)
Others	131	2288.31	131	2288.31
	.(24)	.(266.95)	.(24)	.(266.95)
TOTAL	28215	131020.19	28210	130583.60
	.(15729)	.(67137.24)	.(15725)	.(66775.98)

Figures in Bracet indicates information relating to SSI units

ANNEXURE - 9

BRANCH-WISE RECOVERY, OUTSTANDING & DEFAULT AS ON 31.03.11

(₹ in lakh)

Sl.No.	Name of the Branch	RECOVERY DURING 2010 - 11					Principal O/s as on 31.03.11		Default as on 31.03.11		
		Pri.	Int.	Oths.	Total	No	Amount	Pri.	Int.	Total	
1	Balasure	205.52	46.84	4.80	257.16	505	4394.27	3963.00	34118.45	38081.45	
2	Baripada	24.27	17.64	0.84	42.75	211	929.99	787.70	6069.71	6857.41	
3	Berhampur	144.78	16.56	11.13	172.47	404	2215.73	1987.50	16138.19	18125.69	
4	Bhawaniapatna	75.44	(-).8.90	0.52	67.06	200	504.36	409.82	3334.31	3744.13	
5	Bhubaneswar	391.37	594.76	27.42	1013.55	1159	7023.63	6320.00	51021.74	57341.74	
6	Bolangir	18.89	20.22	0.13	39.24	441	1186.72	1116.99	8279.72	9396.71	
7	Cuttack	565.77	375.19	23.19	964.15	2082	5210.26	4992.47	36191.81	41184.28	
8	Dhenkanal	109.06	17.48	8.32	134.86	708	1115.73	1010.72	6985.17	7995.89	
9	Jeyapore	26.41	32.85	1.00	60.26	250	581.46	489.62	5295.91	5785.53	
10	Keonjhar	153.41	35.76	6.79	195.96	130	535.56	520.48	2751.35	3271.83	
11	Paradeep	275.39	135.12	26.05	436.56	2418	2843.29	2679.14	15735.52	18414.66	
12	Phulbani	40.24	2.16	0.68	43.08	174	556.75	544.94	5450.78	5995.72	
13	Puri	325.60	57.47	6.54	389.61	418	664.18	603.20	3135.88	3739.08	
14	Rayagada	40.88	5.10	0.13	46.11	40	178.87	168.59	1025.40	1193.99	
15	Rourkela	233.86	120.13	17.86	371.85	455	2726.71	2379.73	23054.42	25434.15	
16	Sambalpur	519.10	107.99	3.70	630.79	290	1870.34	1725.85	16120.77	17846.62	
Grand Total		3149.99	1576.37	139.10	4865.46	9885	32537.85	29699.75	234709.13	264408.88	

Principal recovery during FY 2010-11 excludes Rs. 13.15 lakh recovered under personal loan to employees and includes (-) un adjusted recovery of Rs.728.19 lakh

Interest recovery during FY 2010-11 excludes interest recovery of Rs.0.24 lakh recovered from personal loan to employees and interest accrued on standard loan of Rs.52.21 lakh

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

(₹ in lakh)

Sl.No.	SOURCES	2008-09	2009-10	2010-11
1	Opening Cash and Bank Balance	3431.68	3351.47	2499.07
2	Increase in Paid up Capital (Pending allotment)	2316.25	-	3171.80
3	Borrowing from	-	-	-
	i) a.IDBI	-	-	-
	b.SIDBI	-	-	53.28
	ii) RBI	-	-	-
	iii)IRBI	-	-	-
	iv) IDBI (Seed Loan)	-	-	-
	v) State Govt.Int.Free Loan	-	-	-
	vi) State Govt.Int.Bearing Loan	-	-	-
	vii) Other Short Term Borrowing	-	-	-
4	Bonds	-	-	-
5	Deposits	-	-	-
6	Subsidy and Other Incentives Received.	-	-	88.95
	i) CIS (Small Scale)	389.74	129.26	9.83
	ii) CIS (MEDIUM AND LARGE)	9.96	20.00	6.00
	iii) CIS (Interest Subsidy)	12.23	10.00	-
	iv)Seed Loan(State Govt.)	-	-	-
	v) Margin Money Assistance	-	-	-
	vi) Agency fund from SIDBI	-	-	-
7	Repayment by Borrowers	-	-	-
	i) Principal	3243.66	1701.77	3077.12
	ii) Interest	1900.27	2109.60	1539.98
	iii) Interest accrued on standard loan	-	-	52.21
	iv) Other Receipt from Borrowers	-	133.00	139.09
	v)Seed Loan - Principal	3.74	12.03	14.45
	vi)Agency Loan	3.24	66.84	71.57
	vii)Agency Interest /Service Charges	23.26	1.78	36.63
	viii) Other Income	299.77	237.46	244.71
8	Other cash inflow	-	-	406.56
9(a)	Other Receipts SDDP,OTS & Rephasement	353.09	117.60	(-)728.19
(b)	Prior period adjustment	-	185.03	-
	TOTAL	11986.89	8075.84	10683.06

ANNEXURE: 10

(₹ in lakh)

SOURCES AND USES OF FUNDS DURING LAST 3 YEARS

Sl.No	USES	2008-09	2009-10	2010-11
1	Disbursement of	-	-	-
	i) Term Loan	-	-	71.23
	ii) Soft Loan	-	-	-
	iii) Seed Loan(State Govt.)	-	-	-
	iv) Seed Capital(IDBI)	-	-	-
	v) CIS Medium & large	372.88	40.00	5.00
	vi) CIS (SSI Sector)	-	40.11	72.79
	vii) Interest Subsidy	-	12.00	14.54
	viii)MUN	-	-	-
	ix)Loan in Lieu of Subsidy	-	-	-
	x)N.E.F.	-	-	139.31
	xi) Factoring Service	-	-	-
	xii)Hire Purchase Loan	-	-	-
	xiii) Margin Money Amt.	-	-	-
2	Repayment of Loan to	-	-	-
	i) (a).IDBI	-	-	-
	(b).SIDBI	1500.40	1500.00	1500.00
	ii) 0% Funded loan to SIDBI	-	-	744.00
	iii) RBI	-	-	-
	iv) Seed Loan (State Govt.)	-	-	-
	v) State Govt	-	-	-
	vi) Other Short Term Borrowing	-	-	-
3	Repayment of Bonds	2607.50	-	80.00
4	Redemption of deposit	3.48	3.50	0.93
5	i) Interest Dividend & other Charges Paid	1277.10	1081.10	975.12
	ii) Interest Tax	-	-	-
	iii) Administrative Expenses	861.93	844.01	1425.15
	iv) Others	400.89	158.18	-
6	Other cash outflow	1094.53	-	118.74
7	Other outgo of funds of borrower	516.71	-	-
8	Conversion of loan against Share Capital & Guarrantee Dividend	3351.47	2499.07	3171.80
9	Closing Cash Balance	-	1897.87	2364.45
	TOTAL	11986.89	8075.84	10683.06

ANNEXURE: 11

SUMMARY OF PROFIT & LOSS ACCOUNT FOR THE LAST FIVE YEARS

(₹ in lakh)

Sl.No.	Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
1	Interest Earned	2541.27	1694.60	2027.85	2109.59	1539.98
2	Other Income	130.29	912.45	299.77	237.46	244.71
3	Provision Add Back		135.82	1181.73	-	762.77
	Total Income	2671.56	2742.87	3509.35	2347.05	2547.46
4	Interest Paid	1709.49	1633.76	1275.41	1078.59	965.42
5	Other Financial Expenses	11.29	1.15	1.69	2.51	9.69
6	Establishment Expenses Including P.F.contribution gratuity, Medical & Interest on P.F..Incentives Allowance to Staff, Pension & Leave Salary Contribution	695.50	850.94	863.37	878.17	1458.58
7	Other Expenses Including Bad Debts Written Off & Provisioning	137.79	-	-	-	-
	Total Expenditure	2554.07	2485.85	2140.47	1959.27	2433.69
8	Gross Profit	117.49	257.02	1368.88	387.78	113.77
9	Provision for Taxation	5.31	1.88	2.49	-	-
	Prior period Adjustment	-	-	-	-	52.68
10	Net Profit	112.18	255.14	1366.39		61.09
11	Appropriation Income	-	-	-		-
12	Less prior period expenditure adjustment over income	-	-	1094.53	207.76	-
13	Net Effect	112.18	255.14	271.86	180.02	61.09
14	Transfer To Reserve	44.87	102.06	54.37	36.00	12.22

ANNEXURE: 12

STATEMENT SHOWING THE NUMBER OF SCHEDULED CASTE AND
SCHEDULED TRIBE EMPLOYEES OF THE CORPORATION

Sl.No. Category of Posts	Employees As On 31.03.2010					Employees retrd/dismissed/resigned/ died taken VRS/VSS in 2010-2011					Employees As On 31.03.2011				
	Percentage of Total					% of					Percentage of Total				
	Total	SCs	STs	SCs	STs	Total	SC	ST	SC	ST	Total	SC	ST	SC	ST
1. CLASS A - Officers	81	1	-	1.23	-	4	-	-	-	-	100	1	-	1	-
2. CLASS B - Assistants & Clerical Staff	173	2	1	1.15	0.57		-	-	-	-	152	2	1	1.31	0.65
3. CLASS C- Other Subordinate Staff	43	3	2	6.97	4.65	1	-	-	-	-	40	2	2	5	5
4. Consolidated											1				
TOTAL	297	6	3	0.02	0.01	5	-	-	-	-	293	5	3	1.70	1.02

ANNEXURE: 13
STATEMENT INDICATING THE POSITION OF UNDERWRITING BY THE CORPORATION ASON 31.3.2011

Sl.No.	Name of the Company	No. of Share Held	Preference Share	Nominal Per Share (in ₹)	Value Share Held (Rs. in lakhs)	Outstanding Paid up Value Per Share (in ₹)	Total (₹ in lakhs)
1	Bhaskar Textiles Mills Ltd.	-	400	100.00	0.40	100.00	0.40
2	Mamata Drinks & Ind. Ltd.	3370	-	100.00	3.37	100.00	3.37
3	ORITCO(Equity Shares)	87	-	1000.00	0.87	1000.00	0.87
	TOTAL	3457	400	-	4.64	-	4.64

ANNEXURE: 14

PERFORMANCE OF THE CORPORATION DURING LAST 15 YEARS

(₹ in lakh)

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		Total Amt.
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	Prin. Amt.	Int. Amt.	
Till 1995-96	44506	900.72	41316	771.73	873	54.52	22788	697.76	15847	428.84	32.62	44.15	76.77
1996-97	1016	115.81	42210	877.39	1035	95.71	23823	793.47	16423	465.77	58.77	53.65	112.42
1997-98	666	113.81	42843	988.92	639	94.09	24462	887.55	16532	494.04	65.65	54.41	120.06
1998-99	620	105.33	43410	1079.62	562	82.73	25024	970.28	16865	515.03	61.76	48.36	110.12
1999-2000	1154	131.12	44493	1196.46	707	82.91	25731	1053.19	17017	539.17	58.80	42.61	101.41
2000-2001	1227	131.41	45613	1316.16	996	115.00	26742	1168.19	17605	611.78	42.39	56.24	98.63
2001-2002	1021	122.31	46600	1426.20	1000	95.19	27727	1263.38	19371	631.71	62.55	68.26	130.81
2002-2003	180	15.25	46742	1430.97	345	29.06	28072	1292.45	19633	616.86	41.08	50.96	92.04
2003-2004	83	10.86	46802	1431.46	68	10.47	28140	1302.91	15302	585.79	41.76	35.26	77.02
2004-2005	44	2.85	28219	1305.33	67	2.09	28207	1305.00	15038	552.97	45.41	27.65	73.06
2005-2006	0	0	28207	1305.33	0	0.11	28207	1305.12	13266	511.52	45.52	23.86	106.75
2006-2007	0	0	28207	1305.33	0	0	28207	1305.12	12595	477.08	48.24	27.91	76.15
2007-2008	0	0	28207	1305.33	0	0	28207	1305.12	11918	434.54	29.90	17.08	64.78
2008-2009	0	0	28207	1305.33	0	0	28207	1305.12	11386	403.70	27.33	19.24	46.57
2009-2010	2	0.93	28209	1306.26	0	0	28207	1305.12	10507	370.71	19.05	21.10	40.15
2010-2011	6	3.94	28215	1310.20	3	0.71	28210	1305.84	9885	325.38	24.35	17.68	42.03
TOTAL:	-	-	28215	1310.20	-	-	28210	1305.84	9885	*325.38	940.04	947.35	1887.39

* The outstanding principal of Rs.325.38 cr. Excludes personal loan to employees of Rs.0.54 lakh and difference between General Ledger of Rs.0.23 lakh.

(₹ in lakh)

ANNEXURE-15 DISTRICT WISE SANCTION & DISBURSEMENT OF CAPITAL INVESTMENT SUBSIDY
(SSI SECTOR, M/L SECTOR & INTEREST SUBSIDY DURING THE F Y 2010-11)

Sl. No.	District	C.I.S.(SSI Sector)				C.I.S.(M/L Sector)				Int.Subsidy (SEP-03')			
		Sanction		Disbursement		Sanction		Disbursement		Sanction		Disbursement	
		No	Amt.	No	Amt.	No	Amt.	No	Amt.	No	Amt.	No	Amt.
1	Cuttack	-	-	1	0.95							14	7.69
2	Jagatsinghpur	1	1.64	1	1.64	-	-	-	-	-	-	-	-
3	Jajpur	-	-	-	-	-	-	-	-	-	-	-	-
4	Kendrapara	-	-	-	-	-	-	-	-	-	-	-	-
5	Puri	-	-	1	6.04	-	-	-	-	-	-	1	0.15
6	Khurda	-	-	1	9.40	-	-	-	-	-	-	3	1.48
7	Nayagarh	-	-	-	-	-	-	-	-	-	-	-	-
8	Ganjam	-	-	1	1.95	-	-	-	-	-	-	4	1.91
9	Gajapati	-	-	1	0.84	-	-	-	-	-	-	-	-
10	Sambalpur	-	-	-	-	-	-	-	-	-	-	-	-
11	Jharsuguda	-	-	-	-	-	-	-	-	-	-	-	-
12	Bargarh	-	-	1	5.17	-	-	-	-	-	-	-	-
13	Deogarh	-	-	-	-	-	-	-	-	-	-	-	-
14	Sundargarh	-	-	-	-	-	-	1	5.00	-	-	-	-
15	Balasore	-	-	-	-	-	-	-	-	-	-	2	2.00
16	Bhadrak	-	-	-	-	-	-	-	-	-	-	1	0.29
17	Bolangir	-	-	2	12.77	-	-	-	-	-	-	-	-
18	Sonepur	-	-	-	-	-	-	-	-	-	-	-	-
19	Phulbani	-	-	-	-	-	-	-	-	-	-	-	-
20	Boudh	-	-	-	-	-	-	-	-	-	-	-	-
21	Kalahandi	-	-	2	7.79	-	-	-	-	-	-	-	-
22	Nuapada	-	-	1	1.93	-	-	-	-	-	-	-	-
23	Dhenkanal	-	-	-	-	-	-	-	-	-	-	3	0.63
24	Angul	-	-	-	-	-	-	-	-	-	-	-	-
25	Keonjhar	-	-	-	-	-	-	-	-	-	-	-	-
26	Mavurbhanja	-	-	3	13.72	-	-	-	-	-	-	2	0.39
27	Koraput	-	-	2	7.12	-	-	-	-	-	-	-	-
28	Malkanagiri	-	-	-	-	-	-	-	-	-	-	-	-
29	Nawarangpur	-	-	-	-	-	-	-	-	-	-	-	-
30	Rayagada	-	-	2	3.47	-	-	-	-	-	-	-	-
	TOTAL	1	1.64	19	72.79			1	5.00			30	14.54

ANNEXURE: 16

POSITION OF SHARE CAPITAL

(₹ in lakh)

Year	STATE GOVT.						S I D B I						
	Authorised share capital at the end of the year.	At the beginning of the year.	Received	During the year By way of conversion of loan.	Total	Total Share Capital (3+6)	At the beginning of the year.	Received	During the year By way of conversion of loan.	Total Share Capital (8+11)	Others	Total Share Capital (7+12+13)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(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)	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	32.94	667.94	2890.01		6395.88
1991-92	10000.00	3490.02	500.00	124.50	624.50	4114.52	2890.01	373.33	124.50	497.83	3387.84		7518.21
1992-93	10000.00	4114.52	-	124.50	124.50	4239.02	3387.84	310.00	124.50	127.60	3515.435		7770.31
1993-94	10000.00	4239.02	-	124.50	124.50	4363.52	3515.44	-	124.50	124.50	3639.935		8019.31
1994-95	10000.00	4363.52	240.00	124.50	364.50	4728.02	3639.94	-	124.50	124.50	3764.435		8508.31
1995-96	10000.00	4728.02	-	124.50	124.50	4852.52	3764.44	-	124.50	124.50	3888.935		8757.31
1996-97	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
1997-98	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
1998-99	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
1999-2000	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2000-2001	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2001-2002	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2002-2003	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2003-2004	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2004-2005	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2005-2006	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2006-2007	10000.00	4852.495	-	-	-	4852.495	3888.94	-	-	-	3888.935		8757.31
2007-2008	10000.00	4852.495	-	27104.249	27104.249	31956.744	3888.94	-	-	-	3888.935		35861.55
2008-2009	50000.00	4852.495	-	2316.25	29420.499	34272.994	3888.94	-	-	-	3888.935		38177.80
2009-2010	50000.00	4852.495	-	2316.25	29420.499	34272.994	3888.94	-	-	-	3888.935		38177.80
2010-2011	50000.00	4852.495	-	-	29420.499	34272.994	3888.94	-	1896.39	1896.39	5785.334	1273.890	41348.10

Share deposit pending allotment -State Government ₹ 1.49 lakh, SIDBI ₹ 1896.39 lakh, IDBI ₹ 1273.89 lakh

ANNEXURE: 17

POSITION OF LOAN IN LIEU OF SHARE CAPITAL

(₹ in lakh)

Year	STATE GOVT.					SIDBI					TOTAL Balance Outstand. LOAN
	At the Beginning of the year.	During the year	Total	Converted to Share Capital	Balance Outstand. ing	At the Beginning of the Year	During the Year	Total	Converted to Share Capital	Balance Outstand.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1988-89	1347.94	-	1347.94	35.00	1312.94	1347.94	-	1347.94	35.00	1312.94	2625.88
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
1999-2000	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2000-2001	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2001-2002	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2002-2003	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2003-2004	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2004-2005	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2005-2006	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
2006-2007	622.50	24608.00	25230.50	-	25230.50	622.50	-	622.50	-	622.50	25853.00
2007-2008	622.50	1873.74	27104.24	27104.24	-	622.50	-	622.50	-	622.50	622.50
2008-2009	-	2316.25	29420.50	29420.50	-	622.50	-	622.50	-	622.50	622.50
2009-2010	-	-	29420.50	29420.50	-	622.50	-	622.50	-	622.50	622.50
2010-2011	-	-	-	-	-	622.50	-	622.50	622.50	-	-

NETWORK OF ORISSA STATE FINANCIAL CORPORATION
CORPORATE AND HEAD OFFICE: OMP SQUARE, CUTTACK-753003
MANAGING DIRECTOR

Telephone: Office-2443659, Residence - 2306705(CTC)

MAIN BUILDING

Tel: EPABX No. (I) 2443072,2443236,2443923,2443337,2446996, Fax: 0671- 2443644, 2444193

E-mail: osfcho@osfcindia.com

BRANCH OFFICES

SL.	BRANCH	ADDRESS	PHONE	FAX	EMAIL
1	Balasore	Padhuanpada, Proof Road, Balasore Pin- 756001	06782-262457	06782-262457	bls@osfcindia.com
2	Baripada	Word No 19 Baghra Road, Near Sanika Gas, Baripada, Pin - 757001	06792-252254	-	bpd@osfcindia.com
3	Bhawanipatna	Manikeswari Chhack, Bhawanipatna, Kalahandi Pin - 766001	06670-230655	06670-230655	bpt@osfcindia.com
4	Bhubaneswar	3rd Floor ,Indradhanu Market, Nayapalli, Bhubaneswar Pin - 751015	0674-2556951 & 2556952	0674-2555852	bbsr@osfcindia.com
5	Bolangir	Palace Line, Bolangir Pin - 767001	06652-232644	6652-232644	bgr@osfcindia.com
6	Bramhapur	Station Road, Hillpatna, Berhampur Pin - 750005	0680-2208501	0680-2208501	bam@osfcindia.com
7	Cuttack	I/E ,Madhupatna, Cuttack Pin -753010	0671-2342035	.-	ctc@osfcindia.com
8	Dhenkanal	Durga Bazar, Dhenkanal Pin-759001 (Orissa)	06762-224627	06762-224627	angul@osfcindia.com
9	Jeypore	Main Road, Jeypore Pin - 764001	06854-233049	06854-233049	jpr@osfcindia.com
10	Keonjhar	N.H-6 Sirajudin Chhack, Keonjhar Pin -751008	06766-258139	06766-258139	kjr@osfcindia.com
11	Paradeep	I/E. Madhupatna. Cuttack Pin -753010	0671-2344107	.-	pdp@osfcindia.com
12	Phulbani	Industrial Estate, Phulbani Pin -762001	06842-253679	06842-254591	plb@osfcindia.com
13	Puri	At- Mochi Sahi, (Near Head Post Office) Puri Pin -752002	06752-223442	06752-223442	puri@osfcindia.com
14	Rourkela	New Civil Town Ship,Rourkela,Sundargarh Pin -769004	0661-2400720	0661-2400720	rkl@osfcindia.com
15	Sambalpur	Bareipalli-NH-6, Sambalpur Pin -768150	0663-2540285	0663-2540285	sbp@osfcindia.com
RECOVERY- CUM- FACILITATION CENTRE					
1	Angul	Sikhyakpada, Angul Pin- 759122	06764-234715		
2	Bhadrak	Bonth Chhack, Bhadrak	056784-240297		
3	Baragarh	Subudhi Complex, Gurudwar Chhak, Baragarh	06646-231722		
4	Chandikhol	Sunguda, Chandikhol,Jajpur	06725-220010		
5	Kendrapara	College Chhack, Tinimuhani, Kendrapara	06727-220706		
6	Khurdha	I/E. Khurdha	06755-221244		
7	Paradeep	Atharbanki, Paradeep, Jagatsinghpur	06722-222267		
8	Rayagada	Near Kundan Nursingh Home, Rayagada, Pin-765001	06856-236293		

