



PERFORMANCE AT A GLANCE

(₹ crore)

PARTICULARS	2013-14	2014-15	AS ON 31.03.15
OPERATIONS			
1. Sanction	0.20	-	1317.17
2. Disbursement	1.13	0.04	1309.90
3. Recovery	11.39	15.33	1970.01
4. Outstanding	277.16	272.40	272.40*
SHARE CAPITAL			
5. Paid Up	(-) 0.01	-	415.34
6. Loan in Lieu of Share Capital	-	-	-
BONDS			
7. Issued	-	-	424.44
8. Repaid	-	-	424.34
9. Outstanding (Principal)	-	-	-
10. Outstanding Prin. Transferred to Un-claimed liabilities			0.10
REFINANCE			
11. Availed	-	-	691.56
12. Repaid	8.00	4.00	605.90
13. Outstanding (Prin)			85.66
14. 0% Funded Loan			17.95
15. Total :			103.61
{ Crystallised OTS amount }			20.00
{ Agreed for Waiver }			83.61
FINANCIAL SUMMARY			
16. Gross Income	17.44	14.20	
17. Total Expenditure	12.41	12.24	
18. Operating Profit	5.03	1.96	
19. Prior period adjustment	0.44	17.27	
20. Less provision for NPA & Standard Assets	4.08	62.09	
21. Provision for Tax	-	-	
22. Net Profit / (Loss)	0.51	(77.40)	
23. Reserve	0.10	-	

* Outstanding of ₹ 272.40 Cr. as on 31.03.2015 includes vehicle, housing and Personal Loan to employees of ₹ 0.36 Cr.

Previous year financial summary figures rearranged / regrouped / reclassified wherever necessary.



BANKERS
AS ON 31.03.2015

Central Bank of India
Union Bank of India
IDBI Bank Limited

AUDITORS

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



THE MANAGEMENT (as on 31.03.2015)

BOARD OF DIRECTORS

Shri Panchanana Dash, ISS
Chairman.

Shri Nityananda Palai, IAS
Managing Director.

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

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

Shri S.S.Acharya
Deputy General Manager,
SIDBI, OCHC building,
Near Ram Mandhir,
Bhubaneswar.

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

Shri Krishna Mohan Trivedi
Chief General Manager,
State Bank of India,
Local Head Office, Bhubaneswar.

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

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

EXECUTIVE COMMITTEE

Shri Panchanana Dash, ISS
Chairman

Shri Nityananda Palai, IAS
Member

Shri S.S.Acharya
Member

Prof. Asit Ranjan Mohanty
Member

AUDIT COMMITTEE OF BOARD

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

Shri Nityananda Palai, IAS, MD
Member

Shri S.S.Acharya, DG.M, SIDBI
Member

Prof. Asit Ranjan Mohanty, XIMB
Member



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

NOTICE

Notice is hereby given in pursuance of Regulation 45 of the Odisha State Financial Corporation General Regulation 2003 that the 58th Annual General Meeting of the share holders of the corporation for the year 2014-15 will be held on 30.07.2015 at 4.00 P.M at the Registered Office of the Corporation located at O.M.P Square, Cuttack-3 to transact the following business:

1. To read the audited balance sheet as on 31.03.2015 and Profit & Loss account of the Corporation for the year ending 31.03.2015 together with the Report of the Board of Directors on the working of the Corporation during the FY 2014-15.
2. Appointment of statutory auditors for the FY 2015-2016.
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 15.07.2015 to 30.07.2015 (both days inclusive).

Cuttack,
Dt.08.07.2015

Sd/-
(N.Palai, IAS)
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 24.07.2015.
2. Any proxy shall be executed in terms of Odisha State Financial Corporation (Voting rights) Rules, 2003 and shall be deposited at the Head office of the Corporation on or before 24.07.2015 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 58th Annual Report on the functioning of the Corporation together with Audited statement of Accounts for the year ended on 31st March 2015.

INDIAN ECONOMIC SCENARIO

India is emerging today as a large economy with propitious economic outlook amidst pessimism and uncertainties hanging over number of advanced and emerging economies.

From the macroeconomic perspective, the worst is clearly behind us. The economy is expected to grow in the range of 5.4 - 5.9 per cent in 2014-15 overcoming sub-5 percent growth.

The Indian economy in 2014-15 has emerged as one of the largest economies with a promising economic outlook on the back of controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reforms among others.

The Reserve Bank of India (RBI) had tightened the monetary policy which helped containing volatility in the value of the rupee. Besides, food inflation has been kept well within limits.

India has also emerged as a significant agricultural exporter in a few commodities such as cotton, rice, meat, oil meals, pepper and, sugar.

The revival of Indian manufacturing has been made a top priority reflected in 'Make in India' campaign which aims to transform India into a manufacturing hub. The Make in India programme is aimed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure.

A new Ministry of Skill Development and Entrepreneurship has been set up to promote skill and entrepreneurial activities to generate employment.

To boost industrial growth, important measures that have been undertaken are liberalisation of licensing and deregulation of a large number of defence products.

The overall growth in eight core industries (coal, fertiliser, electricity, crude oil, natural gas, refinery product, steel and cement) during 2014-15 has improved marginally.

The total investment in infrastructure sector during the Twelfth Five Year Plan (2012-17) is estimated at USD 1 trillion, half of which is expected to come from the private sector. The Twelfth Five Year Plan has laid special emphasis on infrastructure development as quality infrastructure is important not only for sustaining high growth, but also for ensuring that the growth is inclusive.

Global commodity prices including oil have been declining and are expected to remain weak in 2015 owing to low international demand and comfortable supply.

Encouraged by the greater macro-economic stability and the reformist intent and actions of the government, coupled with improved business sentiments in the country, institutions like the IMF and the World Bank have presented an optimistic growth outlook for India for the year 2015 and beyond.



In the light of the government's commitment to reforms, the outlook for domestic macroeconomic parameters is generally optimistic and a growth of around 8.5 per cent is in the realm of possibility in 2015-16.

SNAPSHOT OF ODISHA ECONOMY

The Gross State Domestic Product (GSDP) is the single most important tool to measure the economic growth rate of a State. As per the Advance estimates, the anticipated growth rate of Odisha in 2014-15 is 8.78 percent at Market prices in real terms at 2004-05 base. The anticipated growth rate is 8.08 percent as per factor cost (9.02% at current Market Prices).

An upswing in the growth rate in 2014-15 may be attributed to higher growth rates in industry and service sectors rather than agriculture sector. During 2014-15, the growth rates may be impressive in construction sub sector (21.56 percent), Transport, storage & communication sector (12.18 percent), banking insurance sub sector (11.09 percent) and community, social & personal services sector (9.90 percent).

Manufacturing sector recorded very low growth rate of 2.16 percent (at factor cost) in 2013-14 (1st revised estimates) after a negative growth rate of 3.47 percent (at factor cost) in 2012-13 (2nd revised estimates).

Stagnated growth rate in construction sub sector (-0.04 percent), trade, hotel & restaurants sub sector (0.17 percent) and negative growth rate in public administration sub sector (-1.98 percent) in 2013-14 added to the downswing of overall growth rate of Odisha during the year.

However, few subsectors although have lesser share of contribution to total GSDP of the State, like fishery (with 10.91 percent growth rate), transport by other means (7.48 percent), communication (13.02 percent growth rate), banking insurance (12.13 percent growth rate) and other services (7.65 percent growth rate) grew impressively during 2013-14.

The share of agriculture & animal husbandry sector to GSDP of Odisha remained 15.1 percent, 13.1 percent and 12.3 percent in 2012-13, 2013-14 and 2014-15 respectively. Major factors like natural shocks of floods, droughts, severe cyclone etc and price variations in agricultural products contributed significantly to the varying degrees of growth rates.

The Industry and Services sectors have emerged as main drivers of growth during the past decade. This has happened because of transformation in the economy from "agriculture based" to "industries and service sectors driven". The performance of the Agricultural Sector continues to be highly volatile mainly due to adverse impact of natural shocks such as cyclones, droughts and floods. As per 2014-15 (advance estimates), share of the Services sector (as per CSO classification) is expected to be about 51.2 percent of the Gross State Domestic Product (GSDP) followed by those of the Industry (33.4 percent) and the Agriculture (15.4 percent) in real terms at 2004-05 prices.

The Micro, Small and Medium Enterprises (MSME) has been recognized as engine of growth all over the country for its effective contribution to employment generation, help ensure equitable distribution of the national income and facilitate mobilization of private sector resources of capital and skill. The growth of the MSME sub-sector is being emphasized not only because of its potential for generation of employment opportunities, but also for its contribution to industrial output in the state. During 2013-14, 7009 MSME have gone into production with an investment of '669.44 Cr



and 32136 persons were provided employment opportunities. It is encouraging to note that the number of MSME units and total investments therein, have been increasing over the years.

VISION AND MISSION

Vision

- Emerge as a single-window for meeting the financial and developmental needs of the MSME sector in the State of Odisha to make it strong, vibrant, and competitive.
- Position OSFC brand as the preferred and Customer friendly institution.
- Enhance shareholders' wealth.
- Provide efficient and cost effective services to the customer through application of modern technology and good governance.

Mission

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

PERFORMANCE & PROSPECTS

OSFC, established in the year 1956, has played a pivotal role in extending credit support and financial services to first generation entrepreneurs to set up MSMEs in the State and thereby ushering an era of industrialization in the State. It has completed more than 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, development of industries, dispersal of credit, entrepreneurship skill development and export earnings.

In post liberalization financial sector reforms, industries in the MSME sector failed to compete with the big business houses and became sick, thereby affecting the financial health of OSFC adversely. The financial health of the Corporation further deteriorated due to poor recovery, rising NPAs and growing provisions as per stringent provisioning norms.

In the past, OSFC raised high cost fund to repay low cost borrowings on maturity due to low recovery and fell in to a debt trap. The lending activities of OSFC declined and ultimately stopped during FY 2005-06 to FY 2009-10. OSFC has also played a key role in revival of potentially viable sick units by providing fund and non-fund based assistance along with reliefs and concessions. This is one area where banks are particularly reluctant to step in, but OSFC would continue to play its role in the rehabilitation of potentially viable sick units of the State, provided required support of the State Government is made available to the Corporation.

Presently, OSFC is facing constraint of working fund to continue lending activities at the desired level. Most of its good and proven customers have migrated to banks and other FIs as OSFC stopped lending activities for almost six years and still it is not in a financially sound position to meet the current credit requirement of the MSMEs. However, the strength of OSFC lies in its network of Branches, experienced manpower and commitment to the cause of MSMEs. The Loan Policy has been framed to support small/micro enterprises besides established entrepreneurs and enterprises.

OSFC has revisited, modified and firmed up its policies and practices and streamlined its procedures as per best Banking norms and practices. Apart from extension of the term loan to



industrial unit, OSFC has made tie up arrangement with Union Bank of India to facilitate sanction of working capital. The Corporation has adopted interest rate structure ranging from 12.25% to 14.25% which is competitive in the prevailing market scenario with provision of rebate of 0.50% to encourage borrowers for prompt payment.

While adapting itself to the fast changing environment, the Corporation has focused on strengthening customer satisfaction through prompt & quality service. The Corporation would continue to identify areas of business opportunity, scale-up its capacity and broad base its business for sustained earnings. The Corporation has the following constraints to continue its lending activity at a desired level:

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

The Corporation expects to perform better in coming years provided need based working fund is made available to continue lending activity at a desired level.

Since the wave of industrialization is sweeping the State with destination of several mega projects, the same has opened up large opportunities for setting up 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. However, for this, the Corporation looks forward for funding support from State Government, since the refinance support from SIDBI is ruled out at present in view of OTS agreement with SIDBI.

SANCTION

The Corporation was out of lending activities for almost six years. Therefore, most of the good customers of the Corporation migrated to other Banks & FIs. Although Loan Policy for FY 2009-10 & FY 2010-11 laid emphasis on finance to standard units only, it did not get satisfactory response. Subsequent Loan Policy of FY 2011-12 & 2012-13 also failed to attract the old customers as the Corporation provided only Term Loan assistance whereas Commercial Banks provided both Term Loan and Working Capital. In view of constraint of funds, the Corporation couldn't sanction any loan during the year 2014-15 and the cumulative sanction as on 31.03.2015 after resumption of lending on March 2010 stood at ₹ 11.83 crore to 23 units.

DISBURSEMENT

The Corporation disbursed a nominal amount of ₹ 3.74 lakh during the year to 1 unit.



FEE BASED ACTIVITIES

The following fee based activities were undertaken during the year 2014-15

- Preparation of Project Profiles
- Entrepreneurship Development Programme
- Valuation of assets

PREPARATION OF PROJECT PROFILES

The Corporation continues to prepare project profiles for MSMEs at affordable rates. During FY 2014-15, the Corporation has prepared 58 project profiles for different clients.

TRAINING SUPPORT FOR ENTREPRENEURSHIP DEVELOPMENT

During the year under report, the Corporation has successfully conducted four Entrepreneurship Development Programme (EDP) in the District of Angul, Jajpur, and Ganjam.

VALUATION OF ASSETS

Pursuant to the decision taken in the Sub-Committee of SLC, the Corporation made valuation of the Buildings and other civil works of 30 units, mostly fly ash brick units.

BUSINESS INITIATIVES

The Corporation has taken following initiatives to increase loan portfolios:

- The Corporation has formulated its Loan Policy, Credit Delivery Methodology and Risk Assessment Modules for creating healthy portfolio.
- Certain modifications have been made to the Loan policy and credit methodology so as to enlarge the scope of investment. Now credit proposals can be processed with the help of Credit Appraisal & Rating Tool (CART) software provided by SIDBI without much difficulty in a faster and efficient manner.
- Fixation of rate of interest is based on Risk Assessment Modules adopted by the Corporation.
- Rebate of 0.50% is allowed in the applicable rate of interest for prompt payment of dues in respect of newly disbursed standard loan accounts to bring down the effective rate of interest as well as to attract prospective loanees.
- Effective steps have been taken to reduce the response time for a systematic and quick credit delivery process so as to continue with its business programme in this highly competitive environment.
- To supplement the revenue, the Corporation has taken up some fee based activities like preparation of project profiles for small enterprises, valuation of assets and organizing EDP training programmes.
- Arrangement with Union Bank of India has been made to support working capital to assisted projects of OSFC.
- The Corporation has put in place a comprehensive Loan Recovery Policy wherein Post Disbursement Monitoring and NPA Monitoring & Management have been emphasized to prevent slippage of standard accounts and up-gradation of NPA accounts.



FAIR PRACTICES CODE

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

RISK MANAGEMENT AND CREDIT RATING

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

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

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

As advised by SIDBI, the Corporation has put in place a proper policy framework on “KNOW YOUR CUSTOMER” and “ANTI MONEY LAUNDERING STANDARDS”. Detailed Customer Acceptance Policy, Customer Identification Procedures, Monitoring of Transactions and Risk Management Procedures have been laid down under KYC norms. The guidelines are issued with an aim to develop and evolve a robust system to prevent abuse of financial institutions for combating financing terrorism. The objective of this policy is to prevent OSFC from being used intentionally or unintentionally by criminal elements for money laundering activities. The KYC procedure enables to understand the customer and their financial dealings which in turn help the Corporation to manage the risk prudently. A policy for identification of high value cash transactions and suspicious transactions and monitoring thereof have been laid down under AML policy. One senior officer has been designated as Principal Officer, who in turn is responsible for monitoring and implementation of KYC norms and AML standards.

STEPS TAKEN FOR OVERALL IMPROVEMENT OF WORK PROCESS:

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



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.

RECOVERY

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

During FY 2014-15, the Corporation could recover ₹ 15.33 crore against MoU target of ₹ 20 crore. The main reasons for not achieving the target is attributed to the followings:

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

Since the Corporation is suffering from an excessively high level of NPAs in its loan portfolio, with a view to salvage such NPAs, the current Recovery Mix is more in favour of One Time Settlement (OTS) followed by action under section-29, although the other tools of NPA management are being resorted to as per necessity. In spite of adverse conditions, the Corporation was able to recover ₹ 15.33 crore during the current fiscal by relentless efforts in recovery. The Corporation approved 157 nos. of applications under OTS-11 scheme at a settlement amount of ₹ 7.03 crore against an outstanding of ₹ 65.79 crore during FY 2014-15.

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

TABLE - 1	₹ crore		
	Principal	Interest	Total
Particulars			
TL & Other Loans	3.26	11.91	15.17
Agency Loans	0.11	0.05	0.16
Total Recovery	3.37	11.96	15.33

The percentage of net demand to principal default is 1.96% and the percentage of amount collected to Recoverable is 25.19%. The Corporation has therefore, resolved to spear head its activities for improving the recovery performance.



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

TABLE-2			₹ crore
Particulars	Principal	Interest	Total
Opening balance as on 01.04.2014	252.47	2803.23	3055.70
Add: Adjustment arising out of Reconciliation	17.84	14.01	31.85
Sub Total	270.31	2817.24	3087.55
Less Adjustment arising out of Reconciliation	1.90	1.21	3.11
Sub Total	268.41	2816.03	3084.44
Add: Current Demand during the year	1.07	338.76	339.83
Sub-Total	269.48	3154.79	3424.27
Less : Amount on account of Doubtful and Loss Asset	264.31	3100.17	3364.48
Net Demand	5.17	54.62	59.79
Less Adjustment of Recovery(Net) for earlier years	1.99	0.00	1.99
Sub Total	3.18	54.62	57.80
Less Waiver through OTS	0.00	42.72	42.72
Less Recovery during the year	3.16	11.90	15.06
Over dues at the end of the year	264.33	3100.17	3364.50
Outstanding at the end of the year	272.04	3100.17	3372.21
Percentage of recovery against net demand (Principal)			61.12
Percentage of recovery against net demand (Interest)			21.79
Percentage of recovery from recoverables			25.19
Percentage of net demand to Principal Outstanding			1.90

POSITION OF SEIZURE & SALE

During FY 2014-15, Corporation took over 19 cases U/s 29 of SFCs Act 1951 involving loan outstanding of ₹ 8.44 cr.(Pr.0.69 cr). Four nos of DDAC meetings were held for sale of 24 nos of seized items. Only 11 cases were decided for sale at an aggregate sale consideration of ₹ 133.56 lakhs (Pr.318.53 cr.). The Corporation could reduce the portfolio of unsold seized assets by 37 nos involving an outstanding of ₹ 115.06 cr. (Pr.4.75 cr.) by full materialisation of the sale (14 nos) and through release to original borrower (23 nos) on liquidation of loan. Out of 441 nos of unsold seized assets as on 31.03.15, there are 154 nos. of industrial assets, 270 collateral assets and 17 nos. of seized vehicles.

The position of seizure & sale during FY 2013-14 is given in Table-3

TABLE - 3		(₹ Crore)			
Sl.No	Particulars(u/s 29) 2014-15	No.	Outstanding		
1.	Seizure:		Pri.	Int.	Total
(i)	Cases pending for disposal at the beginning of the year	459	39.65	311.35	351.00
(ii)	Cases taken over U/s 29 during the year	19	0.69	7.75	8.44
	Total:	478	40.34	319.10	359.44
2.	Cases disposed off during the year				
	-By release to borrower	23	1.24	11.06	12.30
	-By sale through DDAC (Sale materialised fully paid cases only)	14	3.51	99.25	102.76
	Total:	37	4.75	110.31	115.06
3.	Seized unsold assets as on 31.03.2015	441	35.59	208.79	244.38



COURT CASES

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

Particulars	Outstanding	
	No.	Amount
Pending at beginning of the year	99	60.50
Filed during the year	14	4.87
Disposed off during the year	06	5.37
Pending for disposal at the end of the year	107	60.00

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

Particulars	Outstanding	
	No.	Amt.
Pending at beginning of the year	729	263.22
Filed during the year	01	12.48
Disposed off during the year	04	1.67
Pending for disposal at the end of the year	726	274.03

FOLLOW-UP

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

REVIVAL OF SICK UNITS

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



Particulars	Nos. as on 31.03.2015
Identified as sick	1690
Viability study completed	1690
Prima-facie not viable including cases approved under OTS	1023
Rehabilitation package approved	
-with additional loan	322
-without additional loan	345
Cases under study	Nil

SUBSIDY

The Corporation acts as an agent of the State Government for disbursement of Interest Subsidy and Capital Investment Subsidy under earlier IPRs. During the year under report, ₹ 63.03 lakh was disbursed towards Interest Subsidy in favour of 36 units & 5.35 lakh towards Capital Investment Subsidy in favour of 2 units.

PROFITABILITY

Net profit / loss

Consequent upon modification in the Prudential Accounting and provisioning norms and prior year adjustments, the Corporation is posted with loss of ₹ 77.40 Cr during this fiscal as against net profit of ₹ 0.51 Cr during previous year.

Net worth

The Net-worth of the Corporation became negative and stood at ₹ (-)57.38 Cr as on 31.03.15

Capital Adequacy Ratio

The Capital Adequacy Ratio as on 31.03.2015 stood at (-)37.30% as against 11.16% as on 31.03.14.

FINANCIAL PERFORMANCE

Income & Expenditure

The Gross income earned by the Corporation during 2014-15 was ₹ 14.20 crore comprising of interest on loan and advance of ₹ 11.90 crore and other income of ₹ 2.30 crore as against gross income of ₹ 17.44 crore comprising of interest income ₹ 13.53 crore and other income of ₹ 3.07 crore in FY 2013-14 there by registering a decrease of 18.58%. The personnel and administrative expenses, which were ₹ 11.98 crore in 2013-14, has gone down to ₹ 11.89 crore during 2014-15, registering decrease by 0.75%. Total expenses has also decreased to ₹ 12.24 crore in 2014-15 from ₹ 12.41 crore in 2013-14 registering a decrease of 1.37%.

Profit & Loss position

The Corporation is posted with an operating profit of ₹ 1.96 crore but consequent upon modification in the Prudential Accounting and provisioning norms and prior year adjustments, the Corporation is now posted with loss of ₹ 77.40 Cr.



AUTHORISED AND PAID-UP SHARE CAPITAL

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

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

TABLE-7		₹ crore
Particulars - Share capital	As at 31.03.2015	As at 31.03.2014
Issued		
- Ordinary	421.00	421.00
- Special	4.00	4.00
Total	425.00	425.00
Subscribed and paid-up		
- Fully allotted (Ordinary)	378.76	378.76
- Fully allotted (Special)	3.00	3.00
- Share deposit pending for allotment	33.57	33.57
Grand Total:	415.33	415.33

RESOURCE MANAGEMENT

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

TABLE-8		₹ crore.
Particulars	2014-15	2013-14
Increase in paid-up capital pending allotment		
- State Govt.	-	-
- SIDBI/IDBI Bank	-	-
Sub-total	-	-
Refinance		
- SIDBI	-	-
Sub-total	-	-
Bonds	-	-
Recovery (Net)	15.33	11.39
Others	-	-
Total	15.33	11.39



SOURCES & USES OF FUND

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

TABLE -9			₹ Crore
Sources	2014-15	Uses	2014-15
Opening Cash/Bank	16.84	Disbursement	0.04
SIDBI refinance	-	SIDBI repayment under OTS	4.00
C.I.S.	0.40	C.I.S. / Int. Subsidy Disb.	0.68
Recovery	15.33	Int. & Other Financial charges	0.09
		Admn.& Personnel Expense	11.89
Other Income	2.30	Redemption of Deposit & Bonds	-
Other Receipts	1.07	Funded Interest loan to SIDBI	-
		Others (NEF& service charges paid to SIDBI)	1.74
		Other cash out go	0.69
		Closing balance	16.81
Total	35.94	Total	35.94

CLASSIFICATION OF ASSETS & PROVISIONING

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

Asset Category	Outstanding Loans		Rate of Provisions		Provision (Loan)		Net Assets (Loan) Outstanding	
	As on 31.03.15	As on 31.03.14	Current Year	Previous year	As on 31.03.15	As on 31.03.14	As on 31.03.15	As on 31.03.14
Standard								
Direct Loan -Regular	2.32	3.49	0.25%	0.25%	0.783	0.014	2.32	3.49
Direct Loan-Restructured A/c	0.15	0.00	0.40%	2.75%	0.000	0.000	0.15	0.00
Personal Loan	0.07	0.16	0.40%	0.40%	0.000	0.000	0.07	0.16
Vehicle & Housing Loan	0.29	0.47	0.40%	0.40%	0.001	0.003	0.29	0.47
Total:	2.83	4.12			0.784	0.017	2.83	4.12
NPA								
Sub Standard	0.13	0.23	25%	15%	0.13	0.034	-	0.196
Doubtful - I	0.00	0.34	40%	25%	0.00	0.085	-	0.255
Doubtful - II	12.91	108.52	100%	40%	12.91	43.408	-	65.112
Doubtful - III	120.97	46.65	100%	100%	120.97	46.650	-	-
Loss	135.56	117.30	100%	100%	135.56	117.30	-	-
Total (NPA)	269.57	273.04			269.57	207.477	-	65.563
Grand Total	272.40	277.16			270.354	207.494	2.83	69.683

- Standard Assets as on 31.03.15 includes ₹ 0.29 crore of House Building Advance (including Interest Accrued) and vehicle advance and ₹ 0.07 crore of Personal loan to employees disclosed under Advance to Employees - Other Assets - Schudle-J.
- Loan outstanding and Net Assets as on 31.03.2015 includes Principal + Other Charges.
- As per RBI/SIDBI norms, no netting is required for provision for standard assets.
- Against required provision of ₹ 0.03 cr @ 25% on sub standard assets, provision of ₹ 0.13 cr has been provided at 100%.



Provisioning has been made in conformity with prudential requirement. There has been an increase of 15.57% increase in loss assets (from ₹ 117.30 crore as on 31.03.14 to ₹ 135.56 crore as on 31.03.15) and decrease of 13.91% in doubtful assets (from ₹ 155.51 crore as on 31.03.14 to ₹ 133.88 crore as on 31.03.15). The standard assets have decreased by 31.31% and substandard category decreased to the extent of 43.48%. Total required provisioning as on 31.03.2015 has been assessed and provided at ₹ 269.58 crore (Against Standard assets of ₹ 0.01 crore and against NPAs of ₹ 269.57 crore).

FRESH RESTRUCTURING INITIATIVE BY GOVERNMENT

The National Productivity Council (NPC), Bhubaneswar, under Ministry of Commerce and Industry which was appointed as Consultant pursuant to the decision of the High level Committee on 17.12.2013 chaired by Hon'ble Minister, Finance & Public Enterprises, submitted its report on "Viability Study for Revival & Restructuring of OSFC" on 30.09.2014. Thereafter, the NPC Team also made Power Point Presentation on their analysis and recommendations before the Board on 12.09.2014. Board, on further deliberation, recommended for forwarding the Study Report as prepared by the Consultant for 'Revival of OSFC' to the MSME Department in Government of Odisha for further examination with additional inputs in clear terms, as detailed below, to further strengthen the recommendations of the Consultant.

- a) Contribution of OSFC for development and growth of MSME sector in Odisha in the past, development in industry base which inter-alia includes its existence, relevance at present, employment generated, requirement for MSME in future.
- b) Fiscal and non-fiscal incentives given by other State Governments to their respective SFCs, present status of other SFCs including business activities.
- c) Sources of funding with possible alternatives with low cost funding thereof.
- d) Modalities for lending in competition with Banks to fill the credit gap and possible diversification.
- e) Modalities to go about right sizing the work force in line with suggestions of NPC.
- f) The scope of diversification of activities followed by other SFCs after availing special support from State Government and their present position. Other innovative avenues for supplementing revenue for sustenance may also be indicated.

However, during presentation by NPC in a review meeting presided by the Chief Secretary, Odisha on 25.11.2014, it was decided that a Business Plan should be prepared along with identification of diversified activities etc. so as take final view on "Revival of OSFC". OSFC, in line with above direction, made a presentation before the Chief Secretary in the presence of ACS, Finance Department and senior officials from MSME Department on 28.02.2015 for funding support in line with recommendations of NPC. However, in course of further deliberation, it was decided to have a fresh study for 'Restructuring of OSFC' by the OMEGA Team engaged by the State Government under OMEGA TAST.

MoU WITH STATE GOVERNMENT

The MoU for the FY 2014-15 approved by the Board of OSFC in its 375th meeting held on 25.02.2014 has been executed with MSME Department of the State Government on 31.03.2014.



AUDIT COMMITTEE OF BOARD

The Board of Directors of the Corporation has reconstituted the Audit Committee of the Board in their 376th Meeting held on 26.06.2014. The reconstituted Audit Committee of the Board is as under.

1	Sri F.M Naik, Addl. Secretary, MSME Deptt., Bhubaneswar	Chairman
2	Sri N.Palai, IAS, Managing Director, OSFC.	Member
3	Sri S.S Acharya, DGM, SIDBI, BBSR	Member
4	Sri Asit Ranjan Mohanty, Professor, XIM, BBSR	Member

During the year under reference, the Audit Committee met on 07.07.2015 and reviewed the Internal Audit Observations, Action Taken Report on Internal Audit Observations, Annual Accounts for FY 2014-15 with notes thereon and compliance thereof.

INTERNAL AUDIT

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

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

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

Position of Internal Audit conducted during (2014-15)

i)	No. of reports pending for submission at the beginning of the year	1
ii)	No. of Audits completed during the year	9
iii)	No. of Audit reports submitted during the year	10
iv)	No. of Audit reports pending for submission at the end of the year	0

STATUTORY AUDIT

The Corporation appointed A.C. Jena & Co, Chartered Accountants, Link Road, Cuttack-753012 as Statutory Auditors in the Annual General Meeting held on 30.07.2014 to conduct the Audit of the Books of Account of the Corporation for FY 2014-15 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 2014-15.



ANNUAL GENERAL MEETING

The 57th Annual General Meeting of shareholders was held in time on 30.07.2014 to adopt the audited Balance Sheet and Profit & Loss accounts of the Corporation for FY 2013-14.

A.G. AUDIT

Each year C & AG of India has been conducting audit of the Corporation under section 37 (6) of SFCs Act, 1951. Audit report of the C & AG of India on the accounts of the Corporation with compliance thereof needs to be placed before the Legislative Assembly of the State along with the Annual Accounts and Auditor's Report U/s 37 (7) of SFCs Act. Accordingly, C & AG has conducted the transaction audit of the Corporation for the FY 2013-14 and submitted its inspection report on 27.01.2015.

COMMITTEES

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

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

DIGITIZATION

Today, digitization is opening the way to ocean of opportunities for an organisation to serve the rising expectations of its customers. It is also a threat for an organisation as it is rewriting the rules of competition by increasing the risk of being left behind in serving the customer. The new digital capability is also fuelling the emergence of significant new competitors with value added services lowering entry barriers. In near future digital capabilities would increasingly determine which companies create or lose value for the customer.

Realising the importance of digitization, the Corporation intends to embed Information & Communication Technology (ICT) in its organisational strategy for revival. As digitization is becoming mainstay and centre of the business, the success of a financial service organisation like OSFC today in the competitive business environment hinges on its ability to invest in relevant digital capabilities in appropriate scale that are well aligned with its strategy.

The Corporation, therefore, is taking steps for adopting a customer-facing technology with modular and flexible digital platform to enable the organisation to move quickly to develop and deploy new micro services in days to keep pace with customer expectation in a fast-moving device free mobile world.



Currently, Enterprise Resource Planning (ERP) is one point solution for any organisation as it makes comprehensive coverage of all the functions, complete integration of all the processes, allows secured data input, networking of all the locations, secure financial transactions with effective monitoring mechanism, with firm foundation for absorption of sophisticated technology of an electronic world like “the paperless office” workflow, data warehousing, data mining, knowledge management, quality management, customer relations management and many more services depending on the requirement of the organisation.

The Corporation, therefore, intends to deploy a Banking Enterprise Resource Planning software as a total service solution. Since it is modular and typically consists of multiple enterprise software modules for each area of business processes that can be individually purchased, based on what best meets the specific needs and technical capabilities of the organization, its adoption has become more alluring. By unleashing the power of latest Information and Communication Technology, in near future, the Corporation hopes to provide paperless, wireless, cashless, employee-less and device independent self service to its customers.

HUMAN RESOURCE MANAGEMENT

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

During the year, 26 employees have retired from the Corporation service on attaining the age of superannuation/ death/ VRS/VSS reducing the staff strength from 209 to 183 as on 31.03.2015. Out of 183 employees under different categories, 26 employees consisting of 10 officers and 16 Assistants are under deputation terms to P.E. Department, IDCO, IPICOL, OSBC Ltd and H & UD Department in Government of Odisha. Out of 157 manpower, 97 employees are posted at Field Offices, 60 employees are placed at Head Office. Besides, 183 regular employees, there is one employee under consolidated wages in 'C' Class. The details manpower position as on 31.03.2015 is as under:

Category	Position as on 01.04.14	Employees retired/ Expired during the year	Employees retired under VRS/VSS	Employees under Deputation service	Present Strength excluding Deputation
A Class (Officers)	62	10	5	10	37
B Class(Ministerial)	118	4	6	16	92
C Class(Subordinate)	29	0	1	0	28
Total	209	14	12	26	157



Out of 47 officers, 5 officers consisting of Private Secretary and Personal Assistant are from non-functional area. Other officers are having professional qualifications which include C.A, ICWA, MBA, PGDMA, Engineering Graduates, Law Graduates and Post Graduate qualification. The average age of employees is 55 years. The retirement age of employees has been enhanced to 60 years w.e.f September, 2014 with suitable modification in the OSFC Staff Regulation.

During the year, number of Branch Offices has been reduced from 12 to 9 after closure of Keonjhar, Bolangir & Puri Branch in order to reduce the administrative cost. The number of Branch Offices as on 31.03.2015 stands at 9 and FRCs at 7.

TRAINING OF EMPLOYEES

To upgrade the skills of the employees, 32 employees have undergone training during the year. A training programme was arranged for 21 employees at the Corporate Office on E-Despatch System. Besides, eleven employees have been imparted training at Gopabandhu Academy of Administration, Bhubaneswar on Public Private Partnership, RTI Act and Good Governance.

STAFF ACCOUNTABILITY POLICY (SAP)

In order to develop accountability in the Corporation and to increase the sense of responsibility among the employees while discharging their various official assignments, Staff Accountability Policy (SAP) is in force. This is done with a view to acquaint 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 Staff of the Corporation are accountable for action / inaction leading to loss to the Corporation, as well as non-adherence to the guideline and procedure in non-credit functions. The Internal Control and monitoring mechanism has been strengthened.

GRIEVANCE REDRESSAL CELL

In order to expedite speedy redressal of the grievance petitions/representations received from the customers / entrepreneurs, a Grievance Cell at the Corporate Office is functioning. Since most of the grievances relate to recovery measures of the Corporation, the same were handled by the concerned Department. During the year, the cell has received six grievance petitions and disposed five cases leaving one case pending at the end of the year. Besides, the Cell is taking prompt action with regard to redressal of grievances published in various Newspapers relating to activities of the Corporation.

INTERNAL VIGILANCE CELL

Internal Vigilance Department is in operation at Head Office of the Corporation to function as the coordinator / facilitator in between State Vigilance Department and the Corporation. The Department deals with grievances and complaints of the entrepreneurs and public at large for



observance of rules and guidelines prescribed by the Corporation from time to time as and when referred. The department has identified corruption prone areas in the organization to keep proper vigil on the functioning of the various activities. During the year, no fresh vigilance case has been registered by the State Vigilance and no such serious complaints/irregularities have been noticed.

RIGHT TO INFORMATION CELL

In order to promote transparency and accountability in the working of public authority, the Corporation has implemented Right to Information Act, 2005 in accordance with the notification made under Odisha Right to Information Rules, 2005. In terms of the said Act & Rules, the Corporation has appointed Public Information Officer, Asst. Public Information Officer and Appellate Authority at its Head Office. Besides, one Public Information Officer and one Appellate Authority for each Branch Office have also been designated to enable the citizens to access the information available with the Organization. Necessary and relevant information for public has also been placed in the website of the Corporation, which is being up-dated at regular intervals. The position of receipt and disposal of the RTI applications and appeals during the year is given below:

		No. of Applications	No. of Appeals
1	Pending at the beginning of the year	02	01
2	Received during the year	68	06
3	Disposed during the year	66	06
4	Pending for disposal at the end of the year	04	01

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 inter-alia includes independence, credibility, accountability, responsibility, transparency, fairplay and timely decision making etc. The Board of the Corporation is constituted as per the provisions of SFCs (Amendment) Act. 2000. The Board of Directors meet regularly to provide effective leadership and monitors performance and review management policies. During the year, the Board has adopted calendar of review which enables thorough critical information to the Board periodically. Various aspects like Loan Policy, OTS policy, Recovery Policy, Annual Business Plan, Cash-Flow Statement, overall assessment of Financial position, actual performance vis-à-vis target in key areas, status of NPAs etc. were periodically reviewed and appropriate policy directives were given by the Board during the year under report.

As a part of Corporate Governance Manual, the Corporation has signed MoU with MSME Department, in Government of Odisha for the FY 2014-15 within the stipulated period. The Corporation has also prescribed Code of Ethics for the Directors on the Board and submitting compliance report as required under Corporate Governance Manual.



BOARD OF DIRECTORS

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

CHAIRMAN

Shri Panchanan Dash, ISS, Secretary to Government, MSME Department is continuing as Chairman of the Board of Directors, OSFC since 03.08.2012 vide MSME Department Notification No.2040 dt. 02.08.12.

MANAGING DIRECTOR

Shri Nityananda Palai, IAS, Director of Industries, Odisha is continuing as Managing Director, OSFC w.e.f. 14.09.2012 in addition to his own duties.

DIRECTORS

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

Shri S.S.Acharya, Dy. General Manager, SIDBI, Bhubaneswar has been nominated as Director in place of Shri K.Natarajan, General Manager, MSME International Training Centre, SIDBI, Bhubaneswar under section 10(c) of SFCs Act., 1951 vide SIDBI's letter SIDBI-IFV No.2206 dt.23.07.2014.

Shri Krishna Mohan Trivedi, CGM, State Bank of India has been nominated as a Director to the Board of Directors of OSFC in place of Shri Praveen Gupta vide their letter SME-II/208 dated 24.07.2014.

Shri Gopabandhu Satapathy, IAS, Addl. Secretary to Government, Finance Department, Government of Odisha has been nominated as a Director to the Board of OSFC on co-option under section 10(e)(iv) of the SFCs (Amendment) Act., 2000 in place of Shri P.K.Biswal, IAS, vide MSME Department Notification No.6591 dt.10.11.2014.

ACKNOWLEDGEMENT

The Board of Directors expresses its deep sense of gratitude to the Government of Odisha 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 MSME Department, the Directorate of Industries, Industrial Promotion and Investment Corporation of Odisha Ltd., Odisha Industrial Infrastructure Development Corporation, Odisha Small Industries Corporation Ltd., DICs, DEP & M, Odisha, Life Insurance Corporation of India, Scheduled Commercial Banks and all other stakeholders.



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

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

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



Statement of Accounts



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

To

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

AUDITORS' REPORT

1. We have audited the accompanying standalone financial statements of Odisha State Financial Corporation (OSFC), which comprise of the Balance Sheet as at 31st March 2015 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

2. Corporation's Management is responsible with respect to the preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Corporation in accordance with the accounting standards and principles generally accepted in India and as per the requirements of Small Industries Development Bank of India (SIDBI). This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the SFCs Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements whether due to fraud or error.

Auditor's responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India and provisions of Section 37 of the State Financial Corporation's Act. 1951 as amended by SFCs (Amendment) Act.2000. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depend upon the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor



considers internal financial control relevant to the Corporation's preparation of the financial statement that give a true and fare view in order to design audit procedure that are appropriate in the circumstances, but not for the purpose expressing an opinion on whether the Corporation has place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles laid down by SIDBI for SFCs and generally accepted in India, of the State of affairs of the Corporation as at 31st March, 2015, and its profit/ loss and its cash flows for the year ended on that date.

Report on other legal and Regulatory requirements

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

- i) We have sought and obtained all the information and explanations which to the best to our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us.
- iii) The operations of the Corporation and transactions that have come to our notice have been conducted in accordance with the provisions of SFCs Act, 1951.
- iv) The income recognition, assets classification, provisioning, calculation of CRAR and disclosures in the notes on accounts have been done as per the guidelines and circulars issued by the SIDBI from time to time.
- v) The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow statements dealt with by this Report are in agreement with the books of accounts and with the returns received from the Branches not visited by us.
- vi) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards and guide lines issued by SIDBI for SFCs from time to time.

Cuttack
Dated : 7th July, 2015

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

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



ODISHA STATE FINANCIAL CORPORATION
BALANCE SHEET AS ON 31ST MARCH 2015

Particulars	Schedule Ref.	As on 31st March 2015 ₹	As on 31st March 2014 ₹
CAPITAL AND LIABILITIES			
CAPITAL	A	4,153,385,300	4,153,385,300
Loan pending conversion to Share Capital	B	-	-
Reserves and Surplus	C	242,405,392	242,400,397
Borrowings	D	1,110,262,781	1,150,262,781
Other Liabilities and Provisions	E	545,114,241	588,721,870
TOTAL		6,051,167,714	6,134,770,348
ASSETS			
Cash and Bank Balances	F	168,107,302	168,352,731
Investments	G	2	2
Loans and Advances(Net of provisioning for NPA)	H	24,706,881	690,445,946
Fixed Assets	I	219,384,360	222,174,475
Other Assets	J	870,013,290	1,058,800,283
Profit and Loss Appropriation Account		4,768,955,879	3,994,996,911
TOTAL		6,051,167,714	6,134,770,348

SIGNIFICANT ACCOUNTING POLICIES R

NOTE ON ACCOUNTS S

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

As per our Report of even date

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

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC

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



ODISHA STATE FINANCIAL CORPORATION
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Schedule Ref.	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
INCOME (A)			
Income from Operations (Interest)	O	119,007,208	135,282,586
Other Incomes	P	23,002,311	30,720,340
Interest Waived/ Expenses Written Back		-	8,393,708
Total Income (A)		142,009,519	174,396,634
EXPENDITURES (B)			
Interest Expended	K	-	1,459,726
Other Financial Expenses	L	867,489	84,960
Personnel Expenses	M	113,040,312	112,397,681
Administrative Expenses	N	5,874,470	7,404,096
Depreciation	I	2,617,595	2,746,670
Bad Debts Written off		-	754
Total Expenditure (B)		122,399,866	124,093,887
Operating Profit (A - B)		19,609,653	50,302,747
Less Provision for NPA (Net)		620,863,487	41,115,023
Add Prov. for diminution in value of Investment Added back			336,999
Profit/ (Loss) Before Tax		(601, 253, 834)	9, 524, 723
Less: Provision for Taxation		0	0
Profit / (Loss) after Tax		(601,253,834)	9,524,723
Less Net prior period Adjustments	Q	172,705,134	4,406,799
Profit/(Loss) Carried to P & L Appropriation A/C		(773,958,968)	5,117,924

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

As per our Report of even date

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

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC

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



ODISHA STATE FINANCIAL CORPORATION
PROFIT AND LOSS APPROPRIATION ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Schedule Ref.	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
Balance as per last Balance Sheet - General Reserve/ (Accumulated Loss)		(3,994,996,911)	(3,999,091,250)
PROFIT / (LOSS) FOR THE YEAR AS PER PROFIT AND LOSS ACCOUNT		(773,958,968)	5,117,924
SPECIAL RESERVE (U/S 36(1) (viii) OF THE INCOME TAX ACT 1961)			(1,023,585)
PROFIT TRANSFERRED TO GENERAL RESERVE/(ACCUMULATED LOSSES)		(4,768,955,879)	(3,994,996,911)

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

As per our Report of even date

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

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC

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



**ODISHA STATE FINANCIAL CORPORATION
CASH FLOW STATEMENT**

PARTICULARS	For the Year ended on March 31 ST 2015 (CURRENT YEAR) ₹	For the Year ended on March 31 ST 2014 (PREVIOUS YEAR) ₹
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before Tax	(601,253,834)	9,524,723
Add: - Depreciation	2,617,595	2,746,670
Cash from Operations (i)	(598,636,239)	12,271,393
ADJUSTMENTS FOR OPERATING ASSETS/ LIABILITIES & OTHER EXPENDITURES		
Increase/ (Decrease) in Liabilities		
Borrowings	(40,000,000)	(80,000,000)
Other Liabilities	(43,607,629)	(135,339,975)
Decrease / (Increase) in Assets		
Loans and Advances	665,739,065	117,807,328
Other Assets	188,786,993	20,616,267
Other Expenditures		
Direct Taxes Paid		
Net Prior Period Adjustment	(172,705,134)	(4,406,799)
Net Cash Used in Operating Liabilities/ Assets & Expenditures (ii)	598,213,295	(81,323,179)
Net Cash (Used in)/ Flow from Operating Activities. (i) + (ii)	(422,944)	(69,051,786)
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(4,971)	(2,502,750)
Adjustment of depreciation for earlier year	(142,705)	-
Redemption of Investment (Net)	-	1
Sale of fixed Assets	320,196	230,274
Net Cash from investment activities	172,520	(2,272,475)
C) OTHER CASH FLOWS (from financial activities)		
Increase/ (Decrease) in Share Capital/ Subordinated Debts	-	(99,912)
Increase/ (Decrease) in Reserve Fund	4,995	-
Net Cash Flow from Other/ Financial Activities	4,995	(99,912)
NET CASH FLOW/ NET CASH USED DURING THE YEAR (A+B+C)	(245,429)	(71,424,173)
Net increase/ (decrease) in cash and Cash equivalents	(245,429)	(71,424,173)
Cash & Cash equivalents at beginning of the year	168,352,731	239,776,904
Cash & Cash equivalents at the end of the year	168,107,302	168,352,731

As per our Report of even date

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

Sd/- (Alok Dash) HoD, (FAD) OSFC	Sd/- (B.K. Sahoo) JGM OSFC	Sd/- (N. Palai) MANAGING DIRECTOR OSFC	Sd/- (S.S. Barua) DIRECTOR OSFC	Sd/- (A.R. Mohanty) DIRECTOR OSFC	Sd/- (S.R. BASITA, FCA) Membership No. 059893 PROPRIETOR
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SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE A - SHARE CAPITAL

Particulars	As on 31.03.2015 ₹	As on 31.03.2014 ₹
AUTHORISED 50000000 SHARES OF ₹ 100/- EACH	5000000000	5000000000
ISSUED	5000000000	5000000000
(A) 42100000 (42100000) ORDINARY SHARES OF ₹ 100/- EACH ISSUED U/S(4)(2) OF SFCs ACT 1951	4210000000	4210000000
(B) 400000 SPECIAL SHARES OF ₹ 100/- EACH ISSUED U/S 4-A OF SFCs ACT 1951	40000000	40000000
SUBSCRIBED & PAID UP	4250000000	4250000000
(A) 37876305 (8457305) ORDINARY SHARES OF ₹ 100/- EACH FULLY ALLOTTED, U/S 6(1) OF THE SFCs ACT 1951 AMENDED BY SFCs (AMENDMENT) ACT, 2000. (6120 share surrendered for retirement in pursuant to Sec-6 (1) of SFCs (Amendment) Act 2000)	3787630500	3787630500
(B) 300000(300000) SPECIAL SHARES OF ₹ 100/- EACH FULLY ALLOTTED U/S(4) (A) OF THE SFCs ACT 1951 AS AMENDED BY SFCs(AMENDMENT) ACT 2000	30000000	30000000
(C) SHARE DEPOSITS PENDING ALLOTMENT	335754800	335754800
TOTAL	4153385300	4153385300

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

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

	Amount ₹
SIDBI-LISC (PRINCIPAL)	62250000
Interest from 01/04/2008 to 31/03/2012	<u>18675000</u>
	80925000
MGD (SIDBI Share)	127389900
	208314900
IDBI - MGD	127389900
TOTAL	335704800



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

Particulars	As on 31.03.2015	As on 31.03.2014
	₹	₹
STATE GOVERNMENT		
Loan in lieu of Share Capital	-	-
TOTAL	0	0

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

Particulars	As on 31.03.2015	As on 31.03.2014
	₹	₹
(A) DISTRIBUTABLE PROFITS		
i) GENERAL RESERVES (U/S 35 of SFCs ACT)	148000	148000
ii) SPL. RESERVE (U/S 36(1) OF IT ACT 1961)	38145132	38145132
SUB TOTAL (A)	38293132	38293132
(B) NON DISTRIBUTABLE PROFITS		
i) SPECIAL RESERVE FUND (U/S 35-A OF SFC's ACT,1951)	3436867	3431872
ii) REVALUATION RESERVE	200675393	200675393
SUB TOTAL (B)	204112260	204107265
TOTAL (A+B)	242405392	242400397



SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE D- BORROWINGS

	Particulars	As on 31.03.2015	As on 31.03.2014
		₹	₹
	LONG-TERM BORROWINGS		
(A)	REFINANCE(U/s 7(4) of SFCs Act 1951 AS AMENDED BY SFCs (AMENDMENT) ACT 2000		
	i. From Small Industries Development Bank of India		
	(i) Restructured Refinance	-	-
	(ii) New LOC under TRA	-	-
	ii. 0% Funded Loan	-	-
	iii. Interest Accrued & Due on Refinance	-	-
	iv. REFINANCE / LOC AGREED FOR OTS	200000000	240000000
	v. REFINANCE / LOC / FUNDED LOAN & INTEREST AGREED FOR WAIVER	836087217	836087217
	Sub Total	1036087217	1076087217
(B)	INTEREST ACCRUED AND DUE (LISC)		
	i. On Loan-in-lieu of Share Capital - SIDBI/IDBI	74175564	74175564
	Sub Total	74175564	74175564
	TOTAL	1110262781	1150262781



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

	Particulars	As on 31.03.2015 ₹	As on 31.03.2014 ₹
A	OTHER LIABILITIES		
I.	SUNDRY DEPOSITS	361771466	367202806
II.	UNCLAIMED DIVIDEND	-	3375
III.	EXCESS AMOUNT PAYABLE ON SALE OF MORTGAGED/ HYPOTHECATED ASSETS	6630554	6734718
IV.	STALE CHEQUES	-	95720
V.	DIVIDEND PAYABLE	539101	539101
VI.	UNCLAIMED LIABILITIES	1730000	1700000
VII.	LIABILITY FOR OTHER EXPENSES AMT. PAYABLE TO STATE AID FUND	- 283233	27033 -
VIII.	EXCESS RECOVERY REFUNDABLE ON LOAN ACCOUNT	-	234941
IX.	SHARE OF STATE GOVT. & OTHERS PAYABLE- LOANEE	1386495	1386495
X.	AGENCY FUND		
	(a) St. Govt. Seed Money Fund	17189074	17189074
	(b) St. Govt. Soft Loan Fund	3304625	3304625
	(c) St. Govt. M.M. Assistance Fund	5108315	5108315
	(d) SIDBI Seed Capital Fund	2116215	2116215
	(e) SIDBI National Equity Fund	55347065	70732698
	(f) Orissa Venture Capital Scheme Fund	4690000	4690000
	(g) Orissa MSME Tech. Upgradation Fund	4800000	4800000
XI.	OTHER DEPOSITS- AGENCY	39478612	55264565
	SUB TOTAL - (A)	504374755	541129681
B.	PROVISIONS		
XIII.	CONTINGENT PROVISION AGAINST STANDARD ASSETS	78400	172000
XIV.	PROVISION AGAINST EXPENSES	40661086	47420189
	SUB TOTAL - (B)	40739486	47592189
	TOTAL (A + B)	545114241	588721870



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

	Particulars	As on 31.03.2015	As on 31.03.2014
		₹	₹
(A)	CASH IN HAND	2018433	3643099
(B)	BALANCE WITH BANK U/S 33(2) OF THE SFCs ACT 1951 AS AMENDED BY SFCs (AMENDMENT) ACT 2000		
i.	Scheduled Banks In Current/ Savings Accounts	3848649	6770229
ii.	Scheduled Banks In Fixed Deposit Accounts	66093073	61431401
iii.	Scheduled Banks in Flexi Deposit Accounts	96144253	96498668
(C)	STAMPS IN HAND	2894	9334
	TOTAL	168107302	168352731

SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE G - INVESTMENTS

	Particulars	As on 31.03.2015	As on 31.03.2014
		₹	₹
(A)	IN SHARES : UNQUOTED - AT COST		
1)	M/s Bhaskar Textile Mills Ltd. (400 Preference Shares of ₹100/-Each)	40000	40000
2)	M/s.Orissa Industrial and Technical Consultancy Organisation Ltd. (87 Equity Shares of ₹1000/-Each)	87000	87000
	Sub Total	127000	127000
(B)	Less: Provision/Depreciation Reserve	126998	126998
	Net value (A - B)	2	2
	Total	2	2



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

	Particulars	As on 31.03.2015 ₹	As on 31.03.2014 ₹
1.	PRINCIPAL AMOUNT		
(A)	Direct Operation		
	i. Term Loan under various schemes	2581028402	2616940264
	ii. Soft loan under Special Share Capital Schemes	20324548	20343235
	iii. Bridge Loan	1790160	1790160
	iv. Loan against Govt. Seed Money	655941	655941
	v. Loan against IDBI Seed Capital	504996	504996
	vi. New Term Loan under TRA	24535029	43719004
	INTEREST ACCRUED ON STANDARD LOAN UNDER MERCANTILE SYSTEM	-	178471
	Sub Total :	2628839076	2684132071
(B)	Loan Under Special Schemes		
	i. Short Term Working Capital Loan	77994229	77994229
	Sub Total :	77994229	77994229
	Total (A + B)	2706833305	2762126300
	2. Misc. Expenses on Loans & Advances	13579277	3087646
	Total (1 + 2)	2720412582	2765213946
	3. Less NPA Provision	2695705701	2074768000
	NET AMOUNT OF LOANS & ADVANCES	24706881	690445946



**SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE I - FIXED ASSETS AS ON 31.03.2015**

TYPE OF ASSETS	Rate of Depreciation	COST (In Rupees)				DEPRECIATION (In Rupees)				WRITTEN DOWN VALUE		
		As on 31.3.14 ₹	Additions during the year ₹	Sale/ Transfer during the year ₹	Addition due to Revaluation ₹	As on 31.3.15 ₹	Up to 31.3.14 ₹	During the year ₹	Additional Depreciation during the year for prior year ₹	Up to 31.3.15 ₹	As on 31.3.14 ₹	As on 31.3.15 ₹
LAND		179123947				179123947					179123947	179123947
OFFICE BUILDING	4.87%	86626042				86626042			1990939	47735270	38890772	40881711
OTHER BUILDING	4.87%	3000000				3000000			32017	2374581	625419	657436
VEHICLE (Motor Cycle)	25.89%	9798209		171801		9626408			61213	9431113	195295	288459
VEHICLE (Motor Car)	31.23%											
FURNITURE & FIXTURE	25.89%	4127677		132295		3995382			70920	3844829	150553	353768
OFFICE EQUIPMENTS	45.07%	5799815	4971	15200		5789586			174347	5587791	201795	383516
COMPUTER	63.16%	14842820		900		14841920			275292	14682173	159747	435939
ELECTRICAL INSTALLATION & EQUIPMENTS	25.89%	796679				796679			12867	759847	36832	49699
LIBRARY	100.00%	339776				339776				339776		
CURRENT YEAR TOTAL		304454965	4971	320196	0	304139740	0	142705	2617595	84755380	219384360	222174475
PREVIOUS YEAR TOTAL		302182489	2502750	230274	0	304454965	0	0	2746670	82280490	222174475	222648669

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



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

	Particulars	As on 31.03.2015 ₹	As on 31.03.2014 ₹
i	Stationery & Stores	-	490344
ii	Advance to Employees	4777002	7675332
iii	Travelling Advance to Managing Director	-	-
iv	Deposit of Fees - under CPA	217615	192615
v	Other Recoverable Dues		
	(a) Amount Recoverable from State Govt. against Deputationists	-	26251
	(b) Rent of Premises receivable	-	430200
	(c) Advance to Advocates	1064180	1042130
	(d) Advance to Others	-	1728390
	(f) Amount Receivable from Gratuity Fund & LIC	-	4982850
vi	Interest accrued but not due on deposits with bank	41167	19643
vii	Agency Operation		
	(a) State Govt. Seed Money Disbursed	14401853	14401853
	(b) State Govt. M.M. Asst. Disbursed	3927995	3927995
	(c) IDBI Seed Capital Disbursed	1000000	1000000
	(d) SIDBI Seed Capital Disbursed	2123378	2123378
	(e) SIDBI NEF Disbursed	38342425	54335758
	(f) State Govt. Soft Loan Disbursed	1845284	1845284
	(g) Service charges IDBI seed capital recoverable	153600	153600
	(h) SIDBI MUN Soft Loan Fund Disbursed	134600	134600
	(i) Agency commission accrued	281920	281920
viii	(a) Funded Interest - SIDBI Refinance	179500000	179500000
	(b) Payment of Refinance Interest under protest	301386698	301386698
	(c) Interest Accrued on LISC under consideration of waiver	-	55257534
ix	Sale of Mort. Assets Settlement Account (Jt. Finance)		
	(a) IPICOL	20793754	34153228
	(b) Banks (Joint Finance)	-	1669876
	(c) IDCO	-	198149
x	Advance Taxes	5218439	6113980
xi	Disputed payments-under protest	179069	10439703
xii	Deposits against Court Directives	61733519	56613805
xiii	Security Deposit - Telephone	18000	18000
xiv	Security Deposit - Electrical Installation	273070	273070
xv	Advance payment of Loan to State Govt.	230884097	318384097
xvi	Interest Accrued on Deposits with Bank	1715625	-
	TOTAL	870013290	1058800283



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE K - INTEREST ON BONDS & OTHER BORROWINGS

Particulars	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
1 Interest on SIDBI Refinance (Restructured)	-	1459726
Total	-	1459726

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

Particulars	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
I Bank Charges & Commission	7231	3501
II Interest / Compensation Payment as per Court Directive	845166	59732
III Service Tax	15092	21727
Total	867489	84960



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

	Particulars	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
i.	Salaries & Allowances		
	(a) Managing Director Salary	-	-
	(b) Employees Salary	81371988	82257298
	(c) Consolidated wages	54000	59405
ii.	Employer's contribution to EPF	9171837	8616652
iii.	Medical aid to staff	517750	668250
iv.	Insurance Premium paid on GIS	139426	163323
v.	Contribution to Employees Group Gratuity Fund-LIC of India	989469	7278255
vi.	Leave Encashment	1701368	384401
vii.	Gratuity Payment	5845299	9866915
viii.	Contribution to Employees Group Leave Encashment Fund-LIC of India	4126981	-
ix.	Leave Salary Contribution - Deputationists	52355	-
x.	Pension Contribution - Deputationists	557331	-
xi.	Employer's contribution to Staff Welfare Fund	23198	27165
xii.	Ex-Gratia under-VRS	8489310	3076017
	TOTAL	113040312	112397681



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

	Particulars	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
1	Travelling Expenses		
	i. Managing Director	-	1892
	ii. Directors and Committee Members	-	-
	iii. Employees and others	197957	273064
2	Directors and Committee Members Sitting Fee	7000	5000
3	Rent, Electricity & Water Charges	1187441	1631860
4	Computer Stationary	170	51795
5	Printing & Stationary	683471	211807
6	Publicity & Advertisement	10209	19193
7	Recovery Expedition	5000	-
8	Repairs & Renewals	67054	451700
9	Computer Software	-	6400
10	Audit Fees		
	(a) Statutory Audit	87500	97500
	(b) Tax Audit	17500	17500
11	AMC Fees & Expenses	429312	289859
12	Audit Expenses	34874	19859
13	Other Legal Expenses	150318	9850
14	Professional Fees & Expenses	21698	484989
15	Fees & Subscription	31749	98901
16	Newspapers & Periodicals	3165	4501
17	Rates, Taxes & Insurance	137068	278231
18	Vehicle Repair & Maintenance	77490	63602
19	Telephone Expenses	324104	390130
20	Fuel & Lubricants Expenses	348616	420159
21	Postage Stamps & Telegrams	68261	77532
22	Conveyance Expenses	670300	965700
23	Vehicle hire Charges	67574	110841
24	Miscellaneous Expenses	1086908	1079211
25	Fees paid to Advocates	66850	257010
26	Telex & Fax	80	40
27	Meeting Expenses	70441	78720
28	Computer Servicing Expenses	22360	7250
	TOTAL:	5874470	7404096



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

	Particulars	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
I.	Interest on Term Loans	25937233	82784943
ii.	Interest on Soft Loans	16504	468458
iii.	Interest on FITL	-	323615
iv.	Penal Interest on Loan	85482834	34980889
v.	Interest on Standard Loan	3501158	5491285
vi.	Interest on Short Term Loan	263298	1107449
vii.	Int on Loan against Subsidy	-	61145
viii.	Interest on Term Loan against NEF	12544	721958
ix.	Interest on Rephased Loan	-	557966
x.	Pre-Payment Premium	2300	-
xi.	Delayed Period Interest (OTS)	3697193	8772057
xii.	Interest on NEF Loan (OSFC Share)	94144	12821
	Total	119007208	135282586

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

	Particulars	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
i.	Interest on Term & Flexi deposits with Bank	18235319	19992893
ii.	Interest on SB A/c	33894	79670
iii.	Sale of Forms	37564	59602
iv.	Sale of Project Profiles	30450	14400
v.	Right to Information Fees	2508	4261
vi.	Miscellaneous Income	821328	635026
vii.	Other Income on regular basis	2560517	2010290
viii.	Interest on Staff Advances		
	(a) Interest on House Building Adv.	430058	1134777
	(b) Interest on Vehicle Adv.	385536	57860
	(c) Interest on Personal / Commercial Loan	131131	148245
ix..	Misc. Receipt - Recovery Administration	146000	190005
x.	Agency Commission	366	14519
xi.	Processing Charges	5000	10500
xii.	Income from other Fee based activities	179457	777601
xiii.	Bad Debt Recovery	-	4961437
xiv.	Up Front Fees	2060	20500
xv.	Insurance Commission	1123	2154
xvi.	Profit on Sale of Investment	-	606600
	Total	23002311	30720340



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

(A)	Prior Year Income	2014-15 (Current year) ₹	2013-14 (Previous year) ₹
i)	Insurance commission relating to FY 11-12 received in FY 13-14	-	14851
ii)	House Rent (₹ 96460) and Insurance commission (₹ 3014) relating to FY 2013-14 received in FY 2014-15	99474	-
iii)	Interest Accrued on Flexi Deposits/ Term Deposits with Bank upto 31.03.13 but received/ credited to A/c in 2013-14 (Union Bank)	-	943023
iv)	Write back of expenditures excess provided in previous year	10140	-
v)	Appropriation of EDP Training Fees relating to FY 2011-12	-	222209
vi)	Expenses incurred earlier by issue of cheque became stale & cancelled	9293	-
vii)	Appropriation of EDP Training Fees relating to FY 2012-13	-	148393
viii)	Write back of depreciation excess charged from 2001-02 to 2013-14	142705	-
ix)	Earnest Money deposited in 2001-02 to 2008-09 appropriated in 2014-15	13000	-
x)	Amt. credited towards principal appropriated as Int. income on reconciliation (Paradeep Branch)	153770	-
	TOTAL	428382	1328476
	(B) - Prior Year Expenditure		
(i)	Int. accrued on LISC payable to SIDBI for the period 01.04.1996 to 31.01.2008 charged to P&L A/c	55257534	-
(ii)	Differential amount of Gratuity paid to Sri N.K.Mishra as per Court directives	383723	-
(iii)	Arrear Salary relating to FY-2011-12 paid to Ex-employees	-	5897
(iv)	Interest income reversal at Branches on reconciliation of Loan account on OTS which was wrongly appropriated in earlier years	19878325	4887456
(v)	Interest on Bond paid to SBI in 2006-07 wrongly vouched rectified in 2014-15	87500000	-
(vi)	Arrear Salary & allowances and Employer Contribution to EPF of earlier years paid in 2014-15	784409	-
(vii)	Adjustment of Subvention out of Advance payment of Loan to Govt. on reconciliation with AG (A & E, Odisha) regarding Investment & Loan Outstanding as per Finance Account	-	570088
(viii)	Consolidated wages for 2013-14 paid in 2014-15	4500	-
(ix)	Refund of Processing Charges in 2013-14 received in earlier years	-	69000
(x)	Interest on SVP accrued earlier wrongly vouched rectified in 2014-15	30000	-
(xi)	Medical Aid relating to earlier years sanctioned and accounted by adjustment of Medical Advance	10823	202834
(xiii)	Amount recoverable accounted for in 1995-96 on a/c of Deputationist regularised by charging to P & L A/c	26251	-
(xiv)	Amount paid to IPICOL on a/c of Ashoka Industries wrongly vouched earlier rectified in 2014-15	7152180	-
(xv)	Advance to Others paid earlier regularised as expenses in 2014-15	1686390	-
(xvi)	Past liabilities towards pension contribution (₹ 211313) and leave salary cotribution(₹ 208068) payable to Government on account of deputationists	419381	-
	TOTAL	173133516	5735275
	NET (B) - (A)	172705134	4406799



SCHEDULE - 'R'

SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

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

1.2 Method of Accounting

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

2. INCOME RECOGNITION

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

2.2 Interest on Lending

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

2.3 Accounting of Receipts

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

3. WRITING OFF LOANS

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

4. INVESTMENTS

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

5. LOANS & ADVANCES & APPROPRIATION OF RECEIPTS/RECOVERIES

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

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

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



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

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

6. SHARING OF SALE PROCEEDS ON JOINT FINANCING CASES

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

7. Fixed Assets:

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

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

8. DEPRECIATION

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



Rate of Depreciation

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

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

9. RETIREMENT BENEFITS TO EMPLOYEES: (AS 15)

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

- 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.
- 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

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

Provisions

- Standard Assets - @0.25% of Loan Assistance to MSME, @0.40% of others @1% of CRE, @0.75% of CRE (Residential Housing sector) and Restructured Accounts (Non Infrastructure Sector @0.40%)
- Sub-Standard Assets -
 - Secured Substandard - Up to 6 month @15%
6 month to 1Yr @25%
 - Unsecured Substandard - Up to 6 month @25%
6 month to 1Yr @40%
- Doubtful Assets -

Doubtful upto 1 Year (Secured portion)	@40%
Doubtful above 1 Year upto 3 years (Both Secured & unsecured portion)	@100%
Doubtful more than 3 Years	@100%
- 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.
- (c) As per the guide lines issued by SIDBI vide circular no. 204/DFIDD/SFCs Dt.08.04.02 treatment of provisions against NPA are provided for in the Profit & Loss Account of the year (above the line) and the current profit i.e. profit for the year determined accordingly

11. CAPITAL ADEQUACY STANDARDS/ RISK WEIGHT ON ASSETS

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

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

12. AGENCY FUNCTIONS

- The funds received from State Government /SIDBI are classified as liabilities.
- The Loans given from these funds are shown separately from the loans given by the Corporation from its own funds under Other Assets.
- Such loans are not eligible for NPA provisioning purposes
- Recoveries made against such loans are accounted for as liabilities refundable to the principal.

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

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

14. PRIOR PERIOD ADJUSTMENT

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

As per our Report of even date

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

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC

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



SCHEDULE 'S'

NOTES ON ACCOUNTS

1. SHARE CAPITAL

- 1.1 Approval of State Govt. u/s 4(3) of SFC (Amendment) Act 2000 for allotment of shares of ₹ 3357.55 lakh (₹ 3358.55 lakh) is awaited.
- 1.2 Against Special Share Capital received U/s 4(A) of the SFCs Act 1951 for ₹ 300 lakh, the Corporation has disbursed Soft Loan of ₹ 411.73 lakh and the outstanding amount of such soft loan as on 31.3.2015 is ₹ 203.24 lakh. (₹ 203.43 lakh)
- 1.3 Investment outstanding and Loan outstanding as per Finance Account of State Govt. have been reconciled

2. RESERVE FUNDS AND SURPLUS

- 2.1 In terms of Regulation 82 (vii) of OSFC General Regulations, 2003, the Corporation transferred unclaimed Dividend of ₹ 4995.00 to Special Reserve Fund created under Section 35(A) of SFCs Act, 1951.

3. DIVIDEND PAYABLE

- 3.1 No dividend for the year has been declared for non-availability of surplus due to accumulated loss as on 31.03.2015

4. OTHER LIABILITIES

- 4.1 Sundry deposit includes ₹ 681.78 Lakh (₹ 656.00 Lakh) towards sale proceeds 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. LIABILITIES FOR RETIREMENT BENEFITS

- 5.1 For payment of Gratuity and Encashment of Leave Salary, the Corporation employees are covered under Group Gratuity Scheme & Group Leave Encashment Scheme of LIC of India.
- 5.2 Employees Provident Fund is governed under its own P.F. Regulations formulated with prior approval of State Government and RBI. The fund is managed by the Board of Administrators.
- 5.3 Gratuity liability as per amended provisions of Gratuity Act 1972 and Leave Salary Encashment liability as per Regulation 83(1) (d) of OSFC Staff Regulation 1975 as per actuarial valuation by LICI has been fully provided for. ₹ 331.95 Lakh is payable to LICI towards Gratuity Fund as on 31.03.2015
- 5.4 As per actuarial valuation made by LICI, total liability as on 01.03.15 (the renewal date of policy) comes to ₹ 1159.05 lakh under GGS towards total service gratuity & ₹ 576.58 lakh under GLES. Funds available with LICI stands at ₹ 625.45 lakh & ₹ 530.50 lakh respectively as at 31.03.15

6. OTHER STAFF LIABILITIES

- 6.1 Arrear salary on account of 6th pay revision adopted by the Board in the 368th meeting held on 18.06.2012 for the period 01.04.2012 to 31.03.2015 payable is estimated at ₹ 995.58 lakh (approx) but not provided pending approval of State Govt.



7. LOANS AND ADVANCES

- 7.1 Letters seeking confirmation of outstanding balances in Loan Accounts were sent by the Corporation to borrowers, except cases under litigation. Balance in respect of loanees accounts have been treated as confirmed where there is no dispute regarding the demand notices (which includes outstanding amount) sent by the Corporation. Continuing with the process of reconciliation and adjustment the net difference between General Ledger and Sub Ledger amounting to ₹ 5.07 Lakh (Pr. Yr. ₹ 10.03 Lakh) has been fully provided for.
- 7.2 The loans and advances have been shown net of funded interest term loan of ₹ 2538.00 Lakh (last year ₹ 2588.04 Lakh)
- 7.3 During the year 117 loan (203) accounts are settled under OTS and ₹ 400.46 lakh (₹ 558.13 lakh) has been realised. The Corporation waived/sacrificed Interest/penal interest amounting to ₹ 4272.02 lakh (₹ 4023.19 lakh) and principal of ₹ 0.19 lakh (₹ 0.56 lakh) for settling these accounts under OTS out of which ₹ 0.19 (₹ 0.55 lakh) has been adjusted from provisions and balance 0.00 lakh (₹ 0.01 lakh) written off as bad debts. The interest sacrifice / waiver is made from Loan Memorandum A/c.
- 7.4 As on 31.3.2015, Interest dues of ₹ 3100.17 Crore (₹ 2803.23 Crore) is outstanding for recovery on loan accounts of NPA Loanees as per Loan Memorandum Account, which is not recognized as income.
- 7.5 Interest income of ₹ 198.78 Lakh of earlier years reversed and appropriated towards Principal under OTS is considered as prior year expenditures.
- 7.6 During the year, the Corporation had advertised for sale of assets in respect of 24 nos of units (37 nos) u/s 29 of the SFC Act, 1951. Out of these, 11 nos.(16 nos) of units could be sold for a total amount of ₹ 133.56 lakh (Principal outstanding was ₹ 318.53 lakh). During this year, sale in 14 cases (16 cases) could be materialised for ₹ 1446.71 lakh (including amount of ₹ 1267.00 lakh realized through official liquidator of ROC in respect of M/s Konark Television Ltd.) Principal balance dues against these cases stands at ₹ 351.00 lakh as on 31.03.15.
- 7.7 Corporation filed money suit U/S 31 of SFC Act, 1951 in respect of 726 nos of units involving ₹ 27402.73 lakh (729 nos ₹ 26322.12 lakh). Similarly Writ Petition has been filed in the Court in 107 cases involving ₹ 6000.45 lakh (99 cases ₹ 6049.93 Lakh) where action under section 29 of SFCs Act has been taken.

8. FIXED ASSETS

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

9. INCOME TAX & SERVICE TAX

- 9.1 Income Tax scrutiny Assessment has been completed up to the A.Y. 2012-13
- 9.2 No provision for Income Tax for the year has been made, as the liability for the same does not arise.



10. CLASSIFICATION OF ASSETS & PROVISIONING

10.1 The assets classification and provisioning is made as follows: (Rs. in Crore)

Asset Category	Outstanding Loans		Rate of Provisions		Provision		Net Assets (Loan Outstanding)	
	As on 31.03.15	As on 31.03.14	Current Year	Previous Year	As on 31.03.15	As on 31.03.14	As on 31.03.15	As on 31.03.14
Standard								
Direct Loan Regular	2.32	3.49	0.25%	0.25%	0.783	0.014	2.32	3.49
Direct Loan - Restructured A/c	0.15	0.00	0.40%	2.75%	0.000	0.000	0.15	0.00
Personal Loan	0.07	0.16	0.40%	0.40%	0.000	0.000	0.07	0.16
Vehicle & Housing Loan	0.29	0.47	0.40%	0.40%	0.001	0.003	0.29	0.47
	2.83	4.12			0.784	0.017	2.83	4.12
NPA								
Sub Standard	0.13	0.23	25%	15%	0.13	0.034	-	0.196
Doubtful - I	0.00	0.34	40%	25%	0.00	0.085	-	0.255
Doubtful - II	12.91	108.52	100%	40%	12.91	43.408	-	65.112
Doubtful - III	120.97	46.65	100%	100%	120.97	46.650	-	-
Loss	135.56	117.30	100%	100%	135.56	117.30	-	-
Total (NPA)	269.57	273.04			269.57	207.477	-	65.563
Grand Total	272.40	277.16			270.354	207.494	2.83	69.683

- Standard Assets as on 31.03.15 includes ₹0.29 Cr representing House Building Advance (including Interest Accrued) and vehicle advance and ₹0.07 Cr as Personal Loan to Employees disclosed under Advance to Employees - Other Assets - Schedule J.
- Loan outstanding and Net Assets as on 31.03.15 includes Principal + Other Charges.
- AS per RBI/ SIDBI norms, no netting is required for provision for standard assets.
- Against required provision of ₹ 0.03 Cr @25% on Sub Standard Assets provision of ₹ 0.13 Cr has been provided at 100%.

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.

10.3 Valuation of Industrial and collateral securities as per advise of SIDBI for classification of assets is under process. Pending finalization of valuation entire NPA is fully provided.

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 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 incurred loss in the past and considering the huge available carry forward losses and allowances/ prudence factor, there dose not seem to be any reasonable certainty that sufficient



future taxable income will be available against which the deferred taxes assets could be realized therefore, no provision has been made towards deferred tax assets / liabilities in accordance with AS-22.

13. CONTINGENT LIABILITIES ENVISAGED BY THE CORPORATION

Estimates

- i. Consultancy Fees of ₹5.00 lac payable to AXIS Bank Ltd. And ₹4.33 lakh payable to National Productivity Council.
- ii. VR benefits held up in respect of 10 voluntary retirees ₹0.21 Cr (Pr.Yr.10 nos. ₹0.21 Cr).
- iii. Arrear Pay and Allowances payable on Account of 6th Pay revision for the period 01.01.2006 to 31.03.2012 (being subjudice could not be quantified)
- iv. Interest on LISC (SIDBI) for the period 01.04.2012 to 31.03.2015 ₹140.06 lakh agreed for conversion to Share Capital.
- v. 7 nos. of cases filed against the Corporation involving claims of ₹359.60 lakh

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 Panchanan Dash, ISS, Chairman
 - (ii) Sri Nityananda Palai, IAS, Managing Director
- | | |
|--|-------|
| Gross salary including perquisites / Honorarium | - Nil |
| Outstanding Balance of loans as on 31.03.15
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 Prior period expenses shown in the Profit & Loss Account is the net of credit of Prior period income of ₹428382 (₹1328476)
- 16.3 The Corporation has no suppliers / vendors as such to be classified as required by Micro, Small and Medium Enterprises Developments Act 2006.
- 16.4 Figures have been rounded up to the nearest rupee.
- 16.5 Figures mentioned in the brackets relate to previous year
- 16.6 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				₹ Lakh
1	CAPITAL BASE	Core Capital	Tier-II Capital	TOTAL Capital
	Ordinary Share Capital	41533.85	-	41533.85
	Loan pending conversion to Share Capital	-	-	0
	Free Reserve & Surplus	417.30	-	417.30
	Provision on Standard Assets	-	0.78	0.78
	Assets Revaluation Reserve (₹ 2006.75 lakh discounted at 55%)	-	903.04	903.04
	Total	41951.15	903.82	42854.97
	Accumulated losses	47689.56	-	47689.56
	Net Capital Base	(-)5738.41	903.82	(-)4834.59

2	Risk Weight Adjusted Assets	Amount as per Balance Sheet (Book Value)	Risk weight %	Risk Products Amount
A)	On Balance Sheet Items			
a)	Cash & Bank Balance			
	Cash / Stamp in Hand	20.21	0%	0
	Bank Balance with Nationalised/Scheduled Banks and in transit.	38.49	20%	7.70
	Short Term Deposits with Banks	1622.37	20%	324.47
	Total:-	1681.07		332.17
b)	Investments	-	100%	-
c)	Loans and Advances(including other charges)	247.07	100%	247.07
d)	Fixed Assets (Net)	2193.84	100%	2193.84
e)	Other Assets			
	Staff Advance	47.77	20%	9.55
	Others	8652.36	100%	8652.36
f)	Intangibles	-		-
	Total Assets	12822.11		11434.99
(B)	Off Balance Sheet Items			
i.	Guarantees	-	100%	-
ii.	Claims against the Corporation	359.60	100%	359.60
iii.	Contigent Liabilities	-	100%	-
iv.	Other Items	1165.97		1165.97
	TOTAL B	1525.57		1525.57
	GRAND TOTAL (A+B)	14347.68		12960.56



RISK BAND - RISK BASED ASSETS

Risk Band	Total Amount (including OBS)	Loss Reserves Intangible	Net Amount	Net Risk Weighted Value
Zero Risk	20.21	0	20.21	0
20% Risk	1708.63	0	1708.63	341.72
100% Risk				
BS	11093.27	0	11093.27	11093.27
OBS	1525.57	0	1525.57	1525.57
TOTAL	14347.68	0	14347.68	12960.56

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

(i) CORE CRAR	=	<u>Net Capital Base</u> -	5738.41	=	(-)44.24% [Pr. Yr. 7.68%]
		<u>Net Risk Weighted Assets</u>	12960.56		
(ii) Supplementary CRAR	=		903.82	=	6.97% [Pr. Yr. 3.47%]
			12960.56		
CRAR (i+ii)	=		(-) 4834.59	=	(-) 37.30% [Pr. Yr. 11.16%]
			12960.56		

b) NET WORTH → ₹ 57.38 Cr (Pr. Yr. 20.01 Cr.)

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

	Nil		Nil	
	As on 31-03-15		Previous Year (₹ lakh)	
	Gross	Net	Gross	Net
Risk weighted assets	14347.68	12960.56	27447.65	26045.27

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

(₹ lakh)

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



Asset quality and credit concentration

d) Percentage of net NPAs to net Loans & Advances - Nil (94.08%)

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

	<u>As on 31.3.15</u>		<u>Previous Year</u>	
	Net NPA Amt.	% to total Net NPAs	Net NPA Amt.	% to total Net NPAs
i) Sub-standard	Nil	Nil	0.196	0.30%
ii) Doubtful	Nil	Nil	65.367	99.70%
			65.563	

f) Amount of provisions made during the year towards	<u>As on 31.3.15</u>	<u>(Previous Year)</u>
Standard Assets-	(-) 0.94 Cr	-
NPAs	65.19 Cr	4.57 Cr
Investments-	Nil	Nil
Income Tax-	Nil	Nil

g) Movement of Net NPAs Against	<u>As on 31.3.15</u>	<u>Previous Year</u>
Sub-Standard Assets	Nil	₹ 0.018 Cr.(Incre. by 10.11%)
Doubtful Assets-	Nil	₹ 11.703 Cr.(Decr. by 15.18%)
Total	Nil	₹ 11.721 Cr. (Decr. by 15.17%)

h) Credit exposure as % to Capital funds and as % to Total assets - (₹ Lakh)

	<u>As on 31.03.15</u>			<u>Previous Year</u>		
	Total Credit Exposure	% to Capital fund	%to total assets	Total Credit exposure	% to Capital fund	%to total assets
i) The largest single borrower	278.06	(-)4.85%	1.62%	278.06	13.90%	1.38%
ii) The largest borrower group	828.63	(-)14.44%	4.84%	828.63	41.40%	3.87%
iii) The 10 largest single borrower	1846.67	(-)32.18%	10.79%	1911.75	95.53%	8.93%
iv) The 10 largest borrower groups	1515.29	(-) 26.40%	8.86%	1705.69	85.24%	7.97%

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

As on 31.3.15

Largest Industrial Sectors	Total Credit Exposure (₹ in Crore)	%Total Loan Assets
1. Food manufacturing	27.18 (27.72)	15.88% (10.02%)
2. Other Chemical & Chemical Prods.	19.60 (19.83)	11.46% (7.17%)
3. Services		
Hotels	8.14 (8.43)	4.76% (3.05%)
Transport	33.08 (34.05)	19.33% (12.31%)
Other Services	21.39 (21.51)	12.50% (7.78%)
4. Textiles	16.48 (16.55)	9.63% (5.98%)



5. Basic Metals	15.42 (15.42)	9.01% (5.58%)
6. Paper & Paper products	9.54 (9.71)	5.57% (3.51%)
7. Other Industries	95.02 (96.60)	55.53% (34.95%)

LIQUIDITY

j) Maturity pattern of Rupee Assets & Liabilities - (₹ 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	13.03	93.59	-	246.12	-	252.38	605.12
Rupee Liabilities	8.00	157.25	-	-	-	439.87	605.12
Difference	5.03	(-) 63.66	-	246.12	-	(-) 187.49	-

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

l) OPERATING RESULTS

a) Interest Income as % to average working fund	<u>1190.07</u>	=	6.96%	(Pr.Yr. 6.03%)
	17109.92			
b) Non- Interest income as a % to average working funds:	<u>230.02</u>	=	1.34%	(Pr.Yr. 1.36%)
	17109.92			
c) Operating profit as a % to average working funds	<u>196.10</u>	=	1.15%	(Pr.Yr. 2.24%)
	17109.92			
d) Return on average assets :	<u>(-)7739.59</u>	=	(-) 45.23%	(Pr.Yr. 0.23%)
	17109.92			
e) Net Profit per employee	<u>(-)7739.59</u>	=	(-) 42.29 lakh	(Pr.Yr. 0.24lakh)
	183			

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

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

As per our Report of even date

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

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC

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



ANNEXURE-I

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

(₹ lakh)

As on 31.03.2014	PARTICUCLARS	As on 31.03.2015
1	Particulars of Loans & Advances	
16500.27	(a) Debts considered good in respect of which the Corporation is fully secured(out of this loan amounting ₹ 15730.46 (₹ 15765.75) lakh also covered by personal guarantees)	16464.98
10341.05	(b) Debts fully secured but under litigation	9823.41
26841.32	Total (a) + (b)	26288.39
-	(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.	
16910.03	(e) (i) Total amount of instalment whether of principal or interest of which default was made at any time during the year.	33983.00
20399.40	(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).	301225.82
-	(iii) Total amount of instalment whether of princiapl or interest overdue by concerns in which the Directors of the Corporation are interested excluding Nominee Directors U/s. 27 of SFCs Act.	-
23004.33	(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 29 of the SFCs Act.	33403.18
734.52	(v) Debts guaranteed by the State Govt. Schedule Banks or State Co-operative Banks.	734.52
2	Classification of Loans and Advances according to the size of the industrial units.	
18520.51	(i) Debts due from small scale industrial concerns	18401.87
8320.81	(ii) Debts due from concerns other than those included under (i) above.	7886.52
26841.32	Total	26288.39



3	Classification of Loans and Advances according to the Constitution of the Industrial Units.	
9394.46	(a) Proprietary	9314.70
1610.48	(b) Partnership	1610.48
-	(c) Hindu Undivided Family	-
307.99	(d) Co-operatives	307.99
14581.03	(e) Private Limited Companies	14255.03
947.36	(f) Public Limited Companies	800.19
-	(g) Trusts	-
26841.32	Total:	26288.39



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

Particulars	As on 31.03.15 ₹	As on 31.03.14 ₹
Deposits towards Loan Administration Fees	72726	25726
Deposit Towards fees Payable - IED	-	10600
Deposit for Rephasement	-	137250
Security Deposit by Security Service agencies	1730187	1728202
State Investment Subsidy (M & LI)	9359248	9359248
Interest Subsidy from State Govt. - SPL. Enterprenuer	809091	791264
Security Deposit by Recovery Agency	150000	
Advance Deposit towards OTS	52302485	49957678
Security Deposit & Down Payment	183082651	196914104
State Investment Subsidy (H & T Promoters)	753961	753961
State Investment Subsidy (SSI)	38162478	38629778
State Govt. Interest Subsidy (IPR 07)	190157	2500000
Suspense	-	5001111
Govt. assistance for EDP under TASP	42584	46843
LIC Deduction from Salary	48423	59738
Other Deduction - Terminal Dues	878706	895663
Advance against House Rent	356438	163474
Tax Deduction at Source - Others	41093	58989
Tax Deduction at Source from Salary	-	500
Co-Operative Loan deduction -Salary	451120	599640
Co-Operative Thrift Deposits	57030	69700
Employees Union Fees Deduction - Salary	460	760
Association Fees ded.-Salary	2020	2910
Staff Welfare Fund	23198	27165
Professional Tax Deduction - Salary	44050	45950
Bank Loan Deduction Salary	65702	243780
Employee's Welfare Fund Deduction-Salary	3290	4200
P.F Advance (Recovered)	157674	168648
Service Tax Recovered	23465	-
Deposits by Loanee as per Court Directives	35686767	21565942
Emplyee's Provident Fund	1144209	758695
Salary & Allowances Payable	3381200	3914754
Consolidated Wages Payable	4500	-
EMD Refundable / Distributable	32491729	32491729
OSFC Foundation Day Celebration Fund	254824	274804
Total ----->	361771466	367202806



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

Particulars	As on 31.03.15	As on 31.03.14
	₹	₹
State Govt. Seed Money Recovered-Agency	4652817	4523155
Int.on State Govt. Seed Money Recovered	4582192	4241229
State Govt. MM Asst. Recovered	1360000	1360000
Int.on State Govt. M.M. Asst.Recovered	572149	529426
Soft Loan from SIDBI - (MUN) Recovered	222093	222093
SIDBI NEF Recovered - Agency	17348784	31481472
Service Charges SIDBI NEF-Agency	9664638	11858814
Interest on State Govt. Soft Loan Recovered	47847	47847
Penal Interest on Agency Loan	-	2865
State Govt. Soft Loan recovered	1028092	997664
Total----->	39478612	55264565

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

Particulars	As on 31.03.15	As on 31.03.14
	₹	₹
House Building Advance	215392	472580
Interest Accrued on HB Loan	2693532	4216276
Vehicle Advance	10823	32213
Pay Advance	323913	323060
Festival Advance	445846	501846
Medical Advance	17350	117593
Office Expenses Advance	121512	96908
Personal Loan / Commercial Loan	681748	1641887
Travelling Advance - Employees	266886	272969
Total----->	4777002	7675332

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



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

Balance with Scheduled Banks in Current Accounts

Particulars	As on 31.03.15 ₹	As on 31.03.14 ₹
At Head Office		
Central Bank of India, Mahatab Road,Ctc.	758596	884758
Union Bank of India, College Square,Cuttack. (Withdrawal A/c)	498896	1213147
IDBI Bank Ltd., Cuttack (TRA)	278394	278394
Total----->	1535886	2376299
(1) Cuttack Branch		
Union Bank of India (Deposit)	113775	1128235
Union Bank of India (Withdrawal)	28478	19949
Total----->	142253	1148184
(2) Paradeep Branch		
Union Bank of India,Link Road, Ctc(Deposit)	12000	301000
Union Bank of India,Link Road, Ctc(Withdrawal)	715280	2222
Union Bank of India,Paradeep (Recovery Cell)		1000
Total----->	727280	304222
(3) Balasore Branch		
Union Bank of India (Deposit)	701000	1532000
Union Bank of India (Withdrawal)	19352	1854
Union Bank of India, Bhadrak (Recovery Cell A/c)	1000	1000
Union Bank of India, Keonjhar (Deposit A/c)	-	106711
Union Bank of India, Keonjhar (Withdrawal A/c)	-	4153
Total----->	721352	1645718
(4) Berhampur Branch		
Union Bank of India (Deposit)	11850	546010
Union Bank of India (Withdrawal)	3553	30077
Union Bank of India, Phulbani (Recovery Cell A/c)	6389	131000
Total----->	21792	707087



Particulars	As on 31.03.2015 ₹	As on 31.03.2014 ₹
(5) Jeypore Branch		
Union Bank of India (Deposit)	1000	-
Union Bank of India (Withdrawal)	4992	6083
IOB, Jeypore		1000
Total ----->	5992	7083
(6) Rourkela Branch		
Union Bank of India (Deposit)	330967	1000
Union Bank of India (Withdrawal)	5079	3654
Total ----->	336046	4654
(7) Bhubaneswar Branch		
Union Bank of India, Nayapalli (SB-Deposit)	230970	277143
Union Bank of India, Nayapalli (SB-Withdrawal)	5728	24226
Union Bank of India (Deposit A/c.)	25000	25000
Union Bank of India, Khurda (Recovery Cell A/c)	30080	159551
Union Bank of India, Puri (Recovery Cell A/c)	1000	8917
Total ----->	292778	494837
(8) Dhenkanal Branch		
Union Bank of India (Deposit)	406	268
Union Bank of India (Withdrawal)	29315	29971
Union Bank of India, Angul (Recovery Cell A/c)	1000	1000
Total ----->	30721	31239
(9) Sambalpur Branch		
Union Bank of India (Deposit)	1000	22097
Union Bank of India (Withdrawal)	31486.00	2623
Union Bank of India, Bhawanipatna (Recovery Cell A/c)	1000	985
Union Bank of India, Bolangir (Recovery Cell A/c)	1063	10877
Union Bank of India, Jharsuguda		13324
Union Bank of India, Bolangir (Recovery Cell A/c)		1000
Total ----->	34549	50906
Grand Total ----->	3848649	6770229



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

Particulars	As on 31.03.15 ₹	As on 31.03.14 ₹
Head Office	614107	2208351
Cuttack Branch	1635	8494
Paradeep Branch	120898	312640
Bhubaneswar Branch	404394	320473
Balasore Branch	490319	150011
Berhampur Branch	221786	185643
Jeypore Branch	209	1517
Rourkela Branch	34682	18508
Sambalpur Branch	119021	310459
Dhenkanal Branch	11382	127003
Total—————>	2018433	3643099



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

Particulars	As on 31.03.15 ₹	As on 31.03.14 ₹
Head Office	-	6488
Bhubaneswar Branch	443	1104
Cuttack Branch	90	-
Balasore Branch	317	222
Paradeep Branch	415	-
Berhampur Branch	165	100
Jeypore Branch	49	95
Rourkela Branch	990	493
Sambalpur Branch	133	535
Dhenkanal Branch	292	297
Total ----->	2894	9334



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

Sl.No.	Name of the Bank	As on 31.03.15 ₹	As on 31.03.14 ₹
1	Union Bank of India, Choudhury Bazar, Cuttack. (303/284391)	2653518	2427553
2	Union Bank of India, Choudhury Bazar, Cuttack. (303/284615)	1152847	1065052
3	AXIS Bank Ltd., Rourkela (For Bank Guarantee)	190778	190778
4	Union Bank of India, College Square, Cuttack	-	46709890
5	The Odisha State Co-operative Bank, Link Road Branch, Cuttack	51057802	-
6	The Odisha State Co-operative Bank, Link Road Branch, Cuttack	11038128	11038128
	TOTAL ----->	66093073	61431401

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

Sl.No.	Name of the Bank	As on 31.03.15 ₹	As on 31.03.14 ₹
1	Union Bank of India, College Square, Cuttack. (ESCROW A/c)	92395506	93019625
2	Union Bank of India, Main Branch, Cuttack.	3748747	3479043
	Total	96144253	96498668



ODISHA STATE FINANCIAL CORPORATION

Details of subscriber-wise Bonds issued, Redeemed, Off-market transaction & Balance outstanding as on 31.03.2015

₹ In lakh

Sl No.	Name of the Institution	Balance as on 31.03.14	Issued during the year	Off- market transaction		Bond Holding	Redeemed/ Transferred/ unclaimed liability during the year	Balance as on 31.03.15	Redemption on accrued & due as on 31.03.15	Premature Redemption during the year
				Buy	Sell					
1	2	3	4	5	6	7	8	9	10	11
1	Kalol Nagrik Sahakari Bank *	0.00	0.00	0.00	0.00	10.00	10.00	0.00	0.00	0.00
	Total:	0.00	0.00	0.00	0.00	10.00	10.00	0.00	0.00	0.00

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

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

Sl.No.	PARTICULRAS	As on 31.03.15 ₹	As on 31.03.14 ₹
	PROVISION FOR NPA		
i.	Balance as per last Balance Sheet	2074768000	2065449000
	SUB TOTAL	2074768000	2065449000
ii.	Add.:		
	Provision during the year	651851000	45731922
	SUB TOTAL	651851000	45731922
	(A) Total (i) + (ii)	2726619000	2111180922
iii.	Less :		
	Adjusted towards Interest Income reversed and treated as Principal Recovery under OTS		31740666
	Written off during the year	19386	55357
	Provisions written back during the year against OTS cases	30893913	4616899
	SUB TOTAL	30913299	36412922
	Total (i)+(ii)-(iii)	2695705701	2074768000



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

ADVANCE TAXES	As on 31.03.15 ₹	As on 31.03.14 ₹
Income Tax paid under protest	568243	568243
Income Tax Deducted at source	2537921	3433462
Income Tax Refundable by I.T.Dept.	2112275	2112275
Total----->	5218439	6113980

DETAILS OF DISPUTED PAYMENT UNDER PROTEST	As on 31.03.15 ₹	As on 31.03.14 ₹
Bimala Cement (P)Ltd., Rourkela	-	6420000
Indo East Extraction (P)Ltd., Bls	-	1748000
Hanuman Works (P) Ltd.	-	2271703
UBI, Nayasarak, Cuttack, A/c Jayaguru Cold Storage Ltd.	179069	-
TOTAL	179069	10439703

DETAILS OF DEPOSITS AGAINST COURT DIRECTIVES		As at 31.03.15 ₹	As at 31.03.14 ₹
1.	Hrisikesh Das (A/c Dibakar Iron & Steel Co (P) Ltd.) with SBI, I/A Berhampur	56793451	51673737
2.	The Registrar, Delhi High Court (28.09.96) A/c. Bombay Amonia (P) Ltd. Vrs. Premier Cold Storage case No.50/95	195224	195224
3.	The Registrar, Delhi High Court (6/8/97) A/c. Bombay Amonia (P) Ltd. F. A. No.354/96	104537	104537
4.	The Registrar, Delhi High Court A/c. Blue Diamond Ice Factory (29/9/99)	395800	395800
5.	The Official Liquidator Orissa High Court (23/12/06) A/c. Coastal Synthetics, Balasore	30000	30000
6.	The Civil Judge, Senior Division, Baripada A/c Hotel Ashirbad Execution Case No.-18/11	2500000	2500000
7.	Union Bank of India, College Square, Cuttack A/c Orissa Polytex (P) Ltd.	1714507	1714507
	TOTAL	61733519	56613805



**STATE FUND ACCOUNT
BALANCE SHEET AS ON 31ST MARCH 2015**

LIABILITIES			ASSETS		
As at 31.03.2014	Particulars	As on 31.03.2015	As on 31.03.2014	Particulars	As on 31.03.2015
₹		₹	₹		₹
406,623	STATE FUND	406,623	283,311	BANK BALANCE	0
69	DEPOSIT TOWARDS VALUATION OF PROPERTIES	69	318,121	LOANS AND ADVANCES	318,121
			893,265	INT. ACCD. ON LOANS & ADVANCES	911,200
			3,857	LAW CHARGES ON LOANS	3,857
168	PROPERTIES RECEIVED	168		UNDER LITIGATION	
			850	ADV. TO LEGAL ADVISOR	850
351	SUSPENSE ACCOUNT	351			
			1,238	INSURANCE PREMIUM PAID	1,238
1,093,431	INCOME/EXPENDITURE ACCOUNT	1,111,288		ON MORTGAGED ASSETS	
				AMOUNT RECEIVABLE FROM OSFC	283,233
1,500,642	TOTAL	1,518,499	1,500,642	TOTAL	1,518,499

FOR ODISHA STATE FINANCIAL CORPORATION

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC



STATE FUND ACCOUNT
INCOME AND EXPENDITURE ACCOUNT UP TO THE YEAR ENDED 31ST MARCH 2015

EXPENDITURE			INCOME		
2013-2014 (Previous year) ₹		2014-2015 (Current year) ₹	2013-2014 (Previous year) ₹		2014-2015 (Current year) ₹
993	BANK CHARGES & COMMISSION	1,071	1,020,305	INT. ON LOANS & ADV.	1,038,240
-			6,608	LESS REBATE	6,608
-	POSTAGE STAMP EXCESS AMOUNT TRANSFERRED TO BALANCE SHEET	1,111,288	1,013,697		1,031,632
1,093,431			1,250	PROCESSING CHARGES	1,250
			78,537	INTEREST ON DEPOSIT WITH BANK	78,537
			940	INTEREST ON STATE FUND A/C	940
1,094,424	TOTAL	1,112,359	1,094,424	TOTAL	1,112,359

FOR ODISHA STATE FINANCIAL CORPORATION

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

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

Sd/-
(N. Palai)
MANAGING DIRECTOR
OSFC

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

Sd/-
(A.R. Mohanty)
DIRECTOR
OSFC



**MANAGEMENT REPLY TO THE AUDITOR'S REPORT FOR THE YEAR ENDING
31ST MARCH, 2015**

AUDITOR'S REPORT	REPLY
<p>1. We have audited the accompanying standalone financial statements of Odisha State Financial Corporation (OSFC), which comprise of the Balance Sheet as at 31st March 2015 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.</p>	No Comments
<p>2. Corporation's Management is responsible with respect to the preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Corporation in accordance with the accounting standards and principles generally accepted in India and as per the requirements of Small Industries Development Bank of India (SIDBI). This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the SFCs Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements whether due to fraud or error.</p>	No Comments
<p>3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.</p> <p>We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit under the provisions of the Act and the Rules made thereunder.</p> <p>We conducted our audit in accordance with the standards on auditing issued by the Institute of</p>	No Comment



<p>Chartered Accountants of India and provisions of Section 37 of the State Financial Corporation's Act. 1951 as amended by SFCs (Amendment) Act.2000. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.</p>	
<p>4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depend upon the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Corporation's preparation of the financial statement that give a true and fare view in order to design audit procedure that are appropriate in the circumstances, but not for the purpose expressing an opinion on whether the Corporation has place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements.</p>	No Comment
<p>5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.</p>	No Comment
<p>Opinion :</p> <p>In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles laid down by SIDBI for SFCs and generally accepted in India, of the State of affairs of the Corporation as at 31st March, 2015, and its profit/ loss and its cash flows for the year ended on that date.</p>	No Comment



<p>Report on other legal and Regulatory requirements :</p> <p>On the basis of our audit subject to Notes on Accounts as contained in Schedule "S", we report that</p> <ul style="list-style-type: none">i) We have sought and obtained all the information and explanations which to the best to our knowledge and belief were necessary for the purpose of our audit.ii) In our opinion proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us.iii) The operations of the Corporation and transactions that have come to our notice have been conducted in accordance with the provisions of SFCs Act, 1951.iv) The income recognition, assets classification, provisioning, calculation of CRAR and disclosures in the notes on accounts have been done as per the guidelines and circulars issued by the SIDBI from time to time.v) The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow statements dealt with by this Report are in agreement with the books of accounts and with the returns received from the Branches not visited by us.vi) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards and guide lines issued by SIDBI for SFCs from time to time. <p style="text-align: center;">Sd/- A.C.JENA & CO. CHARTERED ACCOUNTANTS LINK ROAD, CUTTACK -753 012</p>	<p style="text-align: center;">No Comment</p> <p style="text-align: center;">Sd/- MANAGING DIRECTOR</p> <p style="text-align: center;">Sd/- JOINT GENERAL MANAGER</p>
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Separate Audit Report of the Comptroller and Auditor General of India under Section 37(6) of the State Financial Corporation Act, 1951 on the accounts of Odisha State Financial Corporation for the year ended 31st March 2014

The preparation of the financial statements of Odisha State Financial Corporation for the year ended 31 March 2014 in accordance with financial reporting framework prescribed under the State Financial Corporations Act, 1951 and the generally accepted accounting principles is the responsibility of the management of the Corporation. The statutory auditors appointed by the Shareholders out of the panel of Auditors approved by Reserve Bank of India under section 37(1) of the State Financial Corporations Act, 1951 are responsible to express an opinion on these financial statements based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 26 June 2014.

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

We, on behalf of the Comptroller & Auditor General of India, have conducted the audit of the financial statements of the above said Corporation for the year ended 31st March 2014 under Section 37(6) of the State Financial Corporations Act, 1951. This audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and the Corporation's personnel and a selective examination of some of the accounting records. Based on our audit, we would like to highlight the following significant matters under section 37(6) of the State Financial Corporations Act, 1951 which have come to our attention and which in our view are necessary for enabling a better understanding of the financial statements and the related Audit report issued by the Statutory Auditors.

(A) Balance Sheet

1. Capital and Liabilities

Borrowings - Schedule (D)

(B) Interest Accrued and Due (LISC)

1. On Loan-in-lieu of Share Capital- SIDBI/IDBI - ₹ 7.42 crore

Assets

Other Assets (Schedule-J) - ₹ 105.72 crore

(Viii) (C) Interest Accrued on LISC under considerations of waiver - ₹ 5.53 crore

The above represents outstanding interest on Loan in lieu of Share Capital (LISC) from SIDBI up to March 2008 for which SIDBI has been requested to waive. During 2009-10, on adoption of accrual system of accounting, the Corporation passed a contra entry to show it both as asset and liability. As the waiver of interest has not been considered by SIDBI even after lapse of five years, necessary provision should have been made for the doubtful assets. Non-provision of the same has resulted in overstatement of Other Assets and Profits for the year by - ₹ 5.53 crore each.



(B) Profit & Loss Account

2. Expenditure

Personnel Expenses (Schedule-M)

Salaries & Allowances (Others) - ₹ 8.23 crore

The above does not include - ₹ 1.45 crore being arrear Dearness Allowance payable to the employees of the Corporation for the period from July 2012 to March 2014 and instead wrongly booked under contingent Liabilities for an amount of ₹ 1.42 crore. This has resulted in understatement of Personnel Expenses and other Liabilities and overstatement of Profit by - ₹ 1.45 crore each in addition to overstatement of Contingent Liabilities of - ₹ 1.42 crore.

INCOME (A)

Other Incomes (Schedule - P)

3. Interest on Term & Flexi Deposits with Bank - ₹ 2.00 crore

The above includes - ₹ 0.45 crore being the interest earned and accrued during the year 2013-14 in addition to - ₹ 1.80 crore being the interest earned and accrued from 2003-04 to 2012-13 on the deposits made out of funds received from State Government as interest subsidy to be disbursed by Directorate of Industries to the beneficiaries under different schemes.

As the Corporation is an intermediate agency for disbursement of subsidy and the funds do not belong to it, accounting of interest earned on this fund as income without specific condition in the sanction order, has resulted in overstatement of other income, profit for the year by - ₹ 0.45 crore, prior period income (upto March 2013) by - ₹ 1.80 crore and understatement of liabilities by - ₹ 2.25 crore.

For and behalf of
The Comptroller and Auditor General of India

Place: Bhubaneswar

Date: 16-09-2014

Sd/-
S. S. DADHE
(PRINCIPAL ACCOUNTANT GENERAL)



**COMPLIANCE TO THE SAR OF THE C & AG OF INDIA ON THE ACCOUNTS OF
OSFC FOR THE YEAR ENDING 31ST MARCH 2014**

AUDITORS OBSERVATION/ COMMENTS	COMPLIANCES
<p>The preparation of the financial statements of Odisha State Financial Corporation for the year ended 31 March 2014 in accordance with financial reporting framework prescribed under the State Financial Corporations Act. 1951 and the generally accepted accounting principles is the responsibility of the management of the Corporation. The statutory auditors appointed by the Shareholders out of the panel of Auditors approved by Reserve Bank of India under section 37(1) of the State Financial Corporations Act.1951 are responsible to express an opinion on these financial statements based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 26 June 2014.</p>	No Comments
<p>The separate Audit Report contains the comments of the Comptroller & Auditor General of India on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any are reported through inspection reports/Comptroller and Auditor General of India's Audit Reports separately.</p>	No Comments
<p>We, on behalf of the Comptroller & Auditor General of India, have conducted the audit of the financial statements of the above said Corporation for the year ended 31st March 2014 under Section 37(6) of the State Financial Corporations Act, 1951. This audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and the Corporation's personnel and a selective examination of some of the accounting records. Based on our audit, we would like to highlight the following significant matters under section 37(6) of the State Financial Corporations Act. 1951</p>	No Comments



<p>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>	
<p>(A) Balance Sheet</p> <p>1. Capital and Liabilities</p> <p>Borrowings - Schedule (D)</p> <p>(B) Interest Accrued and Due (LISC)</p> <p>1. On Loan-in-lieu of Share Capital- SIDBI/IDBI - ₹7.42 crore</p> <p>Assets</p> <p>Other Assets (Schedule-J) - ₹105.72 crore</p> <p>(Viii) (C) Interest Accrued on LISC under considerations of waiver - ₹5.53 crore</p> <p>The above represents outstanding interest on Loan in lieu of Share Capital (LISC) from SIDBI up to March 2008 for which SIDBI has been requested to waive. During 2009-10, on adoption of accrual system of accounting, the Corporation passed a contra entry to show it both as asset and liability. As the waiver of interest has not been considered by SIDBI even after lapse of five years, necessary provision should have been made for the doubtful assets. Non-provision of the same has resulted in overstatement of Other Assets and Profits for the year by - ₹5.53 crore each.</p>	<p>Complied in the accounts of FY 2014-15 by charging - ₹5.53 crores as prior year expenses</p>
<p>(B) Profit & Loss Account :</p> <p>2. Expenditure</p> <p>Personnel Expenses (Schedule-M)</p> <p>Salaries & Allowances (Others) - ₹8.23 crore</p> <p>The above does not include - ₹1.45 crore being arrear Dearness Allowance payable to the employees of the Corporation for the period from July 2012 to March 2014 and instead wrongly booked under contingent Liabilities for an amount of ₹1.42 crore. This has resulted in understatement of Personnel Expenses and other Liabilities and overstatement of Profit by - ₹1.45 crore each in addition to overstatement of Contingent Liabilities of - ₹1.42 crore.</p>	<p>Complied with due treatment in the accounts of FY 2014-15</p>
<p>INCOME (A)</p> <p>Other Incomes (Schedule - P)</p> <p>3. Interest on Term & Flexi Deposits with Bank - ₹2.00 crore</p>	<p>Under the agency agreement/arrangements, no such condition was stipulated/incorporated for payment of interest on the unspent/unutilized balance of Agency Fund. Similarly Government has not paid any interest to the Corporation,</p>



The above includes - ₹ 0.45 crore being the interest earned and accrued during the year 2013-14 in addition to - ₹ 1.80 crore being the interest earned and accrued from 2003-04 to 2012-13 on the deposits made out of funds received from State Government as interest subsidy to be disbursed by Directorate of Industries to the beneficiaries under different schemes.

As the Corporation is an intermediate agency for disbursement of subsidy and the funds do not belong to it, accounting of interest earned on this fund as income without specific condition in the sanction order, has resulted in overstatement of other income, profit for the year by - ₹ 0.45 crore, prior period income (upto March 2013) by - ₹ 1.80 crore and understatement of liabilities by - ₹ 2.25 crore.

when subsidy is released to the beneficiary from own sources of Corporation pending allotment/ release of subsidy by government Further for operation of subsidy on behalf of the Govt. the Corporation is not getting any agency commission. This practice & system is consistently & regularly followed by the Corporation since inception of the adoption of the agency functions of State Government. The Corporation has never received any such observation in the past in any manner.

As per the instructions of Government all receipts of the Corporation including subsidy are escrowed and segregation is not practicable.



Statistical Annexures

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



PARTICULARS	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	As on 31.03.15
OPERATIONS											
1. Sanction	-	-	-	-	93.00 (2)	393.58 (6)	411.35 (8)	265.46 (6)	20.00 (1)		131717.00 (28230)
2. Disbursement	11.97	-	-	-	-	71.23 (3)	83.55 (4)	205.82 (6)	113.38 (2)	3.74	130990.09 (28222)
3. Recovery	10674.96	7614.57	6478.51	4657.46	4024.71	4202.86	3655.49	1934.31	1138.83	1533.49	197001.01
4. Outstanding	51152.51 (13266)	46707.92 (12595)	43454.12 (11918)	40369.94 (11386)	37070.85 (10507)	32614.55 (9885)	30111.85 (9332)	28753.48 (8915)	27668.56 (8751)	27204.12 (8595)	27204.12 (8595)
SHARECAPITAL											
5. Paid Up	-	-	27104.25	2316.25	-	3170.30	186.75	-	(-) 0.99	-	41533.85
BONDS											
6. Issued	-	-	-	-	-	-	-	-	-	-	42444.25
7. Repaid	3539.00	13160.00	1963.50	2607.50		80.00					42434.25
8. Outstanding (Principal)	17821.25	4661.00	2697.50	90.00	90.00	-	10.00	-	-	-	-
9. Balance outstanding transferred to Unclaimed liabilities						10.00	-	-	-	-	10.00
REFINANCE (SIDBI)											
10. Availed	-	-	-	-		53.28					69156.34
11. Repaid	2461.19	2620.00	1500.00	1500.39	1500.00	1500.00	752.06	1000.00	800.00	400.00	60590.47
12. Outstanding	20084.74	17465.04	15965.04	14464.65	12964.65	11517.93	10765.87	-	-	-	8565.87
13. 0% Funded Loan							1795.00				10360.87
14. Total											-
15. a) Crystallised OIS Amt. 4200.00											2000.00
b) Agreed for waiver 8360.87											8360.87



PARTICULARS	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Ason 31.3.15
SUBSIDY											
16. Received	35.95	75.65	692.24	411.93	159.26	104.78	97.00	54.00	45.00	39.93	12118.55
17. Sanctioned	0	62.87	92.23	62.00	67.23	1.64	10.14	7.34	34.19	-	12823.21
18. Disbursed	49.51	49.33	465.61	370.25	92.10	92.38	86.08	13.83	4.07	68.38	11667.58
FINANCIAL SUMMARY											
19. Gross Income	2623.24	2671.56	2742.87	2327.62	2347.05	2547.46	2603.32	1981.69	1743.97	1420.09	-
20. Total Expenditure	2401.36	2554.07	2485.85	2140.47	1959.27	2433.69	2454.70	1464.55	1240.94	1224.00	-
21. Profit/Loss Before Tax	221.88	117.49	257.02	187.15	387.78	113.77	148.62	517.14	503.03	196.09	-
22. Less provision for NPA & Standard Assets								448.02	407.78	6208.63	
23. Less Appropriation Income / net Prior period adjustment			-	87.19	207.76	52.68	96.05	9.31	44.07	1727.05	-
24. Reserves			102.06	54.37	36.00	12.22	10.51	11.96	10.23	-	
25. Provision for Tax		5.31	1.88	2.48	-	-	-	-	-	-	-
26. Net Profit/Loss	221.88	112.18	255.14	271.86	180.02	61.09	52.57	59.81	51.18	(-)/7739.59	-47689.56
STAFF STRENGTH (Number)	342	330	329	299	297	293	253	242	209	183	183

* Refinance outstanding of SIDBI of ₹ 125.61 Cr. has been settled under OTS at ₹ 42.00 Cr. Against this ₹ 22 Cr. has been paid as on 31.03.2015.



ANNEXURE-2: LOAN APPLICATION RECEIVED AND DISPOSED DURING LAST 2 YEARS
(₹ lakh)

SI No.	Particulars of Application	F Y 2013-14						F Y 2014-15											
		Small Scale		SRTOs		Others		Small Scale		SRTOs		Others		Total					
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.				
1	Pending at the beginning of the year	5	341	-	-	-	-	5	341	-	-	-	-	3	102	-	-	3	102
2	Received during the year	3	92	-	-	-	-	3	92	-	-	-	-	1	45	-	-	1	45
A	Total (1+2)	8	433	-	-	-	-	8	433	-	-	-	-	4	147	-	-	4	147
3	Sanction (Gross) during the year	1	20	-	-	-	-	1	20	-	-	-	-	-	-	-	-	-	-
4	Rejected withdrawn, closed or lapsed during the year	4	292	-	-	-	-	4	292	-	-	-	-	2	72	-	-	2	72
5	Amt. of loan reduced while sanctioning	-	19	-	-	-	-	-	19	-	-	-	-	-	-	-	-	-	-
6	Pending at the end of the year	3	102	-	-	-	-	3	102	-	-	-	-	2	75	-	-	2	75
B	Total (3+4+5+ 6)	8	433	-	-	-	-	8	433	-	-	-	-	4	147	-	-	4	147
C	(6) as % of A	38	24	-	-	-	-	38	24	-	-	-	-	50	51	-	-	50	51



ANNEXURE - 3 : SCHEME WISE CLASSIFICATION OF ASSISTANCE

(₹ lakh)

Sl.No.	SCHEMES	SANCTION (EFFECTIVE)		DISBURSEMENT	
		Since Inception up to 31.3.15		Since Inception up to 31.3.15	
		No.	Amt.	No.	Amt.
i)	Composite Loan	5349	246.47	5349	246.47
ii)	Single Window Scheme				
	- Term Loan	203	1206.07	203	1206.07
	- Working Capital	-	1188.94	-	1188.94
iii)	Modernisation	63	1050.66	65	1016.00
iv)	Rehabilitation	102	822.13	102	822.13
v)	Equipment Finance	6	67.01	6	67.01
vi)	Women Entrepreneur (Mahila Udyog Nidhi)	176	591.24	176	591.24
vii)	Ex-Servicemen(SEMFEX)	43	163.55	43	163.55
viii)	S R T O s	9139	26040.66	9139	26039.03
ix)	RTDM	26	683.52	26	683.52
x)	Cyclone Assistance	733	5073.25	733	5073.25
xi)	Factoring Service	349	15613.05	349	15613.05
xii)	Hire Purchase	163	1188.93	163	1188.93
xiii)	N.E.F	(576)	1657.75	(576)	1657.75
xiv)	Loans Not Covered Above	11878	76123.77	11868	75433.15
	TOTAL	28230	131717.00	28222	130990.09

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

ANNEXURE-4: SECTOR-WISE CLASSIFICATION OF TERM LOAN SANCTION, DISBURSEMENT AS ON 31.03.15

(₹ lakh)

Sl. No.	SECTOR	SANCTION (EFFECTIVE)		DISBURSEMENT	
		No.	Amt.	No.	Amt.
1.	SRIOs	9139	26040.66	9139	26039.03
2.	Small Scale	15739	67768.04	15732	67068.58
a)	Tiny	1311	3290.59	1311	3290.59
b)	Ancillaries	1345	5325.60	1345	5325.60
c)	Composite	9975	443.45	9975	443.45
d)	Other SSI Units	3108	58708.40	3101	58008.94
3.	Medium Scale	78	12276.90	78	12276.90
4.	Others	3274	25631.40	3273	25605.58
	TOTAL	28230	131717.00	28222	130990.09





**ANNEXURE- 5 : DISTRICTWISE ANALYSIS OF LOANS SANCTION,
DISBURSEMENT, RECOVERY & OUTSTANDING AS ON 31.03.2015**

(₹ lakh)

Sl. No.	Name of the District	SANCTION (EFFECTIVE)							
		SSI		SRTO		Others		Total	
		No	Amount	No	Amount	No	Amount	No	Amount
1	Cuttack	1927	10645.96	1665	3811.59	564	6952.99	4156	21410.54
2	Jagatsinghpur	1789	865.80	356	1543.02	101	837.91	2246	3246.73
3	Jajpur	140	2654.02	402	1673.41	114	2990.92	656	7318.35
4	Kendrapara	770	758.12	303	831.98	109	943.51	1182	2533.61
5	Puri	659	1558.24	246	810.44	283	2693.01	1188	5061.69
6	Khurda	1662	12632.88	744	1832.69	223	5025.17	2629	19490.74
7	Nayagarh	1061	1506.22	169	485.37	36	178.29	1266	2169.88
8	Ganjam	805	3617.98	648	1678.86	240	1589.82	1693	6886.66
9	Gajapati	46	278.80	7	30.16	33	342.24	86	651.20
10	Phulbani	160	569.85	206	506.81	149	542.73	515	1619.39
11	Boudh	89	151.97	101	248.96	35	121.91	225	522.84
12	Sambalpur	282	2697.99	358	889.85	96	2084.89	736	5672.73
13	Deogarh	43	188.32	22	87.64	15	11.43	80	287.39
14	Bargarh	277	831.45	115	514.58	22	290.73	414	1636.76
15	Jharsuguda	94	617.17	232	755.05	69	676.29	395	2048.51
16	Sundargarh	967	8365.17	522	1636.31	336	4757.95	1825	14759.43
17	Balasore	758	6402.55	457	1220.62	116	2450.23	1331	10073.40
18	Bhadrak	179	1154.65	252	818.43	57	311.66	488	2284.74
19	Mayurbhanj	837	2325.96	330	824.00	96	949.87	1263	4099.83
20	Bolangir	613	2178.39	367	946.21	88	923.92	1068	4048.52
21	Sonepur	87	41.26	55	19.26	7	5.00	149	65.52
22	Kalahandi	308	1094.31	231	661.64	197	347.54	736	2103.49
23	Nuapada	54	185.63	46	194.85	24	41.58	124	422.06
24	Dhenkanal	722	1368.24	310	646.34	98	509.43	1130	2524.01
25	Angul	220	591.62	112	527.14	27	199.23	359	1317.99
26	Keonjhar	312	1430.64	582	1969.49	68	968.89	962	4369.02
27	Koraput	461	1561.26	140	343.32	86	697.20	687	2601.78
28	Malakangiri	113	115.69	13	35.07	2	29.16	128	179.92
29	Nawarangpur	139	468.06	79	183.81	6	49.96	224	701.83
30	Rayagada	165	909.84	69	313.76	55	384.84	289	1608.44
	Total	15739	67768.04	9139	26040.66	3352	37908.30	28230	131717.00



**ANNEXURE- 5 : DISTRICTWISE ANALYSIS OF SANCTION,
DISBURSEMENT, RECOVERY AND OUTSTANDING AS ON 31.03. 2015**

(₹ lakh)

Sl. No.	Name of the District	DISBURSEMENT								
		SSI		SRTO		Others		Total		Recovery
		No	Amount	No	Amount	No	Amount	No	Amount	Amount
1	Cuttack	1927	10613.68	1665	3810.81	564	6941.49	4156	21365.98	28030.22
2	Jagatsinghpur	1789	865.59	356	1543.02	101	837.91	2246	3246.52	3471.21
3	Jajpur	140	2652.76	402	1673.41	114	2990.92	656	7317.09	3615.31
4	Kendrapara	770	757.61	303	831.98	109	943.51	1182	2533.10	12022.65
5	Puri	659	1558.24	246	810.44	283	2693.01	1188	5061.69	9492.67
6	Khurda	1661	12332.50	744	1832.69	222	5025.17	2627	19190.36	31907.46
7	Nayagarh	1061	1506.22	169	485.37	36	178.29	1266	2169.88	1156.12
8	Ganjam	805	3363.90	648	1678.86	240	1589.82	1693	6632.58	7300.31
9	Gajapati	46	278.80	7	30.16	33	342.24	86	651.20	4104.53
10	Phulbani	160	569.85	206	506.48	149	542.73	515	1619.06	1483.08
11	Boudh	89	151.97	101	248.96	35	121.91	225	522.84	616.46
12	Sambalpur	282	2697.99	358	889.85	95	2074.89	735	5662.73	9188.53
13	Deogarh	43	188.32	22	87.64	15	11.43	80	287.39	3365.67
14	Bargarh	277	831.45	115	514.58	22	290.73	414	1636.76	1643.79
15	Jharsuguda	94	617.17	232	755.05	69	676.29	395	2048.51	2799.88
16	Sundargarh	966	8326.08	522	1636.31	336	4757.95	1824	14720.34	22992.37
17	Balasore	755	6333.95	457	1220.62	116	2450.23	1328	10004.80	15748.18
18	Bhadrak	179	1154.65	252	817.91	57	311.66	488	2284.22	1145.52
19	Mayurbhanj	837	2324.70	330	824.00	96	949.87	1263	4098.57	6122.26
20	Bolangir	613	2177.10	367	946.21	88	923.92	1068	4047.23	3625.37
21	Sonepur	87	41.26	55	19.26	7	5.00	149	65.52	2059.19
22	Kalahandi	308	1094.31	231	661.64	197	347.54	736	2103.49	2404.45
23	Nuapada	54	185.63	46	194.85	24	41.58	124	422.06	1437.50
24	Dhenkanal	722	1368.24	310	646.34	98	509.43	1130	2524.01	3729.41
25	Angul	220	591.12	112	527.14	27	199.23	359	1317.49	2947.06
26	Keonjhar	312	1430.64	582	1969.49	68	968.89	962	4369.02	6030.55
27	Koraput	460	1561.26	140	343.32	88	704.34	688	2608.92	3175.89
28	Malakangiri	113	115.69	13	35.07	2	29.16	128	179.92	1299.10
29	Nawarangpur	139	468.06	79	183.81	6	49.96	224	701.83	1513.23
30	Rayagada	164	909.84	69	313.76	54	373.38	287	1596.98	2312.63
	Total	15732	67068.58	9139	26039.03	3351	37882.48	28222	130990.09	196740.59

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



**ANNEXURE- 5 : DISTRICTWISE ANALYSIS OF LOANSSANCTION,
DISBURSEMENT, RECOVERY & OUTSTANDING AS ON 31.03. 2015**

(₹ lakh)

Sl. No.	Name of the District	OUTSTANDING (PRINCIPAL)							
		SSI		SRTO		Others		Total	
		No	Amount	No	Amount	No	Amount	No	Amount
1	Cuttack	1198	2972.07	522	816.07	107	366.66	1827	4154.80
2	Jagatsinghpur	985	218.30	202	66.85	69	158.56	1256	443.71
3	Jajpur	141	592.67	117	388.50	118	486.74	376	1467.92
4	Kendrapara	324	82.25	168	270.85	67	99.73	559	452.84
5	Puri	44	127.08	60	88.12	271	231.65	375	446.85
6	Khurda	454	4489.89	118	289.91	86	560.64	658	5340.43
7	Nayagarh	272	692.95	71	18.09	14	50.95	357	761.99
8	Ganjam	195	1184.11	96	157.78	35	116.58	326	1458.47
9	Gajapati	7	427.97	3	25.59	4	61.79	14	515.34
10	Phulbani	22	280.55	64	131.54	9	44.28	95	456.37
11	Boudh	17	19.54	16	29.01	3	17.35	36	65.89
12	Sambalpur	85	661.61	42	77.16	23	7.28	150	746.04
13	Deogarh	7	180.02	7	40.42	5	2.02	19	222.46
14	Bargarh	32	260.01	11	33.99	3	3.15	46	297.15
15	Jharsuguda	20	101.85	4	39.43	2	0.88	26	142.15
16	Sundargarh	294	2173.25	61	127.88	8	144.28	363	2445.41
17	Balasore	255	2685.48	71	131.61	25	146.82	351	2963.91
18	Bhadrak	49	803.19	27	44.93	8	56.62	84	904.73
19	Mayurbhanj	119	648.09	42	50.50	6	19.36	167	717.94
20	Bolangir	218	617.74	44	67.51	48	48.48	310	733.73
21	Sonepur	42	10.47	9	12.46	2	0.69	53	23.62
22	Kalahandi	76	410.54	28	96.84	44	17.60	148	524.97
23	Nuapada	16	31.88	7	41.56	2	18.60	25	92.04
24	Dhenkanal	452	467.39	68	83.15	21	78.45	541	628.99
25	Angul	65	194.53	16	30.85	10	43.85	91	269.23
26	Keonjhar	21	127.76	64	114.69	16	101.56	101	344.01
27	Koraput	140	278.97	9	17.78	5	41.24	154	337.99
28	Malakangiri	17	17.00	1	3.59	1	2.56	19	23.15
29	Nawarangpur	26	75.40	3	6.93	2	3.57	31	85.90
30	Rayagada	32	89.28	3	8.36	2	33.34	37	130.99
	Total	5625	20921.83	1954	3311.95	1016	2965.27	8595	27199.05

* Excludes difference between GL and SL of ₹ 5.07 lakh

ANNEXURE-6: BRANCH WISE COMPARATIVE POSITION OF SANCTION & DISBURSEMENT AS ON 31.03.2015

(₹ lakh)

SL. NO.	Name of the Branch	SANCTION Since Inception		DISBURSEMENT Since Inception	
		No.	Amt.	No.	Amt.
1	Balasure	4044	20826.99	4041	20756.61
2	Berhampur	2519	9680.09	2519	9425.68
3	Bhubaneswar	5083	26722.31	5081	26421.93
4	Cuttack	4156	21410.54	4156	21365.98
5	Dhenkanal	1489	3842.00	1489	3841.50
6	Jeyapore	1328	5091.97	1327	5087.65
7	Paradeep	4084	13098.69	4084	13096.71
8	Rourkela	2220	16807.94	2219	16768.85
9	Sambalpur	3307	14236.47	3306	14225.18
	G.Total:	28230	131717.00	28222	130990.09





ANNEXURE - 7 :INDUSTRY -WISE CLASSIFICATION OF LOAN SANCTION, DISBURSEMENT & OUTSTANDING AS ON 31.03.2015

(₹ lakh)

TYPE OF INDUSTRIES	SANCTION			DISBURSEMENT						Outstanding (Principal)	
	Since Inception			SSI			Since inception			Total	
	No.	Amt.	Total	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Food Manufacturing											
a) Sugar	12	81.06	14	110.55	12	81.01	14	110.33	15	9.75	
b) Others	2955	14845.22	3197	14970.60	2955	14837.06	3198	14964.06	671	2719.33	
Textiles											
a) Cotton	3927	1963.51	4659	1902.43	3927	1962.33	4659	1902.43	816	1035.28	
b) Jute	11	302.25	36	537.92	11	302.06	36	537.92	15	224.88	
c) Others	54	707.54	67	699.80	54	707.11	67	699.80	186	388.05	
Paper & Paper Products	195	1626.10	252	2201.10	195	1625.12	252	2201.10	86	953.82	
Manufacture of Rubber Products	154	1467.65	198	1572.63	154	1466.76	198	1571.68	38	456.17	
Basic Industrial Chemicals Other than Fertilisers	105	1362.69	113	1525.66	105	1361.87	113	1525.66	9	167.12	
Fertilisers	5	185.79	8	296.02	5	185.79	8	296.02	4	44.37	
Other Chemicals & Chemical Products	535	5921.53	584	7198.44	535	5888.06	583	7048.44	183	1959.94	
Cement	26	1463.47	56	1632.18	26	1462.59	56	1632.18	27	688.32	
Basic Metal Industries											
a) Iron & Steel	178	3649.44	218	3579.70	178	3647.25	218	3579.70	92	1139.43	
b) Non-Ferrous	134	3003.00	194	1605.78	134	3001.19	194	1605.78	44	403.29	



TYPE OF INDUSTRIES	SANCTION				DISBURSEMENT				Outstanding (Principal)	
	Since Inception				Since inception				No.	Amt.
	SSI		Total		SSI		Total			
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Metal Products Except Machinery & Transport Equipment	744	2660.20	763	3531.62	744	2655.05	763	3526.80	184	1006.93
Manufacture of Machinery Except Electrical Machinery	252	1043.48	321	1260.79	252	1042.85	321	1260.03	11	106.12
Manufacture of Transport Equipment	170	507.74	212	776.42	170	507.43	212	775.95	5	92.42
Services Sector										
a) Hotel			755	9342.30			753	9282.29	75	813.79
b) SRTOs			9139	26040.66			9139	26039.03	1954	3311.95
c) Others			658	4344.35			659	4366.24	941	2151.48
Other Industries	6282	26977.37	6786	48588.05	6275	26335.05	6779	48064.65	3239	9526.61
TOTAL	15739	67768.04	28230	131717.00	15732	67068.58	28222	130990.09	8595	27199.05

* Excludes difference between GL and SL of ₹ 5.07 lakh.



**ANNEXURE - 8 : CONSTITUTION WISE DISTRIBUTION OF TERM LOANS
AS ON 31.03.2015**

(₹lakh)

CONSTITUTION	SANCTION Since Inception		DISBURSEMENT Since Inception	
	No.	Amt.	No.	Amt.
Public Limited Companies	140 (46)	7347.04 (2292.49)	140 (46)	7347.04 (2292.49)
Private Limited Companies	1467 (809)	50738.03 (30150.61)	1463 (807)	50093.50 (29580.63)
Co-operatives	101 (72)	705.92 (368.42)	101 (72)	705.92 (368.42)
Partnership	1564 (959)	16188.12 (7130.37)	1562 (957)	16171.70 (7084.27)
Proprietorship	24821 (13828)	54378.25 (27558.69)	24818 (13825)	54312.09 (27475.31)
Hindu Undivided Family	5 (1)	49.67 (0.51)	5 (1)	49.67 (0.51)
Others	132 (24)	2309.97 (266.95)	133 (24)	2310.17 (266.95)
TOTAL	28230 (15739)	131717.00 (67768.04)	28222 (15732)	130990.09 (67068.58)

Figures in Bracket indicates information relating to SSI units.

ANNXURE - 9 : BRANCH-WISE RECOVERY, OUTSTANDING & DEFAULT AS ON 31.03.2015
(₹lakh)



Sl. No.	Name of the Branch	RECOVERY DURING -2014-15			Principal Outstanding		DEFAULT		
		Principal	Interest	Total	No.	Amount	Principal	Interest	Total
1	Balasore	15.94	12.58	28.52	703	4930.58	4808.27	50947.35	55755.62
2	Berhampur	24.65	10.44	35.09	471	2496.08	2494.39	23625.03	26119.42
3	Bhubaneswar	231.77	860.34	1092.11	1390	6549.28	6318.11	85768.98	92087.09
4	Cuttack	32.83	189.13	221.96	1827	4154.80	4057.21	44322.65	48379.86
5	Dhenkanal	3.06	6.98	10.04	632	898.22	898.22	8678.55	9576.77
6	Jeypore	9.12	21.16	30.28	241	578.03	518.14	5312.06	5830.20
7	Paradeep	39.60	41.33	80.93	2191	2364.48	2299.01	19433.52	21732.53
8	Rourkela	-58.24	51.68	-6.56	363	2445.41	2298.24	31787.29	34085.53
9	Sambalpur	28.49	1.72	30.21	777	2782.17	2741.03	40141.33	42882.36
	Grand Total	327.22	1195.36	1522.58*	8595	27199.05**	26432.62	310016.76	336449.38

* Excludes Staff Loan Recovery ₹ 10.91 Lakh and includes Agency Loan recovery of ₹ 16.61 Lakh

** Excludes different between GL & SL of ₹ 5.07 lakh.



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

(₹ lakh)

Sl.No.	SOURCES	2012-13	2013-14	2014-15
1	Opening Cash and Bank Balance	2546.66	2397.77	1683.53
2	Increase in Paid up Capital (Pending allotment)	-	-	-
3	Borrowing from	-	-	-
	i) a. IDBI	-	-	-
	b. SIDBI	-	-	-
	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.	-	-	-
	i) CIS (Small Scale)	54.00	45.00	-
	ii) CIS (MEDIUM AND LARGE)	-	-	-
	iii) CIS (Interest Subsidy)	-	-	39.93
	iv) Seed Loan(State Govt.)	-	-	-
	v) Margin Money Assistance	-	-	-
	vi) Agency fund from SIDBI	-	-	-
7	Repayment by Borrowers	-	-	-
	i) Principal	659.26	546.37	315.91
	ii) Interest	1257.49	504.24	1190.07
	iii) Interest accrued on standard loan	-	-	-
	iv) Other Receipt from Borrowers	17.57	65.12	-
	v) Seed Loan - Principal	-	-	-
	vi) Agency Loan	-	0.82	11.32
	vii) Staff advance / loan recovery	-	16.42	10.91
	viii) Agency Interest /Service Charges	-	-	5.29
8	Other Income	-	-	230.02
9	Other cash inflow	258.88	150.28	107.27
10 (a)	Other Receipts	356.62	305.72	-
(b)	Prior period adjustment	-	-	-
	TOTAL	5150.48	4031.74	3594.25



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

(₹lakh)

Sl.No	USES	2012-13	2013-14	2014-15
1	Disbursement of			
	i) Term Loan	205.82	113.38	3.74
	ii) Soft Loan	-	-	-
	iii) Seed Loan(State Govt.)	-	-	-
	iv) Seed Capital(IDBI)	-	-	-
	v) CIS Medium & large	-	-	-
	vi) CIS (SSI Sector)	10.73	-	5.35
	vii) Interest Subsidy	3.10	4.07	63.03
	viii) MUN	-	-	-
	ix) Loan in Lieu of Subsidy	-	-	-
	x) N.E.F.	-	-	-
	xi) Factoring Service	-	-	-
	xii) Hire Purchase Loan	-	-	-
	xiii) Margin Money Amt.	-	-	-
2	Repayment of Loan to	-	-	-
	i) (a) IDBI	-	-	-
	(b) SIDBI paid under OTS	1000.00	800.00	400.00
	ii) 0% Funded loan to SIDBI			-
	iii) RBI	-	-	-
	iv) Seed Loan (State Govt.)	-	-	-
	v) State Govt	-	-	-
	vi) Other Short Term Borrowing	-	-	-
	vii) NEF repayment to SIDBI including service charge		49.90	174.44
3	Repayment of Bonds	-	-	-
4	Redemption of deposit	-	-	-
5	i) Interest Dividend & other Charges Paid	-	15.45	-
	ii) Interest Tax	-	-	-
	iii) Administrative Expenses	1420.60	1198.03	1189.15
	iv) Others	12.34		8.67
6	Other cash outflow	100.12	167.38	68.80
7	Conversion of loan against Share Capital & Guarrantee Dividend	-	-	-
8	Closing Cash Balance	2397.77	1683.53	1681.07
	TOTAL	5150.48	4031.74	3594.25



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

(₹ lakh)

Sl.No.	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
1	Interest Earned	1539.98	1438.19	1145.39	1352.83	1190.07
2	Other Income	244.71	210.28	356.62	307.20	230.02
3	Provision Add Back	762.77	954.85	-	-	-
4	Interest waived and expenditure written back.	-	-	261.01	83.94	-
	Total Income	2547.46	2603.32	1763.02	1743.97	1420.09
5	Interest paid	965.42	866.87	0.00	14.60	-
6	Other Financial Expenses	9.69	8.31	12.34	0.85	8.67
7	Establishment Expenses Including P.F.contribution gratuity, Medical & Interest on P.F..Incentives Allowance to Staff, Pension & Leave Salary Contribution & others.	1458.58	1579.49	1452.05	1225.49	1215.32
8	Other Expenses Including Bad Debts Written Off & Provisioning	-	0.03	0.16	0.00	-
	Total Expenditure	2433.69	2454.70	1464.55	1240.94	1223.99
9	Gross Profit	113.77	148.62	298.47	503.03	196.10
10	Provision for Taxation	-	-	-	0.00	-
11	Net Prior period Adjustment	52.68	96.05	9.31	44.07	1727.05
12	Less provision for NPA & standarded assets	-	-	229.35	407.78	6208.63
13	Net Profit / (Loss)	61.09	52.57	59.81	51.18	(7739.58)
14	Appropriation Income	-	-	-	-	-
15	Less prior period expenditue adjustment over income	-	-	-	-	-
16	Net Effect	61.09	52.57	59.81	51.18	(7739.58)
17	Transfer to Reserve	12.22	10.51	11.96	10.23	-

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

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

Sl. No.	Category of Posts	Employees As On 31.03.2014				Employees retired/dismitted/resigned /VRS/VSS in 2014-15				Employees As On 31.03.2015			
		Total	SCs	% of Total		Total	SC	% of Total		Total	SC	% of Total	
				STs	STs			ST	ST			ST	ST
1.	CLASS A - Officers	62	-	-	15	-	-	-	47	-	-	-	
2.	CLASS B - Assistants & Clerical Staff	118	1	0.85	10	-	-	-	108	1	0.93	0.93	
3.	CLASS C - Other Subordinate Staff	29	2	6.90	1	-	-	-	28	2	7.14	7.14	
4.	Consolidated	1	-	-	0	-	-	-	1	-	-	-	
	TOTAL	210	3	1.43	26	0	0	0	184	3	1.63	1.63	



**ANNEXURE- 13 :STATEMENT INDICATING THE POSITION OF UNDERWRITING BY THE CORPORATION
ASON 31.03.2015**

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



ANNEXURE - 14 : PERFORMANCE OF THE CORPORATION DURING LAST 15 YEARS

(₹ crore)

Year	Gross sanction during the year		Cumulative sanction (effective)		Disbursement during the year		Cumulative disbursement		Outstanding at the end of each year		Recovery during the year		Total Amt.
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	Prin. Amt.	Int. Amt.	
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
2011-2012	8	4.11	28223	1314.31	4	0.84	28214	1306.68	9332	301.11	21.74	14.64	36.38
2012-2013	6	2.65	28229	1316.97	6	2.06	28220	1308.73	8915	287.53	6.77	12.57	19.34
2013-2014	1	0.20	28230	1317.17	2	1.13	28222	1309.86	8751	276.42	5.67	5.72	11.39
2014-2015	0	0.00	28230	1317.17	0	0.04	28222	1309.90	8595	271.99	3.37	11.96	15.33



**ANNEXURE - 15 :DISTRICT WISE SANCTION & DISBURSEMENT OF CAPITAL
INVESTMENT SUBSIDY (SSI SECTOR,M/L SECTOR & INTEREST SUBSIDY DURING THE FY 2014-15
(₹ Lakh)**

SI.No	District	CIS (SSI Sector)				CIS (M/L Sector)				Interest Subsidy	
		Sanction		Disbursement		Sanction		Disbursement		Disbursement	
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
1	Cuttack	-	-	-	-	-	-	-	-	-	-
2	Jagatsinghpur	-	-	-	-	-	-	-	-	-	-
3	Jajpur	-	-	1	0.81	-	-	-	-	2	4.34
4	Kendrapara	-	-	-	-	-	-	-	-	3	2.05
5	Puri	-	-	-	-	-	-	-	-	1	1.25
6	Khurda	-	-	-	-	-	-	-	-	3	8.03
7	Nayagarh	-	-	-	-	-	-	-	-	1	1.15
8	Ganjam	-	-	-	-	-	-	-	-	-	-
9	Gajapati	-	-	-	-	-	-	-	-	1	0.93
10	Phulbani	-	-	-	-	-	-	-	-	-	-
11	Boudh	-	-	-	-	-	-	-	-	-	-
12	Sambalpur	-	-	-	-	-	-	-	-	-	-
13	Deogarh	-	-	-	-	-	-	-	-	-	-
14	Bargarh	-	-	-	-	-	-	-	-	-	-
15	Jharsuguda	-	-	-	-	-	-	-	-	-	-
16	Sundargarh	-	-	1	4.54	-	-	-	-	5	8.41
17	Balasore	-	-	-	-	-	-	-	-	3	14.80
18	Bhadrak	-	-	-	-	-	-	-	-	8	13.30
19	Mayurbhanja	-	-	-	-	-	-	-	-	2	1.18
20	Bolangir	-	-	-	-	-	-	-	-	2	1.74
21	Sonepur	-	-	-	-	-	-	-	-	-	-
22	Kalahandi	-	-	-	-	-	-	-	-	1	0.48
23	Nuapada	-	-	-	-	-	-	-	-	-	-
24	Dhenkanal	-	-	-	-	-	-	-	-	3	5.12
25	Angul	-	-	-	-	-	-	-	-	-	-
26	Keonjhar	-	-	-	-	-	-	-	-	1	0.25
27	Koraput	-	-	-	-	-	-	-	-	-	-
28	Malkanagiri	-	-	-	-	-	-	-	-	-	-
29	Nawarangpur	-	-	-	-	-	-	-	-	-	-
30	Rayagada	-	-	-	-	-	-	-	-	-	-
	TOTAL	0	0	2	5.35	-	-	-	-	36	63.03



ANNEXURE - 16 : POSITION OF SHARE CAPITAL

(₹ lakh)

Year	STATE GOVERNMENT					SIDBI				IDBI	Others	Total share capital (7+12+13)		
	Authorised share capital at the end of the year	At the beginning of the year	During the year received	By way of conversion of loan / Refund	Sub Total (4 + 5)	Total share capital (3+6)	At the beginning of the year	During the year received	By way of conversion of loan				Total	Total share capital (8+11)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1988-89	8000.00	1602.08	550.00	35.00	585.00	2187.08	1477.07	675.00	35.00	710.00	2187.07	.(13)	.(14)	4390.00
1989-90	-	2187.08	600.00	35.00	635.00	2822.08	2187.07	-	35.00	35.00	2222.07			5060.00
1990-91	10000.00	2822.08	635.00	32.94	667.94	3490.02	2222.07	635.00	32.945	667.945	2890.015			6395.885
1991-92	10000.00	3490.02	500.00	124.50	624.50	4114.52	2890.015	373.324	124.50	497.824	3387.839			7518.209
1992-93	10000.00	4114.52	-	124.50	124.50	4239.02	3387.839	3.096	124.50	127.60	3515.435			7770.305
1993-94	10000.00	4239.02	-	124.50	124.50	4363.52	3515.435	-	124.50	124.50	3639.935			8019.305
1994-95	10000.00	4363.52	240.00	124.50	364.50	4728.02	3639.935	-	124.50	124.50	3764.435			8508.305
1995-96	10000.00	4728.02	-	124.50	124.50	4852.52	3764.435	-	124.50	124.50	3888.935			8757.305
1996-97	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
1997-98	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
1998-99	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
1999-2000	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2000-2001	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2001-2002	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2002-2003	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2003-2004	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2004-2005	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2005-2006	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2006-2007	10000.00	4852.495	-	-	-	4852.495	3888.935	-	-	-	3888.935			8757.305
2007-2008	10000.00	4852.495	-	27104.249	27104.249	31956.744	3888.935	-	-	-	3888.935			35861.554
2008-2009	50000.00	31956.744	-	2316.25	2316.25	34272.994	3888.935	-	-	-	3888.935			38177.804
2009-2010	50000.00	34272.994	-	-	-	34272.994	3888.935	-	-	-	3888.935			38177.804
2010-2011	50000.00	34272.994	-	-	-	34272.994	3888.935	-	1896.399	1896.399	5785.334	1273.899		41348.102
2011-2012	50000.00	34272.994	-	-	-	34272.994	5785.334	-	186.75	186.75	5972.084	1273.899		41534.852
2012-2013	50000.00	34272.994	-	-	-	34272.994	5972.084	-	-	-	5972.084	1273.899		41534.852
2013-2014	50000.00	34272.994	-	(-10.999)	-	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853
2014-2015	50000.00	34271.995	-	-	-	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853
As on														
31.03.2015	50000.00	34271.995	-	-	-	34271.995	5972.084	-	-	-	5972.084	1273.899		41533.853

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



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

Year	STATE GOVT.					SIDBI					TOTAL LOAN
	At the Beginning of the year.	During the year	Total	Converted to Share Capital	Balance Outstanding	At the Beginning of the Year	During the Year	Total	Converted to Share Capital	Balance Outstanding	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1989-90	1312.94	-	1312.94	35.00	1277.94	1312.94	-	1312.94	35.00	1277.94	2555.88
1990-91	1277.94	-	1277.94	32.94	1245.00	1277.94	-	1277.94	32.94	1245.00	2490.00
1991-92	1245.00	-	1245.00	124.50	1120.50	1245.00	-	1245.00	124.50	1120.50	2241.00
1992-93	1120.50	-	1120.50	124.50	996.00	1120.50	-	1120.50	124.50	996.00	1992.00
1993-94	996.00	-	996.00	124.50	871.50	996.00	-	996.00	124.50	871.50	1743.00
1994-95	871.50	-	871.50	124.50	747.00	871.50	-	871.50	124.50	747.00	1494.00
1995-96	747.00	-	747.00	124.50	622.50	747.00	-	747.00	124.50	622.50	1245.00
1996-97	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
1997-98	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
1998-99	622.50	-	622.50	-	622.50	622.50	-	622.50	-	622.50	1245.00
1999-2000	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	-	-
2011-2012	-	-	-	-	-	622.50	-	622.50	622.50	-	-
2012-2013	-	-	-	-	-	-	-	-	-	-	-
2013-2014	-	-	-	-	-	-	-	-	-	-	-
2014-2015	-	-	-	-	-	-	-	-	-	-	-



CONNECTIVITY CHART HEAD OFFICE

ADDRESS	Odisha State Financial Corporation, OMP Square, Cuttack-753003
WEBSITE	www.osfcindia.com
EMAIL	osfcho@osfcindia.com
FAX	0671-2443644 / 2444193
EPABX	0671- 2446996 / 2443337
RECEPTION	0671- 2446152

CHAIRMAN	
NAME	LANDLINE / FAX
Shri Panchanan Dash, ISS Secretary, MSME Department & Chairman, OSFC	MSME:0674-2391384 RES: 0674-2532580 FAX: 0674-2394051

MANAGING DIRECTOR			
NAME	LANDLINE / FAX	MOBILE	EMAIL
Shri Nityananda Palai, IAS Managing Director, OSFC	OFF:0671-2443659 RES:0674-2554355 FAX: 0671-2443644	9937655726	mdosfc@osfcindia.com

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

DEPARTMENTS OF HEAD OFFICE			
SL	DEPARTMENT	LANDLINE	MOBILE
1	CREDIT	0671-2440060	9937417446
2	RECOVERY & RISK MANAGEMENT	0671-2442748	9437113180
3	LEGAL	0671-2443325	9437113180 9776772051
4	FINANCE & ACCOUNT	0671-2440223	
5	INTERNAL AUDIT		9937880951
6	PLANNING & MIS	0671-2442801	9238579931
7	COMPUTER SERVICES		
8	HUMAN RESOURCE	0671-2443590	9937764107
9	BOARD DIVISION / INTERNAL VIGILANCE		
10	ADMINISTRATION & PREMISES	0671-2444193	9937417446



BRANCH OFFICES

SL.	BRANCH	ADDRESS	PHONE	FAX	EMAIL
1	BALASORE	Padhuanpada, Proof Road, Balasore, PIN:756001	06782-262457	9437990904	bls@osfcindia.com
2	BERHAMPUR	Station Road, Hill Patna, Berhampur, Pin:750005	0680-2233501	9861324270	bam@osfcindia.com
3	BHUBANESWAR	Indradhanu Market Complex, Nayapalli, Bhubaneswar, PIN:751015	0674-2555852	9437172125	bbsr@osfcindia.com
4	CUTTACK	I/E, Madhupatna, Cuttack, PIN:753010	0671-2342035	9861076264	ctc@osfcindia.com
5	DHENKANAL	Durga Bazar, Dhenkanal, PIN:759001	06762-224627	9437278034	angul@osfcindia.com
6	JEYPORE	Main Road, Jeypore Pin:764001	06854-233049	9437455065	jpr@osfcindia.com
7	PARADEEP	I/E, Madhupatna, Cuttack, PIN:753010	0671-2344107	9438714735	pdp@osfcindia.com
8	ROURKELA	New Civil Township, Rourkela, PIN:769004	0661-2665544	9861012955	rkl@osfcindia.com
9	SAMBALPUR	Bareipalli, N.H-6, Sambalpur, PIN:768001	0663-2115185	9437360429	sbp@osfcindia.com

FACILITATION-CUM-RECOVERY CENTER (FRC)

SL	FRC	ADDRESS
1	ANGUL	Sikhayak Pada, Angul, PIN:759122
2	BHADRAK	Charmpa, Bhadrak, PIN:756101
3	BHAWANIPATNA	Kandhapada, Ward No.-1, Bhawanipatna, Kalahandi, PIN:766001
4	BOLANGIR	Qr. No.-2RA/27, Hatisalpada, Bolangir:767001
5	KHURDA	Industrial Estate, Khurda, PIN:752055
6	PHULBANI	Industrial Estate, Phulbani, PIN:762001
7	PURI	DIC, Chakratirtha Road, Puri, PIN:752002



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