

ACTIVITIES REPORT
OF MSME DEPARTMENT
2015-16

ACTIVITIES OF DIRECTORATE OF INDUSTRIES
DURING THE YEAR 2015-16

The Directorate of Industries, Odisha is functioning under the administrative control of newly created Micro, Small & Medium Enterprises (MSME) Department carved out from Industries Department. It is looking after promotion of MSMEs including Khadi & Village Industries, Coir Industries and Salt Industries in the State. Besides PMEGP (Prime Minister's Employment Generation Programme) is also implemented.

1. Micro, Small & Medium enterprises (MSME)

For the year 2015-16, the target set for MSME sector was 60,000 with investment of Rs.360000.00 lakhs and employment of 3,00,000 No. of persons against which up to December, 2015, 38445 nos. of MSME units were set up with investment of Rs.169640.20 lakhs generating employment opportunity for 117371 No. of persons.

By end of 2014-15, 160167 No. of MSME Unit have been set-up in the State with investment of Rs.790627.99 lakhs providing employment opportunities to 845489 Persons.

Achievement made under Entrepreneurs Memorandum (EM)

Status on acknowledgement of EM Part I (Intent to Establish) and EM Part II (Intimation of Operation) during 2015-16 is given below.

EM Part I		EM Part I	
Target	Achievement	Target	Achievement
18000	10969	4200	1783

Entrepreneur Memorandum has been discontinued & replaced by Udyog Aadhar from 18.09.2015 by Ministry of MSME, GoI. 4784 Udyog Aadhar has been acknowledged through online portal of Ministry of MSME, GoI till 03.02.2016.

i. Implementation of Single Window.

"Odisha Industries (Facilitation) Act, 2004" has been enacted and "Orissa Industries (Facilitation) rules, 2005" has been notified. Single Window system has been extended to all districts of the State since 2008-09 and RIC/DIC are acting as the District Level Nodal Agencies. Odisha Industries (Facilitation) Amendment Rules, 2015 has been notified to streamline the functioning of Single window System.

An amount of Rs.200.00 lakhs has been provided through State Plan Scheme "Monitoring & Implementation of single window under D.I"

during 2015-16 for the purpose of infrastructure development in DICs and computer and office consumables for RIC/DIC/DI. As per the available information 9096 applications have been received by DLNAs and the clearances requested have been accorded in respect of 8330 applications.

ii. Policy support

State Government has announced Industrial Policy Resolution, 2015 on 24.08.2015 for promotion and development of Industrial activities in the State. Industrial Policy Resolution, 2007 and Odisha Micro, Small & Medium Enterprises Development (MSMED) Policy, 2009 are also implemented. A separate policy for food Processing Industries has been launched in the year 2013. Under the above policies, following incentives have been provided.

Sl.	Type of incentive	No. of units assisted	Amount involved (Rs. in lakhs)
1	Exemption of Premium for conversion of Agricultural land for industrial purpose.	298	-
2	Stamp duty Exemption.	31	-
3	Electricity Duty Exemption.	70	-
4	Entry Tax Exemption	113	-
4	VAT reimbursement Entertainment Tax	64	1044.25
5	Quality Certification.	06	4.03
6	Capital Investment Subsidy.	86	400.03
7	Interest Subsidy	132	300.34

iii. Youth Innovation Fund.

“Odisha Youth Innovation Fund Scheme” has been launched by the Hon’ble Chief Minister, Odisha on 11.08.2015. Odisha Small Industries Corporation Ltd. has been designated as the Nodal Agency for implementation of the Scheme. 44 applications have been received for support under the scheme. Rs. 80.00 lakh has been sourced through state plan funding for implementation of the scheme during 2015-16.

iv. Development of Ancillary and Downstream Enterprises.

To capture new opportunities and broad-basing of Industries growth around the upcoming large Industries following initiatives have been under taken during, 2015-16.

- 1) Monitoring of Plant Level Advisory Committee (PLAC) meeting for Development of Ancillary & Downstream Enterprises and store purchases by PSUs from local MSEs.
- 2) Monitoring of Plant Level Consultative Committee (PLCC) for promotion of Ancillary & Downstream Enterprises by the Large/Mega Industries in Private Sector.
- 3) Thrust on promotion for uses of Fly Ash/Blast Furnace Slag (BFS) generated in the State & for its efficient and optimum utilization.
- 4) Organize Exposure Visit, conduct investment promotion, Road Shows, Vendor Development Programme-cum-Buyer Seller Meet, Sensitization programme for MSME etc. for promotion of Ancillary & Downstream Enterprises as well as Industrial Development of the State.
- 5) Financial Assistance for setting up Aluminum Park at Angul which is on progress.
- 6) Development of Fly Ash Park at Kaniha has been taken up & land for the purpose has been identified.
- 7) Follow-up on Stainless Steel Downstream Park at Kalinganagar has been taken up during the current year.

v. Development of Food Processing Industries

- National Mission on Food Processing (NMFP)-a Centrally Sponsored Plan Scheme- has been discontinued by Ministry of Food processing Industries. It has been decided to launch Odisha Mission on Food Processing (OMFP) in the line of NMFP.
- Odisha Food Processing Policy, 2013 was launched on 15.03.2013 for promoting food processing industries. One Food Processing Industry has been extended Capital Investment Subsidy amounting to Rs.117.10 lakh as on January, 2016.
- During 2015-16, 18 nos. of Food Processing enterprises were assisted with grant-in-aid to the tune of Rs.3.83 crore till January, 2016.
- Six designated Food Parks have been approved by Ministry of Food Processing, GoI for concessional assistance by NABARD.

vi. Cluster Development Programme

Under Cluster Development Programme, 57 Micro & Small Enterprises have been identified. The progress made so far is as follows.

- Diagnostic Study for 33 Cluster completed.
- 7 DSR approved for assistance under MSECDP.
- Proposal for 1 DSR submitted to GoI for approval.
- Soft interventions in 08 Clusters taken up.
- CFC in Rice Milling Cluster at Baragarh & adjoining area has been established & the Solvent Extraction Plant has been made operational with investment of Rs.489.89 lakhs.
- CFC in Cashew cluster at Ganjam is in the final stage.
- CFC has been approved for Cashew cluster at Berhampur, Puri for assistance under MSECDP.
- In-principle approval for CFC for Pharmaceutical Cluster at Cuttack-Bhubaneswar accorded by Government of India for assistance under MSECDP.

vii. Micro & Small Enterprises Facilitation Cell

During 2015-16, eight sitting of MSEFC was convened. 64 cases were adjudicated & 22 cases were disposed off till January, 2016.

viii. Celebration of Entrepreneurs Week, 2016.

Entrepreneur's week is being celebrated every year from 5th March to 11th March at different level like Block, district and State. RICs/ DICs are also celebrating the week in befitting manner in State and District level.

The sole purpose of such event is to disseminate different schemes/ programme implemented by govt. under MSME Sector and to attend and motivate prospective entrepreneurs for establishment of MSMEs.

ix. Organization of Exhibition, Fair and Publicity

Different exhibitions are being organized by the RICs/ DICs in the District level. Directorate of Industries is also participating in IITF, New Delhi, regularly every year. Besides, MSME Trade Fair is the Mega Event, has also been organized by this Directorate. Required funds have already been placed to RICs/ DICs and OSIC to organise such event. The sole objective is to create a platform for MSMEs to explore new market and expose them to technological advancement. Besides, dissemination of market related information and showcasing of MSME produces of the State were the areas of focus in the Trade Fair.

x. Organization of Road show/Awareness Programme

Road shows are being conducted by DICs at District Level for conducting awareness programme and dissemination of different programmes and schemes implemented by Government under MSMEs Sector. The purpose of such scheme is to attract entrepreneurs for establishment of MSMEs. The funds required for such events are provided by the Directorate. An amount of Rs.30.00 lakhs has been realized to DICs/RICs under the Scheme "Financial Assistance for conducting Road shows for MSME" during the current financial year, 2015-16.

xi. Entrepreneurship Development Programme

EDP- Entrepreneurship Development Programmes are being organized regularly to nurture the talent of youth by enlightening them on various aspect of Industrial Activity required for setting up MSEs. These EDPs are generally conducted in it is, Polytechnics and other technical Institutions, where skill is available to motive them towards self-employment. The course contents of such entrepreneurship Development Programme are designed to be provide useful information on products/process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profiles preparation, marketing avenues/techniques, product/service pricing, export opportunities, infrastructures facilities available, financial and financial institutions, cash flow etc. During 2015-16, EDP training has been provided to 1250 youth till December, 2015.

2. Prime Minister's employment Generation programme (PMEGP)

Prime Minister's Employment General Programme (PMEGP) is being implemented in the State since 2008-09 by three implementing agencies such as DIC, OK&VIB & KVIC. The achievement for Implementing Agency – DIC is as follows:

(In lakhs)

Target		Achievement	
(2008-09 to 2014-15)		By end of 31.3.2015	
Nos	Margin Money received	Nos	Margin Money utilized
9727	13832.85	8472	13832.50
2015-16		As on 31.12.2015.	
895	2354.45	1231	2093.95

3. **Coir Sector**

There is ample scope for development of coir Industries in Odisha having a Coast line of 480 Kms. The status & Coir Industries is given in the following table.

Sl.	Description	
1	Coconut Cultivation in Hectors.	51035
2	Coconut production per annum (in lakh)	2756
3	Coir Fiber production (in MT)	4140
4	<u>Government Training Centre</u> a. State Level 1 year advanced course. b. District Level 6 months Artisan Course. c. Annual intake capacity. d. No. of trained.	1 3 150 1985
5	<u>Cooperative Societies</u> a. No. of working Societies. b. Membership	13 6362
6	<u>Coir Cluster Development</u> a. No. of Coir cluster b. SHG promoted. c. Artisans under SHG fold.	70 270 4049
7	No. of SSI units.	201
8	No. of Micro Enterprises.	685
9	Total Employment	11150
10	Production of coir fiber, Coir goods per annum including rubberized coir (Rs. in Crore).	102.07
11	<u>Field Training Centres</u> a. No. of F.T.Cs. b. Nos. of trained	25 500
12	No. of Artisans deputed on exposure visit.	407
13	Infrastructure assistance provided to Cooperative Societies (8) & SHGs (23).	31

4. Salt Sector

There are 03 nos. of registered working Co-operative societies engaged in salt Production in Odisha along with 39 licenses in Private Sector. Now Salt is being produced over lease hold land admeasuring about Ac. 5137.248. Details of land position are given below:-

i)	Central Govt. Land	4799.598
ii)	State Govt. Land	33.650
	Total	5137.248

Production of Salt during last three years is as follows:-

Year	Quantity in MT
2012-13	33945
2013-14	19327
2014-15	10047
2015-16 (December, 2015)	442

Financial Assistance is provided for improvement of salt Field, Interest subsidy for bank loan, exposure visit of Salt Worker, Development of infrastructure etc.

ACTIVITIES OF DIRECTORATE OF EXPORT PROMOTION & MARKETING, ODISHA, BHUABNESWAR FOR THE YEAR 2015-16

The Directorate of Export Promotion & Marketing, Odisha, Bhubaneswar is functioning under the administrative control of newly created Micro Small & Medium Enterprises(MSME) Department.

(i) Marketing Support to Micro Small Enterprises(MSEs)

Being a promotional organization, the Directorate of Export Promotion & Marketing, Odisha, Bhubaneswar is providing marketing assistance to the micro, small enterprises (MSEs) of the State by way of registration of Micro, Small Enterprises (MSEs), conclusion of rate contract with them after assuring the quality of the products manufactured by them .To safeguard the interest of the MSEs as per MSME Development Policy,2009 & Industrial Policy Resolution,2015, the representatives of Directorate of EP&M, Odisha, Bhubaneswar are attending the Purchase Committee Meetings at the state level for supply of qualitative products to Govt. Departments and agencies

under their control at the time of procurement policy programme.

By the end of February' 2016 of the year 2015-16, the following achievements were made by the Directorate of Export Promotion & Marketing, Odisha, Bhubaneswar

Sl No.	Name of the Work / Item.	Achievements made during the year 2014-15 (i.e. from April, 2014 to March,2015).	Achievements made during the year 2015-16 (i.e. from April, 2015 to February,2016).
1	2	3	4
<i>(i)</i>	Nos. MSEs have been registered with the Directorate of EP&M for manufactured of their products.	24 nos. of MSEs registered with 238 nos. of store items	25 nos. of MSEs registered with 69 nos. of store item
<i>(ii)</i>	Registration of Nos. of MSEs renewed for their manufactured products.	186 nos. of MSEs registered with 1699 nos. of store items	131 nos. of MSEs registered with 658 nos. of store items
<i>(iii)</i>	Nos. of additional store items registered benefiting to Nos. MSEs of the State.	87 nos. of additional store items registered with 29 nos. of MSEs.	67 nos. of additional store items registered with 29 nos. of MSEs.
<i>(iv)</i>	Nos. of Rate Contract finalized by DEP&M benefitting to Nos. of MSEs of the State.	31 nos. of R/C items to 323 nos. of M.S.Es.	32 nos. of R/C items to 395 nos. of M.S.Es.
<i>(vi)</i>	Nos. of extension of validity period of rate contract of store items benefiting to Nos. of MSEs of the State.	59 nos. of store items of 722 nos. of MSEs	66 nos. of store items of 916 nos. of MSEs
<i>(vii)</i>	Nos. of Revision of Rate Contract of store items finalized benefiting to Nos. of MSEs of the State.	36 nos. of store items of 672 nos. of MSEs.	21 nos. of store items of 356 nos. of MSEs.
<i>(viii)</i>	For conclusion of Fresh Rate Contract for Nos. of store items, offer notices issued to Nos. of registered MSEs of the State to participate in the offer programme	63 nos. of store items to 2978 nos. of MSEs.	23 nos. of store items to 1418 nos. of MSEs.
<i>(ix)</i>	Nos. of cases taken for consideration of cancellation of tender called by different Government Departments / Offices for Rate Contract items covered under the list of DEP&M, Odisha, Bhubaneswar.	10 nos.	16 nos.
<i>(x)</i>	Attention given to Nos. of cases regarding complaints of MSEs in Marketing Assistance and payment of outstanding dues lies with different Government Offices etc.	38 nos.	72 nos.

vii) Creation Export awareness among the leading Exporters:

Directorate of Export Promotion and Marketing, Odisha, Bhubaneswar is providing Exports Assistance to the MSEs and exporters of the state by way of organizing seminars / meetings and similar activities involving the various Export houses, D.G.F.T., Government of India etc.

The Directorate of EP&M through its export wing takes up various measures such as dissemination of overseas trade enquiries among the leading exporters, organizing seminars / meetings / workshop etc. in collaboration with the various Export Promotion Councils / Boards and other Government of India Organizations to educate the Exporters and to generate Export consciousness in the State.

By the end of February' 2016 of the year 2015-16, the following achievements were made by the Directorate of Export Promotion & Marketing, Odisha, Bhubaneswar.

Sl No.	Name of the Work / Item.	Achievements made during the year 2014-15 (i.e. from April, 2014 to March,2015).	Achievements made during the year 2015-16 (i.e. from April, 2015 to February,2016).
1	2	3	4
<i>(i)</i>	Nos. of Overseas trade enquiries provided to the interested exporters of the State.	604 nos.	426 nos.
<i>(ii)</i>	Nos. of Export Assistance rendered to the intending exporters by way of providing guidelines on export trade etc	87 nos	253 nos

(ii) Organization of Trade Fair, Exhibition, Seminar & Work shop etc.

The Representatives of Directorate of Export Promotion & Marketing, Odisha, Bhubaneswar are participating regularly in Indian International Trade Fair (IITF) in the month November of each Year (i.e. from 14th November to 27th November) held at Pragati Maidan, New Delhi. Besides this, MSME Trade Fair is a mega event organized by this Directorate in each year in the month of January (i.e from 8th to 14th January) in association with MSME, D.I & OSIC. Required funds have already been placed to OSIC to organize such event. The sole purpose is to disseminate and sale of MSME product. In view of this, Entrepreneur's week is being celebrated every year from 5th March to 11th March at different level like the State & District level in befitting manner. The sole purpose of such event is to disseminate different schemes/programmes implemented by Government under MSME Sector and to attend and motivate the prospective entrepreneurs for establishment of MSMEs.

SI No.	Name of the Work / Item.	Achievements made during the year 2014-15 (i.e. from April ,2014 to March,2015).	Achievements made during the year 2015-16 (i.e. from April, 2015 to February,2016).
1	2	3	4
(i)	Organisation of Nos. of Trade Fair in the State of Odisha, made by DEP&M.	One no. of MSME International Trade Fair-2015 has been organized in the IDCO Exhibition Ground, Unit-III, Bhubaneswar from 8 th January to 14 th January, 2015 in association with MSME, DI, OSIC and NSIC. In view of this, another five nos. of seminar were also organized by DEP&M in connection with to educate exporters and to generate export consciousness in the State.	One no. of MSME International Trade Fair-2016 has been organized in the IDCO Exhibition Ground, Unit-III, Bhubaneswar from 8 th January to 14 th January, 2016 in association with MSME, DI, and OSIC. In view of this, another five nos. of seminar were also organized by DEP&M in connection with to educate exporters and to generate export consciousness in the State.

(iii) Testing of quality of the products manufactured by the MSEs.

Before grant of Directorate of EP&M registration to the MSEs, the samples of store items manufactured by the concerned MSEs are tested in the following established six testing laboratories of the State to ascertain the quality of the store items after assuring the quality of the products manufactured by the MSEs, through periodical inspections, drawal and testing of samples. For testing of the products of Micro, Small Enterprises (MSEs), Six Testing Laboratories have been established at Cuttack, Rourkela, Angul, Berhampur, Bolangir & Balasore under the administrative control of the Directorate of Export Promotion and Marketing, Odisha, Bhubaneswar.

In order to supply quality goods to the Government Departments, Pre-delivery Inspection of the store items is being conducted by the Directorate of EP&M on payment of Pre-delivery inspection fees at the rate of 0.5% of the total order value of the store items, service tax, education cess etc. from the Government Departments / Offices subordinate to them as leviable thereon as per Central Excise Rules.

Sl No.	Name of the Work / Item.	Achievements made during the year 2014-15 (i.e. from April, 2014 to March,2015).	Achievements made during the year 2015-16 (i.e. from April, 2015 to February, 2016).
1	2	3	4
<i>(i)</i>	Nos. Pre-delivery Inspection have been conducted by the officers of this Directorate benefitting to Nos. of MSEs of the State.	297 nos. P.D.I. of 205 nos. of MSEs	354 nos. P.D.I. of 246 nos. of MSEs
<i>(ii)</i>	Nos. of samples of the MSEs tested in the six Testing Laboratories under the administrative control of this Directorate.	10,928 nos.	7363 nos.

(iv) Collection of Revenue Receipt:

During the year 2015-16 & 2016-17, target have been fixed for collection of Revenue Receipt (i.e. Non-Tax Revenue) amounting to Rs.67.96 lakh and Rs.78.16 lakh respectively by the Directorate of EP&M. against which, an amount of **Rs.60,99,182/-** has been collected as Revenue Receipt (Non-Tax Revenue) by Directorate of EP&M, Odisha, Bhubaneswar during the Financial year 2015-2016 (i.e. by the end of February' 2016). Steps are also being taken for collection of more revenue through flow of more industrial samples to the Testing Laboratories by way of upgrading and modernizing the testing facilities in the laboratories Details of Revenue Receipt are given below.

Sl No.	Name of the Work / Item.	Achievements made during the year 2014-15 (i.e. from April, 2014 to March,2015).	Achievements made during the year 2015-16 (i.e. from April, 2015 to February,2016).
<i>(i)</i>	Collection of Registration Fees from the MSEs.	Rs.28,450.00	Rs.54,550.00
<i>(ii)</i>	Collection of Testing Fees from the MSEs towards testing of samples.	Rs.41,07,625.00	Rs.36,99,482.00
<i>(iii)</i>	Collection of Pre-delivery Inspection Fees from different State Government Offices etc.	Rs.15,27,482.00	Rs.16,79,650.00
<i>(iv)</i>	Collection of Application Fees for Offer from the MSEs towards conclusion of rate contract of the product.	Rs.3,32,500.00	Rs.3,67,000.00
<i>(v)</i>	Collection of Application Fees from MSEs for conclusion of Parallel Rate Contract.	Rs.3,75,500.00	Rs.2,98,500.00
	Total collection of Revenue Receipt (Non-Tax Revenue) by DEP&M.	Rs.63,71,557.00	Rs.60,99,182.00

ODISHA SMALL INDUSTRIES CORPORATION Ltd.

Activities Report of 2015-16 and Budget estimate for FY, 2016-17

OSIC, a Silver category ISO certified profit making PSU of Govt. of Odisha, has been engaged since 1972 to aid, assist and promote the MSMEs for development of the state.

1. Achievements in FY 2015-16.

The Corporation has been administering various schemes like **(a)** Consortium Marketing **(b)** Raw Material Assistance **(c)** Brand Building & Marketing **(d)** MSME Infrastructure Development, and various other Govt. Schemes for the MSMEs of the state. Apart from the above activities, OSIC has been undertaking Civil Construction activities, Rural Electrification work and supply of Bitumen and Tata Tiscon rebars for construction of roads and houses respectively in all corners of the state.

During the Current FY 2015-16, as against proportionate target of Rs.562.00 Cr. up to Dec'16, the Corporation 'has achieved. Rs.405.70 Cr. with net profit of Rs.7.18 Cr. and expected to achieve Rs.650 Cr. turnover in the FY with net profit of Rs.9.50 Cr. But due to price drop of Tata Tiscon rebars and Bitumen, the achievement in terms of value has been reduced as against target although achievement in quantity has been increased in comparison to last FY. It may be mentioned that Tata Tiscon price has been reduced by Rs.9375.00 per MT in 4 times during current FY.

Proposed policy/action to be taken during FY 2016-t7.

Besides the existing portfolios as stated above, OSIC has taken steps for export marketing of MSME products and for this purpose **Export Division** has been opened on dt.20.1.2016. OSIC has also

planned to supply Coal to MSMEs to be used as raw material. Accordingly, the Corporation has projected to achieve a turnover of Rs.800.00 crore in the FY 2016-17 with net profit of Rs.12.00 Cr. from its' Commercial, Marketing and Civil Construction activities as per the details given below:

1. Commercial	Rs.500.00 Cr.
2. Marketing	Rs.250.00 Cr.
3. Construction	<u>Rs. 50.00 Cr.</u>

Rs. 800.00 Cr.

Besides the above, the Corporation will implement various Govt. schemes such as Odisha Youth Innovation Fund, Cluster Development Programme, Venture Capital Fund etc. for the benefit and development of MSME of the state in FY 2016-17.

In one hand while the Corporation has made strategies to improve the business activities, on the other hand, it has reduced substantially the interest overheads by settling the bond dues and SIDBI dues and interest on Govt. loan . through OTS and other administrative overheads through austerity and control measures.

In a nutshell, the Corporation has planned to increase the business turnover in the year 2016-17 as compared to the preceding year and to reduce the expenditures in order to achieve a turnover of 800.00 crore and net profit of Rs.12.00 crore during the financial year 2016-17.

ODISHA STATE FINANCIAL CORPORATION
BRIEF NOTE ON THE ACTIVITIES REPORT OF OSFC FOR FY 2015-16

- ❖ Odisha State Financial Corporation (OSFC) came into existence in 1956 after incorporation of the SFCs Act by the Parliament in 1951. OSFC is a state level pioneer institution engaged in financing micro, small and medium scale industries in the State. It provides loan assistance for setting up industries in tiny, small and medium scale in consortium finance with Commercial Banks. It extends term loan up to 210.00 crore per project/unit for acquisition of fixed assets for setting up industrial units. Besides, the Corporation , extends financial assistance for expansion, diversification, modernization & revival of potential viable units. The credit delivery network of OSFC is being taken up by its 9 Branches. OSFC has contributed significantly to the development of Small Scale Industries and employment generation in the State in its fifty-eight years of existence.
- ❖ In order to supplement it's income, the Corporation has undertaken non-fund based activities i.e. preparation of project profile for MSMEs for supplementing income.
- ❖ In its 59 years of operation, the Corporation has disbursed 21310 crore to 28222 micro, small & medium scale industries resulting in direct employment for more than two lakh people in various sectors such as iron and steel, hospitality and healthcare, transport, agro based etc. It also created scope for self-employment. In fact, OSFC created seed-bed for the first generation entrepreneurs.
- ❖ OSFC played a major role in the process of industrialization of the State in the MSME Sector. Besides, the State Government capital investment subsidy, National Equity Fund of SIDBI was channelized through the Corporation.

The cumulative sanction, disbursement and recovery of OSFC as on 31.03.15 are noted below:

(Rs in lakh)

Sanction		Disbursement		Recovery
No.	Amt.	No.	Amt.	Amt.
28230	131717.00	28222	130986.35	197001.00

OPERATIONAL HIGHLIGHTS

SECTOR WISE ACHIEVEMENT OF OSFC AS ON 31.03.2015 IS AS UNDER:-

(R s i n l a k h)

Particulars	No.	Amt.
SSI	15732	67064.84
SRTOs	9139	26039.03
Others	3351	37882.48
Total	28222	130986.35

(Till 31-12-2015) Rs in lakh

Performance during	2014-15	2015-16
Sanction	0.00	43.00
Disbursement	3.74	0.00
Recovery	1533.00	433.87

BUSINESS INITIATIVES & STEPS TAKEN

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

- ❖ The Corporation has formulated its Loan Policy, Credit Delivery Methodology and Risk Assessment Modules for creating healthy portfolio, which are revisited and modified to make them entrepreneur friendly and to enlarge the scope of investment.
- ❖ 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 based on Risk Assessment Modules adopted by the Corporation.
- ❖ Rebate of 0.50% 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 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 and organizing EDP training programmes.
- ❖ Arrangement with Union Bank of India to support working capital to assisted projects of OSFC and Joint financing high value projects.
- ❖ Put in place a comprehensive Loan Recovery Policy wherein Post Disbursement Monitoring and NPA Monitoring with particular emphasis for up-gradation of NPA accounts & prevention of slippage of standard accounts.

PRESENT STATUS AND RESTRUCTURING INITIATIVE:

- ❖ At present the available resource is from recovery proceeds only, which has already started declining. There is no option left with OSFC except to continue with financing the MSME Sector as mandated by the State Government and gradually built up an assets base for its sustenance. Under the circumstances, OSFC will not be in a position to arrange resources from any other source as refinance support from SIDBI is ruled out in view of OTS to continue with its business after meeting minimum administrative expenditure and repayment of OTS dues of SIDBI.
- ❖ In order to implement the, MSME Development Policy-2009, OSFC needs to be financially strengthened by State Government as its the Financial Institution. OSFC being a more than five decade old financial institution has the potential not only to act as promotional agency but also to implement the policies of the State Government for growth and development of MSMEs in the State. It will not be difficult on the part of the State Government to implement its own policies through OSFC, since the State Government have little control over Central Government Institutions like Commercial Bank and other FIs. To meet the emerging requirement of MSMEs, OSFC needs low cost working fund to provide hand holding services to MSMEs, as IPICOL. being another State level Financial Institution has stopped its lending activity.
- ❖ At present a proposal for Restructuring of OSFC is under examination and consideration of State Government. If the proposal is accepted and OSFC resumes its lending activities, it would not only be able to implement the Policies of the State Government, but also supplement its efforts in meeting credit needs of both the new and existing MSMEs while contributing for employment generation as well.

BUDGET ESTIMATES OF 2016-17 FOR OSFC

- **Grant against. Transfer pf NPAs** **250.00 Cr**
- **Grant for liquidation of SIDBI and other liabilities** **228.00 Cr**
- **Grant for Implementation of VRS/VSS** **29.00 Cr**

Activities of of Odisha Khadi & Village Industries Board for the year 2015-16

Odisha Khadi and Village Industries Board is a statutory organization constituted on dt 15.6.1956 for organizing, developing and regulating Khadi & Village Industries in the State with a view to provide gainful employment to rural artisans and economically backward class of people. The Khadi & Village Industries commission, Mumbai, provides funds for implementation of the schemes as per guidelines issued by KVIC, Mumbai from time to time. The establishment expenses of the Board have been borne by the Government of Odisha. From 2011-12 the State Govt. have extend budgetary support for revival of Khadi & Village Industries.

PATTERN OF ASSISTANCE (1956-95)

From 1956-95, the Board has implemented the scheme through 1865 cooperative societies to set up Khadi & Village Industries units. The Board has provided loan of Rs.44.36 crore and grant of Rs.7.35 crore and have provided employment to 98824 traditional/individual artisans.

CONSORTIUM BANK CREDIT(1996-99)

From 1996 to 1999 the Khadi & Village Industries Board has implemented Consortium Bank Credit (CBC) scheme and released an amount of Rs7.02 crore as loan and Rs2.96 crore as

margin money in favour of 358 no.s of individual entrepreneur and provided employment to 2506 person.

RURAL EMPLOYMENT GENERATION PROGRAMME (1999-2008)

The Odisha Khadi and Village Industries Board had implemented the Credit Linked Subsidy Scheme of Rural Employment Generation Programme (REGP) from 1999 to 2008. During the period Board has provided margin money of Rs.29.09 crore in favour of 3829 beneficiaries for establishment of 3829 village industry units and generated employment to 29413 nos of persons.

PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME(2007-08 onwards)

The Khadi and Village Industries Commission, Mumbai has introduced a new programme namely "Prime Minister Employment Generation Programme (PMEGP)" from 2008-09 by amalgamating Rural Employment Generation Programme and Prime Minister Rojgar Yojana.

Khadi & Village Industries Commission, Mumbai acts as the Nodal Agency at National Level. The scheme is implemented in the State through KVIC, State Office, Odisha and Odisha Khadi & VI Board in the rural areas and through District Industries C;-nters in both rural and urban areas of the State in the ratio 30 : 30:40 respectively.

The District Task Force Committee under the Chairmanship of District Magistrate and Collector of concerned Districts scrutinizes the applications, conduct interviews & forward the selected applications to the Banks for sanction of funds to beneficiaries.

Target and Achievement under PMEGP for 2014-15 & 2015-16 are given below:

Year	Target			Achievement		
	No.of Units	Margin Money Released (Rs. in lakh)	Employment (Nos)	No.of Units	Margin Money Released (Rs. in lakh)	Employment
2014-15	1576	2177.59	12608	634	1372.97	4628
2015-16	718	1434.60	5744	514	994.96	3487

(As on December 2016)

GRAMODYOG SALES DEPOT

Sales Counter of the Board has been renovated with financial assistance of Rs. 10 lakh from the State Govt. and Rs. 2.02 lakh from KVIC, Mumbai. Renovation of Gramodyog Sales Depot of the Board is a landmark in giving a new dimension to sales of Khadi & Village Industries Products. The sales of KVI products during 2014-15 & 2015-16 is as follows:

<u>Year</u>	<u>Sales(in lakh)</u>
2014-15	77.16
2015-16	66.93

(As on December 2015)

RECOVERY

The Board has recovered Rs. 1,74,386/- under Pattern of Assistance and Rs 20,000/- under CBC Scheme from the beneficiaries during the financial year 2014-15.

KHADI

1. The Board has recommended 96 numbers of proposals against the target to enlist 300 numbers of new Khadi societies of which 18 new Khadi certificates have been issued.

2. The State Govt. have provided Rs.84.97 lakh for revival of 40 Old Khadi societies.

3. The Khadi societies have been benefitted under Market Development Assistance, Janashree Bima Yojana & Artisan Welfare Fund implemented by KVIC.

4. 24 numbers of Khadi societies are working have availed valid Khadi certificate 2016 from KVIC Mumbai. Reintroduction of rebate has remarkably increased the sale of Khadi & Polyvastra.

Steps have been taken for development of Khadi Units by supplying 8 spindle NMC Charakha, Kissan Charakha Muslin Charakha spare parts & tool box sliver training alongwith financial assistance. Details in given below.

a. No. of 8 spindle NMC Charakha supplied	100
b. No. of Kissan Charakha supplied	50
c. No. of Muslin charakIha supplied	25
d. No. of spare Part & tool box supplied	4
e. Sliver supplied	Rs. 55,721/-
f. Training Centre to be organized	2

Funds disbursed:

a. Budhima Khadi Silpa Patta ICS	Rs. 41.26 Lakh
b. Ganjam Zilla Khadi Gramodyog Sangha	Rs.16.94 lakh

Artisans covered under Janashree Bima Yojana during 2014-15

Sl.	Name	No. of Artisans
1.	Anchalika Vikash Parisad	34
2.	Hindusthan Khadi Gramodyog Sangha	50
3.	Mahila Vikash Parisad	10
4.	Bruhadamba Woolen Khadi & Gramodyog Sangha	20

EXHIBITION

For publicity & awareness of Khadi & Village Industries Programme the State Government and Khadi & V.I. Commission have provided funds.

During 2014-15, the Board has organized one National Level Exhibition, one State Level Exhibition, 6 no.s of district level exhibition 14 no.s of awareness camps & workshop on entrepreneur week during 2015-16. Entrepreneur from inside & outside the State participated in National Level Exhibition, and State Level Exhibitions.

The Board has organized one State Level Exhibition, 2 nos District Level Exhibitions & 5 nos of District Level Exhibitions during the 2015-16.

Beekeeping:

During 2014-15 the Government of Odisha has sanctioned & released of Rs.1.04 crores for Development of Beekeeping Industry. But State Government has accorded permission to utilize the sanctioned amount vide their letter No.9216 dt. 19.12.2015. Out of Rs.1.04 crores, Rs.45.00 lakh is meant for establishment of Honey Processing unit at Udyogpuri. The rest amount of Rs.59.00 lakh is meant for imparting training to 680 persons & supply bee box & other equipments on 50% subsidy rate to the people of Naxal effected blocks of the State.

The Board has submitted revised budget estimate to the tune of Rs.1.00 crores to State Government vide letter No.138 dt. 8.1.2016 for the year 2015-16 which is under active consideration at Government level. Budget estimate to the tune of Rs.4.04 crores for the year 2016-17 has already been submitted to Director of Industries, Odisha, Cuttack vide letter No.5494 dt. 26.12.2015.