

## **Banking Industry over the Years; a Case Study of Private and Public Sector Banks in Odisha**

<sup>1</sup>Dr. Lalat K Pani , <sup>2</sup> Sukhamaya Swain, <sup>3</sup> Subhakhyana Swain,

<sup>1</sup> Retd. Reader, Dept. of Commerce, Bhadrak Autonomous College, Bhadrak

<sup>2</sup>Circle Business Banking Head, Orissa Circle, AXIS Bank Ltd.

<sup>3</sup>Probationary Officer with United Bank of India, Sector-19 Branch (Rourkela)

**ABSTRACT:** Orissa has typically been considered a backward state till some time back. Now it rules the states with regards to the total investments made. Political stability has resulted in creating a conducive environment for not only external investments but also streamlined handling of various government (Central and state) initiatives and schemes. One industry which demands investigation at this stage is banking because that is the clear reflection of the states' progress and the management of funds. This paper deals with an indepth analysis of the various banking parameters in the state over the years. Most of the data that has been used is for atleast a span of 5 years; which the authors believe is sufficiently large to draw interpretations and inferences. Macro aspects like total deposits and credit find place in the article besides micro analysis of various key aspects which have been deciphered further from the macro figures. For most of the figures, the comparative aspects for the nation is also provided.

**KEYWORDS:** Banking in Odisha, Banking in Orissa, Key banking figures of Odisha.

### **I. BANKING AT A GLANCE IN ODISHA FOR QUARTER ENDING SEPTEMBER 2012.**

Sl. No.	Particulars	Up to September, 2012
1	Total No. of Branches of which	3663
	a) Rural Branches	1993
	b) Semi Urban Branches	938
	c) Urban Branches	732
2	Total Deposit (in crores)	138596.32
3	Total Advance Utilized in the State (Amt in crores)	105064.03
4	Total Business (Deposit + Advance)	243660.35
	(in crores)	
5	Credit Deposit (CD) Ratio (%)	75.81%
	a) CD Ratio of Rural Branches	102.90%
	b) CD Ratio of Semi Urban Branches	61.72%
	c) CD Ratio of Urban Branches	78.60%
6	Total Advance Sanctioned & Utilized in the State (Amt In Crores)	71467.62
7	Total PS Advance (In crores)	43051.41
8	% of PS Advance to Total Advance	60.24
9	Agriculture Advance (in crores)	20912
10	% of Agriculture Advance to	29.26
	Total Advance	
11	MSME Advance (in crores)	15334.43
12	% of MSME Advance to	21.45
	Total Advance	
13	Advance to Weaker Section	12698.25
	(in crores)	
14	% of Advance to weaker section to	29.5

	PS Adv.	
15	Total DRI Advance (in crores)	77.39
16	% of DRI Advance to total advance	0.14
17	Credit Investment to Deposit Ratio	76.18%
18	Overdue (%)	48.09%
	a) Public Sector Banks	56.93
	b) Private Sector Banks	27.84
	c) RRBs	31.4
	d) Cooperative Banks	43.57
19	Recovery percentage -	
	PMRY	18.09
	SGSY	34.55
20	Education Loan B/O(in crores)	1755.24
21	Achievement under ACP 2012-13 (Sept-2012)	79
	a) Total Agriculture (%)	81%
	b) Total NFS (%)	96%
	c) Total OPS (%)	70%
22	Branch NetWork	
	a) Public Sector	2200
	b) Private Sector	234
	c) RRBs	892
	d) Cooperative	337
	e) Total	3663
23	Lead Districts	30
	a) SBI	19
	b) UCO	7
	c) BOI	2
	d) Andhra Bank	2

**Table 1: Source SLBC,  
Odisha**

**Fig. in  
INR  
Cr.**

Banks Category	No. of Branches	%	Total Deposit	%	Advance Utilized in The State	%
Total Public Sector Banks	2200	60.06%	107778.97	77.76%	81854.58	77.91%
Total Private Sector Banks	234	6.39%	15911.61	11.48%	11493.74	10.94%
Total of RRBs	892	24.35%	10009.05	7.22%	5892.78	5.61%
Total of Co-operative bank	337	9.20%	4896.69	3.53%	5822.93	5.54%
<b>GRAND TOTAL</b>	<b>3663</b>		<b>138596.3</b>		<b>105064.03</b>	

SLBC Data, Sep 2012 Odisha

**BANKING KEY INDICATOR AS ON 31.03.2013**

Sl No.	Name of Bank	No. of Branches	GROSS NPA	% of NPA to Total Advance	CD Ratio	% of P.S Adv to Total Adv	% of Agril Finance to Total Advance	% of Adv. To Weaker Section to PS Adv.	% of DRI Advance to Total Advance
1	Allahabad Bank	76	173.92	7.27	114.33	42.72	11.09	24.86	0.04
2	Andhra Bank	125	156.81	7.98	63.72	61.37	18.46	25.13	0.96
3	Bank of Baroda	92	52.81	2.37	123.68	71.49	15.23	22.55	0.01
4	Bank of India	188	221.15	6.87	60.59	54.53	21.57	30.84	0.04
5	Bank of Maharashtra	5	0.36	1.17	43.46	77.57	1.29	1.96	0.00
6	Canara Bank	82	53.21	2.47	83.26	31.56	9.97	16.69	0.06
7	Central Bank of India	97	86.42	6.73	170.83	32.13	11.04	23.76	0.13
8	Corporation Bank	18	33.00	2.62	102.08	45.35	67.49	4.80	0.00
9	Dena Bank	12	8.01	3.10	75.41	53.48	2.26	1.11	0.01
10	IDBI BANK	33	74.88	12.23	61.47	62.60	12.66	44.97	0.23
11	Indian Bank	71	54.26	6.26	85.43	39.29	13.58	15.21	0.09
12	Indian Overseas Bank	115	132.34	6.86	61.12	56.97	28.63	39.72	0.70
13	Oriental Bank of Commerce	46	88.50	6.35	93.55	46.99	3.05	7.44	0.01
14	Punjab & Sind Bank	6	9.00	2.78	119.56	9.57	0.00	0.00	0.00
15	Punjab National Bank	127	247.31	8.87	133.46	42.49	13.61	21.82	0.05
16	State Bank of B & J	0	20.09	31.03	87.06	25.95	0.00	2.44	0.01
17	State Bank of Hyderabad	10	5.10	1.58	256.38	23.25	0.00	0.29	0.10
18	State Bank of India	706	2398.00	11.57	86.01	40.99	14.56	27.94	0.05
19	State Bank of Mysore	1	0.67	0.22	200.56	5.74	0.10	0.06	0.01
20	State Bank of Travancore	1	37.66	45.46	72.98	28.91	0.00	0.00	0.00
21	Syndicate Bank	69	68.18	7.60	82.12	50.57	12.72	8.59	0.02
22	UCO Bank	214	521.87	11.33	90.27	63.70	26.90	50.95	0.13
23	Union Bank	83	135.07	4.25	70.44	67.70	29.19	25.77	0.01
24	United Bank of India	127	131.39	6.95	65.25	67.90	28.45	20.33	0.05
25	Vijaya Bank	9	14.98	12.43	31.64	81.29	8.39	9.16	0.01
<b>Total Public Sector Banks</b>		<b>2313</b>	<b>4724.99</b>	<b>8.61</b>	<b>87.09</b>	<b>49.96</b>	<b>18.01</b>	<b>27.11</b>	<b>0.11</b>
26	Axis Bank Ltd	70	19.42	1.19	81.35	40.90	35.72	2.54	0.61
27	Federal Bank	11	109.07	68.42	78.55	27.83	16.72	6.01	0.00
28	HDFC Bank	71	81.32	4.34	63.94	32.07	16.22	38.44	0.00
29	ICICI Bank	69	0.00	0.00	63.88	50.34	23.71	12.86	0.00
30	Indus Ind Bank	21	18.56	3.06	47.03	51.38	5.59	24.23	0.00
31	ING Vysya Bank	7	0.00	0.00	2.63	22.49	0.72	0.00	0.00
32	Karnatak Bank Ltd.	7	19.81	4.75	217.22	21.16	12.08	20.17	0.02
33	Karur Vysya Bank	4	3.23	1.66	66.81	16.54	4.71	106.92	0.00
34	Kotak Mahindra Bank Ltd	6	0.00	0.00	59.00	71.76	9.60	16.50	0.00
35	Laxmi Vilas Bank	1	3.90	71.30	9.98	71.85	0.00	0.00	0.00
36	The South Indian Bank Ltd.	2	0.00	0.00	2.01	33.12	25.76	0.00	0.00
<b>Total Private Sector Banks</b>		<b>269</b>	<b>255.31</b>	<b>3.96</b>	<b>64.83</b>	<b>63.12</b>	<b>21.09</b>	<b>12.47</b>	<b>0.16</b>
37	Odisha Gramya Bank	475	417.93	11.48	59.68	82.03	34.09	47.04	0.00
38	Utkal Gramya Bank	426	327.10	12.93	62.38	65.70	44.91	53.47	0.00

<b>Total of RRBs</b>	<b>901</b>	<b>745.03</b>	<b>12.07</b>	<b>60.76</b>	<b>75.33</b>	<b>38.53</b>	<b>49.34</b>	<b>0.00</b>
RIDF(NABARD)	0	0.00	0.00	0.00	0.00	100.00	0.00	0.00
<b>Total Commercial Banks</b>	<b>3483</b>	<b>5725.33</b>	<b>7.89</b>	<b>86.01</b>	<b>56.79</b>	<b>25.77</b>	<b>24.80</b>	<b>0.10</b>
39 Orissa State Co-Op. Bank	336	699.31	11.38	109.98	92.33	91.58	84.38	0.00
40 OSCARD Bank	5	0.00	0.00	0.00	0.00	79.70	0.00	0.00
<b>Total of Co-operative bank</b>	<b>341</b>	<b>699.31</b>	<b>11.33</b>	<b>110.46</b>	<b>91.93</b>	<b>91.53</b>	<b>84.38</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>3824</b>	<b>6424.64</b>	<b>8.15</b>	<b>86.94</b>	<b>59.55</b>	<b>30.93</b>	<b>32.05</b>	<b>0.09</b>

Table 2: Source SLBC, Odisha

**Limitations of the study**

a) The figures mentioned in the course of the paper are Month End Balance (MEB) i.e. the Day-end figures of specific dates. The limitation on this aspect is that this figure (day-end balance of a quarter) only depicts the figure of that particular day. There are chances of these figures being escalated towards the last week of the respective quarter-end to escalate the balance sheet figures of the respective banks. Infact, it is a well known fact that in banking circle, money gets transferred from cash credit accounts to current accounts just to show inflated figures in both liability & asset bases. When at times transfer to Current Account is not possible Demand Drafts and Pay Orders are carved out from cash credit accounts to inflate the outstanding figures. The other limitations with these figures are that they are not complete indicators of the banks' performances. There might have been true indicators of the banks' performances because large funds might have come and gone before the quarter-end both on the deposits as well as on the assets side.

**Deposits, Advances and CD Ratios across all the districts of Odisha**

Odisha has 30 districts and the table below details the total Deposits, Advances and CD Ratios across each of the 30 districts of the state across 3 years from Mar'10 to Mar'12.

District – wise CD Ratio of Odisha

Name of District	Mar-10			Mar-11			Mar-12			Mar-13		
	Deposit (INR Cr.)	Advance (INR Cr.)	CD Ratio	Deposit (INR Cr.)	Advance (INR Cr.)	CD Ratio	Deposit (INR Cr.)	Advance (INR Cr.)	CD Ratio	Deposit (INR Cr.)	Advance (INR Cr.)	CD Ratio
ANGUL	3121.3	1491.3	47.8	3589.0	1764.1	49.2	4241.2	1969.5	46.4	4541.0	2391.9	52.7
BALASORE	2808.1	2042.0	72.7	3237.4	2286.1	70.6	3888.5	2714.3	69.8	4583.8	3108.0	67.8
BHADRAK	1236.6	870.3	70.4	1518.7	1084.5	71.4	1931.4	1239.9	64.2	2158.1	1565.2	72.5
BARAGARH	1340.5	1262.8	94.2	1569.9	1282.7	81.7	1821.1	1490.0	81.8	2321.9	1803.4	77.7
BOLANGIR	1649.8	1021.8	61.9	2001.5	1165.0	58.2	2093.8	1200.5	57.3	1869.3	1200.4	64.2
BOUDH	296.6	200.1	67.5	356.7	271.1	76.0	424.8	273.6	64.4	909.1	319.6	35.2
CUTTACK	7853.3	4327.0	55.1	8709.2	4568.0	52.5	10609.9	5528.5	52.1	12021.0	6913.2	57.5
DEOGARH	318.0	116.2	36.6	426.7	132.7	31.1	512.2	166.5	32.5	579.9	187.4	32.3
DHENKANAL	1252.0	724.6	57.9	1468.6	813.1	55.4	1943.0	962.4	49.5	2151.1	1069.3	49.7
GAJAPATI	514.5	190.7	37.1	605.7	219.7	36.3	675.1	254.5	37.7	748.2	299.7	40.1
GANJAM	4717.5	2770.1	58.7	5877.0	3223.7	54.9	5866.8	3557.4	60.6	6454.1	3841.6	59.5
JAGATSINGHPUR	3276.8	786.9	24.0	3760.6	1211.1	32.2	3889.0	1314.9	33.8	4249.9	1039.4	24.5
JAJPUR	2172.9	1326.5	61.1	2278.9	1388.4	60.9	2919.3	1716.1	58.8	3549.9	2081.3	58.6
JHARSUGUDA	1284.3	972.2	75.7	1465.2	1031.9	70.4	1708.5	1112.0	65.1	1962.2	1124.1	57.3
KALAHANDI	1038.3	800.3	77.1	1188.5	941.1	79.2	1414.3	1040.0	73.5	1629.7	1112.7	68.3
KANDHAMAL	769.8	329.8	42.9	959.9	378.9	39.5	1114.7	416.0	37.3	1249.0	444.5	35.6
KENDRAPARA	1262.7	676.3	53.6	1700.1	854.0	50.2	1929.9	975.3	50.5	2250.7	1134.6	50.4
KEONJHAR	2841.5	1602.3	56.4	3786.2	2205.5	58.3	4702.0	2684.1	57.1	3908.1	2213.6	56.6
KHURDA	22518.0	13027.6	57.9	33458.9	23181.3	69.3	41501.5	25312.0	61.0	44114.6	31441.8	71.3
KORAPUT	1846.8	777.0	42.1	2087.9	856.7	41.0	2112.5	924.4	43.8	2329.7	1009.2	43.3
MALKANGIRI	519.0	148.1	28.5	664.5	147.2	22.2	766.1	153.9	20.1	886.0	164.8	18.6
MAYURBHANJA	2402.9	1417.3	59.0	3214.3	1694.1	52.7	4706.4	2635.6	56.0	3922.3	2353.4	60.0

NAYAGARH	801.2	523.8	65.4	1093.2	708.0	64.8	1245.7	808.7	64.9	1434.2	928.8	64.8
NOWRANGPUR	556.7	318.5	57.2	711.5	364.3	51.2	843.6	436.1	51.7	942.0	498.5	52.9
NUAPADA	723.4	261.6	36.2	754.8	302.9	40.1	911.3	317.4	34.8	838.9	341.9	40.8
PURI	2014.8	1147.2	56.9	2268.3	1343.8	59.2	2902.1	1869.1	64.4	3401.1	1631.8	48.0
RAYAGADA	953.4	428.4	44.9	1177.7	487.8	41.4	1430.4	530.4	37.1	1783.6	701.5	39.3
SAMBALPUR	6027.8	1414.0	23.5	7774.2	1642.4	21.1	10345.0	1711.6	16.6	14739.6	3247.9	22.0
SONEPUR	511.1	333.0	65.2	607.1	377.8	62.2	713.1	452.6	63.4	819.2	498.6	60.9
SUNDARGARH	4971.4	4149.6	83.5	4905.3	4060.4	82.8	6688.0	4198.9	62.8	6733.0	4413.1	65.5
<b>TOTAL</b>	81601.0	45457.3	55.7	103217.5	59988.3	58.1	125851.3	67966.2	54.0	139081.2	79081.2	56.9

Table 3: Source SLBC, Odisha

Name of District	CAGR Deposit	CAGR Advances	CD Ratio Mean	CD Ratio Min	CD Ratio Max	CD Ratio Std Dev.
ANGUL	9.8	12.5	49.0	46.4	52.7	2.7
BALASORE	13.0	11.1	70.2	67.8	72.7	2.0
BHADRAK	14.9	15.8	69.6	64.2	72.5	3.7
BARAGARH	14.7	9.3	83.9	77.7	94.2	7.2
BOLANGIR	3.2	4.1	60.4	57.3	64.2	3.2
BOUDH	32.3	12.4	60.8	35.2	76.0	17.8
CUTTACK	11.2	12.4	54.3	52.1	57.5	2.5
DEOGARH	16.2	12.7	33.1	31.1	36.6	2.4
DHENKANAL	14.5	10.2	53.1	49.5	57.9	4.2
GAJAPATI	9.8	12.0	37.8	36.3	40.1	1.6
GANJAM	8.2	8.5	58.4	54.9	60.6	2.5
JAGATSINGHPUR	6.7	7.2	28.6	24.0	33.8	5.1
JAJPUR	13.1	11.9	59.8	58.6	61.1	1.3
JHARSUGUDA	11.2	3.7	67.1	57.3	75.7	7.9
KALAHANDI	11.9	8.6	74.5	68.3	79.2	4.8
KANDHAMAL	12.9	7.7	38.8	35.6	42.9	3.1
KENDRAPARA	15.5	13.8	51.2	50.2	53.6	1.6
KEONJHAR	8.3	8.4	57.1	56.4	58.3	0.8
KHURDA	18.3	24.6	64.9	57.9	71.3	6.4
KORAPUT	6.0	6.8	42.5	41.0	43.8	1.2
MALKANGIRI	14.3	2.7	22.3	18.6	28.5	4.4
MAYURBHANJA	13.0	13.5	56.9	52.7	60.0	3.3
NAYAGARH	15.7	15.4	65.0	64.8	65.4	0.3
NOWRANGPUR	14.1	11.8	53.3	51.2	57.2	2.7
NUAPADA	3.8	6.9	38.0	34.8	40.8	2.9
PURI	14.0	9.2	57.1	48.0	64.4	6.9
RAYAGADA	17.0	13.1	40.7	37.1	44.9	3.3
SAMBALPUR	25.0	23.1	20.8	16.6	23.5	3.0
SONEPUR	12.5	10.6	62.9	60.9	65.2	1.8
SUNDARGARH	7.9	1.6	73.6	62.8	83.5	11.0
<b>TOTAL</b>	14.3	14.8	56.2	54.0	58.1	1.7

Table 4: Source: Authors

Certain observations on the figures mentioned in the said tables

a) **Khurda** has invariably the highest Deposit as well as Advances across all the 4 years. The reason for high deposits can be attributed to the fact that this district contains the capital city. All the banks have their main branches in the city and besides it happens to be the origin place (for the entire state) for a whole set of government scheme funds. It also is the most populous district and is resident to all the affluent people of the state. Most of the cash rich corporations and government bodies also have substantial chunk of their Fixed deposit parked in some of the many branches of various banks in the state. Since most of the banks have their largest branches of the state in this city, the routing of loans is also the highest. With anywhere banking being

the call of the hour, most of the corporates also have their loan disbursed from the various branches of Bhubaneswar.

b) **Boudh** has the smallest deposit over the years except for the last year when the smallest deposit was that of

**Deogarh**. This is primarily because of the size of the district; it is one of the smallest districts of the state along with **Sonepur** and **Deogarh**.

c) These three districts the lowest figures of the state in deposits and advances. **Malkangiri** has also one of the lowest advances of the advances. That is primarily because of district being a naxalite afflicted one.

d) **Sambalpur** has the lowest CD Ratio amongst all the districts of the state for all the years except the last year when the distinction went to **Malkangiri**. The primary reason is the high deposit of one of the largest PSU of the state i.e. Mahanadi Coalfields Limited. The district administration is seized of this issue and it is promoting banks to park the Fixed Deposits in other branches of the state.

e) The highest rate of growth i.e. CAGR over the years in deposits has happened in **Boudh** (at 32.3%). The lowest growth in deposits has happened in **Bolangir** (3.2%). The high rate of growth in the former is perhaps because of the lower base. However in the case of the later, it clearly indicates that not much developmental work or projects are happening in that district. In the same logic, **Nuapada** also has a very low CAGR in Bank deposits i.e. 3.8%.

f) The highest rate of growth i.e. CAGR over the years in advances has happened in **Khurdha** (24.6%); the lowest being **Sundargarh** (1.6%). This figure is very low indicating that not many activities are happening out there. The only district that comes close to **Khurdha** is **Sambalpur** which has a CAGR over advances of 23.1%. The advances have picked over the last year. It is good to see that advances has picked up in the district with one of the largest deposit base; else it would have affected drastically the CD Ratio of the state.

g) **Malkangiri** also has one of the lowest CAGR growth in advances i.e. 2.7%; the same is for obvious reasons. However it is very surprising to note that **Jharsuguda** with a sufficiently large industrial base also has a low CAGR in advances i.e. 3.7%.

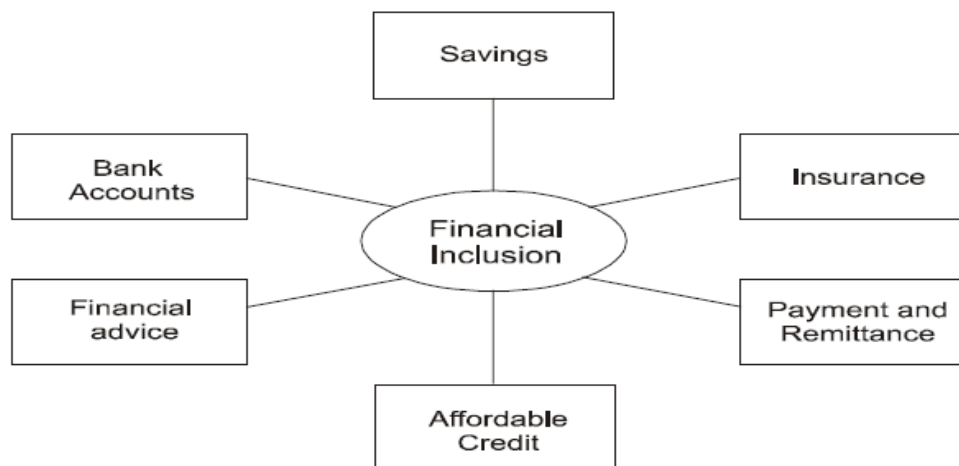
h) There are 12 districts which have a higher rate of growth of Advances than Deposits. They are Angul, Bhadrak, Bolangir, Cuttack, Gajapati, Ganjam, Jagatsinghpur, Keonjhar, Khurdha, Koraput, Mayurbhanj and Nuapada. It is because of these that the state also has grown positively in Advances in comparison to Deposits. It is a known fact that while deposits are dependent on many factors, advances actually speaks of the growth of the region / district / state.

i) While analysing the district-wise CD Ratio over the last 4 years, it is observed that the standard deviation is very low indicating thereby that the change in CD Ratio is not much during the period analysed.

j) The highest CD Ratio is of **Bargarh** (83.9%). This is a typically agricultural district; a safe inference that can be drawn is that the agri business advances is being done effectively. The lowest average CD Ratio is of **Sambalpur** (20.8%); this is lower than that of **Malkangiri** (22.3%).

## II. FINANCIAL INCLUSION IN INDIA

The definition of Financial Inclusion as per **Rangarajan Committee**: The process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. The definition of Financial Inclusion as per **Raghuram Rajan Committee**: It refers to universal access to a wide range of financial services at a reasonable cost. These include not only banking products but also other financial services such as insurance and equity products.



The objective of Financial Inclusion is to extend financial services to the large hitherto un-served population of the country to unlock its growth potential. In addition, it strives towards a more inclusive growth by making financing available to the poor in particular. As per Census 2011, only 58.7% households are availing banking services in the country. There are 97,473 branches of Scheduled Commercial Banks (SCBs) in the country, out of which 35,966 (36.9%) bank branches are in the rural areas, 25,566 (26.2%) in semi-urban areas, constituting 63 per cent of the total numbers of branches in semi-urban and rural areas of the country. However, still a significant proportion of the households, especially in rural areas, are still outside the formal fold of the banking system. To extend the reach of banking to those outside the formal banking system, Government and Reserve Bank of India (RBI) are taking various initiatives from time to time some of which are enumerated below:-

a) **Opening of Bank Branches:** Government had issued detailed strategy and guidelines on Financial Inclusion in October 2011, advising banks to open branches in all habitations of 5,000 or more population in under-banked districts and 10,000 or more population in other districts. As per reports received from the Convener Banks of State Level Bankers Committees (SLBCs), out of 3,955 identified villages / habitations, branches have been opened in 3116 villages / habitations (including 1,998 Ultra Small Branches) by end of December, 2012.

b) **Each household to have atleast one bank account:** Banks have been advised to ensure service area bank in rural areas and banks assigned the responsibility in specific wards in urban area to ensure that every household has at least one bank account.

c) **Business Correspondent Model:** With the objective of ensuring greater financial inclusion and increasing the outreach of the banking sector, banks were permitted by RBI in 2006 to use the services of intermediaries in providing financial and banking services through the use of Business Facilitators (BFs) and Business Correspondents (BCs). Business Correspondents are retail agents engaged by banks for providing banking services at locations other than a bank branch/ATM. BCs and the BC Agents (BCAs) represent the bank concerned and enable a bank to expand its outreach and offer limited range of banking services at low cost, particularly where setting up a brick and mortar branch is not viable. BCs as agents of the banks, thus, are an integral part of the business strategy for achieving greater financial inclusion. Banks had been permitted to engage individuals/ entities as BC like retired bank employees, retired teachers, retired government employees, ex-servicemen, individual owners of kirana / medical / fair price shops, individual Public Call Office (PCO) operators, agents of Small Savings Schemes of Government of India/ Insurance Companies etc. Further, since September 2010, RBI had permitted banks to engage „for profit“ companies registered under the Indian Companies Act, 1956, excluding Non Banking Financial Companies (NBFCs), as BCs in addition to the individuals/entities permitted earlier.

d) **Swabhimaan Campaign:** Under this, the Financial Inclusion Campaign launched in February 2011, Banks had provided banking facilities by March, 2012 to over 74,000 habitations having population in excess of 2000 using various models and technologies including branchless banking through Business Correspondents Agents (BCAs). Over 3.16 crore accounts were opened and more than 62,000 BCAs were engaged during the campaign. Further, in terms of Finance Minister’s Budget Speech 2012-13, it has been decided to extend the



“Swabhimaan” campaign to habitations with population of more than 1000 in North Eastern and hilly States and to habitations which have crossed population of 1600 as per census 2001. Accordingly, about 45,000 such habitations had been identified to be covered under the extended “Swabhimaan” campaign.

e) **Setting up of Ultra Small Branches (USBs):** Considering the need for close supervision and mentoring of the Business Correspondent Agents (BCAs) by the respective banks and to ensure that a range of banking services are available to the residents of such villages, Ultra Small Branches (USBs) are being set up in all villages covered through BCAs under Financial Inclusion. A USB would comprise of a small area of 100-200 sq. feet where the officer designated by the bank would be available with a lap-top on pre-determined days. While the cash services would be offered by the BCAs, the bank officer would offer other services, undertake field verification and follow up the banking transactions. The periodicity and duration of visits can be progressively enhanced depending upon business potential in the area. A total of over 43,000 USBs have been set up in the country by December, 2012.

f) **Banking Facilities in Unbanked Blocks:** All the 129 unbanked blocks (91 in North East States and 38 in other States) identified in the country in July 2009, had been provided with banking facilities by March 2012, either through Brick and Mortar Branch or Business Correspondents or Mobile van. As a next step it has been advised to cover all those blocks with BCA and Ultra Small Branch which have so far been covered by mobile van only.

g) **USSD Based Mobile Banking:** The Finance Ministry through National Payments Corporation of India (NPCI) worked upon a “Common USSD Platform” for all Banks and telecom companies who wish to offer the facility of Mobile Banking using Unstructured Supplementary Service Data (USSD) based Mobile Banking. The Department helped NPCI to get a common USSD Code \*99# for all telecom companies. More than 20 Banks have joined the National Uniform USSD Platform (NUUP) of NPCI and the product has been launched by NPCI with BSNL and MTNL. Other telecom companies are likely to join in the near future. USSD based Mobile Banking offers basic Banking facilities like Money Transfer, Bill Payments, Balance Enquiries, Merchant payments etc. on a simple GSM based Mobile phone, without the need to download application on a Phone as required at present in the IMPS based Mobile Banking.

**Steps taken by Reserve Bank of India (RBI): To strengthen the Banking Infrastructure –**

(a) RBI has permitted domestic Scheduled Commercial Banks (excluding RRBs) to open branches in Tier 2 to Tier 6 Centres ( with population upto 99,999 as per census 2001) without the need to take permission from RBI in each case, subject to reporting.

(b) RBI has also permitted SCBs (excluding RRBs) to open branches in rural, semi urban and urban centres in North Eastern States and Sikkim without having the need to take permission from RBI in each case, subject to reporting.

(c) Domestic SCBs have been advised that while preparing their Annual Branch Expansion Plan (ABEP), they should allocate atleast 25% of the total number of branches proposed to be opened during the year in unbanked Tier 5 and Tier 6 centres i.e. (population upto 9999) centres which do not have a brick and mortar structure of any SCB for customer based banking transactions.

(d) Regional Rural Banks (RRBs) are also allowed to open branches in Tier 2 centres (with population of 50,000 to 99,999 as per Census 2001) without the need to take permission from the Reserve Bank in each case, subject to reporting, provided they fulfill the following conditions, as per the latest inspection report:

- (i) CRAR of at least 9%;
- (ii) Net NPA less than 5%;
- (iii) No default in CRR / SLR for the last year;
- (iv) Net profit in the last financial year;
- (v) CBS compliant.



**State-wise FIP Progress as on 31.03.2012**

This report is collated by Finance Ministry on a monthly basis based on information passed on by the various SLBCs across the country.

State	Total No. of Villages allotted	No. of Villages covered	No. of villages yet to be covered	Total No. of BCs appointed	Total No. of FI accounts opened.
Odisha	1877	1875	2	1738	614090

**Table 5: Source: SLBC Odisha****ATMs of various banks in Odisha over the years**

Name of the Bank	SEP'11	DEC'11	MAR'12	JUN'12	SEP'12
Allahabad Bank	11	11	11	11	11
Andhra Bank	32	32	31	30	30
Axis Bank Ltd.	216	233	299	317	317
Bank of Baroda	21	21	21	21	21
Bank of India	58	59	58	65	67
Bank of Maharashtra	2	2	2	2	2
Canara Bank	39	37	47	60	60
Catholic Syrian Bank Ltd.	1	1	1	1	1
Central Bank of India	17	23	29	34	36
Citibank	1	1	1	1	1
City Union Bank Ltd	0	1	1	1	1
Corporation Bank	10	10	10	10	10
Dena Bank	5	5	5	5	5
Development Credit Bank Ltd.	0	0	1	1	1
Dhanalaxmi Bank Ltd.	0	0	0	0	0
Federal Bank Limited	3	3	4	7	11
HDFC Bank Ltd.	96	112	138	142	156
ICICI Bank Ltd.	130	145	166	172	175
IDBI Ltd.	35	37	38	41	42
Indian Bank	25	27	27	27	27
Indian Overseas Bank	46	50	54	58	60
Indus Ind Bank Ltd	17	18	22	23	27
ING Vysya Bank	7	7	7	7	7
Karnataka Bank Ltd.	4	4	4	4	5
Karur Vysya Bank Ltd	3	4	4	4	4
Kotak Mahindra Bank Ltd	5	5	6	6	6
Lakshmi Vilas Bank Ltd.	1	1	1	1	2
Oriental Bank of Commerce	36	36	36	37	38
Punjab and Sind Bank	0	0	0	0	0
Punjab National Bank	110	106	107	106	106
South Indian Bank Ltd	2	2	2	2	2
Standard Chartered Bank	1	1	1	3	1
State Bank of Bikaner & Jaipur	1	1	1	1	1
State Bank of Hyderabad	7	7	8	8	8
State Bank of India	1150	1153	1175	1186	1188
State Bank of Travancore	3	3	3	3	3
Syndicate Bank	21	21	21	21	21
Tamilnadu Mercantile Bank Ltd.	0	0	1	1	1
UCO Bank	53	59	60	60	60
Union Bank of India	61	63	71	74	75
United Bank of India	44	64	71	71	71
Vijaya Bank	5	6	6	6	6
Yes Bank Ltd.	2	3	4	4	4

**Table 6: Source: BSR Tables, RBI**

The above data is for the period Sep'11 to Sep'12. Within this period it is clearly visible that the growth of private sector banks (specifically new generation private sector banks) is extremely high in comparison to the public sector banks. The top 5 banks with the highest growth in terms of ATMs over the stated tenure have been as follows:

AXIS Bank Ltd.: 101

HDFC Bank Ltd.: 60

ICICI bank Ltd.: 45

State Bank of India: 38

United Bank of India: 27

Few observations from the above table

a. As mentioned above, there has been specific focus by the new generation private sector banks to spruce up their ATM counts.

b. Though there are large public sector banks that are well spread across multiple districts across the state. However, except for State Bank of India and Punjab National Bank, none of the other public sector banks have ATMs more than 100.

There may be few inferences out of it

a. Banks with low count of ATMs might be seeing it as investment and thus avoiding the same particularly now when usage of any ATM is going to be free.

b. Private sector banks which are increasing their count every quarter are probably seeing it as a fee earner (there is fee for every inter-bank card used for withdrawal).

c. The private banks might also be using the large network as a substitute for large number of branches by sufficiently seeing easy brand building.

d. Since the private banks have various offerings other than the typical accounts, deposits and loans, they probably would be using the same as possible kiosks to display their various offerings as gold (or silver), prospectus sales, investment avenues and to highlight any other offering which they would be handling. *It is not that public sector banks do not have these products but their private peers are known to have more marketing prowess than them in this regard.*

#### Odisha's position with respect to Indian figures (in banking)

		Reporting branches	Credit (INR Bn)	Credit growth (YoY in %)	Deposit (INR Bn.)	Deposit Growth (YoY in %)	CD Ratio
Jun'12	Odisha	3268	580.82	11.17	1285.86	22.19	45.17
	India	98341	47735.59	18.21	62207.73	15.83	76.74
	%	3.32	1.22		2.07		
Mar'12	Odisha	3196	588.46	11.22	1254.2	21.5	46.92
	India	96059	48215.27	18.27	61741.47	13.78	78.09
	%	3.33	1.22		2.03		
Dec'11	Odisha	3095	539.04	9.85	1142.43	19.98	47.18
	India	92690	43871.79	16.11	58105.46	17.27	75.5
	%	3.34	1.23		1.97		
Sep'11	Odisha	3038	524.71	14.5	1131.01	28.1	46.39
	India	91558	42452.74	23.52	57045.8	22.1	74.42
	%	3.32	1.24		1.98		
Jun'11	Odisha	3010	522.48	18.28	1052.35	24.82	49.65
	India	90147	40383.1	20.3	53706.69	18.29	75.19
	%	3.34	1.29		1.96		
Mar'11	Odisha	2968	529.09	19.27	1032.25	23.7	51.26
	India	89110	40768.68	21.86	54265.1	17.92	75.13
	%	3.33	1.30		1.90		
Dec'10	Odisha	2896	490.73	25.58	952.17	27.07	51.54
	India	87152	37785.12	26.63	49547.27	18.12	76.26
	%	3.32	1.30		1.92		
Sep'10	Odisha	2866	458.27	23.55	882.91	20.27	51.9

	<b>India</b>	85886	34369.48	19.26	46720.02	13.91	73.56
	<b>%</b>	3.34	1.33		1.89		
<b>Jun'10</b>	<b>Odisha</b>	2847	441.72	24.58	843.08	19.81	52.39
	<b>India</b>	84986	33567.57	20.39	45401.3	14.5	73.94
	<b>%</b>	3.35	1.32		1.86		
<b>Mar'10</b>	<b>Odisha</b>	2818	443.61	23.72	834.46	18.15	53.16
	<b>India</b>	83997	33456.19	17.08	46019.26	16.88	72.7
	<b>%</b>	3.35	1.33		1.81		
<b>Dec'09</b>	<b>Odisha</b>	2778	390.76	23.07	749.33	21.26	52.15
	<b>India</b>	83997	29839.2	12.2	41947.97	17.92	71.13
	<b>%</b>	3.31	1.31		1.79		
<b>Sep'09</b>	<b>Odisha</b>	2739	370.91	22.34	734.1	24.2	5.53
	<b>India</b>	82511	29839.2	12.2	41947.97	17.92	71.13
	<b>%</b>	3.32	1.24		1.75		
<b>Jun'09</b>	<b>Odisha</b>	2699	354.55	17.91	703.66	26.14	50.39
	<b>India</b>	79933	27883.51	14.27	39653.22	21.12	70.32
	<b>%</b>	3.38	1.27		1.77		
<b>Mar'09</b>	<b>Odisha</b>	2670	358.56	17.96	706.26	31.44	50.77
	<b>India</b>	79056	28575.25	19.33	39373.36	21.94	72.58
	<b>%</b>	3.38	1.25		1.79		
<b>Dec'08</b>	<b>Odisha</b>	2620	317.51	15.16	617.96	31.06	51.38
	<b>India</b>	77750	26594.86	23.28	35573.4	20.96	74.76
	<b>%</b>	3.37	1.19		1.74		

Table 7: Source: RBI

## Analysis of Odisha's bank figures in comparison with that of the country

	<b>Branches %</b>	<b>Credit %</b>	<b>Deposit %</b>
Jun'12	3.32	1.22	2.07
Mar'12	3.33	1.22	2.03
Dec'11	3.34	1.23	1.97
Sep'11	3.32	1.24	1.98
Jun'11	3.34	1.29	1.96
Mar'11	3.33	1.30	1.90
Dec'10	3.32	1.30	1.92
Sep'10	3.34	1.33	1.89
Jun'10	3.35	1.32	1.86
Mar'10	3.35	1.33	1.81
Dec'09	3.31	1.31	1.79
Sep'09	3.32	1.24	1.75
Jun'09	3.38	1.27	1.77
Mar'09	3.38	1.25	1.79
Dec'08	3.37	1.19	1.74
<b>Mean</b>	3.34	1.27	1.88
<b>Max</b>	3.38	1.33	2.07
<b>Min</b>	3.31	1.19	1.74
<b>Std Dev.</b>	0.02	0.04	0.10

Table 8: Source: Authors

a. The share of Odisha's bank's branches was almost the same for the entire period of 15 quarters; varying between 3.31% to 3.38%.

b. The standard deviation for deposits and credit has been a bit higher. The bankwise figures also show aggressive growth of deposits in banks of Odisha over the years.

**ANALYSIS OF FIGURES RELATED TO BANKS IN ODISHA**

Before we get into the analysis of the bank wise statistics of banks with respect to their important parameters, it is important to note few of the following facts

a. **IDBI Bank** is present in the list of Public as well as a Private banks. Ministry of Finance has vide its circular no. F.No. 7/96/2005-BOA dated December 31, 2007 advised Secretaries of all Ministries/Departments of Government of India that the bank may be treated on par with Nationalised banks/ SBI by Govt. Departments / Public Sector Undertakings / other entities for all purposes, including deposits / bonds / investments / guarantees etc. and Government business. Thus this bank finds mention in the public sector banks list from 2007.

b. **Centurion Bank** later christened as Centurion bank of Punjab merged with HDFC Bank in 2008. Hence one would observe that 2008 was the last year of operation under the Centurion name. Post that, the branches were taken over by HDFC Bank. The assets and liabilities were also transferred across the countries.

c. **Bank of Rajasthan** merged with ICICI Bank in 2010. Hence this bank ceases to exist in the list of private sector banks since 2011.

d. The data mentioned from 2004 to 2012 also covers another major change i.e. the name change of UTI Bank to AXIS Bank in 2007.

#### Bank branch network from 2004-13 in Odisha

Sl. No.	Name of Bank	No. of Branches in 2004	No. of Branches in 2005	No. of Branches in 2006	No. of Branches in 2007	No. of Branches in 2008	No. of Branches in 2009	No. of Branches in 2010	No. of Branches in 2011	No. of Branches in 2012	No. of Branches in 2013
1	Allahabad Bank	61	63	64	66	67	67	67	72	75	76
2	Andhra Bank	78	79	79	96	105	106	106	112	116	125
3	Bank of Baroda	36	36	36	42	46	46	52	61	73	92
4	Bank of India	113	115	115	117	123	123	131	140	172	188
5	Bank of Maharashtra	1	2	2	2	2	2	2	2	3	5
6	Canara Bank	39	41	42	45	46	46	53	73	80	82
7	Central Bank of India	54	54	56	59	60	64	64	69	84	97
8	Corporation Bank	6	6	7	8	9	9	9	9	14	18
9	Dena Bank	3	3	3	5	7	7	7	8	8	12
10	IDBI BANK				1	1	1	11	20	32	33
11	Indian Bank	44	45	45	46	48	48	56	59	69	71
12	Indian Overseas Bank	78	77	78	80	82	86	91	96	109	115
13	Oriental Bank of Com.	10	10	10	16	18	19	22	24	35	46
14	Punjab National Bank	52	51	52	53	57	63	69	88	112	127
15	Punjab & Sind Bank	2	2	2	4	4	4	4	5	5	6
16	State Bank of India	477	480	484	502	538	582	642	663	678	706
17	S B of Bikaner & Jaipur	2	2	2	3	3	3	3	3	3	0
18	S B of Hyderabad	5	5	5	5	5	6	10	10	10	10
19	S B of Travancore	1	1	1	1	1	1	1	1	1	1
20	State Bank of Mysore	1	1	1	1	1	1	1	1	1	1
21	Syndicate Bank	29	29	31	46	49	50	51	58	62	69
22	Union Bank	48	49	52	52	53	61	69	78	81	83
23	United Bank of India	94	95	95	95	100	103	110	116	119	127
24	UCO Bank	153	155	158	165	172	179	186	191	206	214

25	Vijaya Bank	7	7	7	8	8	8	9	9	9	9
<b>Total Public Sector Banks</b>		<b>1394</b>	<b>1408</b>	<b>1427</b>	<b>1518</b>	<b>1605</b>	<b>1685</b>	<b>1826</b>	<b>1968</b>	<b>2157</b>	<b>2313</b>
26	Centurion Bank	1	1	1	1	1					
27	Federal Bank	1	2	2	2	3	3	3	3	7	11
28	HDFC BANK	2	2	2	10	12	18	24	36	59	71
29	ICICI BANK	4	6	6	12	18	37	37	48	49	69
30	Karnatak Bank Ltd.	1	1	1	1	2	2	3	5	5	7
31	Karur Vysya Bank					1	3	3	3	3	4
32	Rajasthan Bank Ltd.	1	1	1	1	1	1	1	0		
33	Vysya Bank	3	1	1	1	1	1	1	1	7	7
34	AXIS Bank	1	1	1	14	18	28	36	50	59	70
35	Indus Ind Bank	1	3	4	4	6	6	6	6	18	21
36	The South Indian Bank Ltd.				1	1	1	1	2	2	2
37	Lakshmi Vilas Bank Ltd.						1	1	1	1	1
38	Kotak Mahindra Bank Ltd									6	6
39	IDBI Bank	1	1	1							
<b>Total Private Sector Banks</b>		<b>16</b>	<b>19</b>	<b>20</b>	<b>47</b>	<b>64</b>	<b>101</b>	<b>116</b>	<b>155</b>	<b>216</b>	<b>269</b>

Table 9: Source: SLBC Odisha

**Analysis of branch network of banks in Odisha**

The points mentioned above are important for this analysis also

a. The annual growth of private sector banks is much higher in comparison to the public sector banks. The CAGR for public sector banks was 5.19% while that of private sector banks was 32.61%. This can be attributed to the fact that much of the growth of private sector banks took place in the time period of the analysis.

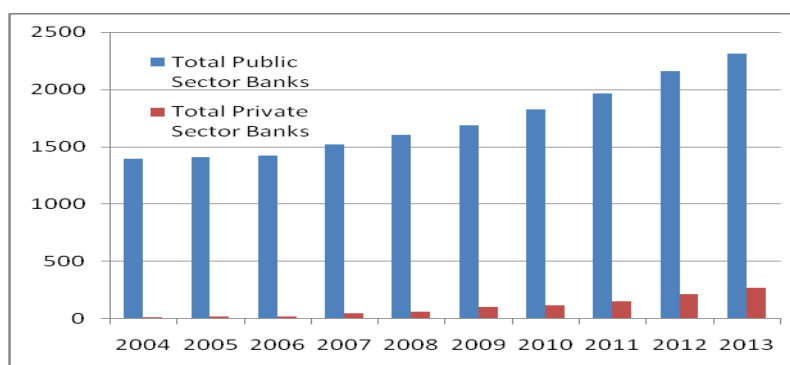
b. The highest growth amongst the public sector banks is that of IDBI Bank (the data from the year it became public sector bank).

c. It is good to see that SBI (4.00%) and UCO Bank (3.11%) despite having large number of branches have a very high CAGR despite having large number of branches (even prior to 2004) have higher CAGR than many public sector banks.

d. Amongst the public sector banks, Bank of Maharashtra, Dena Bank, Oriental Bank of Commerce and Punjab & Sind Bank have a CAGR of more than 10 besides IDBI Bank.

e. 12 out of 25 public sector banks have a CAGR higher than the average of the group.

f. State Bank of Travancore and State Bank of Mysore do not have any growth during the 10 years for which the study was taken. Their number of branches have remained constant at 1 from 2004-13.



g. The private sector scene is led by HDFC Bank (42.90%), AXIS Bank (52.94%) and Indus Ind Bank (35.59%). These banks have higher CAGR than the group average of 33.53%.

h. There are other banks like ICICI Bank, Karur Vyasa Bank and South Indian bank which have growth rates lower than the group's average but have a growth rate higher than most of the their public sector peers.

#### Bank wise deposits from 2004-13 in Odisha

Sl. No.	Name of Bank	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	Allahabad Bank	776.48	921.67	1062.28	1507.60	1548.53	1570.66	2285.71	2845.79	3810.62	3732.43
2	Andhra Bank	988.82	1041.80	1088.15	1213.78	1702.40	2090.02	3076.87	3909.13	3578.36	4429.61
3	Bank of Baroda	306.98	341.93	407.18	783.80	1121.64	1366.92	1998.13	2631.12	3705.64	3658.72
4	Bank of India	1075.44	1170.35	1426.47	1838.69	2519.90	2935.00	3636.26	4615.00	5522.09	6297.41
5	Bank of Maharashtra	34.99	50.33	56.59	42.49	41.85	27.46	32.70	39.78	58.53	71.07
6	Canara Bank	623.73	740.37	1048.30	1325.85	1053.52	1308.91	1994.42	2153.73	4198.17	5122.58
7	Central Bank of India	595.44	625.33	663.02	727.56	815.78	792.86	985.09	1496.78	2187.48	2005.55
8	Corporation Bank	95.50	130.96	138.01	335.58	261.65	292.29	500.70	691.22	703.84	2927.00
9	Dena Bank	38.67	44.73	60.35	48.62	50.35	64.07	291.51	313.04	338.73	485.11
10	IDBI BANK				245.48	320.16	407.52	1893.11	2364.22	1850.60	2126.93
11	Indian Bank	404.77	440.46	486.40	591.86	780.37	901.44	1122.93	1574.32	1842.12	2063.72
12	Indian Overseas Bank	894.60	1100.09	1432.85	1690.45	1539.95	1751.62	2582.39	2977.63	4008.05	4369.48
13	Oriental Bank of Com.	294.82	368.58	550.37	782.87	662.85	1022.63	1475.25	2160.03	2258.89	2038.96
14	Punjab National Bank	476.37	611.01	818.00	1032.84	1426.80	2266.78	2668.86	3458.41	4674.90	3490.63
15	Punjab & Sind Bank	22.46	27.31	34.59	59.38	157.92	218.78	181.30	365.11	446.87	854.00
16	State Bank of India	8091.05	9748.05	10701.79	13546.79	18181.23	25630.30	27955.63	33785.16	40559.78	45164.00
17	S B of Bikaner & Jaipur	17.12	15.37	19.28	47.33	57.92	86.10	84.31	85.62	74.46	74.37
18	S B of Hyderabad	63.20	80.33	173.64	337.72	199.75	202.73	829.37	1043.91	388.54	326.96

19	S B of Travancore	17.35	24.54	108.15	41.03	145.89	164.55	69.97	79.13	113.78	113.52
20	State Bank of Mysore	29.75	41.73	105.03	129.86	149.69	114.93	96.31	79.37	261.01	152.12
21	Syndicate Bank	339.57	404.14	400.76	730.59	1053.79	853.87	1201.16	1424.66	1967.21	3385.26
22	Union Bank	1004.11	1217.18	1549.09	2035.82	2129.76	2763.40	3870.13	4612.61	5473.81	6978.46
23	United Bank of India	927.96	1020.83	1095.10	1227.89	1294.63	2114.84	2078.05	2914.67	3115.19	3540.00
24	UCO Bank	2301.18	2724.96	3035.80	3460.25	4090.87	5201.23	6362.00	8130.19	9770.05	9249.00
25	Vijaya Bank	121.74	148.03	146.74	205.62	340.56	668.41	532.81	251.45	311.93	381.00
<b>Total Public Sector Banks</b>		19542.10	23040.08	26607.94	33989.75	41647.77	54817.30	67804.98	84002.08	101220.65	113037.89
26	Centurion Bank	44.62	50.55	20.98	87.31	187.47					
27	Federal Bank	39.28	72.80	76.93	88.64	154.20	111.64	164.05	176.86	381.26	283.29
28	HDFC BANK	164.42	200.67	194.69	252.43	485.65	1471.81	930.32	1583.30	2022.74	2931.00
29	ICICI BANK	325.60	476.31	838.04	1556.12	2316.89	1991.51	1970.54	2192.28	2844.91	4134.27
30	Karnatak Bank Ltd.	20.45	25.71	42.19	35.63	74.53	97.23	119.43	133.11	156.12	192.00
31	Karur Vysya Bank					16.35	62.41	96.37	157.92	210.73	291.69
32	Rajasthan Bank Ltd.	2.43	3.43	4.15	5.21	7.56	17.51	15.41	0.00	0.00	
33	Vysya Bank	50.92	13.75	16.86	14.00	70.22	5.23	147.23	114.61	307.28	799.24
34	AXIS Bank	195.03	183.81	351.10	511.06	1447.66	1678.00	2720.42	3507.18	5081.89	6600.98
35	Indus Ind Bank	40.73	17.42	109.43	205.49	560.95	944.20	816.98	1124.10	2279.56	1291.53
36	The South Indian Bank Ltd.				3.93	5.13	9.32	213.56	310.76	468.35	947.55
37	Lakshmi Vilas Bank Ltd.						1.17	5.06	31.83	48.21	54.81
38	Kotak Mahindra Bank Ltd									132.19	157.97
39	IDBI Bank Ltd.	70.18	45.16	53.47							
<b>Total Private Sector Banks</b>		953.66	1089.61	1707.84	2759.82	5326.61	6390.03	7199.37	9331.95	13933.25	17684.33

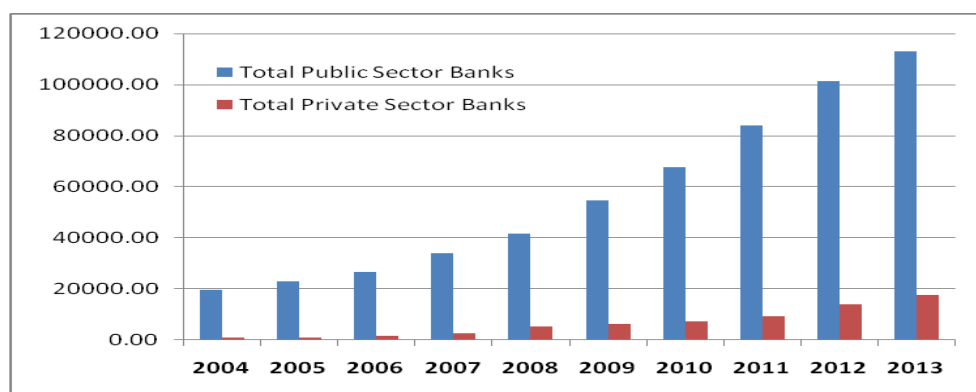
Table 10: Source: SLBC Odisha

**Analysis of bank wise deposit base of banks in Odisha**

While we make this analysis, it is important to note that the period for which this is being done is quiet large (10 years). Such a large period will do away with any minor aberrations like

1. A onetime business coming a bank's way for a year (or few years)
2. Advantage of government deposits by a particular bank or group of banks.
3. Change in management or top leaders in the state.
4. Deposit rates being too high for few banks; this cannot continue for long, with time this is sorted out.





a. The annual growth rates of Public sector banks is 19.19% whereas the same figure is 33.91% for private sector banks. These figures could be primarily because of two reasons i.e. most of the private sector banks increased their base during that period (some came during that period) and there is a general focus on mopping deposits for private sector banks. Most of the private sector banks have their treasury offices outside the state and thus the funds collected here are either lent at other parts of the country or managed by treasury outside the state.

b. Amongst the public sector banks, Punjab & Sind Bank has the highest rate of growth. IDBI Bank is a distant second and Dena Bank is the third in terms of rate of growth of deposits over the years.

c. There are 12 public sector banks which have an average rate of growth higher than that of the group. These banks are Bank of Baroda (28.12%), Bank of India (19.33%), Canara Bank (23.44%), Corporation Bank (40.81%), Dena Bank (28.78%), IDBI Bank (36.13%), Oriental Bank of Commerce (21.33%), Punjab National Bank (22.04%), Punjab & Sind Bank (43.88%), State Bank of Travancore (20.66%), Syndicate Bank (25.85%) and Union Bank of India (21.39%).

d. In this category also, SBI has a commendable growth (18.76%) despite having the largest base for each of the years. UCO bank too has a growth rate of 14.92% whereas we have many a banks not having growth in single digits. These growth figures also commensurate with the growing government deposit support; these being the most important banks handling the bulk of government business.

e. In the private sector segment, the growth is led by AXIS Bank (42.22%) followed by Indus Ind bank (41.29%)

f. The large banks i.e. ICICI Bank has a commendable growth rate of 28.94% and HDFC Bank has a commendable growth rate of 33.38%.

g. It is noteworthy to mention that the growth of base in these large private sector banks is primarily because of the non-governmental deposits; they do not have lofty government deposit like many of the public sector banks.

#### Deposit per branch of banks in Odisha from 2004-13

Sl. No.	Name of Bank	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	Allahabad Bank	12.73	14.63	16.60	22.84	23.11	23.44	34.12	39.52	50.81	49.11
2	Andhra Bank	12.68	13.19	13.77	12.64	16.21	19.72	29.03	34.90	30.85	35.44
3	Bank of Baroda	8.53	9.50	11.31	18.66	24.38	29.72	38.43	43.13	50.76	39.77
4	Bank of India	9.52	10.18	12.40	15.72	20.49	23.86	27.76	32.96	32.11	33.50
5	Bank of Maharashtra	34.99	25.17	28.30	21.25	20.93	13.73	16.35	19.89	19.51	14.21
6	Canara Bank	15.99	18.06	24.96	29.46	22.90	28.45	37.63	29.50	52.48	62.47
7	Central Bank of India	11.03	11.58	11.84	12.33	13.60	12.39	15.39	21.69	26.04	20.68
8	Corporation Bank	15.92	21.83	19.72	41.95	29.07	32.48	55.63	76.80	50.27	162.61
9	Dena Bank	12.89	14.91	20.12	9.72	7.19	9.15	41.64	39.13	42.34	40.43
10	IDBI BANK				245.48	320.16	407.52	172.10	118.21	57.83	64.45
11	Indian Bank	9.20	9.79	10.81	12.87	16.26	18.78	20.05	26.68	26.70	29.07

12	Indian Overseas Bank	11.47	14.29	18.37	21.13	18.78	20.37	28.38	31.02	36.77	38.00
13	Oriental Bank of Com.	29.48	36.86	55.04	48.93	36.83	53.82	67.06	90.00	64.54	44.33
14	Punjab National Bank	9.16	11.98	15.73	19.49	25.03	35.98	38.68	39.30	41.74	27.49
15	Punjab & Sind Bank	11.23	13.66	17.30	14.85	39.48	54.70	45.33	73.02	89.37	142.33
16	State Bank of India	16.96	20.31	22.11	26.99	33.79	44.04	43.54	50.96	59.82	63.97
17	S B of Bikaner & Jaipur	8.56	7.69	9.64	15.78	19.31	28.70	28.10	28.54	24.82	-
18	S B of Hyderabad	12.64	16.07	34.73	67.54	39.95	33.79	82.94	104.39	38.85	32.70
19	S B of Travancore	17.35	24.54	108.15	41.03	145.89	164.55	69.97	79.13	113.78	113.52
20	State Bank of Mysore	29.75	41.73	105.03	129.86	149.69	114.93	96.31	79.37	261.01	152.12
21	Syndicate Bank	11.71	13.94	12.93	15.88	21.51	17.08	23.55	24.56	31.73	49.06
22	Union Bank	20.92	24.84	29.79	39.15	40.18	45.30	56.09	59.14	67.58	84.08
23	United Bank of India	9.87	10.75	11.53	12.93	12.95	20.53	18.89	25.13	26.18	27.87
24	UCO Bank	15.04	17.58	19.21	20.97	23.78	29.06	34.20	42.57	47.43	43.22
25	Vijaya Bank	17.39	21.15	20.96	25.70	42.57	83.55	59.20	27.94	34.66	42.33
<b>Total Public Sector Banks</b>		<b>14.02</b>	<b>16.36</b>	<b>18.65</b>	<b>22.39</b>	<b>25.95</b>	<b>32.53</b>	<b>37.13</b>	<b>42.68</b>	<b>46.93</b>	<b>48.87</b>
26	Centurion Bank	44.62	50.55	20.98	87.31	187.47					-
27	Federal Bank	39.28	36.40	38.47	44.32	51.40	37.21	54.68	58.95	54.47	25.75
28	HDFC BANK	82.21	100.34	97.35	25.24	40.47	81.77	38.76	43.98	34.28	41.28
29	ICICI BANK	81.40	79.39	139.67	129.68	128.72	53.82	53.26	45.67	58.06	59.92
30	Karnatak Bank Ltd.	20.45	25.71	42.19	35.63	37.26	48.61	39.81	26.62	31.22	27.43
31	Karur Vysya Bank					16.35	20.80	32.12	52.64	70.24	72.92
32	Rajasthan Bank Ltd.	2.43	3.43	4.15	5.21	7.56	17.51	15.41			-
33	Vysya Bank	16.97	13.75	16.86	14.00	70.22	5.23	147.23	114.61	43.90	114.18
34	AXIS Bank	195.03	183.81	351.10	36.50	80.43	59.93	75.57	70.14	86.13	94.30
35	Indus Ind Bank	40.73	5.81	27.36	51.37	93.49	157.37	136.16	187.35	126.64	61.50
36	The South Indian Bank Ltd.				3.93	5.13	9.32	213.56	155.38	234.18	473.78
37	Lakshmi Vilas Bank Ltd.						1.17	5.06	31.83	48.21	54.81
38	Kotak Mahindra Bank Ltd									22.03	26.33
39	IDBI Bank Ltd.	70.18	45.16	53.47							-
<b>Total Private Sector Banks</b>		<b>59.60</b>	<b>57.35</b>	<b>85.39</b>	<b>58.72</b>	<b>83.23</b>	<b>63.27</b>	<b>62.06</b>	<b>60.21</b>	<b>64.51</b>	<b>65.74</b>

Table 11: Source: Authors

#### Analysis of deposit per branch of banks in Odisha

While we make this analysis, it is important to note that the figures of banks having substantial number of branches should be considered for the study. Banks with less number of branches could substantially skew the ratio (Deposit per branch) in their favour. Another thing to be noted out here is that analysis is not being done on credit per branch; the reasons for the same are that in many banks we do not have all the branches authorized to handle all types of loans and the other being that we have seen many branches coming up for most of the banks during the period: the branches take some time to be authorized to handle loans of any kind. Certain observations

a. There has been a constant growth of Deposits per branch for Public Sector banks when taken as a total group. However when we get into the study of each of the bank, it is found that except for two banks

namely Indian bank and Union bank of India, all other banks do not have a continuously increasing trend. This is surprising because of the fact that this group of banks is handling the bulk of the government deposits and still their deposits per branch do not have an increasing trend. It may be because of the fact that few years they have opened large number of branches which would have resulted in lowering of the deposit per branch ratio of that year consequently affecting the growth figure on this parameter.

b. There has been no perfect trend (growth / decline over the years) for private sector banks. CASA deposits

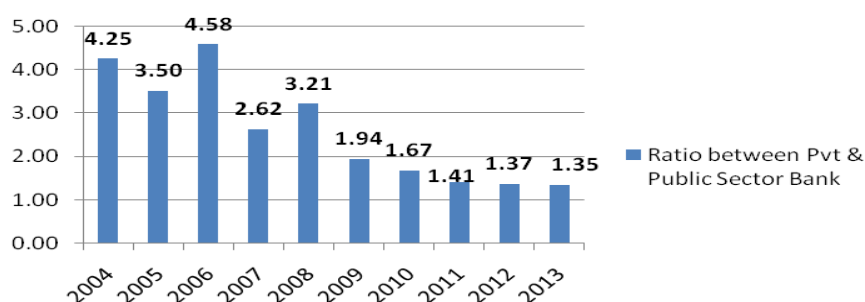
cannot change substantially everywhere; probably the best reason for this abnormal changes could be because of bulk fixed deposits at times or in particular those years. The reason could also be because of those years being years of branch expansion years; branches cannot deliver good deposits / borrowal figures in the same year of their births. The later reason is very pertinent for private sector banks because they saw robust growth in terms of branches during that period. The trend is seen neither amongst the smaller banks like the Federal Bank or Vyasa Bank nor amongst the larger banks like AXIS Bank, HDFC Bank or ICICI Bank.

c. It is commendable to see the lead bank of the state having grown in this parameter year after year excepting for the last year of the analysis i.e. 2013. They must be having a clear cut agenda in terms of sustainable growth i.e. growing number of branches and also maintaining the business growth side by side. Punjab National Bank also deserves mention for the fact that they have a very high growth of branches towards the last part of the study and yet they maintained the trend of positive growth every year.

e. It is also noteworthy to mention here that State Bank of India with all its size has just degrown on this parameter for just one year.

f. Another important finding is that the figures for each year have been higher for private sector banks than their public sector peers. Infact the figures have been few times the deposit / branch figures of public sector banks. A representation is mentioned below

### Ratio between Pvt & Public Sector Bank



This justifies the statement that private banks give too much importance to deposits.

### Bank's advances from 2004-13 in Odisha

Sl. No	Name of Bank	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	Allahabad Bank	619.75	676.37	722.76	843.57	961.22	1131.01	1621.62	1873.23	3053.46	4267.35
2	Andhra Bank	278.89	501.70	587.14	737.45	1045.24	1265.92	1727.58	2457.16	2355.33	2822.34
3	Bank of Baroda	282.15	315.81	427.01	619.74	799.78	1016.80	1279.57	1550.04	2014.71	4525.02
4	Bank of India	830.11	971.28	1201.96	1437.46	1666.10	1701.63	1930.70	2581.00	3314.91	3815.60
5	Bank of Maharashtra	52.58	59.07	61.55	20.33	17.90	18.03	18.20	17.97	22.00	30.89

6	Canara Bank	294.39	375.11	423.25	522.88	592.86	611.02	916.04	1266.36	2822.50	4265.06
7	Central Bank of India	268.03	314.41	387.38	304.86	325.71	331.69	612.01	871.41	1114.55	3426.01
8	Corporation Bank	47.44	66.72	64.09	69.73	77.11	75.16	89.10	115.79	433.24	2988.00
9	Dena Bank	137.98	221.56	222.01	189.84	147.69	116.04	239.24	252.84	478.99	365.84
10	IDBI BANK				109.25	111.36	257.58	480.00	594.42	1171.06	1307.45
11	Indian Bank	117.27	153.21	200.11	447.84	659.85	696.15	854.04	876.79	1545.31	1762.97
12	Indian Overseas Bank	475.82	858.06	915.06	905.34	937.39	990.68	1297.71	1644.85	2487.80	2670.75
13	Oriental Bank of Com.	118.55	188.31	439.35	541.61	583.30	644.56	742.39	882.94	1671.36	1907.36
14	Punjab National Bank	280.51	366.16	444.50	603.21	741.87	973.40	1261.78	1825.03	3589.09	4658.65
15	Punjab & Sind Bank	16.67	19.52	21.92	33.61	24.13	25.29	38.45	41.78	198.12	1021.00
16	State Bank of India	5104.27	6353.82	8424.33	10386.78	12306.15	14389.65	17315.17	19284.62	27408.68	38845.00
17	S B of Bikaner & Jaipur	9.48	18.68	27.50	64.87	90.66	115.54	134.45	212.37	78.21	64.75
18	S B of Hyderabad	39.36	36.67	56.31	73.05	58.05	201.51	124.86	178.32	1033.83	838.26
19	S B of Travancore	22.67	25.43	42.86	39.02	47.72	46.84	53.04	58.28	65.89	82.85
20	State Bank of Mysore	33.72	33.75	34.40	13.56	47.23	124.74	104.67	158.73	204.37	305.09
21	Syndicate Bank	211.92	249.67	492.12	368.85	354.98	445.68	390.32	700.34	877.21	2779.90
22	Union Bank	563.02	717.12	809.76	1323.59	1148.28	1406.27	1931.61	2426.46	3285.49	4915.57
23	United Bank of India	331.80	472.76	516.77	605.27	668.24	871.35	1140.81	1437.39	1929.62	2310.00
24	UCO Bank	1133.83	1811.55	2239.82	2537.01	2786.40	3323.12	3808.24	6202.45	7895.17	8349.26
25	Vijaya Bank	50.66	62.74	63.72	77.70	86.60	94.06	90.08	90.92	116.35	120.55
<b>Total Public Sector Banks</b>		<b>11320.87</b>	<b>14869.48</b>	<b>18825.68</b>	<b>22876.42</b>	<b>26285.81</b>	<b>30873.73</b>	<b>38201.68</b>	<b>47601.48</b>	<b>69167.25</b>	<b>98445.52</b>
26	Centurion Bank	12.46	21.54	7.63	29.44	37.17	0.00	0.00	0.00	0.00	
27	Federal Bank	26.45	39.09	47.16	59.52	72.11	98.90	117.22	102.84	104.79	222.53
28	HDFC BANK	29.11	50.10	52.12	540.96	544.78	625.76	1772.44	1345.19	1313.01	1874.00
29	ICICI BANK	165.04	368.16	1391.04	2128.64	1903.89	1717.41	997.44	1520.42	2285.57	2640.83
30	Karnatak Bank Ltd.	7.74	44.04	61.01	78.77	106.73	160.40	310.12	358.16	354.09	417.06
31	Karur Vysya Bank	0.00	0.00	0.00	0.00	1.61	9.64	155.52	170.39	143.44	194.89

32	Rajasthan Bank Ltd.	1.21	0.97	0.85	1.18	1.11	6.92	3.39	0.00	0.00	
33	Vysya Bank	15.04	22.46	20.84	9.67	6.71	0.66	17.81	14.77	19.49	20.99
34	AXIS Bank	72.20	72.25	148.82	274.80	781.37	439.55	1327.46	2291.54	3760.60	5369.89
35	Indus Ind Bank	0.10	2.79	200.11	208.93	269.68	341.95	369.37	529.72	615.64	607.47
36	The South Indian Bank Ltd.				0.59	0.65	0.62	7.48	6.69	9.51	19.02
37	Lakshmi Vilas Bank Ltd.					0.00	0.07	0.29	5.04	5.74	5.47
38	Kotak Mahindra Bank Ltd									128.38	93.21
39	IDBI Bank Ltd.	8.17	2.32	2.87							
<b>Total Private Sector Banks</b>		<b>337.52</b>	<b>623.72</b>	<b>1932.45</b>	<b>3332.50</b>	<b>3725.81</b>	<b>3401.88</b>	<b>5078.54</b>	<b>6344.75</b>	<b>8740.26</b>	<b>11465.36</b>

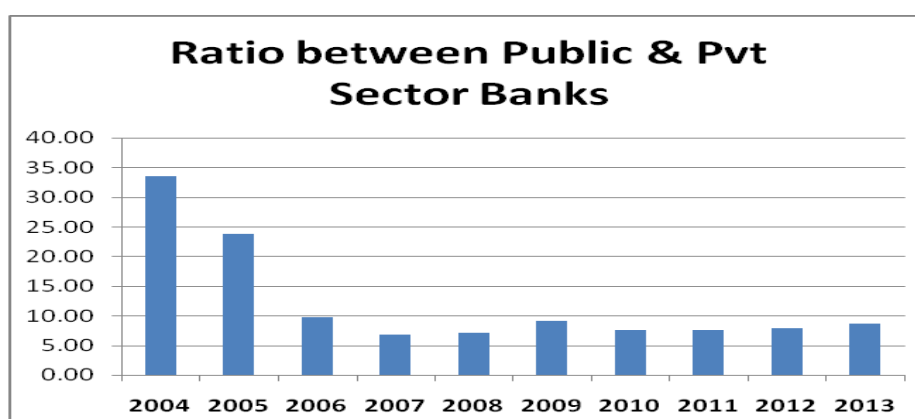
Table 12: Source: SLBC Odisha.

**Analysis of advances of banks in Odisha from 2004-12**

a. The annual growth of private sector banks is much higher in comparison to the public sector banks. The CAGR for public sector banks was 24.15% while that of private sector banks was 42.27%. This higher growth rate could be attributed to the fact that the private banks started credit exposure during that period; infact most of them entered massive branch expansion during that period.

b. There has been a consistent trend of increase in the total credit of public sector banks over the years. However there has been dip in 2009 for private sector banks. Upon analysis it is observed that the figure is primarily because of ICICI Bank. They had substantial assets under management carried over from the erstwhile ICICI which has been getting reduced with each passing year; this could be a probable reason for the said trend. The individual asset sizes of ICICI was very huge; infact a single ticket amount could be larger than the total exposure of many a decently sized bank.

c. The annual contribution of Public sector banks was higher than private sector banks every year. Infact despite the increase in the advances of private sector banks over the years, the amount remains miniscule percentage of total advances of public sector banks. The diagram below shows the ratio in a more lucid manner for the time period 2004-13.



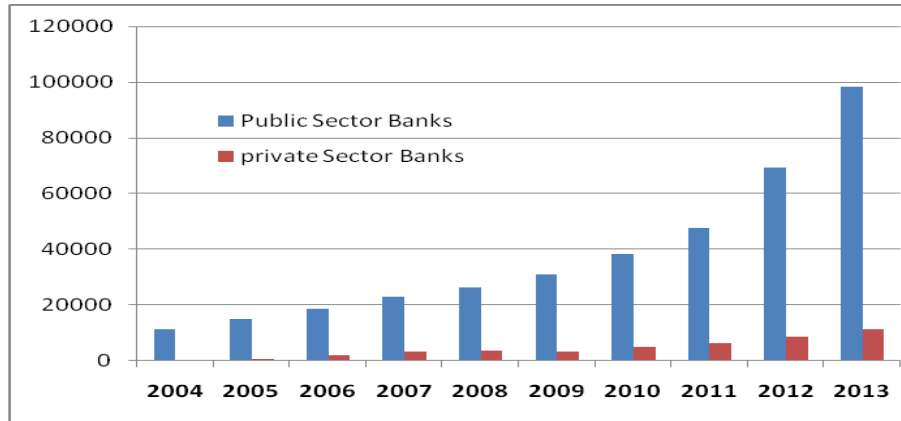
d. There are 14 public sector banks which have a higher rate of growth (CAGR) than that of the group average of 24.15%. These are Andhra Bank, Bank of Baroda, Canara Bank, Central Bank of India, Corporation Bank, IDBI Bank, Indian Bank, Oriental bank of Commerce, Punjab National Bank, Punjab & Sind Bank, State Bank of Hyderabad, State Bank of Mysore, Syndicate Bank and Union bank of India. It is commendable of SBI

to show a CAGR of 22.50%; UCO bank also has a commendable CAGR of 22.10 despite both having a large base.

e. There are 10 banks amongst the public sector banks which have grown each year. These are Allahabad bank, Bank of Baroda, Bank of India, Canara bank, Indian Bank, Oriental Bank of Commerce, Punjab National Bank, State Bank of India, United Bank of India & UCO Bank.

f. There are however no such banks in the private banks space.

g. HDFC Bank, AXIS Bank, ICICI Bank, Karnataka Bank and Indus Ind Bank had CAGRs higher than the average for the private sector bank group.



**Priority Sector Lending in Odisha**

Before we get into the statistics, it is important to note down the various nuances of this segment of bank lending. This is very important because when we are talking retail, this is the key segment as it deals with most of the possible individual loans be it in the form of education, agriculture, MSME or housing.

Priority sector refers to those sectors of the economy which may not get timely and adequate credit in the absence of this special dispensation. Typically, these are small value loans to farmers for agriculture and allied activities, micro and small enterprises, poor people for housing, students for education and other low income groups and weaker sections. As per the specifications laid down by RBI on Sep-01' 2012, there will be the following categories in the same.

- 1) Agriculture
- 2) Micro and Small Enterprises
- 3) Education
- 4) Housing
- 5) Export Credit
- 6) Others

The laid down targets and sub-targets for commercial banks are as follows

Categories	Domestic commercial banks / Foreign banks with 20 and above branches (As percent of ANBC or Credit Equivalent of Off-Balance Sheet Exposure, whichever is higher)	Foreign banks with less than 20 branches (As percent of ANBC or Credit Equivalent of Off-Balance Sheet Exposure, whichever is higher)
Total Priority Sector	40	32
Total agriculture	18	No specific target.
Advances to Weaker Sections	10	No specific target.

We shall go through each one of the segment as mentioned above.

(i) Under **agriculture**, we have direct and indirect finance. The respective details are as follows

**Direct Finance**

- a) Loans to individual farmers [including Self Help Groups (SHGs) or Joint Liability Groups (JLGs), i.e. groups of individual farmers] engaged in Agriculture and Allied Activities, viz., dairy, fishery, animal husbandry, poultry, bee-keeping and sericulture.
- b) Loans to small and marginal farmers for purchase of land for agricultural purposes.
- c) Loans to distressed farmers indebted to non-institutional lenders.
- d) Bank loans to Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS) and Large-sized Adivasi Multi Purpose Societies (LAMPS) ceded to or managed/ controlled by such banks for on lending to farmers for agricultural and allied activities.

**In-Direct Finance**

- a) Loans to corporates, partnership firms and institutions engaged in Agriculture and Allied Activities (dairy, fishery, animal husbandry, poultry, bee-keeping and sericulture).
- b) Loans upto `5 crore to Producer Companies set up exclusively by only small and marginal farmers under Part IXA of Companies Act, 1956 for agricultural and allied activities.
- c) Bank loans to Primary Agricultural Credit Societies (PACS), Farmers' Service Societies (FSS) and Large-sized Adivasi Multi Purpose Societies (LAMPS).

(ii) Under **MSME**, those banks loans which are given to MSME with adherence to MSMED (Micro, Small and Medium Enterprises Development) Act, 2006 stand qualified to be termed as a priority sector lending.

Enterprises	Investment in plant and machinery
Micro Enterprises	Do not exceed INR 25.00 Lac
Small Enterprises	More than INR 25.00 Lac rupees but does not exceed INR 5.00 Cr.
Enterprises	Investment in equipment
Micro Enterprises	Does not exceed INR 10.00 Lac
Small Enterprises	More than INR 10.00 Lac but does not exceed INR 2.00 Cr.

(iii) Loans to individuals for **educational** purposes including vocational courses upto `INR 10 Lac for studies in India and `INR 20 Lac for studies abroad are included under priority sector.

(iv) Loans to individuals up to INR 25 Lac in metropolitan centres with population above ten lakh and INR 15 Lac in other centres for purchase/construction of a dwelling unit per family excluding loans sanctioned to bank's own employees.

**Bank's Priority Sector Lending from 2008-13 in Odisha**

*All figures in INR Cr.*

Sl. No.	Name of Bank	2008	2009	2010	2011	2012	2013
1	Allahabad Bank	568.89	776.87	1160.61	1195.02	911.88	1022.22
2	Andhra Bank	428.54	506.37	607.17	622.12	981.71	1206.61
3	Bank of Baroda	448.61	656.17	815.31	1050.71	1301.06	1593.04
4	Bank of India	1090.70	1220.50	1484.10	2325.66	1554.36	1754.57



5	Bank of Maharashtra	11.26	8.79	10.55	8.81	16.64	23.96
6	Canara Bank	407.08	457.13	560.88	710.11	750.03	680.54
7	Central Bank of India	219.35	229.27	494.58	628.45	336.78	412.93
8	Corporation Bank	35.71	30.85	45.65	67.93	178.94	1355.00
9	Dena Bank	15.81	24.09	31.11	28.08	36.16	138.03
10	IDBI BANK	0.63	14.94	27.28	140.55	474.40	383.19
11	Indian Bank	184.06	162.63	217.14	505.14	249.75	340.55
12	Indian Overseas Bank	459.32	445.89	311.28	613.96	755.12	1098.40
13	Oriental Bank of Com.	101.89	119.60	156.31	231.81	690.25	654.63
14	Punjab National Bank	381.05	394.90	550.29	785.80	1106.15	1185.20
15	Punjab & Sind Bank	9.90	16.69	23.30	35.54	46.52	31.00
16	State Bank of India	6551.50	7075.15	8754.44	8363.62	8935.22	8499.00
17	S B of Bikaner & Jaipur	8.27	22.51	4.91	14.17	31.29	16.80
18	S B of Hyderabad	17.26	90.45	30.37	72.90	305.19	75.11
19	S B of Travancore	4.43	9.48	12.55	23.89	22.12	23.95
20	State Bank of Mysore	6.42	7.21	9.17	12.94	13.58	17.50
21	Syndicate Bank	209.90	256.18	293.84	312.02	392.60	453.79
22	Union Bank	562.36	840.06	1170.94	1461.54	1314.21	2150.07
23	United Bank of India	536.80	556.12	731.12	1133.97	1086.32	1284.00
24	UCO Bank	2080.09	2174.70	2736.71	2906.88	2662.56	2934.00
25	Vijaya Bank	58.51	77.16	66.25	66.59	77.40	98.00
<b>Total Public Sector Banks</b>		<b>14398.33</b>	<b>16173.70</b>	<b>20305.84</b>	<b>23318.21</b>	<b>24230.25</b>	<b>27432.09</b>
26	Centurion Bank	0.00	0.00	0.00	0.00	0.00	

27	Federal Bank	32.62	39.04	74.96	47.41	49.54	44.37
28	HDFC BANK	205.12	197.81	833.47	701.89	540.56	601.00
29	ICICI BANK	713.97	494.31	344.99	443.48	749.08	712.84
30	Karnatak Bank Ltd.	15.07	9.14	48.34	46.12	67.67	88.23
31	Karur Vysya Bank	0.39	0.17	54.17	36.68	13.44	32.24
32	Rajasthan Bank Ltd.	0.11	0.11	0.88			
33	Vysya Bank	1.24	1.22	5.31	2.00	0.00	4.72
34	AXIS Bank	546.95	85.44	548.59	801.77	1560.85	2196.30
35	Indus Ind Bank	154.39	192.77	223.66	266.88	363.69	312.12
36	The South Indian Bank Ltd.	0.27	0.25	0.12	1.88	5.66	6.30
37	Lakshmi Vilas Bank Ltd.		0.00	0.01	4.23	4.18	3.93
38	Kotak Mahindra Bank Ltd					94.43	66.89
<b>Total Private Sector Banks</b>		<b>1670.13</b>	<b>1020.26</b>	<b>2134.50</b>	<b>2352.33</b>	<b>3449.09</b>	<b>4068.94</b>

Table 13: Source: SLBC Odisha.

**Analysis of priority sector lending of banks in Odisha**

a. The total disbursement under priority sector has been increasing consistently for all the public sector banks. This is true for the total of private sector banks except for the year 2009 when there was a decline.

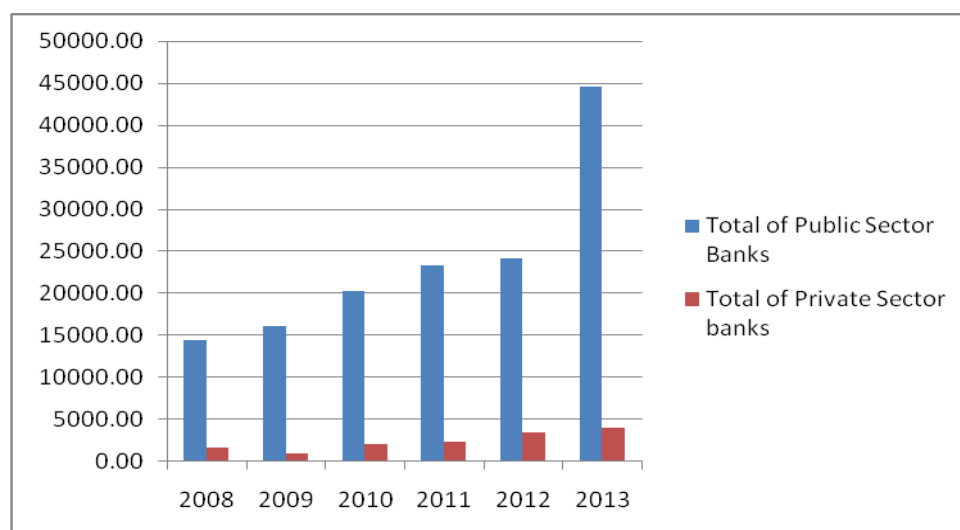
b. None of the private sector banks have grown each year.

c. There are 5 Public sector banks which have grown each year. They include, Andhra Bank, Bank of Baroda, Punjab national bank, State Bank of Mysore and Syndicate Bank. UCO Bank has grown for each year excepting for one year during the time frame. There are certain large public sector banks (in terms of total business and branch network) which have grown for atleast 4 years; they are Allahabad Bank, Bank of India, Central Bank of India, Corporation bank, IDBI Bank, Indian Bank, Oriental bank of Commerce, United Bank of India and Union Bank.

d. SBI, UCO Bank and Bank of India were the largest lenders in the state from 2008-2011. This might be probably because of the size and also because of these banks being the lead banks in most of the districts. In 2012, however AXIS Bank took over the third spot by surpassing Bank of India. The position remained the same in 2013 too. This could be because of more retail loans growing of AXIS Bank which has started its Retail Assets Centre exclusively.

e. Amongst the private sector banks, Federal Bank, Indus Ind Bank and AXIS Bank have grown for atleast 4 years.

*All figures in INR Cr.*



### Bankwise Agriculture Sector Lending from 2008-13 in Odisha

All figures in INR Cr.

Sl. No.	Name of Bank	2008	2009	2010	2011	2012	2013
1	Allahabad Bank	170.65	438.00	778.95	729.67	227.98	265.44
2	Andhra Bank	111.49	105.10	151.45	156.44	275.80	362.95
3	Bank of Baroda	79.50	119.30	159.86	206.58	279.06	339.27
4	Bank of India	416.53	504.69	558.14	422.57	530.92	694.05
5	Bank of Maharashtra	0.69	0.42	0.77	0.33	0.33	0.40
6	Canara Bank	76.16	66.18	81.11	110.74	153.68	215.04
7	Central Bank of India	47.08	50.42	306.65	413.70	81.49	141.88
8	Corporation Bank	7.27	1.78	14.64	23.82	25.80	849.00
9	Dena Bank	0.17	5.03	11.19	6.91	4.96	5.83
10	IDBI BANK	0.00	6.74	11.93	18.59	120.60	77.51
11	Indian Bank	62.06	52.79	95.40	385.16	83.27	117.66
12	Indian Overseas Bank	281.93	276.96	266.58	262.13	288.95	552.04
13	Oriental Bank of Com.	8.16	14.85	20.98	20.84	18.77	42.47
14	Punjab National Bank	181.48	176.97	201.18	244.84	404.88	379.54
15	Punjab & Sind Bank	0.00	0.00	0.00	0.05	24.12	0.00
16	State Bank of India	1751.57	2200.55	2633.89	3328.25	3173.86	3018.00
17	S B of Bikaner & Jaipur	0.00	0.00	0.00	0.00	0.00	0.00
18	S B of Hyderabad	0.10	0.07	0.04	0.00	2.26	0.00
19	S B of Travancore	0.00	0.03	0.02	0.02	0.01	0.00

20	State Bank of Mysore	0.01	0.02	0.04	0.00	0.00	0.32
21	Syndicate Bank	49.44	62.84	54.79	40.76	95.47	114.16
22	Union Bank	252.49	513.04	777.19	1012.16	592.17	927.23
23	United Bank of India	164.58	235.22	250.28	616.26	414.08	538.00
24	UCO Bank	719.07	790.82	1480.89	1389.68	925.00	1239.00
25	Vijaya Bank	4.44	9.21	7.81	7.73	8.25	10.11
<b>Total Public Sector Banks</b>		<b>4384.86</b>	<b>5631.03</b>	<b>7863.78</b>	<b>9397.23</b>	<b>7731.71</b>	<b>9889.90</b>
26	Centurion Bank	0.00					
27	Federal Bank	14.25	17.05		13.50	52.48	26.66
28	HDFC BANK	55.46	35.55	653.33	492.52	210.79	304.00
29	ICICI BANK	297.46	153.15	99.99	97.36	246.86	335.81
30	Karnatak Bank Ltd.	1.41	0.00	4.18	19.26	27.86	50.37
31	Karur Vysya Bank	0.01	0.17	1.94	33.46	9.55	9.17
32	Rajasthan Bank Ltd.	0.00	0.00	0.00	0.00		
33	Vysya Bank	0.00	0.00	0.00	0.00	0.00	0.15
34	AXIS Bank	57.74	81.57	96.31	248.05	376.29	585.31
35	Indus Ind Bank	1.98	18.26	24.12	17.80	37.88	33.97
36	The South Indian Bank Ltd.	0.06	0.02	0.03	1.51	5.54	4.90
37	Lakshmi Vilas Bank Ltd.		0.00	0.00	4.22		0.00
38	Kotak Mahindra Bank Ltd						8.95
<b>Total Private Sector Banks</b>		<b>428.38</b>	<b>305.78</b>	<b>879.90</b>	<b>927.68</b>	<b>967.26</b>	<b>1359.29</b>

Table 14: Source: SLBC Odisha.

**Analysis of agri lending of banks in Odisha**

a. There might be talks of lot much of agriculture business happening in the state but the figures do not speak good about the statement. Neither public nor the private sector banks have seen the total increase consistently over the years. Even for the leading bank of the state i.e. State Bank of India and the lead bank of the state i.e. UCO bank have seen their respective figures declining for 2 years in this short span of study.

b. There is only one public sector bank i.e. Bank of Baroda which has seen agri lending increase each year of the survey.

c. Amongst the private sector banks, it is only AXIS Bank which has seen increase in its agri portfolio every year.

d. The visible fact about AXIS Bank is probably because of the fact that despite being a private sector bank, this bank had started its rural and semi-urban penetration early.

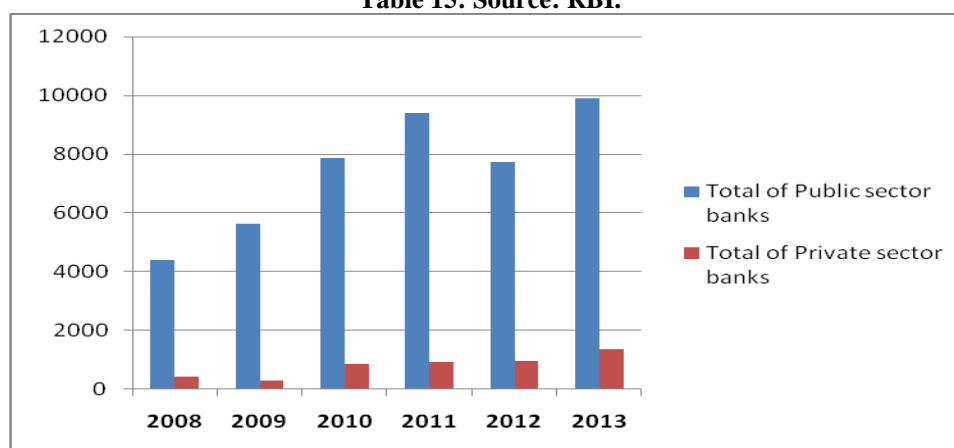
Kisan Credit Cards is a direct measurement of the retail spread of the agriculture portfolio of banks. In the state of Odisha, the performance for Mar 2012 has been as follows. Though it was not possible to lay hands on the bank-wise breakup of the said data, it is clear that the contribution of cooperative banks was the highest. This seems to be logical given the fact that these banks have substantial presence in the rural pockets. One would observe that though the number of cards issued are the highest from the cooperative banks, the amount sanctioned is higher for commercial banks underlying thereby that the ticket size of commercial banks is higher. Since we do not have the private and public sector banks break-ups, we are not getting into the details of this.

**Kisan Credit Card Scheme: Odisha's performance as on Mar-2012**

State/UT	Cooperative Banks		Regional Rural Banks		Commercial Banks		Total	
	Cards issued	Amount sanctioned	Cards issued	Amount sanctioned	Cards issued	Amount sanctioned	Cards issued	Amount sanctioned
<b>Eastern region</b>	<b>797</b>	<b>11.0</b>	<b>560</b>	<b>21.6</b>	<b>250</b>	<b>8.4</b>	<b>1,008</b>	<b>17.9</b>
Odisha	674	8.0	84	1.5	250	8.4	1,008	17.9

(Amount in Rs. billion and Number of cards issued in '000)

**Table 15: Source: RBI.**



**Bankwise MSME Sector Lending from 2008-13 in Odisha**

Sl. No.	Name of Bank	2008	2009	2010	2011	2012	2013
1	Allahabad Bank	47.78	82.33	89.91	115.37	177.30	616.81
2	Andhra Bank	141.06	148.40	207.45	233.13	467.76	617.92
3	Bank of Baroda	101.73	246.30	393.57	565.63	833.79	956.83
4	Bank of India	173.82	219.30	194.87	202.90	1096.90	1042.94
5	Bank of Maharashtra	0.43	0.59	0.20	1.90	3.15	6.90
6	Canara Bank	125.93	309.43	391.20	534.57	708.60	749.15
7	Central Bank of India	56.61	52.43	118.41	162.81	45.54	241.11
8	Corporation Bank	4.15	7.01	8.61	18.82	36.40	195.00
9	Dena Bank	2.10	2.89	6.83	8.15	14.63	252.30

10	IDBI BANK	0.00	94.19	191.07	27.81	47.81	72.51
11	Indian Bank	38.05	30.22	11.51	35.78	73.73	140.18
12	Indian Overseas Bank	37.34	85.40	154.33	48.45	315.73	466.11
13	Oriental Bank of Com.	11.23	11.75	67.87	132.58	576.26	646.57
14	Punjab National Bank	98.38	102.01	175.76	431.40	772.50	996.84
15	Punjab & Sind Bank	0.82	0.39	2.72	10.16	11.92	17.00
16	State Bank of India	785.68	1004.79	2190.40	2329.38	3030.95	3211.00
17	S B of Bikaner & Jaipur	2.63	7.04	7.33	9.52	18.57	66.96
18	S B of Hyderabad	3.04	10.42	6.44	25.03	19.80	45.93
19	S B of Travancore	0.11	0.00	0.32	1.58	3.35	0.00
20	State Bank of Mysore	2.73	3.65	6.59	2.16		13.59
21	Syndicate Bank	39.42	52.03	166.87	185.26	187.61	218.11
22	Union Bank	67.00	80.63	197.78	263.34	535.98	701.12
23	United Bank of India	119.09	105.96	118.85	153.80	485.15	<b>522.00</b>
24	UCO Bank	401.96	330.53	602.44	746.71	1343.87	1397.56
25	Vijaya Bank	12.75	18.76	30.46	30.69	48.85	57.77
<b>Total Public Sector Banks</b>		<b>2273.83</b>	<b>3006.45</b>	<b>5341.79</b>	<b>6276.93</b>	<b>10856.15</b>	<b>13252.21</b>
26	Centurion Bank	0.00					
27	Federal Bank	0.00	0.00	58.13	33.31	41.22	48.32
28	HDFC BANK	4.52	7.00	176.87	207.46	273.96	331.00
29	ICICI BANK	11.87	7.87	42.77	169.20	318.40	215.32
30	Karnatak Bank Ltd.	0.00	0.74	0.73	1.57	81.54	85.57
31	Karur Vysya Bank	0.00	0.00	0.00	0.00	2.84	0.00
32	Rajasthan Bank Ltd.	0.00	0.00	0.80			
33	Vysya Bank	2.45	0.00	0.00	1.30		16.43
34	AXIS Bank	111.87	2.02	240.02	387.60	676.77	553.38
35	Indus Ind Bank	0.05	0.00	197.06	248.49	324.52	278.15
36	The South Indian Bank Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
37	Lakshmi Vilas Bank Ltd.		0.00	0.00	0.00	0.00	0.01
38	Kotak Mahindra Bank Ltd					75.33	57.85
<b>Total Private Sector Banks</b>		<b>130.76</b>	<b>17.63</b>	<b>716.38</b>	<b>1048.93</b>	<b>1794.57</b>	<b>1586.03</b>

Table 16: Source: SLBC Odisha.

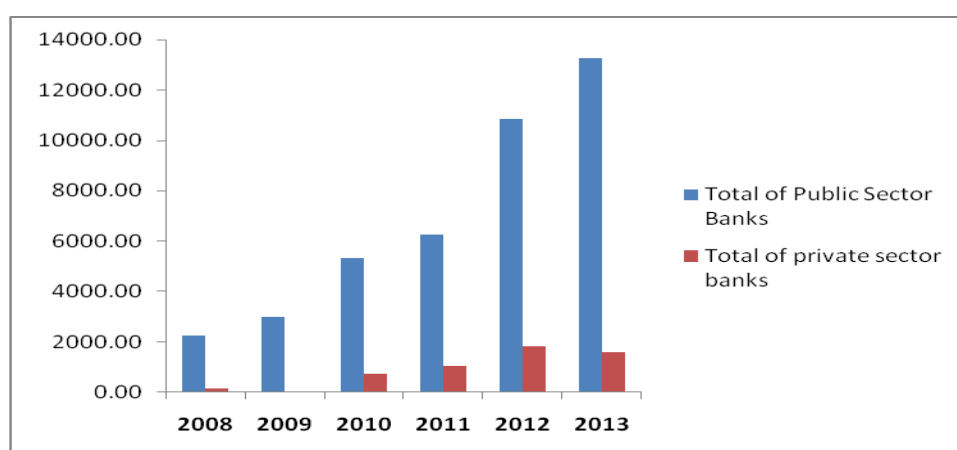
### Analysis of MSME lending of banks in Odisha

a. It is clearly the public sector banks which are dominating the segment. One point to be noted out here is that amongst the private sector banks, there is lack of necessary focus on the preparation (read submission) of the SLBC data. While the broad important parameters like Loans, Deposits, CD Ratio and the branches are being taken into consideration, they must not be preparing the data seriously. Unlike public sector banks, they do not have dedicated officials to handle the data management and submission.

b. The total of the public sector banks has been increasing across each of the years.

c. There are as many as 13 public sector banks which have seen increase in their portfolio (in this segment) over each of the years. We have SBI, Allahabad Bank, Andhra Bank, Bank of Baroda, Canara Bank, Corporation bank, Dena Bank, Oriental bank of Commerce, Punjab National bank, State Bank of Bikaner & Jaipur, Syndicate Bank, Union Bank and Vijaya Bank.

d. Amongst the private sector banks, we have HDFC Bank and Karnataka Bank which are leading the show every year.



### Bank's CAGR Growth over the years in Branches, Deposits and Advances

One point to note before we get into the data and the subsequent analysis

a. Those banks which are not present for each of the ten years have been excluded from the analysis; they have been marked with NA.

Sl. No.	Name of Bank	Branch CAGR	Deposit CAGR	Advances CAGR
1	Allahabad Bank	2.22	17.00	21.28
2	Andhra Bank	4.83	16.18	26.04
3	Bank of Baroda	9.84	28.12	31.98
4	Bank of India	5.22	19.33	16.48
5	Bank of Maharashtra	17.46	7.34	-5.18
6	Canara Bank	7.71	23.44	30.65
7	Central Bank of India	6.03	12.91	29.02
8	Corporation Bank	11.61	40.81	51.33
9	Dena Bank	14.87	28.78	10.24
10	IDBI BANK	64.79	36.13	42.56
11	Indian Bank	4.90	17.69	31.13
12	Indian Overseas Bank	3.96	17.19	18.83
13	Oriental Bank of Com.	16.49	21.33	32.02
14	Punjab National Bank	9.34	22.04	32.44
15	Punjab & Sind Bank	11.61	43.88	50.91
16	State Bank of India	4.00	18.76	22.50
17	S B of Bikaner & Jaipur	-100.00	15.82	21.18
18	S B of Hyderabad	7.18	17.86	35.78



19	S B of Travancore	0.00	20.66	13.84
20	State Bank of Mysore	0.00	17.73	24.64
21	Syndicate Bank	9.05	25.85	29.36
22	Union Bank	5.63	21.39	24.20
23	United Bank of India	3.05	14.33	21.42
24	UCO Bank	3.41	14.92	22.10
25	Vijaya Bank	2.54	12.09	9.06
<b>Total Public Sector Banks</b>		<b>5.19</b>	<b>19.19</b>	<b>24.15</b>
26	Centurion Bank			
27	Federal Bank	27.10	21.84	23.74
28	HDFC BANK	42.90	33.38	51.66
29	ICICI BANK	32.95	28.94	31.95
30	Karnatak Bank Ltd.	21.48	25.10	48.99
31	Karur Vysya Bank			
32	Rajasthan Bank Ltd.			
33	Vysya Bank	8.84	31.70	3.39
34	AXIS Bank	52.94	42.22	53.87
35	Indus Ind Bank	35.59	41.29	138.98
36	The South Indian Bank Ltd.			
37	Lakshmi Vilas Bank Ltd.			
38	Kotak Mahindra Bank Ltd			
39	IDBI Bank Ltd.	0.00	-8.67	-29.44
<b>Total Private Sector Banks</b>		<b>32.61</b>	<b>33.91</b>	<b>42.27</b>

**Table 17: Source: Authors.**

The analysis of these have been made while discussing the respective parameters.

**Correlation between the CAGRs of Deposits, Branch network and Advances is mentioned below**

Correlation	Type of banks	CAGR Relationships
0.34	Public Sector Banks	Branch & Deposit
0.78	Private Sector Banks	Branch & Deposit
0.21	Public Sector Banks	Branch & Advances
0.83	Private Sector Banks	Branch & Advances
0.75	Public Sector Banks	Deposit & Advances
0.74	Private Sector Banks	Deposit & Advances

**Table 18: Source: Authors.**

**Correlation between Deposits, Branch network and Advances separately for private and public sector banks in Odisha.**

Pearson Correlation was tested for the period 2004-13. The correlation matrix for these parameters for public & private sector banks is as follows:

Correlation between	Correlation	Type of Banks
Branches & Deposits	0.9978	Public
Branches & Deposits	0.9959	Private
Branches & Advances	0.9704	Public
Branches & Advances	0.9806	Private
Total Business & Branches	0.9961	Public
Total Business & Branches	0.9937	Private

**Table 19: Source: Authors.**

The salient interpretations from these tables are as follows

a. The correlation between advances and branches is 0.9704 for public sector banks where as it is 0.9806 for private sector banks. It can be safely inferred that with growth of branches, there is more probability that the advances would grow higher if the said bank is a private sector bank.

b. Contrary to the belief that private sector banks mop up more deposits and do not provide loans, the correlation between branches & deposits is lower (0.9959) for private sector banks than for public sector banks (0.9978).

c. Besides, these, we do have a greater correlation coefficient for public sector banks while we judge Total Deposits and Branches than the private sector banks.

d. Another fact which is clearly visible is that the correlation is very high between these parameters indicating that with growth in branches both public sector and private sector banks have been able to grow their deposits, advances and Total Business also. The state seems to be poised well for doing good business in future also.

#### Bank's CD ratio from 2004-13 in Odisha

Sl. No.	Name of Bank	CD Ratio 2004	CD Ratio 2005	CD Ratio 2006	CD Ratio 2007	CD Ratio 2008	CD Ratio 2009	CD Ratio 2010	CD Ratio 2011	CD Ratio 2012	CD Ratio 2013
1	Allahabad Bank	79.82	73.39	68.04	55.95	62.07	72.01	70.95	65.82	80.13	114.33
2	Andhra Bank	28.20	48.16	53.96	60.76	61.40	60.57	56.15	62.86	65.82	63.72
3	Bank of Baroda	91.91	92.36	104.87	79.07	71.30	74.39	64.04	58.91	54.37	123.68
4	Bank of India	77.19	82.99	84.26	78.18	66.12	57.98	53.10	55.93	60.03	60.59
5	Bank of Maharastra	150.27	117.37	108.76	47.85	42.78	65.67	55.67	45.18	37.59	43.46
6	Canara Bank	47.20	50.67	40.37	39.44	56.27	46.68	45.93	58.80	67.23	83.26
7	Central Bank of India Corporation Bank	45.01	50.28	58.43	41.90	39.93	41.83	62.13	58.22	50.95	170.83
8	Dena Bank	49.68	50.95	46.44	20.78	29.47	25.72	17.80	16.75	61.55	102.08
9	IDBI BANK	356.81	495.33	367.87	390.46	293.33	181.11	82.07	80.77	141.41	75.41
10	Indian Bank	-	-	-	44.50	34.78	63.21	25.36	25.14	63.28	61.47
11	Indian Overseas Bank	28.97	34.78	41.14	75.67	84.56	77.23	76.05	55.69	83.89	85.43
12	Oriental Bank of Com.	53.19	78.00	63.86	53.56	60.87	56.56	50.25	55.24	62.07	61.12
13	Punjab National Bank	40.21	51.09	79.83	69.18	88.00	63.03	50.32	40.88	73.99	93.55
14	Punjab & Sind Bank	58.88	59.93	54.34	58.40	52.00	42.94	47.28	52.77	76.77	133.46
15	State Bank of India	74.22	71.48	63.37	56.60	15.28	11.56	21.21	11.44	44.34	119.56
16	S B of Bikaner & Jaipur	63.09	65.18	78.72	76.67	67.69	56.14	61.94	57.08	67.58	86.01
17	S B of Hyderabad	55.37	121.54	142.63	137.06	156.53	134.19	159.47	248.04	105.05	87.06
18	S B of Travancore	62.28	45.65	32.43	21.63	29.06	99.40	15.05	17.08	266.08	256.38
19	State Bank of Mysore	130.66	103.63	39.63	95.10	32.71	28.47	75.80	73.65	57.91	72.98
20		113.34	80.88	32.75	10.44	31.55	108.53	108.68	199.98	78.30	200.56

21	Syndicate Bank	62.41	61.78	122.80	50.49	33.69	52.20	32.50	49.16	44.59	82.12
22	Union Bank	56.07	58.92	52.27	65.02	53.92	50.89	49.91	52.60	60.02	70.44
23	United Bank of India	35.76	46.31	47.19	49.29	51.62	41.20	54.90	49.32	61.94	65.25
24	UCO Bank	49.27	66.48	73.78	73.32	68.11	63.89	59.86	76.29	80.81	90.27
25	Vijaya Bank	41.61	42.38	43.42	37.79	25.43	14.07	16.91	36.16	37.30	31.64
<b>Total Public Sector Banks</b>		<b>57.93</b>	<b>64.54</b>	<b>70.75</b>	<b>67.30</b>	<b>63.11</b>	<b>56.32</b>	<b>56.34</b>	<b>56.67</b>	<b>68.33</b>	87.09
26	Centurion Bank	27.92	42.61	36.37	33.72	19.83	-	-	-	-	
27	Federal Bank	67.34	53.70	61.30	67.15	46.76	88.59	71.45	58.15	27.49	78.55
28	HDFC BANK	17.70	24.97	26.77	214.30	112.18	42.52	190.52	84.96	64.91	63.94
29	ICICI BANK	50.69	77.29	165.99	136.79	82.17	86.24	50.62	69.35	80.34	63.88
30	Karnatak Bank Ltd.	37.85	171.30	144.61	221.08	143.21	164.97	259.67	269.07	226.80	217.22
31	Karur Vysya Bank	-	-	-	-	9.82	15.45	161.38	107.90	68.07	66.81
32	Rajasthan Bank Ltd.	49.79	28.28	20.48	22.65	14.66	39.54	21.97	-	-	
33	Vysya Bank	29.54	163.35	123.61	69.07	9.55	12.61	12.09	12.88	6.34	2.63
34	AXIS Bank	37.02	39.31	42.39	53.77	53.97	26.19	48.80	65.34	74.00	81.35
35	Indus Ind Bank	0.25	16.02	182.87	101.67	48.08	36.22	45.21	47.12	27.01	47.03
36	The South Indian Bank Ltd.	-	-	-	15.01	12.57	6.66	3.50	2.15	2.03	2.01
37	Lakshmi Vilas Bank Ltd.	-	-	-	-	-	5.82	5.78	15.82	11.90	9.98
38	Kotak Mahindra Bank Ltd	-	-	-	-	-	-	-	-	97.11	59.00
39	IDBI Bank Ltd.	11.64	5.14	5.37	-	-	-	-	-	-	
<b>Total Private Sector Banks</b>		<b>35.39</b>	<b>57.24</b>	<b>113.15</b>	<b>120.75</b>	<b>69.95</b>	<b>53.24</b>	<b>70.54</b>	<b>67.99</b>	<b>62.73</b>	<b>64.83</b>

Table 20: Source: Authors.

**Analysis of bank wise CD Ratios in Odisha**

a. The average of public sector banks for the period 2004-13 is 64.84% whereas the same for private sector banks is 71.58%.

b. There are 11 public sector banks which have an average higher than that of the group average of 64.84%. These are Allahabad Bank, Bank of Baroda, Bank of India, Bank of Maharashtra, Dena Bank, Oriental bank of Commerce, State Bank of Bikaner & Jaipur, State Bank of Hyderabad, State Bank of Travancore, UCO Bank and State Bank of Mysore.

c. The highest ratio was 246.46% for Dena Bank and that of State Bank of Bikaner & Jaipur at 134.69%.

d. The high CD Ratio for the public sector banks group despite the huge government deposits is possible because of the outstanding performance of the largest banks namely State Bank of India and UCO Bank. Despite their size, they have been able to maintain a commendable CDA Ratio of 68.01% and 70.21%.

e. 3 banks namely HDFC Bank, ICICI Bank and Karnataka Bank have an average higher than the group (private sector banks). Though Karur Vyasa Bank has a higher average, it is not being mentioned because of it being present for small period. Karnataka Bank has infact more than 100% as CD Ratio.

f. Amongst the private sector banks, there has been marked effect of ICICI whose assets were passed on to ICICI Bank.

**Further analysis of bankwise CD Ratios in Odisha from 2004-2013**

CD Ratio is a function of Deposits and Advances of the bank. It is expected of banks to grow every year in terms of Deposits and Advances. The actual growth and the % growth might vary for each year; thus affecting the CD Ratios. However a degree of stability is expected when the ratio is taken into consideration. The figures that are mentioned above have been analysed further with regards to the averages, the minimum ratio, the maximum ratio and the standard deviation; all within the specified period of 2004-13.

Sl. No.	Name of Bank	Avg	Min	Max	Std Dev
1	Allahabad Bank	74.25	55.95	114.33	15.92
2	Andhra Bank	56.16	28.20	65.82	11.12
3	Bank of Baroda	81.49	54.37	123.68	21.76
4	Bank of India	67.64	53.10	84.26	11.86
5	Bank of Maharastra	71.46	37.59	150.27	39.43
6	Canara Bank	53.59	39.44	83.26	13.46
7	Central Bank of India	61.95	39.93	170.83	39.04
8	Corporation Bank	42.12	16.75	102.08	26.35
9	Dena Bank	246.46	75.41	495.33	153.05
10	IDBI BANK	45.39	25.14	63.28	17.42
11	Indian Bank	64.34	28.97	85.43	22.12
12	Indian Overseas Bank	59.47	50.25	78.00	7.89
13	Oriental Bank of Com.	65.01	40.21	93.55	19.06
14	Punjab National Bank	63.68	42.94	133.46	26.14
15	Punjab & Sind Bank	48.90	11.44	119.56	35.16
16	State Bank of India	68.01	56.14	86.01	9.68
17	S B of Bikaneer & Jaipur	134.69	55.37	248.04	51.23
18	S B of Hyderabad	84.50	15.05	266.08	96.52
19	S B of Travancore	71.05	28.47	130.66	32.78
20	State Bank of Mysore	96.50	10.44	200.56	65.30
21	Syndicate Bank	59.17	32.50	122.80	26.65
22	Union Bank	57.01	49.91	70.44	6.64
23	United Bank of India	50.28	35.76	65.25	8.84

24	UCO Bank	70.21	49.27	90.27	11.44
25	Vijaya Bank	32.67	14.07	43.42	10.53
<b>Total Public Sector Banks</b>		<b>64.84</b>	<b>56.32</b>	<b>87.09</b>	<b>9.49</b>
26	Centurion Bank				
27	Federal Bank	62.05	27.49	88.59	17.10
28	HDFC BANK	84.28	17.70	214.30	68.93
29	ICICI BANK	86.34	50.62	165.99	37.07
30	Karnatak Bank Ltd.	185.58	37.85	269.07	68.60
31	Karur Vysya Bank				
32	Rajasthan Bank Ltd.				
33	Vysya Bank	44.17	2.63	163.35	56.48
34	AXIS Bank	52.21	26.19	81.35	17.27
35	Indus Ind Bank	55.15	0.25	182.87	52.12
36	The South Indian Bank Ltd.				
37	Lakshmi Vilas Bank Ltd.				
38	Kotak Mahindra Bank Ltd				
39	IDBI Bank Ltd.				
<b>Total Private Sector Banks</b>		<b>71.58</b>	<b>35.39</b>	<b>120.75</b>	<b>26.12</b>

Table 21: Source: Authors.

**Some more analysis of bank wise CD Ratios of in Odisha**

a. There have been abnormal changes in the CD Ratios of few banks over the time period analysed i.e. 2004-13. The Standard Deviation is much higher than that of the Min. of these banks. Amongst the public sector banks, we have Bank of Maharashtra, Corporation Bank, Dena Bank, Punjab & Sind Bank, State Bank of Hyderabad, State Bank of Travancore and State Bank of Mysore. Amongst the private sector banks, we have Karnataka Bank, ING Vyasa Bank and Indus Ind Bank. This means that these banks have seen peaks of CD Ratio.

b. One would observe that this list does not include the big banks; they have descent sustainable levels of CD Ratio and they have been able to maintain that over these years.

**Snapshot: Public and Private sector bank statistics from 2004-12 for Odisha**

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Public Sector Banks Branches	1394	1408	1427	1518	1605	1685	1826	1968	2157
Total Private Sector Banks Branches	16	19	20	47	64	101	116	155	216
Total Public Sector Banks Deposits	1954.21	2304.01	2660.79	3398.98	4164.78	5481.73	6780.50	8400.21	10122.07
Total Private Sector Banks Deposits	95.37	108.96	170.78	275.98	532.66	639.00	719.94	933.19	1393.32

Total Public Sector Banks Advances	1132.09	1486.95	1882.57	2287.64	2628.58	3087.37	3820.17	4760.15	6916.73
Total Private Sector Banks Advances	33.75	62.37	193.25	333.25	372.58	340.19	507.85	634.47	874.03

Table 22: Source: Authors.

**Bancassurance in Odisha**

Most of the banks present in Odisha have tie-ups with Life Insurance and General Insurance companies for promoting the sale of Life Insurance and General Insurance policies amongst their customers. Infact this is one of the most profitable businesses for the banks as the commission directly affects the bottom-line of the respective bank. Besides, it may be noted that since the relationship between the banks and the insurance companies are not broker ship-based, the onus for any wrong-selling lies on the onus of the insurance companies. Private sector banks are very aggressive in selling insurance policies in comparison to the public sector banks. Infact, these banks have dedicated departments to nurture these businesses and they have laid down processes for handling this business through the branch distribution of the respective banks. The banks over time have also developed systems of measuring the performance of employees in terms of insurance businesses sourced. The insurance companies from their side have also systemized procedures for handling businesses emanating from the branches. They allow dedicated personnel to be deputed in the branch premises to handle any queries regarding the said business from either customers or employees. They have a dedicated system for tracking the continuation of a policy, payment of premium, timely reminders besides generating necessary MIS for the bank from time to time. The list below showcases the names of the Life and General insurance partners of each of the private and public sector banks present in the state as of Aug-31' 2013. One would observe that there is no General Insurance partner for Kotak Mahindra Bank as it does not have one.

Sl. No.	Name of Bank	Life	Non-Life
1	Allahabad Bank	Life Insurance Corporation	Universal Sompo General Insurance Co. Ltd.
2	Andhra Bank	India First Life Insurance Co. Ltd.	United India Insurance Co. Ltd.
3	Bank of Baroda	India First Life Insurance Co. Ltd.	National Insurance Co. Ltd.
4	Bank of India	Star Union Dai-ichi Life Insurance Co. Ltd.	National Insurance Co. Ltd.
5	Bank of Maharashtra	Life Insurance Corporation	United India Insurance Co.
6	Canara Bank	Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.	United India Insurance Co.
7	Central Bank of India	Life Insurance Corporation	Chola MS General Insurance Co. Ltd.
8	Corporation Bank	Life Insurance Corporation	New India Assurance Co. Ltd.
9	Dena Bank	Life Insurance Corporation	United India Insurance Co.
10	IDBI BANK	IDBI Federal Life Insurance Co. Ltd.	Bajaj Allianz General Insurance Co. Ltd.
11	Indian Bank	Life Insurance Corporation	United India Insurance Co. Ltd.
12	Indian Overseas Bank	Life Insurance Corporation	Universal Sompo General Insurance Co. Ltd.
13	Oriental Bank of Com.	Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.	Oriental Insurance Co. Ltd.
14	Punjab National Bank	PNB Metlife India Insurance Co. Ltd.	Oriental Insurance Co. Ltd.
15	Punjab & Sind Bank	Bajaj Allianz Life Insurance Co. Ltd.	Bajaj Allianz General Insurance Co. Ltd.
16	State Bank of India	SBI Life Insurance Co. Ltd.	SBI General Insurance Co. Ltd.
17	S B of Bikaner & Jaipur	SBI Life Insurance Co. Ltd.	SBI General Insurance Co. Ltd.
18	S B of Hyderabad	SBI Life Insurance Co. Ltd.	SBI General Insurance Co. Ltd.
19	S B of Travancore	SBI Life Insurance Co. Ltd.	SBI General Insurance Co. Ltd.

20	State Bank of Mysore	SBI Life Insurance Co. Ltd.	SBI General Insurance Co. Ltd.
21	Syndicate Bank	Bajaj Allianz Life Insurance Co. Ltd.	United India Insurance Co. Ltd.
22	Union Bank	Star Union Dai-ichi Life Insurance Co. Ltd.	New India Assurance Co. Ltd.
23	United Bank of India	TATA AIG Life Insurance Co. Ltd.	Bajaj Allianz General Insurance Co. Ltd.
24	UCO Bank	Life Insurance Corporation	National Insurance Co. Ltd.
25	Vijaya Bank	Life Insurance Corporation	United India Insurance Co. Ltd.
26	Federal Bank	IDBI Federal Life Insurance Co. Ltd.	Bajaj Allianz General Insurance Co. Ltd.
27	HDFC BANK	HDFC Life	HDFC Ergo General Insurance Co. Ltd.
28	ICICI BANK	ICIC Prudential Life Insurance Co. Ltd.	ICICI Lombard General Insurance Co. Ltd.
29	Karnatak Bank Ltd.	PNB Metlife India Insurance Co. Ltd.	Universal Sampo General Insurance Co. Ltd.
30	Karur Vysya Bank	Birla Sun Life Insurance Co.	Bajaj Allianz General Insurance Co. Ltd.
31	ING Vysya Bank	ING Vyasa Life Insurance Co.	ICIC Lombard General Insurance Co. Ltd.
32	AXIS Bank	Max Life Insurance	TATA AIG
33	Indus Ind Bank	Aviva Life Insurance Co. India Ltd.	Chola MS General Insurance Co.Ltd.
34	The South Indian Bank Ltd.	Life Insurance Corporation	Bajaj Allianz General Insurance Co. Ltd.
35	Lakshmi Vilas Bank Ltd.	Life Insurance Corporation	Bajaj Allianz General Insurance Co. Ltd.
36	Kotak Mahindra Bank Ltd	Kotak Life Insurance	-

Table 23: Source: Individual company's websites.

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