



hpscb
(Scheduled Bank)

The HP State Co-operative Bank Ltd.

Head Office - The Mall Shimla

A BRIEF PROFILE

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WELCOME MESSAGES



Davender Shyam
Chairman

"I feel privileged to be a part of this esteemed financial institution rendering all kind of valuable banking services to its customers and all segments of the society with sole motto 'Bank of the State - For the State'.

Since its inception, the Bank has played a significant role for the development of the State and has also lived-up to the entire satisfaction of its customers, who reposed faith in the Bank. With every passing year, the Bank has sounded its strong presence amongst staunch competitors in the Banking Sector by proving its metal with sound Financial Parameters not within the working jurisdiction but at national level too.

My good wishes for its shining growth and successful path ahead".

"I have no words to express my feelings towards the working team of the Bank, who did a splendid job with whole-hearted devotion and dedication to come-with positive business results at this post covid critical phase in the banking sector. It was only due to working spirit, team efforts and dedication of each and every employee of the Bank, which resulted-into a record gross profit ₹ 276.83 crore during FY 2022-23. Being a Cooperative Bank, despite of working limitations, we are successfully competing with commercial banks in all segments. Bank is continuously marching ahead with adding new successful business stories by registering positive growth under each business segment".



Sharwan Manta, HAS
Managing Director

ABOUT BANK



In Himachal Pradesh, the H.P. State Cooperative Bank Ltd., with Head Office at Shimla is apex cooperative Bank but also functioning as Central Cooperative bank in 6 Districts namely Shimla, Bilaspur, Mandi, Chamba, Sirmour and Kinnaur. The Kangra Central Cooperative Bank with Head Office at Dhramshala is functioning as a Central Cooperative banks in 5 Districts. In Solan district, the Jogindra Central Cooperative Bank catering to the needs of People.

The Himachal Pradesh State Cooperative Bank was established in 1953 after amalgamation of the Mahasu Central Cooperative Bank Ltd., the Mandi Central Cooperative Bank Ltd., and the Chamba Central Cooperative Bank Ltd. The registration of the Himachal Pradesh State Cooperative Bank was done in August 1953 under the Cooperative Societies Act, 1912. The bank started functioning on 15th March 1954, as an Apex Bank under two-tier system in 6 districts of the state. In the year of 1955, Bank of Sirmour, a Joint Stock Bank was also merged in it. As a result of re-organisation of Punjab State on 1st November, 1966, the erstwhile districts of Kangra, Kullu and Lahaul & Spiti, parts of Hoshiarpur, Gurdaspur and Ambala districts were transferred and merged with Himachal Pradesh.

As a result, the Cooperative Banking System of the merged areas were also transferred to Himachal Pradesh. In these areas, the Kangra Central Cooperative Bank and the Jogindra central cooperative bank were already functioning. In the year, 1972 Solan was given the status of a separate district. Two branches of the Himachal Pradesh State Cooperative Bank Ltd. were functioning at Solan and Arki, while one branch of the Jogindra Central Cooperative Bank was function at Totu, which fall in Shimla district. The liabilities and assets of these branches were transferred to each other on 29th September, 1976.



VISION & MISSION

VISION

“To strengthen the Cooperative Movement by providing quality financial services to Cooperatives and the community and be a catalyst in promoting socio-economic development of the State.”

MISSION

- To reach the unreached by providing state of the art services at door steps of the rural masses, through brick & mortar branches.
- To invest major part of the funds in development of the state so as to proudly claim, “Bank of the State for the State”.
- To strive to achieve excellence in Customer Service.
- To put in place the effective Risk Management and Internal Control System.
- To adopt and operationalize high – level technology standards.
- To achieve the highest standards of transparency and accountability in the conduct of banking business.
- To adopt professional approach in effectively managing financial as well as nonfinancial risks.
- To maximize profitability and profits of the Bank with due compliance of prudential guidelines.
- To maximize competitive risk adjusted return on capital, through planned reduction in the average cost of funds, increased yield on advances and investments besides reduction in cost of operations.

GENERAL BODY & BOARD



General Body

Constitution of the general body shall be as follows:

- a) The Chairman of the Bank.
- b) One nominee each of the member Central Co-operative Banks, H.P. State co-operative Land Development Bank & H.P. State co-op. M&C Federation.
- c) Delegates of the member Co-operative Societies.
- d) Finance Secretary of the State of Himachal Pradesh or his nominee.
- e) Delegates of other members not covered by clause (b),(c) & (d)

Board

Constitution and power of the board of directors. The management of the bank shall vest in a board of directors constituted as follows:

CONSTITUTION

- I. Eight directors from Six districts viz. one director each from Bilaspur, Chamba, Sirmour, Kinnaur and two each from Mandi & Shimla, and Districts duly elected by the member Co-operative societies at the respective district head quarters. Provided that out of six directors to be elected in the manner aforesaid at least one director shall be form marginal/small farmer/SC/ST.
- II. One director each to be nominated by the Kangra and Jogindra Central Co-operative Banks from amongst the member of their board.
- III. One director nominated by the HIMFED.
- IV. One director nominated by the Himachal Pradesh State Co-operative Agriculture and Rural Development bank Ltd.
- V. One director representing Weavers and Industrial Co-operative Societies to be nominated by the H.P. Handloom Weavers Apex Co-operative Society Ltd. Kullu.
- VI. Three directors or 1/3 of the total number of Directors, whichever is less nominated by State Govt.
- VII. The registrar or his nominee.
- VIII. The management director, as Ex-officio Director.
- IX. The CGM, NABARD, Regional office, Shimla or his nominee.



BOARD OF DIRECTORS

Sh. Davender Shyam
Chairman

Sh. Sharwan Manta ,HAS
MD, (Ex. Officio Director)

Elected

Sh. Pitamber Dass Negi	- Director
Sh. Ram Singh Chambial	- Director
Sh. Keshav Naik	- Director
Sh. Bharat Bhushan Mohil	- Director
Sh. Preay Brat Sharma	- Director
Sh. Pawan Chauhan	- Director
Dr. Jagdish Chander Sharma	- Director

Nominated

Sh. Hari Krishan Himral	- Director (Govt. Nominee)
Sh. Suneel Kumar Sharma	- Director (Govt. Nominee)
Sh. Lal Singh Kaushal	- Director (RCS Nominee)
Sh. Lalit Kumar	- Director (RCS Nominee)
Smt. Prem Lata Thakur	- Director (KCCB Nominee)
Sh. Mukesh Sharma	- Chairman, JCCB
Sh. Sanjay Singh Chauhan	- Chairman, HPARDB
Sh. Gian Sagar Negi, HAS	- MD, HIMFED
Sh. Vijay Thakur	- Director (Himbunkar Nominee)
Dr. Sudhanshu KK Mishra	- CGM, NABARD
Sh. Rajesh Sharma, IAS	- (RCS, HP)

COOPERATIVE BANKS IN HIMACHAL



(Apex Bank)

HPSCB



**HPSCB Started its
functioning on 15th March
1954**

Branches - 217
Extension Counter- 23
Customer Base- 16,14,419

DCCBs

KCCB

JCCB



**KCCB Started its
functioning on 17th March
1920**

Branches - 216
Extension Counter- 13
Customer Base- 16,00,000



**JCCB Started its
functioning on 20th August
1924**

Branches - 31
Extension Counter- 1
Customer Base- 2,50,000

Branch Network
& Customer Base

Branches
464

Extension
Counters
37

Customer
Base
35,51,132

Total Bank Branches
in the State

2245

Cooperative Branch
Share in the State

22.31%



WE ARE THE 3rd BIGGEST BANK OF THE STATE

CD Ratio (%age)

as on 31.03.2023

HPSCB	State Bank of India	KCCB	UCO Bank	Punjab National Bank	Our position in the State
61.22	32.42	31.18	30.99	27.99	1st

Deposits (In Crore)

State Bank of India	Punjab National Bank	HPSCB	KCCB	UCO Bank	Our position in the State
44830.42	38589.33	14132.72	13350.53	11666.32	3rd

Advances (In Crore)

State Bank of India	Punjab National Bank	HPSCB	KCCB	UCO Bank	Our position in the State
14533.97	10802.05	8652.07	4162.58	3614.95	3rd

Total Business (In Crore)

State Bank of India	Punjab National Bank	HPSCB	KCCB	UCO Bank	Our position in the State
59364.39	49391.38	22784.79	17513.11	15820.90	3rd

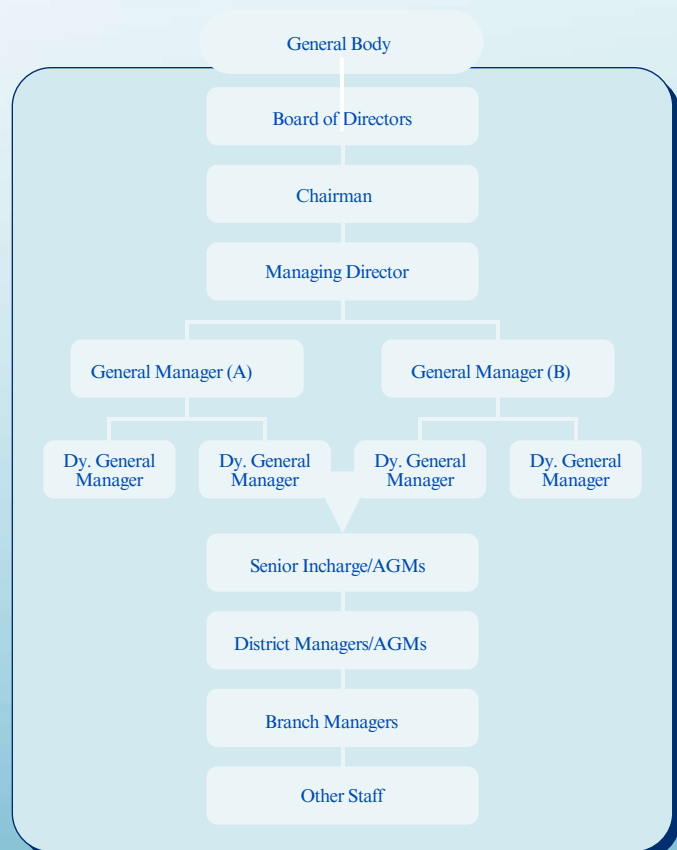
OFFICES & ORGANIZATIONAL STRUCTURE



OFFICES



ORGANIZATIONAL STRUCTURE

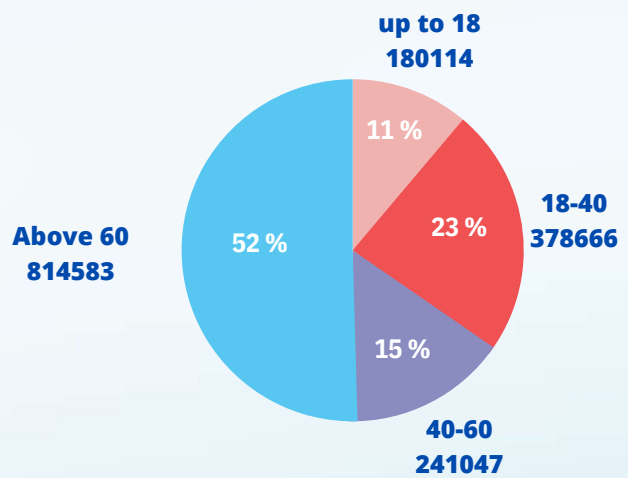




OUR CUSTOMER BASE

Every bank endeavours to add new customers in order to increase its business. The existing customer profile of the bank indicates its increasing reliance upon senior citizens i.e. customers aged more than sixty years whereas and young customers constitute only a small segment. Even though every customer segment is important for the bank, establishing and maintaining long term customer relationship is very significant. For achieving this, the bank endeavours to bring to its fold young customers who would nurture and promote long term growth and development of the bank on account of their long term relationship.

Customer Profile



Total Customers	16,14,419		Up to 18 years	1,80,114	
Male	9,65,390		18 to 40 years	3,78,666	
Female	6,49,029		40 to 60 years	2,41,047	
Others	---		Above 60 years	8,14,583	

FINANCIAL PARAMETERS



S.No.	Particulars	Amount (in Crores)			
		31.03.2020	31.03.2021	31.03.2022	31.03.2023
1.	Share Capital	8.92	9.07	9.06	13.40
2.	Reserve and Surplus	981.09	1073.09	1199.70	1367.03
3.	Borrowings	2055.49	2433.54	2138.34	2391.45
4.	Deposits	11844.21	12316.87	12759.26	14132.72
5.	Loans & Advances	6850.83	7064.48	7187.46	8652.07
6.	Investments	2343.51	3396.48	4193.82	4662.66
7.	Profits	50.48	79.34	121.62	159.12
8.	Per Employee Profit (₹ in lakh)	9.04	9.24	12.27	14.95
9.	Net NPA	244.14	318.50	259.76	179.48
10.	Per Employee Business	11.60	10.51	12.36	13.11
11.	Average yield on Assets (%)	7.19	6.55	6.75	6.87
12.	Average Cost of Funds (%)	4.95	4.17	4.57	4.14
13.	Transaction Cost (%)	0.00	0.21	0.28	0.17
14.	Risk Cost (%)	0.38	0.22	0.37	0.28



KEY PARAMETERS

KEY PARAMETERS OF PERFORMANCE ANALYSIS OF NABARD

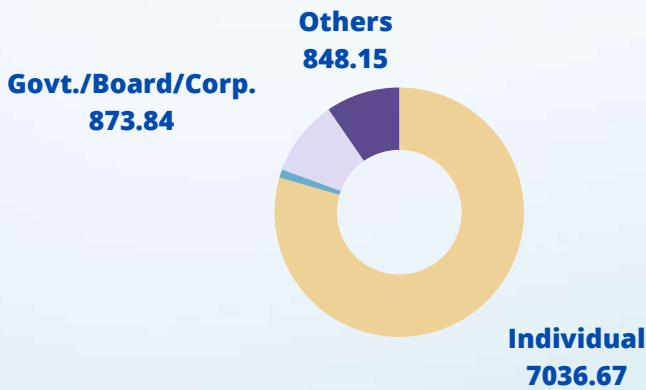
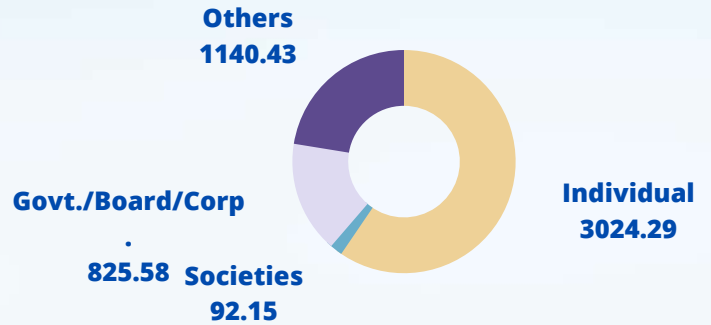
(in Percent)

S.No.	Particulars	31.03.2020	31.03.2021	31.03.2022	31.03.2023	Performance Indicators
1.	CRAR	16.04	16.39	18.41	17.34	Very Good
2.	Leverage Ratio (Tier I Capital to Total Assets)	5.24	5.46	5.79	6.01	Very Good
3.	Gross NPAs to Gross Advances	7.99	9.00	8.90	6.98	Below Par
4.	Net NPAs to Net Advances	3.73	4.72	3.82	2.18	Good
5.	Provision Coverage Ratio (PCR)	55.41	49.92	59.39	70.26	Very Good
6.	Net Interest Margin (NIM)	2.39	2.38	2.86	2.73	Very Good
7.	Cost of Management (CoM)	1.5	1.32	1.52	1.28	Very Good
8.	Return of Assets (RoA)	0.35	0.5	0.76	0.93	Very Good
9.	Return on Equity (RoE)	5.02	7.37	12.51	14.21	Very Good
10.	Cash to Deposits	4.91	4.06	4.93	5.10	Very Good
11.	CD Ratio	57.84	57.36	56.33	61.22	Below Par
12.	Non-earning assets to Total Assets	4.49	5.37	5.04	5.09	Very Good
13.	CASA Deposits to Total Deposits	37.93	39.55	39.56	38.47	Good

DEPOSITS

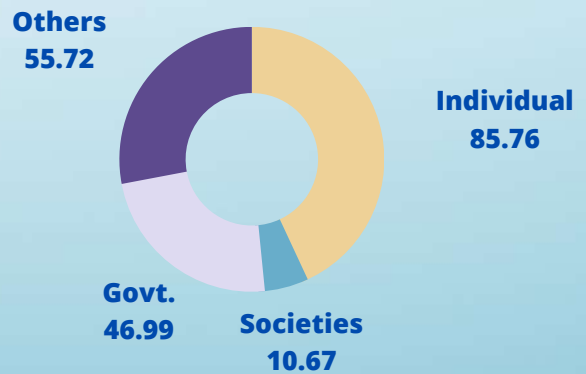


Savings Deposits		Amount
Number of Accounts		15,37,134
1.	Individual	3024.29
2.	Societies	92.15
3.	Govt./Board/Corporations	825.58
4.	Others	1140.43
Total (1+2+3+4)		5082.45



Fixed Deposits		Amount
Number of Accounts		541648
1.	Individual	7036.67
2.	Societies	92.46
3.	Govt./Board/Corporations	873.84
4.	Others	848.15
Total (1+2+3+4)		8851.12

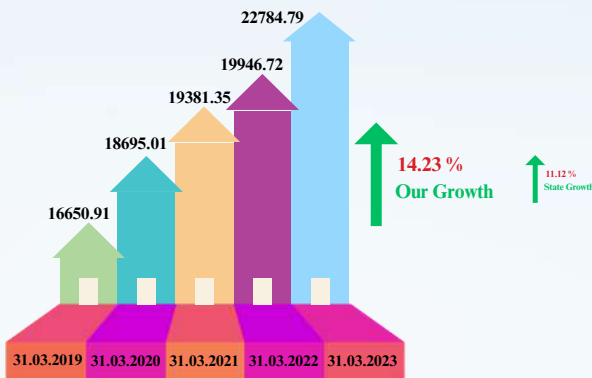
Current Deposits		Amount
Number of Accounts		17134
1.	Individual	85.76
2.	Societies	10.67
3.	Govt./Board/Corporations	46.99
4.	Others	55.72
Total (1+2+3+4)		199.14





MILESTONES ACHIEVED

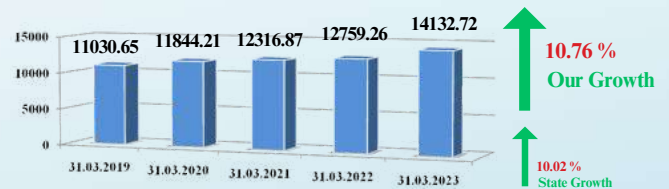
Business Turnover (In Crores)



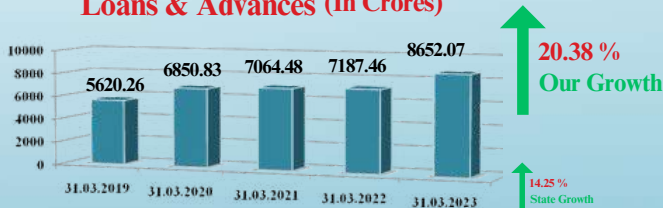
The Bank's business which stood at ₹19946.72 crore as on 31st March 2022 increased to ₹22784.79 crore thus registering a growth of 14.22% during the period which was higher than the growth of 11.12% registered by all banks in Himachal Pradesh. It is the **third largest bank in Himachal Pradesh in terms of business volume** behind Punjab National Bank and State Bank of India.

Deposits are the primary raw material upon which the growth and development of a bank depends. Every bank endeavours to procure it at the cheapest cost. The deposits are parked as Savings and Current which constitute the CASA i.e. the low cost deposits and also as Fixed deposits. Significantly, out of the total deposits of ₹14132.71 crore as on 31.3.2023, the CASA deposits constituted ₹5281.59 crores i.e. 37.37% which was shade below the ideal CASA deposits ratio of 40%. These deposits add to the profitability of the bank. The fixed deposits constituted 62.63% i.e. ₹8851.12 crores out of which 79.50% i.e. ₹7036.67 crore belong to the retail segment.

Deposits (In Crores)



Loans & Advances (In Crores)

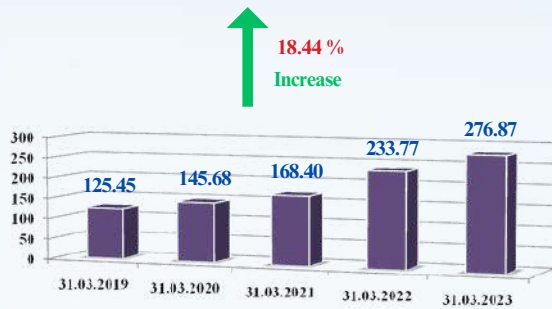


The loans and advances portfolio of the bank grew by 20.37% against the state growth of 14.25% witnessing an increase from ₹7187.46 crore as on 31.3.2022 to ₹8652.07 crore as on 31.3.2023. It has, thus, become the **third largest bank** in the state of HP in terms of the **loans and advances portfolio**.

PROFITS



Gross Profit (In Crores)



For the first time in its annals the bank has achieved Gross profit of ₹276.87 crore and a net profit of ₹159.12 crore as on 31.3.2023. These figures depicted a growth of 18.43% and 30.83% respectively vis-a-vis the corresponding position as on 31.3.2022.

The primary objective of establishing a business entity is achieving profits. The bank has been a continuously profit earning institution since long. The graphical representation indicates the increasing net profit trend since 2019. The most significant aspect during this period is that the bank continued to achieve profits even during the period of covid-19 pandemic when businesses around the world were devastated. This indicates the robust policies and programmes implemented by the bank safeguarding the financial interest of its depositors. The bank has achieved a new milestone by achieving the net profit figure of ₹159.12 crore. as on 31.3.2023.

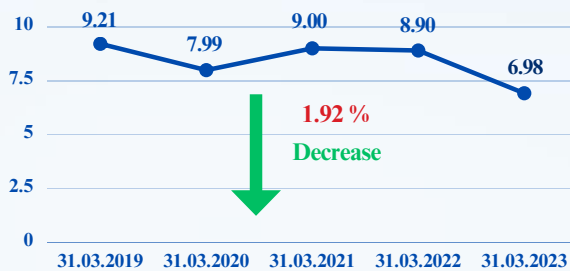
Net Profit (In Crores)





NPA %age

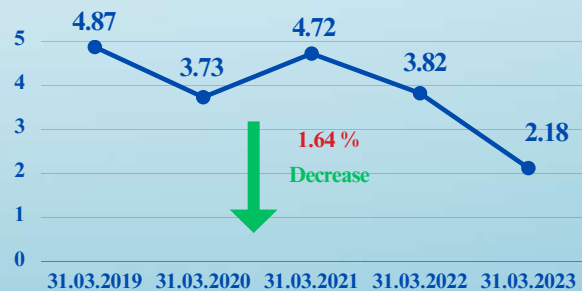
Gross NPA (In % age)



The Gross NPAs of the bank have declined from 8.90% as on 31st March 2022 to 6.98% at the end of 31st March 2023 – a remarkable decrease of 1.98%. It is worth mentioning that the bank's GNPA's stood at 9.21% at the end of 31.03.2019 and since then the NPAs have declined by 2.23% which is quite a significant number.

The primary objective of every bank is to maintain the quality of its loan assets. Net NPA is an indicator of the quality of loan assets of a bank. The graphical representation depicting net NPA position since 2019 indicates the significant improvements made by the bank in not only arresting the increase except for a brief interval during 31.3.2021 but gradually bringing it down to 2.18% at the end of 31.3.2023. The bank is moving in the right direction with the objective of achieving the coveted figure of 0% net NPA.

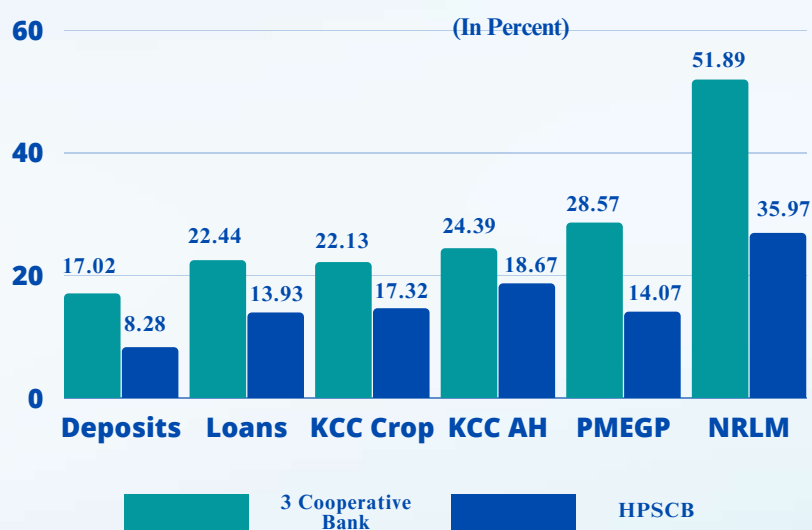
Net NPA (In % age)



PROGRESS UNDER GOVT. SPONSORED SCHEMES



The Bank has played a pivotal role in promoting and implementing Government Sponsored Schemes – both Central and State sponsored. The Co-operative sector accounts for ₹1858.62 crore i.e. 22.12% of Kisan Credit Card loans amounting to ₹8400.00 crore. Significantly, the HPSCB accounts for 78.29% of the share among the Co-operative sector banks amounting to ₹1455.19 crore. Similarly, in other segments also such as KCC AH, PMEGP and NRLM the HPSCB has performed admirably. It accounts for majority of the share among the Co-operative Banks in the State.



(In Crore)	Total Business of State	Total Share of Cooperative Banks	Total Share of HPSCB
Deposits	170516.51	29030.59	14132.72
Loans	62055.44	13923.36	8652.07
KCC Crop	8400.00	1858.62	1455.19
KCC AH	337.94	82.42	63.12
PMEGP	168.40	48.14	23.59
NRLM	95.07	49.34	34.20



MAJOR LOAN SCHEMES & AMOUNT DISBURSED

Loans are the principal source of income for the banks. In order to maximise the returns and reduce risk, banks diversify their credit portfolio by launching different loans schemes. The HPSCB has among its bouquet of offers diverse credit products such as Kisan Credit Card, Home Loan, Vahan Rin Yojana, Education loan, Loan against salary / fixed emoluments etc., to meet the varied and diverse needs of its customers. The figures for the period ended 31.03.2023 indicate that the bank has made significant disbursements under Kisan Credit Card (₹1224.27 crore), Loan against Salary (₹395.30 crore) and Home Loan segment (₹273.80 crore).



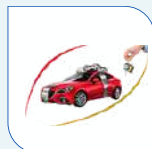
Kisan Credit Card

Account:- 74427
Amount:- 1224.27



Home Loan

Account:- 3988
Amount:- 273.80



Vahan Rin Yojna

Account:- 2594
Amount:- 81.77



Mukhyamantri Swavlamban Yojana

Account:- 200
Amount:- 13.87



Education Loan

Account:- 387
Amount:- 36.31



Small Pick up/Mini Truck Loan Scheme

Account:- 206
Amount:- 14.39



Loan Against Salary

Account:- 8659
Amount:- 395.30



Loan against Salary for Workers on Fixed Emoluments / Wages

Account:- 835
Amount:- 13.13

OUR CORPORATE CUSTOMERS & BUSINESS



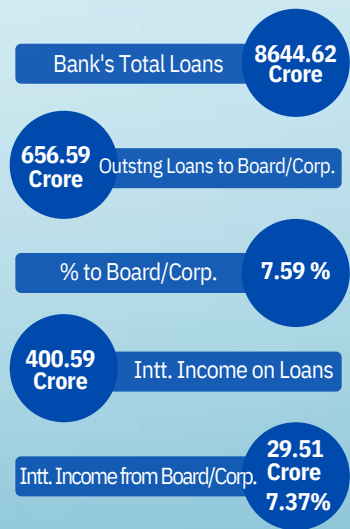
The bank has financed leading Corporations and Boards promoting state's socio-economic development such as HIMFED, HPSCARDB, HPSCSC, HPMC, HRTC, HPSEBL, HPPCL, SJVN, HPSLDC, and HPTDC, among others, empowering & developing key sectors like agriculture, rural credit, cooperatives, horticulture, transportation, power supply, energy generation, power distribution, and tourism. Its total exposure to the Boards and Corporations stood at ₹1416.31 crore as on 31.3.2023

Among the Corporate Customers, association with SJVN – A Mini Ratna and a schedule “A” PSU - both as a lender as well an institution which prefers to invest its funds with our bank has been a historic achievement which stands prominently as a great distinction and historic feat. The bank has committed to provide funds to the tune of ₹494.00 crore to SJVN.



Board/Corporation Loaning of the Bank as on 31.03.2023

Name of Institution	Association with Bank	Sanctioned Amt. (in Crore)		Total
		CC Limit	Term Loan	
HIMFED	Since 1980	10.00	-----	10.00
HPSCARDB	Since 1965	3.02	-----	3.02
HPSCSC Ltd	Since 1980	30.00	-----	30.00
HPMC	Since 1993	32.00	-----	32.00
HRTC	Since 1980	14.00	69.00	83.00
HPSEB	Since 1980	250.00	312.30	562.30
HPPCL	Since 2020	200.00	-----	200.00
SJVN	Since 2022	-----	494.00	494.00
HPSLDC	Since 2022	-----	1.09	1.09
HPTDC	Since 2022	0.90	-----	0.90
		539.92	876.39	1416.31





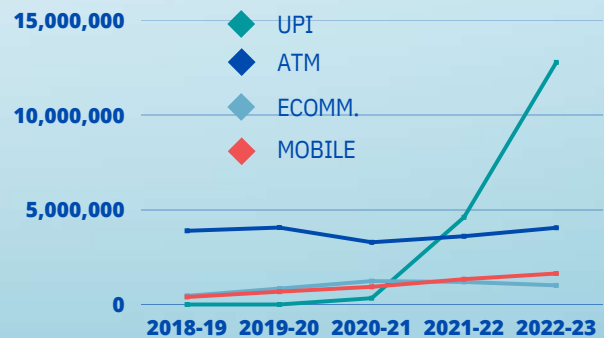
TECHNOLOGICAL ADVANCEMENTS & GROWTH

Technological advancements spearheaded by digital transformation constitute one of the foremost drivers of change. In order to meet changing customer needs and preferences, the bank has adapted and transformed itself by on boarding digital platforms such as UPI, BHIM, PhonePe, GooglePay, and also has its own mobile app, Himpesa. With over 75K digital transactions daily, customers enjoy seamless online payments, and access cash and banking services through 108 ATMs and 1 Mobile ATM.

Growth in Digital Transactions

(In actual numbers)

F.Y.	UPI	ATM	ECOMM.	MOBILE
2018-19	0	3889855	456578	396130
2019-20	0	4061500	839902	676850
2020-21	333679	3284274	1235791	933080
2021-22	4603396	3603270	1190767	1336983
2022-23	12779313	4050046	1009744	1636044



SOCIAL SECURITY SCHEMES



The bank is implementing Government of India's Social Security schemes like Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Atal Pension Yojana (APY). The prime objective of these schemes to give individuals and families the confidence that their level of living and quality of life will not, insofar as is possible, be greatly eroded by any social or economic eventuality. Social security acts as an umbrella for people during adverse situations. As may be seen from the figures, the bank has proactively propagated these schemes in every nook and corner bringing relief and succour to a large number of families at times of stress.

PRADHAN MANTRI JEEVAN JYOTI BIMA YOJNA

Life Insurance worth ₹ 2.00 Lakh

₹ 436
Per annum

Age: 18-50 years

F.Y.	Enrollments	Claim Settled
2020-21	33724	82
2021-22	35117	91
2022-23	56573	57

F.Y.	Enrollments	Claim Settled
2020-21	80448	35
2021-22	84477	39
2022-23	112725	15

PRADHAN MANTRI SURAKSHA BIMA YOJNA

Accident Insurance worth ₹ 2.00 Lakh

₹ 20
Per annum

Age: 18-70 years

ATAL PENSION YOJANA

Atal Pension Yojana

F.Y.	Enrollments
2020-21	3584
2021-22	3706
2022-23	4131



PACS AS DMAs



Bank has engaged PACS as Deposit Mobilizing Agents i.e. DMAs to carry out financial inclusion and provide banking services to people at their door steps.

- 51 PACS are working as DMAs as on 31.03.2023

DMAs Business as on 31.03.2023

(In Lakhs)

District	No of DMAs	Total Credit	Total Debit	Fund Transfer	Total
Bilaspur	23	1578.87	988.64	5841.13	8408.65
Mandi	15	60.80	33.48	127.15	221.50
Chamba	2	112.77	136.06	58.34	307.17
Sirmour	6	696.36	553.64	78.81	1328.82
Shimla	4	0.00	0.00	0.00	0.00
Kinnaur	1	0.00	0.00	0.00	0.00
Total	41	2448.89	1711.83	6105.44	10266.17

ACSTI



Agriculture Cooperative Staff Training Institute (ACSTI)

we are adjudged best at all India Level in 6th consecutive year



Bank has its own training institute popularly known as ACSTI, which was established in 1987. Institute is having serene beauty and picturesque surrounding blessed with natural beauty, lush green forest and snowcapped peaks. ACSTI has emerged as one of the leading training institute in the country for banking sector and Cooperative sector. The Institute is offering a variety of training programmes to the personnel of short term as well as long term cooperative credit structure. ACSTI tracks the most modern developments in the cooperatives and consequently assists the cooperatives by formulating new training programmes. Training Institute has its team of core faculty, panel of experts, subject/area specialists and practicing professionals from banking and cooperative sector to impart training. The programmes are identified, designed and implemented on the basis of systematic approach to training and basic tenets of pedagogy.



Aagri EDGE



Academy for Agriculture Entrepreneurship Development for Growth and Empowerment

Under the aegis and patronage of NABARD which has always promoted and supported the growth and development of bank, the Bank is establishing an Academy for FPOs – “Aagri-Edge”. It would be the first such academy for providing quality training and capacity building of members of Farmer’s Producer Organisation (FPOs), Self Help groups (SHGs) and joint Liability Groups (JLGs). It would mark the beginning of establishing another Center of Excellence.

OBJECTIVES OF FPO ACADEMY :

The objectives of the FPO Academy are as follows:

- Capacity building of different stakeholders covering Board of Directors, CEOs and functionaries of FPOs.
- Through FPO academy knowledge will be imparted to FPO functionaries on various topics such as financial management, Business segmentation, product planning marketing of products, book keeping and accountancy, statutory and legal compliance required for FPOs etc.
- Documentation and dissemination of success stories on FPO to different stakeholders.
- Provide consultancy in different areas of farmer producer organization
- Undertake research on various aspect of promotion and strengthening of FPOs.

NPA MANAGEMENT



One of the prime objectives of the bank has been to manage its Non Performing Assets. For effective management of NPAs following new initiatives have been taken;

- The Bank has taken the initiative & Pioneered the introduction & implementation of Automated System for NPA marking. This helped in enabling proper classification of NPAs as per the stipulated Income Recognition and Asset classification (IRAC) norms besides assessment of required provisioning for NPA's.
- For constant and effective monitoring of NPA, a committee of Sr. offices of HO headed by the MD Bank was constituted which monitors the NPA position through Video Conferencing with field functionaries on weekly basis in rotation.
- Bank has introduced new NPA related statement namely “Likely to be NPA” in the BankSys enabling early identification of accounts which are heading towards NPA .This is very useful for ensuring timely recovery and averting slippage of such accounts towards NPA.

Settlement of Bank dues through Lok Adalat & OTS during FY 22-23

Scheme	No. of Accounts	Amount Recovered
Lok Adalat	272	3.63 Crore
OTS	13	1.18 Crore



G20 TASKFORCE MEMBER

We are **1** among **6** Banks of the Country

&

Only Co-operative Bank

as Member of



Business Group Taskforce

on

Financial Inclusion for Economic Empowerment

SHG & Co-operatives

Policy Actions

8.1 Promote primary co-operatives as the physical touch points for digital delivery of last mile services.

Strengthening the primary cooperatives into the first touch points for providing financial services to the financially illiterate, economically backward, and geographically isolated segments of society may help in achieving the target of doorstep banking and address the trust deficit in financial institutions.

Since lack of last-mile physical presence, financial literacy, and trust deficits among the educationally and financially backward are the challenges in promoting financial inclusion through Fintech only. A hybrid model (phygital) by collaborating the technology of the fintech with the physical and social infrastructure of the primary cooperatives can be promoted to provide doorstep financial delivery to the people at the bottom of the pyramid. Linking with Fintechs to bring the left-out people into the formal financial sector will have many positive effects, such as: the issue of financial inclusion of the last mile consumers will be addressed; the lack of documentation can be addressed since the financing will be done through their own institution and Fintech will work at the back end; and the consumer at the bottom of the financial pyramid will be shielded from direct exposure to the cyber fraud risks.

Furthermore, primary cooperatives are the bodies formed by the local people to cater to local financial needs. Thus, strengthening the capacities of these cooperatives' institutions should be a top priority to promote both financial inclusion and economic empowerment. Further, there are many all-women cooperatives and SHGs that are proving to be drivers of women's empowerment. By providing them with interest subventions, DRI will reduce gender inequality in financial inclusion and economic empowerment.

Policy Actions

8.2 Promote incorporation of enterprises and individuals to graduate them from basic financial inclusion to the consumption of more advanced wealth management products.

Since individual consumers and enterprises belonging to the bottom of the pyramid may not be able to access and understand the complex wealth management tools, there emerges a need to promote the incorporation of enterprises and individuals, thus creating group like cooperatives where the individual capabilities are merged and leveraged to provide better returns to the individual members. Co-operatives can help them pool their resources, as well as provide training and financial literacy for the transition of low-income consumers from basic financial services like credit savings and insurance to more complex services like saving certificates, micro-SIPs, equities, bonds, etc. The cooperative structure also shields them from excessive risk and helps inculcate a culture of investment and wealth management among the bottom of the pyramid.

Policy Actions

8.3 Establish a regulatory framework for managing and overseeing the SHG ecosystem.

Self-help Groups have become a vital tool for furthering the financial inclusion of the underserved segment, especially for women. They also encourage savings, from which the lowest surplus amount is used for intra-group lending. Thus, SHGs act as business counterparts to banks for extending financial inclusion. Over the years, SHGs have given the poor women an identity, access to information, and negotiating power. They have provided platforms for the poor women to discuss and resolve their problems, helped members manage cash flow deficits, improve their food intake and overcome emergencies, leading to improvement in quality and productivity of their only capital resource-human capital resource, helped members invest money savings, especially in need food and health emergencies, helped members invest in asset creation, diversify their occupations, and improve their risk-bearing capacities, and have helped in promoting leadership qualities among women.

As SHGs become more mainstream and assimilate a growing number of women in its ranks, there grows a need to provide a robust regulatory structure that would provide guidelines or aspects such as membership and enrolment, loan and interest, common bookkeeping and accounting standards, effective internal control of management and risks, sector-wide reporting, monitoring, and timely, consistent audit, consumer protection and financial literacy measures, residential protection and deposit insurance, especially for SHG ledentures etc. Thus, providing a robust regulatory framework would not only help in providing adequate credit and financial services to the SHG segment but would also help in creating a safety net for strengthening their resilience, ensuring their smooth operations.

Recommendations Sumbitted by HPSCB are accepted

VISION FOR NEXT FIVE YEARS



To be successful, every bank needs to plan and visualise for the future. It enables better control over the events that will unfold. The bank visualises to embrace emerging technology, remaining flexible to adopt evolving business models, and putting customers amidst their ever changing expectations at the center of every strategy. In addition, looking ahead to the next five years, in financial terms, the bank aims to have a business turnover of ₹35,000 crore, working capital of over ₹ 25,000 crore, deposits exceeding ₹20,000 crore, credit facilities surpassing ₹15,000 crore, and an operating profit of over ₹500 crore.

To cross
Working
Capital
over
**25,000
Crore**

To cross
Business
turnover
over
**35,000
Crore**

To
cross
Deposits
over
**20,000
Crore**

To
cross
Gross Profit
over
500 Crore

To
reduce
Gross NPA
below
5 %

To
cross
Loans
over
**15,000
Crore**



NEW LOAN SCHEMES

Taking into consideration the customer requirements the bank comes out with different loan schemes from time to time. In this context, the bank launched three loan schemes benefitting thousands of customers across the state. One of these loan schemes titled Loan against Salary for Workers on Fixed Emoluments / Wages was targeted at customers of low income group. The bank has disbursed loans more than Rs 13 crores to customers belonging to this segment.

Small Pick up/Mini Truck Loan Scheme



**Simple
ROI
7 to 7.50%**

Cold Storage & Warehousing Loan Scheme



**Simple
ROI
9.00%**

Loan against Salary for Workers on Fixed Emoluments / Wages



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For the State



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