

Chapter 4

Data Analysis And Interpretation

- 4.1 Recent Trends In Deposits Of The Bank**
- 4.2 Loans And Advances Of The Bank**
- 4.3 Credit Deposit Ratio**
- 4.4 Overdues Of The Bank**
- 4.5 Loans To The Board Of Director And Their Relatives .**
- 4.6 Interest Earned And Paid By The Bank**
- 4.7 Trend Of Progress of Made By The Bank**
- 4.8 Employee Productivity Ratio**

Chapter 4

DATA ANALYSIS AND INTRPRETATION

Introduction

The Data from the annual reports of the Bank regarding the deposits and advances was analyzed, interpreted and tabulated as follows.

4.1 Recent Trends In Deposits Of Shri Paisafund Shetaki Shahakari Bank Ltd Hupari

Table No : 4.1

Deposits of the Banks-An Analysis

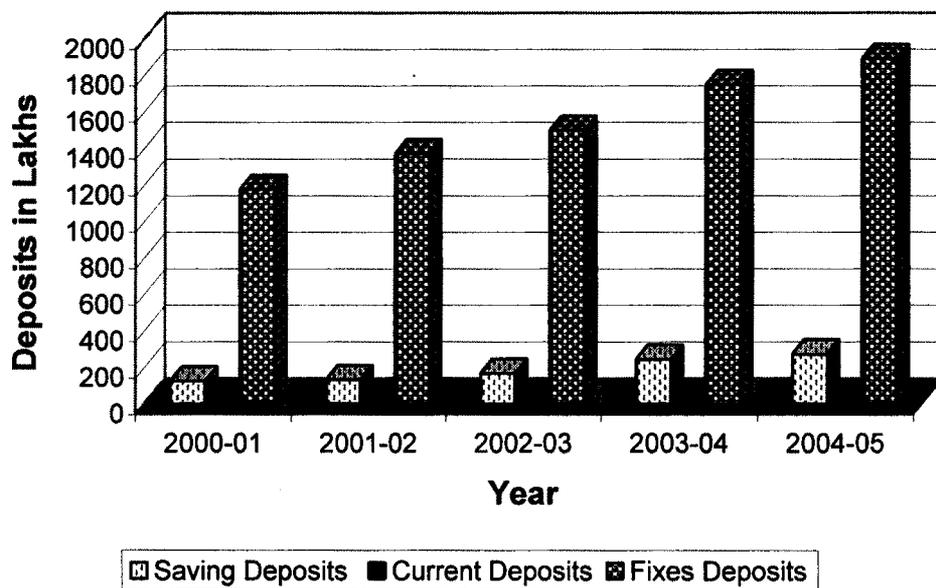
(Rs.in Lakhs)

Year	Total Deposits	Saving Deposits	Current Deposits	Fixed Deposits
2000-01	1301.17	125.02 (9.60%)	3.51 (0.26%)	1172.64 (90.12%)
2001-02	1503.28	131.50 (8.75%)	3.71 (0.25%)	1368.04 (91.00%)
2002-03	1666.22	167.97 (10.08%)	2.28 (0.001%)	1495.94 (89.78%)
2003-04	1989.98	243.38 (12.23%)	1.14 (0.057%)	1745.43 (87.71%)
2004-05	2165.95	273.23 (12.61%)	3.71 (0.17%)	1888.94 (87.21%)

Source : Annual Reports of the Bank

Fixed Deposits includes Damdupat deposits for specific reasons such as educations, marriage of children, provision for old age, millionaire scheme etc. From table 4.1 it is seen that total deposits of the Bank is increase from Rs. 1301.17 lakhs to Rs. 2165.05 lakhs between period 2000-01 and 2004-05. The increase in saving deposits was from Rs.125.01 lakhs to Rs. 273.23 lakhs. The current deposits increased from Rs.3.51 lakhs to Rs. 3.71 lakhs for the period and Fixed deposits increased from Rs. 1172.64 lakhs to Rs.1888.94 lakhs for the period of 2000-01 and 2004-05.

Graph 1
Deposits of the Bank



4.2 Loans And Advances Of The Bank –An Analysis

Table 4.2

Loans and Advances of the Bank

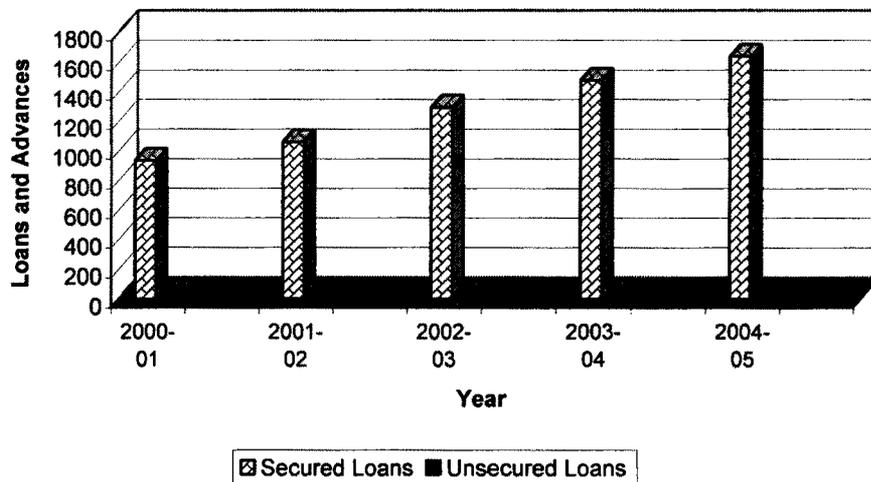
(Rs.in Lakhs)

Year	Secured Loans	Unsecured Loans	Totals Loans and Advances
2000-01	930.12 (99.24%)	7.10 (0.76%)	937.22
2001-02	1054.25 (99.33%)	7.12 (0.67%)	1061.36
2002-03	1289.51 (99.53%)	6.00 (0.46%)	1295.51
2003-04	1471.72 (99.54%)	6.65 (0.44%)	1478.38
2004-05	1633.75 (99.56%)	7.16 (0.44%)	1640.92

Source : Annual Reports of the Banks

Graph 2

Loans and Advances of the Bank



Secured Loan including all the short term, middle term and Long term secured loans and advances.

The Table shows increase in loans and advances of the bank. Table shows that secured loans and advances increased from Rs. 526.23 lakhs in 2000-01 to Rs. 748.60 lakhs in 2004-05. It shows good position of lending secured loan.

Unsecured Loans contain all the unsecured loans i.e. Short term and middle term loans. The unsecured loan are 7.10 lakhs 2000-01. In 2002-03 it was decreased 15.73 Percent but again it increased in the next year. The highest unsecured loan is in the last year i.e 2005-06 of Rs. 7.16 lakhs

4.3 Credit Deposit Ratio

Table 4.3
Credit Deposit Ratio

(Rs.in Lakhs)

Year	Loan and Advances Rs. in Lakhs	Deposits Rs. in Lakhs	CD Ratio
2000-01	937.22	1301.17	72.02%
2001-02	1061.36	1503.28	70.60%
2002-03	1295.51	1666.22	77.75%
2003-04	1478.38	1989.98	74.29%
2004-05	1940.92	2165.90	75.75%

Sources - Annual Reports of the Banks

Credit deposit Ratio is calculated by using following equation.

$$\text{Credit Deposit Ratio} = \frac{\text{Loans and Advances}}{\text{Deposits}} \times 100$$

Table 4.3 shows that there was an increase in deposits of the Bank. Loans of the Bank also increased. Credit deposit ratio shows the proportion of deposits used for giving loans. The CD ratio of the Bank was in the range of 70 to 75 per cent over the period of last 5 years under the study. This indicates that the deposits were utilized on a large scale for sanctioning loan.

4.4 Overdues Of The Bank

Table 4.4
Overdues of the Bank

(Rs. In Lakhs)

Year	Outstanding Loans	Overdues	Percentage of Overdues to Outstanding Loans
2000-01	937.22	59.23	6.32%
2001-02	1061.36	67.82	6.39%
2002-03	1295.51	90.68	7.00%
2003-04	1478.38	116.64	7.89%
2004-05	1940.92	78.46	4.78%

Source: Annual Reports of the Bank

Table 4.4 shows total outstanding loans, overdues and percentage of overdues of the Bank.

In 2000-01 the outstanding loans were Rs.937.22 lakhs and overdues were Rs.59.23 lakhs. The percentage of overdues to outstanding was 6.32. In the year 2002-03 and 2003-04 the percentage overdues increased to 7.00 and 7.89 respectively. In the year 2004-05 it decline sharply to 4.78Percent only. This indicated the efficiency of the loan recovery function. The bank did not face the serious problem of overdues in last 5 years period under study.

4.5 Loans To The Board Of Directors and Their Relatives

Table 4.5

Loans to the Board of Directors and their relatives

Item	End of the year 2001	% to the total loan	End of the year 2002	% to the total loan	End of the year 2003	% to the total loan	End of the year 2004	% to the total loan	End of the year 2005	% to the total loan
	Rs. In Lacks	In %								
Loans to members of Board of Directors	5.44	0.58%	5.74	0.54%	13.66%	1.05%	25.37	1.72%	12.08	1.65%
Relatives	13.18	1.42%	15.87	1.50%	24.55	1.90%	41.19	2.79%	41.43	2.52%
Total	18.82	2%	21.61	2.04%	38.21	2.95%	66.57	4.51%	68.51	4.17%

Source : Annual Reports of the Bank

Table 4.5 shows the outstanding loans at advances from the board of directors and their relatives. In the year 2000-01 the outstanding loans in this

categories 18.82 lakhs as against the total outstanding loans of Rs.937.22 lakhs. (2 Percent). In the year 2001-02 it was Rs. 21.61 lakhs out of Rs. 1061.36 lakhs (2.04 Percent). The year 2002-03 saw an increase to Rs.38.21 lakhs and the percentage worked out at 2.95 Percent. In the year 2003-04 and 2004-05 the percentage of outstanding loans from the board and their related was 4.51 and 4.17 respectively. This showed the lending policy of the bank. The funds of the bank were utilized mostly for meeting the financial requirement of its members and a very little amount utilize for sectioning loans to the board and their relatives. The Board of Director of the Bank really acted as “trustee” of depositors’ funds.

4.6 Interest Earned And Paid By The Bank

Table 4.6

Interest Earned And Paid By The Bank

(Rs. In Lakhs)

Year	Interest earned	Interest Paid	Net Income
2000-01	297.52	236.74	60.78
2001-02	347.73	277.70	70.03
2002-03	381.44	308.19	73.25
2003-04	403.00	223.59	79.41
2004-05	460.60	360.70	99.90

Sources - Annual Reports of the Bank

Table 4.6 shows the amount of interest earned by the bank on loans and advances and interest paid on deposits. In the year 2000-01, the bank earned interest income of Rs. 297.52 lakhs and paid interest of Rs. 236.74 lakhs on deposits thus earning net income of Rs.60.78 lakhs. In year 2001-02

the interest earned amounted to Rs. 347.73 lakhs and interest paid amounted to Rs. 277.70 lakhs earning a surplus of Rs. 70.03 lakhs. The difference in interest earned and paid went on increasing further and in the year 2004-05 it stood at Rs. 99.90 lakhs. The interest earned recorded an increase of 54.81 Percent during the period 5 years under study. Whereas interest paid also increased at same rate (52.36 Percent) during the same period. The surplus in the interest registered an increase of 34.36 Percent in the period from 2000-01 to 2004-05. This indicates the efficiency of the advances department of the Bank and trust shown by the members and customers of the Banks in the form of constant increase in the amount of deposits.

4.7 Trend Of Progress Made By Shri Paisafund Shetaki Sahakari Bank Ltd., Hupari

Table 4.7
Trend Of Progress Of The Bank

(Rs. In Lakhs)

Year	Deposits	Loans	Profits	Overdues
2000-01	1301.17	937.22	10.19	59.23
2001-02	1503.28	1061.36	11.25	67.82
2002-03	1666.22	1295.91	11.89	90.68
2003-04	1989.98	1478.38	12.86	116.64
2004-05	2165.90	1640.92	14.51	78.16

Sources - Annual Reports of the bank

Table 4.7 shows the overall progress of the Bank during the period from 2000-01 to 2004-05. The total deposits increase from Rs.1301.17 lakhs

to Rs. 2165.90 lakhs (66.45 Percent increase) whereas the outstanding loans and advances increased from Rs. 937.22 lakhs to Rs. 1640.92 lakhs over the same period (75 Percent increase). The net profit increase from Rs.10.19 lakhs to Rs. 14.51 lakhs in the same period (42.39 Percent increase) in the first four years amount of overdues increased significantly from Rs. 59.23 lakhs to Rs. 116.64 lakhs. However, it is reduced sharply Rs.78.16 lakhs in the year 2004-05. The percentage of overdues to outstanding loans reduced from 6.31 to 4.76 during the same period. This shows the satisfactory performance of the bank in the period of last 5 years.

4.8 Employee Productivity Ratio Of The Bank

Table 4.8

Employee Productivity Ratio

(Rs. In Lakhs)

Year	Deposits	Loans	Number of Total Staff	Business per employee
2000-01	1301.17	937.22	46	20.37
2001-02	1503.28	1061.36	46	23.07
2001-03	1666.22	1295.51	46	28.16
2003-04	1989.98	1478.38	46	32.14
2004-05	2165.90	1640.92	46	35.67

Source - Annual Reports of the Bank

Employee productivity ratio is calculated by using following equation

$$\text{Employees productivity ratio} = \frac{\text{Loan} + \text{Deposits}}{\text{Total Staff}}$$

The employee productivity ratio is given in the table 4.9. The total business per employee increase from Rs. 20.37 lakhs to Rs. 35.67 lakhs during the period from 2000-01 to 2004-05. This shows that the employees of the bank work hard to obtain more business in terms of both deposits and advances.