

PERFORMANCE OF SARVA HARYANA GRAMIN BANK (SHGB) IN HARYANA

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Regional Rural Banks in Haryana

Earlier there were two Regional Rural Banks in Haryana, namely, Haryana Gramin Bank (HGB) and Gurgaon Gramin Bank (GGB). Both these banks were amalgamated to form Sarva Haryana Gramin Bank (SHGB).

Haryana Gramin Bank (HGB)

Haryana Gramin Bank (HGB) came into existence on 21st December 2005 on implementation of Government of India (GOI) notification regarding amalgamation of RRBs in one state, under the provisions of Section 3 of Regional Rural Banks Act, 1976. Its Head Office was situated at Rohtak. The Bank was incorporated as a Scheduled Bank in Schedule-II of Reserve Bank of India Act, 1934 and was authorized to do banking transactions as permitted under Section 5(b) of the Banking Regulation Act, 1949. The Bank was formed after the amalgamation of three RRBs in Haryana, namely:

1. Haryana Kshetriya Gramin Bank: Established on 2nd October 1975
2. Hisar Sirsa Kshetriya Gramin Bank established on 2nd October 1984 and
3. Ambala Kurukshetra Gramin Bank established on 18th January 1985.

Haryana Gramin Bank was having area of operations in 16 districts of Haryana, namely, Ambala, Bhiwani, Fatehabad, Hisar, Jhajjar, Jind, Karnal, Kurukshetra, Mahendergarh, Panchkula, Panipat, Rewari, Kaithal, Rohtak, Sirsa and Yamunanagar having a network of 276 branches. Haryana Gramin Bank was sponsored by Punjab National Bank.

Gurgaon Gramin Bank (GGB)

Gurgaon Gramin Bank (GGB) came into existence in the year 1976. It was sponsored by Syndicate Bank and its head office was situated at Gurgaon. The bank operated in seven districts i.e. Gurgaon, Faridabad, Palwal, Rewari, Mahendergarh, Mewat and Sonapat with a network of 231 branches. The bank never overlooked its original mandate of fulfilling the credit and banking needs of rural masses. It also contributed in the developmental activities in the seven districts through its branch network. The bank, true to its origin, was successful in inculcating the banking habits in the rural masses by making them aware of the importance of small savings. It also provided credit facilities for productive purposes in order to raise the standard of living of people in rural areas.

Sarva Haryana Gramin Bank (SHGB)

Sarva Haryana Gramin Bank came into existence after amalgamation of Haryana Gramin Bank & Gurgaon Gramin Bank vide Notification dated 29.11.2013. At present the Head Office of the Bank is in Rohtak. Sarva Haryana Gramin Bank operates in all 22 Districts of Haryana State with a network of 650 branches. Sarva Haryana Gramin Bank is the biggest Bank of Haryana & PNB Sponsored RRBs. Sarva Haryana Gramin Bank is having 10 Regional Offices all over Haryana. The Regional Offices are located in Ambala, Bhiwani, Fatehabad, Gurgaon, Hisar, Nuh, Palwal, Panipat, Rewari and Rohtak. The Bank is committed to the objective of fulfilling the financial needs of rural masses in order to make them self-reliant and to facilitate them with better and safer saving opportunities. The bank, keeping in view its social responsibility has provided special care for weaker sections of the society. Bank has been the biggest contributor to BPL (Below Poverty Line) families in the state for rendering financial assistance under Housing Board Scheme. The future outlook of the bank is to focus on housing loans, car loans, MSMEs & KCC above 10 Lakhs, to increase the Credit Deposit Ratio of the Bank, to focus on promotion of dispensing micro credit through Self Help Groups, etc. The bank is focused on achieving 100% financial inclusion and in diversifying its lending activities in order to meet all productive and consumption needs of its customers.

Sarva Haryana Gramin Bank came into existence after merger of Haryana Gramin Bank and Gurgaon Gramin Bank in November, 2013.

1. Branch Extension

The total number of branches of SHGB increased from 542 (2013-14) to 653 (2017-18) during the study period. However, the increase in number of branches has been lowest in 2016-17 (3.28 per cent) as compared to 2014-15 (10.15 per cent) (Table 5.1).

Table 5.1: Growth of Number of Branches of SHGB

Year	Number of Branches	Increase/Decrease (Growth %)
2013-14	542	-
2014-15	597	55 (10.15)
2015-16	610	13 (2.18)
2016-17	630	20 (3.28)
2017-18	653	23 (3.65)

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

i. Area-wise growth of branches

The number of rural branches increased from 410 to 453, number of semi-urban branches extended from 89 to 133 and number of urban branches from 43 to 54 during the study period (2013-14 to 2017-18). In 2016-17, for the first time, 10 metropolitan branches have been opened. The growth has been negative in case of rural branches (-6.98 per cent) and positive in case of urban (42.22 per cent) and semi-urban branches (10.64 per cent) in 2016-17 (Table 5.1(a)).

Table 5.1(a): Area-Wise Growth of Branches of SHGB

Year	Rural Branches	Increase/Decrease (Growth %)	Semi-Urban Branches	Increase/Decrease (Growth %)	Urban Branches	Increase/Decrease (Growth %)	Metropolitan
2013-14	410	-	89	-	43	-	-
2014-15	461	51 (12.44)	90	1 (1.12)	46	3 (6.98)	-
2015-16	473	12 (2.60)	90	0	47	1 (2.17)	-
2016-17	440	-33 (-6.98)	128	38 (42.22)	52	5 (10.64)	10
2017-18	453	13 (2.95)	133	5 (3.90)	54	2 (3.84)	13

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

In total branches, rural branches comprise the highest percentage as compared to semi-urban, urban and metropolitan branches. The percentage share of rural branches has been 75.66 per cent in 2013-14 which declined to 69.37 per cent by the end of 2017-18. Further, the share of semi-urban branches increased from 16.42 per cent to 20.36 per cent and share of urban branches extended from 7.92 per cent to 8.26 per cent during the study period (Table 5.1(b)).

Table 5.1(b): Area- Wise Division of Branches of SHGB

Year	Rural Branches	Semi-Urban Branches	Urban Branches	Metropolitan	Total Branches
2013-14	410 (75.66)	89 (16.42)	43 (7.92)	-	542
2014-15	461 (77.22)	90 (15.08)	46 (7.70)	-	597
2015-16	473 (77.54)	90 (14.75)	47 (7.71)	-	610
2016-17	440 (69.84)	128 (20.32)	52 (8.25)	10 (1.59)	630
2017-18	453 (69.37)	133 (20.36)	54 (8.26)	13 (1.99)	653

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

ii. District-wise growth of branches

Table 5.1(c) shows that the number of districts covered by branches of SHGB by the end of study period (2017-18) is 22. In 2017-18, Gurugram district has the highest number of branches (56) and Panchkula district the lowest number of branches (9). Moreover, 13 metropolitan branches have been opened in Faridabad district in 2017-18.

Table 5.1(c): District-Wise Division of Branches of SHGB

Name of District	Number of Branches				
	2013-14	2014-15	2015-16	2016-17	2017-18
Ambala	16	20	20	20	20
Kurukshetra	15	17	17	18	18
Panchkula	06	07	07	07	09
Yamunanagar	14	22	22	22	23
Bhiwani	66	70	70	52	54
Charkhi Dadri	-	-	-	20	21
Fatehabad	23	28	28	28	28
Sirsa	28	30	30	30	31
Hisar	35	37	40	43	43
Kaithal	26	29	31	32	34
Jhajjar	22	24	26	27	27
Jind	09	11	12	12	12
Rohtak	23	24	24	25	25
Gurugram	51	54	55	56	56
Mewat	31	31	31	31	31
Palwal	30	30	30	31	32
Faridabad	23	23	23	24	26
Rewari	38	45	46	47	47
Mahendergarh	36	37	38	38	39
Panipat	07	15	15	19	19
Sonipat	32	33	33	33	33
Karnal	09	10	12	15	15
Districts Covered	21	21	21	22	22
Number of Branches	542	597	610	630	653

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

2. Growth of Staff

The number of employees in SHGB increased from 2466 to 2940 during the study period (2013-14 to 2016-17). In total staff, the number of officers has been 1307 in 2013-

14 which increased to 1525 by the end of 2017-18. The growth has been negative in 2015-16 (-2.94 per cent) due to decrease in number of employees (Table 4.28).

Table 5.2: Growth of Staff in SHGB

Year	Number of Officers	Total Staff	Increase/Decrease (Growth %)
2013-14	1307	2466	-
2014-15	1389	2748	282 (11.44)
2015-16	1415	2667	-81 (-2.94)
2016-17	1505	2827	160 (5.99)
2017-18	1525	2940	113 (3.99)

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

3. Deposit Organisation

Table 4.29 highlights that the number of accounts opened has been 34,40,859 in 2013-14 which increased to 5932521 by the end of 2017-18. The total deposits of the bank grew from `8709.52 crore to `13556.45 crore during the study period. On an average, the deposits increased by 10.77 per cent (AAGR) and overall by 11.37 per cent (CAGR). Saving Deposits has the highest percentage share in total deposits as compared to Current deposits and fixed deposits as shown in Table 5.3(a).

Table 5.3: Growth of Deposits in SHGB (` Crore)

Year	Number of Accounts	Increase/Decrease (Growth %)	Total Deposits	Increase/Decrease (Growth %)
2013-14	3440859	-	8709.52	-
2014-15	4430625	989766 (28.77)	9193.04	483.52 (5.55)
2015-16	5039507	608882 (13.74)	10123.69	930.65 (10.12)
2016-17	5443838	404331 (8.02)	12030.50	1906.81 (18.84)
2017-18	5932521	488683 (8.97)	13556.45	1525.95 (12.68)
AAGR (%)	10.77			
CAGR (%)	11.37			

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Table 5.3(a): Types of Deposits of SHGB (₹ Crore)

Year	Current Deposits	Saving Deposits	Fixed Deposits	Total Deposits
2013-14	174.15 (2.00)	4673.94 (53.66)	3861.43 (44.34)	8709.52
2014-15	194.88 (2.12)	4821.63 (52.45)	4176.53 (45.43)	9193.04
2015-16	145.98 (1.44)	5126.19 (50.64)	4851.53 (47.92)	10123.69
2016-17	196.73 (1.64)	6649.86 (55.27)	5183.91 (43.09)	12030.50
2017-18	219.84	7227.51	6109.10	13556.45

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Current deposits of the bank increased from ₹174.15 crore to ₹219.84 crore during the study period. AAGR and CAGR of current deposits have been registered as 4.06 per cent and 4.15 per cent respectively (Table 5.3(b)).

Table 5.3(b): Growth in Current Deposits of SHGB (₹ Crore)

Year	Current Deposits	Increase/Decrease (Growth %)
2013-14	174.15	-
2014-15	194.88	20.73 (11.90)
2015-16	145.98	-48.90 (-25.09)
2016-17	196.73	50.75 (34.77)
2017-18	219.84	23.11 (11.74)
AAGR (%)	4.06	
CAGR (%)	4.15	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Saving Deposits registered an increase from ₹4673.94 crore (2013-14) to ₹7227.51 crore (2017-18). AAGR of saving deposits has been reported as 11.75 per cent and CAGR as 12.47 per cent (Table 5.3(c)).

Table 5.3(c): Growth in Saving Deposits of SHGB (` Crore)

Year	Saving Deposits	Increase/Decrease (Growth %)
2013-14	4673.94	-
2014-15	4821.63	147.69 (3.16)
2015-16	5126.19	304.56 (6.32)
2016-17	6649.86	1523.67 (29.72)
2017-18	7227.51	577.65 (8.68)
AAGR (%)	11.75	
CAGR (%)	12.47	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Table 5.3(d) reveals that fixed deposits grew from `3861.43 crore to `6109.10 crore during the study period. It has been observed that AAGR of fixed deposits stood at 9.82 per cent and CAGR at 10.32 per cent.

Table 5.3(d): Growth in Fixed Deposits of SHGB (` Crore)

Year	Fixed Deposits	Increase/Decrease (Growth %)
2013-14	3861.43	-
2014-15	4176.53	315.10 (8.16)
2015-16	4851.53	675.00 (16.16)
2016-17	5183.91	332.38 (6.85)
2017-18	6109.10	925.19 (17.84)
AAGR (%)	9.82	
CAGR (%)	10.32	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

4. Owned Funds

Table 5.4 exhibits that the owned funds of the bank increased from ₹1227.93 crore to ₹1705.20 crore thereby registering AAGR of 8.53 per cent and CAGR of 8.91 per cent. The share capital stood at ₹4 crore and share capital deposit at ₹42.28 crore during the study period. The reserve funds of the bank increased from ₹1181.65 crore to ₹1658.89 crore and recorded a growth of 8.83 per cent (AAGR) on average basis and 9.23 per cent (CAGR) when compounded. The percentage growth in reserve funds has been highest in 2014-15 (13.12 per cent) and lowest in 2016-17 (7.09 per cent) as shown in Table 5.4(a).

Table 5.4: Growth of Owned Funds of SHGB (₹ Crore)

Year	Owned Funds	Increase/Decrease (Growth %)
2013-14	1227.93	-
2014-15	1382.93	155 (12.67)
2015-16	1484.17	101.24 (7.32)
2016-17	1586.17	102 (6.87)
2017-18	1705.20	119 (7.50)
AAGR (%)	8.53	
CAGR (%)	8.91	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Table 5.4(a): Types of Owned Funds of SHGB (₹ Crore)

Year	Share Capital	Share Capital Deposit	Reserve Funds	Increase/Decrease (Growth %)
2013-14	4	42.28	1181.65	-
2014-15	4	42.28	1336.65	155 (13.12)
2015-16	4	42.28	1437.89	101.24 (7.57)
2016-17	4	42.28	1539.89	102 (7.09)
2017-18	4	42.28	1658.89	119 (7.72)
AAGR (%)	8.83			
CAGR (%)	9.23			

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Table 5.4(b) shows that the percentage of reserve funds has been highest in owned funds and increased from 96.23 per cent (2013-14) to 97.28 per cent (2017-18) during the study period. On the other hand, the percentage of share capital deposit in owned funds declined from 3.44 per cent to 2.68 per cent.

Table 5.4(b): Composition of Owned Funds of SHGB (₹ Crore)

Year	Share Capital	Share Capital Deposit	Reserve Funds	Total
2013-14	4 (0.33)	42.28 (3.44)	1181.65 (96.23)	1227.93
2014-15	4 (0.29)	42.28 (3.06)	1336.65 (96.65)	1382.93
2015-16	4 (0.27)	42.28 (2.85)	1437.89 (96.88)	1484.17
2016-17	4 (0.25)	42.28 (2.67)	1539.89 (97.08)	1586.17
2017-18	4 (0.24)	42.28 (2.68)	1658.89 (97.28)	1705.20

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

5. Borrowings Outstanding

The borrowings of the bank decreased from ₹2959.85 crore (2013-14) to ₹992.20 crore (2017-18). The borrowings recorded negative AAGR (-41.69 per cent) and CAGR (-34.09 per cent) during the study period (Table 5.5).

Table 5.5: Growth in Borrowings of SHGB (₹ Crore)

Year	Borrowings	Increase/Decrease (Growth %)
2013-14	2959.85	-
2014-15	2424.09	-535.76 (-18.10)
2015-16	1311.52	-1112.57 (-45.90)
2016-17	847.49	-464.03 (-35.38)
2017-18	992.20	144.71 (17.07)
AAGR (%)	-41.69	
CAGR (%)	-34.09	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

6. Credit Distribution

6.1 Growth of Loans and Advances Outstanding

The total advances recorded an increase from `5625.32 crore to ` 8174.38 crore and net advances from `5529.61 crore to `8154.52 crore during the study period (2013-14 to 2017-18). AAGR in case of total advances and net advances has been 9.91 per cent and 9.86 per cent whereas CAGR has been 10.41 per cent and 10.36 per cent respectively (Table 5.6).

Table 5.6: Growth of Loans and Advances Outstanding of SHGB (` Crore)

Year	Total Advances	Increase/Decrease (Growth %)	Net Advances	Increase/Decrease (Growth %)
2013-14	5625.32	-	5529.61	-
2014-15	6321.65	696.33 (12.38)	6188.67	659.06 (11.92)
2015-16	6933.63	611.98 (9.68)	6777.49	588.82 (9.51)
2016-17	7572.31	638.68 (9.21)	7432.34	654.85 (9.66)
2017-18	8174.38	602.07 (7.95)	8154.52	722.18 (9.71)
AAGR (%)	9.91		9.86	
CAGR (%)	10.41		10.36	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

1. Loans and Advances Outstanding to Priority and Non-Priority Sector

The outstanding loans and advances of SHGB to priority sector increased from `3398.78 crore (2013-14) to `5438.52 crore (2017-18) thereby registering AAGR of 14.88 per cent and CAGR of 16.04 per cent. On the other hand, in case of non-priority sector, the amount increased from `2226.54 crore in 2013-14 to `2342.31 crore by the end of 2017-18 and registered nearly the same average and compounded growth (Table 5.6(a)).

Table 5.6 (a): Loans and Advances Outstanding to Priority and Non-Priority Sector of SHGB (₹ Crore)

Year	Priority Sector	Increase/ Decrease (Growth %)	Non- Priority Sector	Increase/ Decrease (Growth %)
2013-14	3398.78	-	2226.54	-
2014-15	4070.49	671.71 (19.76)	2251.16	24.62 (1.11)
2015-16	5599.19	1528.70 (37.56)	1334.44	-916.72 (-40.72)
2016-17	5311.19	-288 (-5.14)	2261.12	926.68 (69.44)
2017-18	5438.52	127.33 (2.39)	2342.31	81.19 (3.59)
AAGR (%)	14.88		0.51	
CAGR (%)	16.04		0.52	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Table 5.6 (b) reveals that in total outstanding loans and advances the percentage of loans and advances to priority sector has been highest as compared to non-priority sector. The highest percentage share in priority sector has been reported in 2015-16 (80.75 per cent) and lowest in 2013-14 (60.42 per cent).

Table 5.6 (b): Composition of Loans and Advances Outstanding to Priority and Non-Priority Sector of SHGB (₹ Crore)

Year	Priority Sector	Non- Priority Sector	Total
2013-14	3398.78 (60.42)	2226.54 (39.58)	5625.32
2014-15	4070.49 (64.39)	2251.16 (35.61)	6321.65
2015-16	5599.19 (80.75)	1334.44 (19.25)	6933.63
2016-17	5311.19 (70.14)	2261.12 (29.86)	7572.31
2017-18	5438.52 (69.89)	2342.31 (30.10)	7780.83

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

7. Credit-Deposit Ratio

Table 5.7 exhibits that the ratio of credit to total deposits declined from 64.59 per cent (2013-14) to 62.94 per cent by the end of study period (2017-18).

Table 5.7: Growth in Credit-Deposit Ratio of SHGB (₹ Crore)

Year	Total Credit/Advances	Total Deposits	Credit-Deposit Ratio (%)
2013-14	5625.32	8709.52	64.59
2014-15	6321.65	9193.04	68.77
2015-16	6933.63	10123.69	68.49
2016-17	7572.31	12030.50	62.94
2017-18	8132.52	13556.45	59.99

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

8. Investments Outstanding

The investments of SHGB grew from ₹2532.67crore (2013-14) to ₹5476.32 crore (2017-18). The average growth in the value of investment has been recorded as 17.68 per cent (AAGR) and compounded growth as 19.34 per cent (CAGR) during the study period (Table 5.8).

Table 5.8: Growth in Investments of SHGB (₹ Crore)

Year	Investments	Increase/Decrease (Growth %)
2013-14	2532.67	-
2014-15	2536.91	4.24 (0.17)
2015-16	2875.70	338.79 (13.35)
2016-17	4304.98	1429.28 (49.70)
2017-18	5476.32	1171.34(27.20)
AAGR (%)	17.68	
CAGR (%)	19.34	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

SLR investments increased from ₹2183.92 crore to ₹3290.40 crore and Non-SLR investments from ₹348.75 crore to ₹2185.92 crore during the study period. AAGR and CAGR of SLR investments have been registered as 6.63 per cent and 6.85 per cent respectively. On the other hand, AAGR and CAGR of Non-SLR investments have been 51.61 per cent and 67.55 per cent respectively (Table 5.8(a)).

Table 5.8(a): Types of Investments of SHGB (₹ Crore)

Year	SLR Investments	Increase/Decrease (Growth %)	Non-SLR Investments	Increase/Decrease (Growth %)
2013-14	2183.92	-	348.75	-
2014-15	2040.08	-143.84 (-6.59)	496.83	148.08 (42.46)
2015-16	2113.85	73.77 (3.62)	761.85	265.02 (53.34)
2016-17	2664.50	550.65 (26.05)	1640.48	878.63 (115.33)
2017-18	3290.40	625.90(23.49)	2185.92	545.07(33.22)
AAGR (%)	6.63	51.61		
CAGR (%)	6.85	67.55		

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

The percentage composition of SLR investments in total investments has been more as compared to Non-SLR investments. In terms of percentage, SLR investments have been highest in 2013-14 (86.23 per cent) and lowest in 2017-18 (60.08 per cent). On the other hand, Non-SLR investments registered the lowest percentage in 2013-14 (13.77 per cent) and highest in 2017-18 (39.92 per cent) (Table 5.8(b)).

Table 5.8(b): Composition of Investments of SHGB (₹ Crore)

Year	SLR Investments	Non-SLR Investments	Total
2013-14	2183.92 (86.23)	348.75 (13.77)	2532.67
2014-15	2040.08 (80.42)	496.83 (19.58)	2536.91
2015-16	2113.85 (73.51)	761.85 (26.49)	2875.70
2016-17	2664.50 (61.89)	1640.48 (38.11)	4304.98
2017-18	3290.40 (60.08)	2185.92 (39.92)	5476.32

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

9. Average Working Funds

Average Working Funds (AWF) of the bank increased from ₹12749.93 crore to ₹14820.42 crore thereby registering an overall growth of 3.17 per cent (CAGR) and average growth of 3.13 per cent (AAGR) (Table 5.9).

Table 5.9: Growth of Average Working Funds of SHGB (₹ Crore)

Year	Average Working Funds	Increase/Decrease (Growth %)
2013-14	12749.93	-
2014-15	12846.96	97.03 (0.76)
2015-16	13234.81	387.85 (3.02)
2016-17	14003.32	768.51 (5.81)
2017-18	14820.42	817.10 (5.83)
AAGR (%)	3.13	
CAGR (%)	3.17	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

10. Non-Performing Assets (NPAs)

10.1 Gross NPAs

Table 5.10 exhibits that Gross NPAs of SHGB increased from ₹270.23 crore to ₹579.95 crore and registered an average growth of 6.40 per cent (AAGR) and overall growth of 6.61 per cent (CAGR) during the study period.

Table 5.10: Growth in Gross NPAs of SHGB (₹ Crore)

Year	Gross NPAs	Increase/Decrease (Growth %)
2013-14	270.23	-
2014-15	316.87	46.64 (17.26)
2015-16	328.21	11.34 (3.58)
2016-17	494.88	166 (50.78)
2017-18	579.95	85.07 (14.66)
AAGR (%)	6.40	
CAGR (%)	6.61	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

The sub-standard assets of the bank declined from ₹221.07 crore to ₹293.45 crore thereby reporting negative AAGR (-0.45%) and CAGR (-0.46%). On the other hand, the doubtful assets increased from ₹49.16 crore to ₹103.48 crore and recorded AAGR of 26.65 per cent and CAGR of 30.54 per cent (Table 5.10(a)).

Table 5.10 (a) Category-Wise Distribution of Gross NPAs of SHGB (₹ Crore)

Year	Sub-Standard Assets	Increase/Decrease (Growth %)	Doubtful Assets	Increase/Decrease (Growth %)	Loss Assets	Increase/Decrease (Growth %)
2013-14	221.07	-	49.16	-	0	-
2014-15	120.20	-100.87 (-45.63)	194.13	144.97 (294.89)	2.54	2.54
2015-16	135.19	14.99 (12.47)	193.02	-1.11 (-0.57)	0	-2.54 (-100)
2016-17	218.07	82.88 (61.31)	109.36	-83.66 (-43.34)	0	0
2017-18	293.45	75.38 (34.57)	103.48	-5.88 (-5.37)	0	0
AAGR (%)		-0.46	26.65		-	
CAGR (%)		-0.45	30.54		-	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

The provisions made by SHGB for rising NPAs increased from ₹44.13 crore (2013-14) to ₹74.80 crore (2017-18) thereby registering an average growth of 11.81 per cent (AAGR) and overall growth of 12.53 per cent (CAGR) (Table 5.10(b)).

Table 5.10(b): Growth in Total Provisions held against NPAs of SHGB (₹ Crore)

Year	Provisions	Increase/Decrease (Growth %)
2013-14	44.13	-
2014-15	70.90	26.77 (60.66)
2015-16	84.06	13.16 (18.56)
2016-17	62.89	-21.17 (-25.18)
2017-18	74.80	11.91 (18.93)
AAGR (%)	11.81	
CAGR (%)	12.53	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Derecognized income of the bank has been ₹30.53 crore in 2013-14 which increased to ₹44.06 crore in 2014-15 and then decreased to ₹13.26 crore by the end of 2016-17. The average and compound growth in derecognized income has been negative during the study period (Table 5.10(c)).

Table 5.10(c): Growth in Derecognized Income of SHGB (₹ Crore)

Year	Derecognized Income	Increase/Decrease (Growth %)
2013-14	30.53	-
2014-15	44.06	13.53 (44.32)
2015-16	26.85	-17.21 (-39.06)
2016-17	13.26	-13.59 (-50.61)
2017-18	19.38	6.12 (46.15)
AAGR (%)	-27.80	
CAGR (%)	-24.27	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

Table 5.10(d) depicts that the percentage of Gross NPAs to total advances has been 4.80 per cent in 2013-14 which declined to 4.32 per cent by the end of 2017-18.

Table 5.10(d): Percentage of Gross NPAs to Total Advances of SHGB (₹ Crore)

Year	Gross NPAs	Total Advances
2013-14	270.23 (4.80)	5625.32
2014-15	316.87 (5.01)	6321.65
2015-16	328.21 (4.73)	6933.63
2016-17	494.88 (50.81)	7572.31
2017-18	579.95 (17.19)	7982.50

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

10.2 Net NPAs

Net NPAs of the bank increased from ₹174.52 crore to ₹ crore during the study period thereby registering AAGR of 2.38 per cent and CAGR of 2.41 per cent during the study period (Table 5.10(E)).

Table 5.10(E): Growth in Net NPAs of SHGB (₹ Crore)

Year	Net NPAs	Increase/Decrease (Growth %)
2013-14	174.52	-
2014-15	183.88	9.36 (5.36)
2015-16	195.24	11.36 (6.17)
2016-17	245.54	50.3 (25.76)
2017-18	357.13	111.59 (45.44)
AAGR (%)	2.38	
CAGR (%)	2.41	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

The percentage of Net NPAs to net advances declined from 3.16 per cent (2013-14) to 4.20 per cent (2017-18) during the study period (Table 5.10(F)).

Table 5.10 (F): Percentage of Net NPAs to Net Advances of SHGB (₹ Crore)

Year	Net NPAs	Net Advances
2013-14	174.52 (3.16)	5529.61
2014-15	183.88 (2.97)	6188.67
2015-16	195.24 (2.54)	6777.49
2016-17	245.54 (3.25)	7432.34
2017-18	357.13 (4.20)	

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

Note: Figures shown in brackets are in percentages

11. Recovery Performance

Table 5.11 highlighted that the demand for loans increased from ₹3850.52 crore to ₹6268.53 crore and recovery from ₹3234.15 crore to ₹5464.07 crore during the study period. The amount of over dues also increased from ₹616.37 crore to ₹804.46 crore. The recovery performance of four years, in terms of percentage, has been 83.99 per cent (2013-14), 86.02 per cent (2014-15), 86.75 per cent (2015-16), 87.17 per cent (2016-17) and 90.76 per cent (2017-18).

Table 5.11: Recovery Performance of SHGB (` Crore)

Year	Demand	Recovery	Over dues	Recovery Performance (%)
2013-14	3850.52	3234.15	616.37	83.99
2014-15	4958.84	4265.41	693.43	86.02
2015-16	5040.11	4372.45	667.66	86.75
2016-17	6268.53	5464.07	804.46	87.17
2017-18	7126.51	6468.20	658.31	90.76

Source: Compiled from Annual Reports of SHGB from 2013-14 to 2017-18

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