

**PROJECT REPORT ON**  
**“A STUDY ON NON-PERFORMING ASSETS OF MANGALORE**  
**CATHOLIC COOPERATIVE BANK, MANGALORE”**

**Submitted by**

**STEPHY SALDANHA**

**4AL21BA091**

**Submitted to**



**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI**

**In partial fulfillment of the requirements for the award of the degree of**

**MASTER OF BUSINESS ADMINISTRATION**

**Under the guidance of**

**INTERNAL GUIDE**

**Dr. Catherine Nirmala**

Professor

P G Department of Business

Administration AIET, Mijar

**EXTERNAL GUIDE**

**Mrs. Blanche Fernandes**

Branch Manager

Mangalore Catholic

Cooperative Bank, Mangalore



**DEPARTMENT OF MBA**

**ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY**

**SHOBHAVANA CAMPUS MIJAR, MOODBIDRI**

**September 2023**



## The Mangalore Catholic Co-operative Bank Ltd

Administrative Office: M.C.C. Bank Building, Hampankatta,  
Mangalore-575 001. Ph:2421369, 2445742,  
Email:ho@mccbank.in Website: www.mccbank.in

HRD No. 272/23-24

Date:07.08.2023

### CERTIFICATE

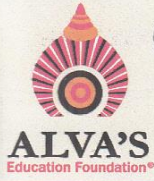
This is to certify that Ms Stephy Saldanha, has completed her project work on the topic  
**"A study on Non-Performing Assets of Mangalore Catholic Cooperative Bank"**  
at our Founders Branch from 19.04.2023 to 26.05.2023.

During her project, she was good in work and well-disciplined and was keen on  
learning about how the system works. She has completed the study of NPA position  
of the bank for the last 5 years.

We wish her good luck for her career.



  
(General Manager(I/c))



# ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY

(A Unit of Alva's Education Foundation @, Moodbidri)

Affiliated to Visvesvaraya Technological University, Belagavi

Approved by AICTE, New Delhi & Recognised by Government of Karnataka

Accredited by NAAC with A+ Grade and NBA (CSE & ECE)

Date: 02-09-2023

## CERTIFICATE

This is to certify that **STEPHY SALDANHA** bearing USN **4AL21BA091** is a bonafide student of Master of Business Administration course of the Institute in 2021-23, affiliated to Visvesvaraya Technological University, Belgaum. Project report on "A STUDY ON NON-PERFORMING ASSETS OF MANGALORE CATHOLIC COOPERATIVE BANK, MANGALORE" is prepared by her under the guidance of **Dr. Catherine Nirmala, Professor, PG Department of Business Administration** in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belgaum Karnataka.

Signature of Internal Guide

Mrs. Priya Sequêira

Signature of Principal  
PRINCIPAL

DEAN  
Dept. of Business Administration  
Alva's Institute of Engg. & Technology  
MIJAR - 574 225

Alva's Institute of Engg. & Technology,  
Mijar. MOODSIDRI - 574 225, D.K

Shobhavana Campus, Mijar, Moodbidri - 574225, Mangalore, Karnataka, India

08258-262724 (O), 262725 (P)

principalaiet08@gmail.com

www.aiet.org.in




## DECLARATION

I, Stephy Saldanha, hereby declare that the project entitled "A study on Non-Performing Assets of Mangalore Catholic Co-Operative Bank, Mangalore" with reference to Mangalore Catholic Co-Operative Bank, Mangalore prepared by me under the guidance of Dr. Catherine Nirmala, Professor, PG Department Of Business Administration, Alva's Institute of Engineering and Technology and external assistance by Mrs. Blanche Fernandes, Branch Manager, Mangalore Catholic Co-Operative Bank. I also declare that this Project work is towards the partial fulfillment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum. I have undergone a project for a period of six weeks. I further declare that this Project is based on the original study undertaken by me and has not been submitted for the award of any degree/ diploma from any other University or Institution.

Place: Mijar

Date: 02/09/2023

  
Signature of the student

## **ACKNOWLEDGEMENT**

I am happy to take this opportunity to extend my sincere thanks to all those who have supported me, directly and indirectly in completing this project meaningfully.

I would like to thank my external guide Mrs. Blanche Fernandes and staff of Mangalore Catholic Co-operative Bank for their encouragement, suggestions and support throughout the duration of my project.

I would like to thank Dr. Peter Fernandes, Principal, Alva's Institute of Engineering and Technology, Mijar for his support and encouragement to undertake a purposeful project.

My heartfelt thanks to Mrs. Priya Sequiera, HOD, PG Department of Business Administration, Alva's Institute of Engineering and Technology, Mijar for giving me the direction for a good project work.

My thanks to my internal guide Dr. Catherine Nirmala, Professor, PG Department of Business Administration, Alva's Institute of Engineering and Technology, Mijar for her feedback and suggestion which have greatly helped me in completing this project.

I express my deep appreciation to my friends who have extended their wholehearted support and their co-operation during this academic course.

With sincere regards,

Stephy Saldanha

## TABLE OF CONTENTS

Sl. No	Contents	Page No's
Chapter 1	Introduction to Industry and Company Profile	1-15
Chapter 2	Theoretical Background of the Study	16-27
Chapter 3	Research Design	17-31
Chapter 4	Data Analysis and Interpretation	32-49
Chapter 5	Summary of Findings, suggestions and Conclusion	50-52
	Bibliography	53-55

## LIST OF TABLES

<b>Table No.</b>	<b>Particulars</b>	<b>Page No's.</b>
1.1.6	Table Showing Financial Statements	11-15
4.1.1	Table Showing Comparative Statement Analysis of Total Advances, Net Profit, Gross NPA and Net NPA	33
4.1.2	Table Showing Comparative Statement Analysis of Gross NPA and Net NPA	34
4.2.1	Table Showing Gross NPA Ratio	35
4.2.2	Table Showing Net NPA Ratio	36
4.2.3	Table Showing Provision Ratio	37
4.3.1	Table Showing Trend Analysis of Percentage GNPA on Advances	38
4.3.2	Table Showing Trend Analysis of Percentage GNPA on Total Assets	39
4.3.3	Table Showing Trend Analysis of Percentage NNPA on Advances	40
4.3.4	Table Showing Trend Analysis of Percentage NNPA on Total Assets	41
4.4.1	Table Showing Correlation Analysis	43
4.5.1	Table Showing NPA of Business Loan	44
4.5.2	Table Showing NPA of Housing Loan	45
4.5.3	Table Showing NPA of Mortgage Loan	46
4.5.4	Table Showing NPA of Vehicle Loan	47
4.5.5	Table Showing NPA of Jewel Loan	48

## LIST OF GRAPHS

<b>Graph No.</b>	<b>Particulars</b>	<b>Page No's.</b>
4.1.1	Comparative Statement Analysis of Total Advances, Net Profit, Gross NPA and Net NPA	33
4.1.2	Comparative Statement Analysis of Gross NPA and Net NPA	34
4.2.1	Gross NPA Ratio	35
4.2.2	Net NPA Ratio	36
4.2.3	Provision Ratio	37
4.3.1	Trend Analysis of Percentage GNPA on Advances	38
4.3.2	Trend Analysis of Percentage GNPA on Total Assets	39
4.3.3	Trend Analysis of Percentage NNPA on Advances	40
4.3.4	Trend Analysis of Percentage NNPA on Total Assets	42
4.5.1	NPA of Business Loan	44
4.5.2	NPA of Housing Loan	45
4.5.3	NPA of Mortgage Loan	46
4.5.4	NPA of Vehicle Loan	47
4.5.5	NPA of Jewel Loan	48



## **EXECUTIVE SUMMARY**

This study examines the issue of non-performing assets (NPAs) in the Mangalore Catholic Cooperative (MCC) Bank and its implications on the bank's financial health and overall stability. By conducting an analysis of historical data and financial statements, the study identifies key trends and patterns contributing to the rising NPAs in the bank's portfolio. The results of this study highlight the critical impact of NPAs on the MCC's profitability and risk exposure.

Various statistical tools are used to analyze the data. In this study, it had been observed that net profit had increased over a period of time. It suggests improved profitability and income generation for the bank over the years. Comparative analysis was used to compare Total Advances, Net Profit, Gross NPA and Net NPA for the year 2018 to 2022. The bank has shown improvements in managing the NPA as indicated by the decreasing trend in both Gross NPA and Net NPA. The increase in ratio analysis indicates a higher proportion of bad loans and a decrease in ratio analysis suggests that improvements in managing the NPA. Trend analysis indicates that the positive deviation suggests that MCC bank's non-performing assets were lower than what was expected for the year, indicating effective management of loans and advances and the negative deviation indicates that the actual GNPA on advances is higher than the projected trend value. The correlation analysis helps to find out the relationship between Total Advances, Net Profit, Gross NPA and Net NPA.

The study confirms that non-performing assets impact the profitability of the business. Addressing the NPA challenge is crucial for the bank's sustained growth, ensuring the safety of depositors' funds, and upholding its reputation within the cooperative banking sector. By adopting a proactive approach to managing NPAs, the bank can position itself for sustainable growth and maintain its role as a vital financial institution in the community.