

A PROJECT REPORT ON
“A STUDY ON NON-PERFORMING ASSETS WITH SPECIAL
REFERENCE TO SCDCC BANK LTD.MANGALORE”

Submitted By

VINDHYA

(4AL21BA108)

Submitted To



VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI

In partial fulfilment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION

Under the guidance of

Internal Guide

Mrs. Maithri

Assistant Professor

PG Department of Business

Administration

Alva's Institute of Engineering and
Technology, Mijar, Moodbidri

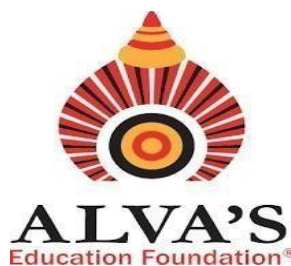
External Guide

Ln. Shankar Shetty

Senior branch manager

Scdcc bank ltd.

Uppunda branch



PG Department of Business Administration

Alva's Institute of Engineering & Technology Shobhavana Campus, Mijar,
Moodbidri, D.K – 574225

2022-2023



ದಕ್ಷಿಣ ಕನ್ನಡ ಜಿಲ್ಲಾ ಕೇಂದ್ರ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ.

ಪ್ರಧಾನ ಕಛೇರಿ : "ಉತ್ಕೃಷ್ಟ ಸಹಕಾರಿ ಸೌಧ", ಕೊಡಿಯಾಲ್‌ಬೈಲ್, ಮಂಗಳೂರು - 575 003.

F.No.74E



The South Canara District Central Co-operative Bank Ltd.,

Head Office : "Uthkrushta Sahakari Soudha", Kodialbail, Mangaluru - 575 003

Ref.No. AE/FD-1/2023-24

Date: 18-08-2023

Certificate of Completion

This is to certify that

Ms. Vindhya

Reg. No. 4AL21BA108 student of MBA from

**Alvas Institute of Engineering and Technology,
Mijar, Moodbidri**

*has done her Project work for the Partial Fulfillment of the requirements for
the Award of the Degree of*

MASTER OF BUSINESS ADMINISTRATION

on the topic entitled

**"A STUDY ON NON PERFORMING ASSETS WITH SPECIAL
REFERENCE TO SCDCC BANK LTD., MANGALORE"**

We wish all success in her future Endeavour



Chief Executive Officer (I/C)

Phone : Office EPBX : 2440381, 2440882, 2440948, 2441341 / 42 / 43, CEO. 2411441
President: 2424635 Fax: 0824-2440231, Website : www.scdccbank.com
E-mail : admin@scdccbank.com / mis@scdccbank.com | rtgs@scdccbank.com



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: 01-09-2023

CERTIFICATE

This is to certify that **VINDHYA** bearing USN 4AL21BA108 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 WITH SPECIAL REFERENCE TO SCDCC BANK LTD., MANGALORE" is prepared by her under the guidance of Mrs. Maithri, Assistant 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 Sequeira

DEAN

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

Signature of Principal
PRINCIPAL

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.aict.org.in

DECLARATION

I, VINDHYA, hereby declare that the Project report entitled "A Study on non-performing assets with special reference to SCDCC Bank Ltd. Mangalore" prepared by me under the guidance of Mrs. Maithri, Assistant Professor PG Department of Business Administration, Alva's Institute of Engineering and Technology and External assistance by Ln. Shankar Shetty, senior branch manager, SCDCC Bank Ltd. Uppunda Branch.

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 summer 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 university / Institution.

Place: Mijar

Date: 4/09/2023



Signature of the student

ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere gratitude to all those who have helped me throughout this project. It gives me immense pleasure to acknowledge all those who have rendered encouragement and support for the successful completion of this work.

I express my deep sense of gratitude to my internal guide **Mrs. Maithri**, Assistant Professor, PG Department of Business Administration, for her constant support and encouragement to carry out my project successfully without much difficulty.

I would like to express my sincere thanks to **Dr. Peter Fernandes**, Principal of Alva's Institute of Engineering and Technology, Mijar, Moodbidri.

I am grateful to **Mrs. Priya Sequeira**, HOD, PG Department of Business Administration, Alva's Institute of Engineering and Technology, Mijar, Moodbidri whose timely suggestions and encouragement supported me to complete this project.

TABLE OF CONTENTS

CHAPTER NO	CHAPTERS	PAGE NO
I	INTRODUCTION	1-16
1.1	Introduction to the study	2-5
1.2	Industry Profile	6-10
1.3	Company profile <ul style="list-style-type: none"> • Vision, Mission • Awards and recognitions • Product / services offered • SWOT Analysis • competitors • Future Growth and Prospects 	11-16
II	THEORITICAL BACKGROUND AND LITERATURE REVIEW	17-28
2.1	Theoretical background of the study	18-21
2.2	Literature review	22-28
III	RESEARCH DESIGN	29-33
3.1	Statement of the problem	
3.2	Need for the study	
3.3	Objectives of the study	
3.4	Scope of the study	
3.5	Research methodology	
3.6	Tools and techniques used	
3.7	Limitations	
3.8	Chapter scheme	
IV	DATA ANALYSIS AND INTERPRETATION	34-50
4.1	Descriptive analysis	35-36
4.3	Descriptive analysis	38-39
4.7	Return on asset ratio	44-45

4.8	Credit to deposit ratio	45-46
4.9	Correlation analysis	47-48
4.10	Correlation analysis	49-50
V	FINDINGS, CONCLUSION AND SUGGESTIONS	57-61
5.1	Findings	58-59
5.2	Suggestions	59-60
5.3	Conclusion	61
	BIBLIOGRAPHY	62-64

LIST OF TABLES

TABLE NO	TITLE	PAGE NO
4.1	Table showing gross NPA of SCDCC Bank ltd.	35
4.2	Table showing percentage of gross NPA	36
4.3	Table showing net NPA	38
4.4	Table showing percentage of net NPA	39
4.5	Table showing gross profit	41
4.6	Table showing net profit	42
4.7	Table showing Return on Asset Ratio	44
4.8	Table showing credit to deposit ratio	45
4.9	Table showing correlation between Gross NPA and Net Profit	47
4.10	Table showing correlation between Net NPA and Net Profit	49
4.11	Table showing advances	51
4.12	Table showing comparison of Net Profit and Advances	52
4.13	Table showing Deposits	54
4.14	Table showing comparisons of Net profit and Deposits	55

LIST OF CHARTS

TABLE NO	TITLE	PAGE NO
4.1	Chart showing gross NPA of SCDCC Bank ltd.	35
4.2	Chart showing percentage of gross NPA	37
4.3	Chart showing net NPA	38
4.4	Chart showing percentage of net NPA	40
4.5	Chart showing gross profit	41
4.6	Chart showing net profit	43
4.7	Chart showing Return on Asset Ratio	44
4.8	Chart showing credit to deposit ratio	46
4.9	Chart showing correlation between Gross NPA and Net Profit	48
4.10	Chart showing correlation between Net NPA and Net Profit	50
4.11	Chart showing advances	51
4.12	Chart showing comparison of Net Profit and Advances	53
4.13	Chart showing Deposits	54
4.14	Chart showing comparisons of Net profit and Deposits	56

EXECUTIVE SUMMARY

A study on non-performing assets with special reference to SCDCC Bank Mangalore. Where the study is mainly focus on the effect of NPA on profitability, deposits, loan lending, earning capacity, return on asset of SCDCC Bank Limited.

NPA play a crucial role in the profitability of the bank. The bank is required to control the level of NPA at the lower level to increase its net profit. If the NPA reaches the maximum level the bank has to increase its provision out of profit to cover the loans

This study explores detailed information about the non-performing Assets. And the objective of the study is to suggest the bank to take NPA measures and follow the RBI guidelines and measures in respect of pre and post sanction of loans.

The NPA is studied through charts, mean Calculation and standard deviation and correlation. The correlation is to understand the relationship between the net profit and net NPA and gross NPA. And return on asset ratio is calculated, which tells that the bank is utilising the Asset efficiently. this study not only provides a comprehensive understanding of the NPA landscape within SCDCC Bank Ltd but also offers practical solutions to address this pressing issue. The effective implementation of these recommendations can not only help SCDCC Bank Ltd reduce NPAs but also enhance customer trust, booster its financial health, and contribute to the overall resilience of the Indian banking sector.