

Certificate

Certified that the project work titled “A study on Credit Management of Gurukrupa Credit Co-operative Society Ltd, Marutinagar, Bhatkal” is an original record of field work done by Ms. Likhita Ananda Naik with Registration No. 18C011212 in a partial fulfillment of the award of degree of Master of Commerce of the Karnataka University, Dharwad during 2019-20. The project satisfies the academic requirements in respect of project work prescribed for the Degree of Master of Commerce and is a record of her own independent work.

This project is based on the studies carried out by her has not been submitted to any other University or Institution for the award of any degree or diploma.



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Certificate

This is to certify that **Miss.Likhita Ananda Naik**, student of **M.COM 4th** semester with Register number **18C011212**, studying at Anjuman Arts, Science and Commerce college and P.G Centre, Bhatkal has visited our bank of data collection in respect of project work. We believe that this project work her own efforts and we wish her good luck in her academic Endeavour.

GURUKRUPA CREDIT CO-OPERATIVE
SOCIETY (BANKED) BHATKAL

Signature of the Manager

Place: Bhatkal

Date: 2-10-2020

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Chapter 1

Introduction:

The project study is based on analysis of credit management of co-operative society, Bhatkal. A cooperative bank is financial entity which belongs to its members, who are at the same time the owners and customers of their bank. Co-operative banks are often created by persons belonging to the same local or professional community or sharing a common interest. Co-operative banks generally provide their members with a wide range of banking and financial services.(loans, deposits, bank account etc.) co-operative banking is retail and commercial banking organized on a co-operative basis co-operative banking institution take deposits and lend money in most part of the world.

Credit management is the process of granting credit, setting the terms it's granted on recovering this credit when it's due, ensuring compliance with company credit policy, among other credit related function. Credit management is the process of monitoring and collecting payment from customers. A good credit management minimizes the amount of capital tied up with debtors .Credit management is concerned primarily with managing debt and financing debt .It also concerned with safe guarding the investment.

Credit risk is a risk related to non payment of the credit obtained by the customer of the bank. Thus it is necessary to appraise the credibility of the customer on order to mitigate the credit risk.

Generally the credit facilities are extended against the security known as collateral. But even though the loans are backed by the collateral, banks are normally interested in the actual loan amount to be repaid along with the interest. Thus the customer's cash flows are ascertained to ensure the timely payment of principal and interest. It is the process of appraising the credit worthiness of a loan applicant. Bank today are the largest financial institution around the world with branches and subsidiaries throughout the world. These banks offer different products and services to public and because of their high liquidity these intermediary operations are quite risky.

An important function of credit management is credit control. This is primarily a process of deciding how much credit should be given to customer or borrowers. The goal

Conclusion:

Gurukrapa credit co-operative society is a successful society. It has made sufficient improvement compared to other co-operative societies in Bhatkal area. Still its members are going to increasing. Now a days the credit assets quality of the bank impacted directly fight on the survival and development of itself. Therefore members, managers and all other staff in Gurukrapa credit co-operative society must work in co-operative manner.

Credit risk management is becoming very important in today's competitive business world. From the study it is evident that the bank is quite sincere in their approach to managing the consumer credit risk though there are rooms for improvement. It has already developed goodwill among its client by offering its excellent services. This success has resulted from the dedication , commitment and dynamic leadership of its management over the periods. But they must concentrate more on customer oriented services and provide better technological advancement relating to banking activities.

Bank are established for a special purpose so bank should provide good , valuable and timely services to the customers. Bank should apply to maintain a good relationship with customer. In addition to the customers also follow some rules and some procedure of the bank. So that whatever services provided by the bank is value added to their cost.

The study conducted to know about the various credit management process and credit recovery information by Gurukrapa credit cooperative society, Bhatkal. The bank has immense facility for providing finance to the customers. But the financial assistance is not reached to a considerable extent, this is due to lack of awareness about the schemes among the customers.

Hence we can conclude that Gurukrapa credit cooperative society is a growing concern with successful future ahead.