A Project Work on

"A STUDY ON DEPOSIT MOBILIZATION PATTERN OF THE BHATKAL URBAN COOPERATIVE BANK LIMITED"

Submitted to

Karnatak University Dharwad

In partial fulfilment of the Requirements for the Degree of Master of Commerce

2019

By:

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A.H.M.'s
ಂಜುಮನ್ ಕಲಾ, ವಿಜ್ಞಾನ, ವಾಣಿಜ್ಯ ಮಹಾವಿದ್ಯಾಲಯ ಹಾಗೂ ಸ್ನಾತಕೋತ್ತರ ಕೇಂದ್ರ
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(AFFILIATED TO THE KARNATAK UNIVERSITY, DHARWAD)
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Certificate

Certified that the Project Work titled **"A Study on Deposit Mobilization Pattern of the Bhatkal Urban Cooperative Bank Limited"** is an original record of field work done by **Ms. Rashmi Subray Naik** with Registration No. **17C011124** in a partial fulfillment of the award of Degree of **Master of Commerce** of the **Karnatak University, Dharwad** during the 2018-19. The project satisfies the academic requirements in respect of project work prescribed for the Degree o 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 submitted to any other University or Institution for the award of any degree or diploma.

Prof. Ganesh Naik
Project Guide

Prof. M.K.Shaikh
Principal

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Bhatkal Urban Co-operative Bank Ltd.

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Ref.No.BUCB/HO/CERTI / 243 /2019-20
Bhatkal, dated 17/05/2019

BHATKAL (U.K.) THE BHATKAL URBAN CO-OP. BANK LTD.

CERTIFICATE

TO WHOMSOEVER IT MAY CONCERN

This is to certify that, Miss.Rashmi Subray Naik, **Reg.No.17C011124, M.Com, IV SEM., student of Anjuman Arts, Science & Commerce College & PG Centre, Bhatkal** has done a project on Deposit Mobilization pattern in our Bank as a part of her studies.

During the course of her project, she was provided with all available study materials and information which were needed for ~~his~~ her project

We wish her good luck.

For Bhatkal Urban Co-op. Bank Ltd.
BHATKAL (U.K.)

General Manager
GENERAL MANAGER

Communicated to

Ms. Rashmi Subray Naik
M.Com. IV SEM
Anjuman Arts, Science & Commerce College & PG Centre
BHATKAL.

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CHAPTER -1

INTRODUCTION

Introduction

Strong, well-developed and efficient financial system is the key driven factor in economic development of countries and it has positive impact on economic growth. The financial system in every economy is dominated by the banking sector, since without banks, financial system cannot undertake the development of economy.

For Banks, the amount of deposits is very important and therefore all banks compete among themselves for mopping up deposits the banks offer a number of deposit schemes to the public which include fixed deposit, saving deposit, current deposit and the like.

Mobilization of deposits is the most important function of the urban cooperative banks. The urban cooperative banks get name and fame on the basis of the amount of deposits mobil ized by them. The more are the deposits, the more is the financial strength. In fact, deposits are the life-blood of these banks. They largely depend on deposits for their lending and outside borrowings constitute an insignificant proportion of their total loan able funds. As banking institutions, urban cooperative banks are expected to inculcate a sense of thrift and saving habit s among the people in their area of operations. They have close proximity with their members and other people. They can encourage the people to save their surplus money with them and can educate the people about the advantages of savings to the society.

Statement of problem

The present study is an attempt to probe the deposit mobilization of The Bhatkal Urban Co-operative Bank. The findings of the study would pave the way for taking certain policy decisions for the better deposit mobilization of the Bank.

think of providing special deposit schemes for farmers of urban and semi urban area during harvest seasons, which will be advantages to agriculturist to invest their earnings for shorter period of time. Through this, the bank can also mobilize deposits.

- The bank should provide mobile banking facilities so that more people can access the services from bank, and also cyber-security for the banking operations.
- Banks should try to depositors meeting at least once in a year to know their problems.
- Bank should review its intrest rate policy according to the competition and changing economic trends.

Conclusion

Based on the result of the finding this study has drawn the following relevant conclusion.

Banking industry, as a whole plays a very crucial role in the development of the economy of the nation. The urban cooperative banks form an integral part in the short-term and medium-term deposit mobilization system and they play strategic role. Although bank can use other sources of funds such as shareholders equity, from profit of its operation or by other business undertaking the most useful resource is deposit.

The study revealed that deposit mobilization is the key focuses of the Bhatkal Urban Cooperative bank. However, finding deposit is becoming a challenging role for the cooperative banks in India compatible with the growing need of loans. Owing to growing need for finance from new and existing sectors has coupled the bank own desire to make profits from those finance, deposit mobilization is becoming the critical success factor for the banks. The branches and the service modernization activities, growing competition among banks all justify this fact. There are limited types of deposit products mainly three namely saving, current, and fixed deposit services commonly sold to the customers by the bank.