

Project Report (17MBAPR407)

on

A STUDY ON NON-PERFORMING ASSET AT VIJAYA BANK

BY

**KAVYASHREE G K
1AY17MBA17**

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

Janardhan G Shetty

Associate Professor

Dept. of MBA, AIT

EXTERNAL GUIDE

Mr. Chandra Hasa

Branch Manager

Vijaya Bank, Bengaluru



Department of MBA

Acharya Institute of Technology, Soldevanahalli,

Hesaragatta Main Road, Bengaluru

March 2019

	विजया बैंक (भारत सरकार का उपक्रम) VIJAYA BANK)A Govt. of India Undertaking) प्रधान कार्यालय Head Office 41/2, एम जी रोड M G Road बेंगलूर Bangalore – 560 001	शाखा/कार्यालय : दासरहळ्ळी Branch/Office : DASARAHALLI, Eshwar Rao Compound. 13/5,4 th Cross,8 th Mile Signal Tumakur Road, Bangalore – 560 073 ईमेल- Email : vb1054@vijayabank.co.in वेब Web : www.vijayabank.com फोन Phone : 080-28398670

Date: 15-03-2019

Project completion certificate

This is to certify that Ms. Kavyashree G K No. 1AY17MBA17 a student of Acharya institute of Technology, Bangalore has under gone an project in Hesarghatta branch Vijaya Bank , Bangalore from 03-01-2019 to 16-02-2019.

She has completed the Project report on topic "A Study on Non – Performing Assets at Vijaya Bank" under the guidance of Mr Chandrahasa Branch Manager of Hesarghatta road Branch , successfully and submitted a detailed report on the work.

कृते विजया बैंक/For VIJAYA BANK


 शाखा प्रबंधक / Branch Manager
 हेसरघट्टा रोड शाखा, बेंगलूर-560 073
 Hesaraghatta Road, Bengaluru-560073
 Branch Manager



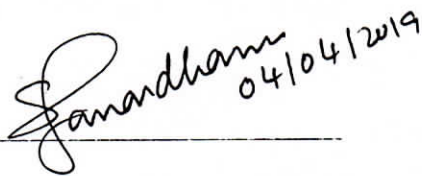
ACHARYA INSTITUTE OF TECHNOLOGY

(Affiliated to Visvesvaraya Technological University, Belagavi, Approved by AICTE, New Delhi and Accredited by NBA and NAAC)


Date: 04/04/2019

CERTIFICATE

This is to certify that **Ms. Kavyashree G K** bearing **USN 1AY17MBA17** is a bonafide student of Master of Business Administration course of the Institute 2017-19 batch, affiliated to Visvesvaraya Technological University, Belagavi. Project report on "**A Study on Non Performing Assets at Vijaya Bank (Bagalagunte Branch), Bengaluru**" is prepared by her under the guidance of **Dr. Janardhan G Shetty**, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.


04/04/2019

Signature of Internal Guide


4/4

Signature of HOD
Head of the Department
Department of MBA
Acharya Institute of Technology
Soldevanahalli, Bangalore-560 107



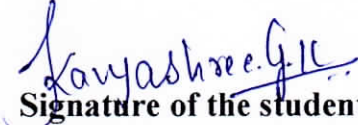
Signature of Principal/Dean Academics

Dr. Devarajaiah R.M.
Dean-Academics
ACHARYA INSTITUTE OF TECHNOLOGY
Bengaluru-107

DECLARATION

I, **Kavyashree G K**, hereby declare that the Project report entitled “A STUDY ON NON PERFORMING ASSET AT VIJAYA BANK” with reference to “Vijay Bank Bengaluru” prepared by me under the guidance of **Prof.Janardhan G Shetty, faculty of M.B.A Department, Acharya Institute of Technology** and external assistance by **Mr.Chandra Hasa, Branch Manager at Vijaya Bank, Bengaluru** 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, Belagavi. 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 other University / Institution.

Place: Bengaluru
Date:11/04/2019


Signature of the student

ACKNOWLEDGEMENT

I wish to express my sincere thanks to our respected Principal, **Dr. Prakash M R**, beloved Dean-Academics, **Dr.Devarajaiah R M**, and deep sense of gratitude to **Dr.M MBagali**, HOD, Acharya Institute of Technology, Bengaluru for their kind support and encouragement in completion of the Project Report.

I would like to thank **Prof. Janardhan G Shetty**, Asst. Professor, Department of MBA, Acharya Institute of Technology, Bengaluru and external guide **Mr.Chandra Hasa**, Branch manager at Vijaya Bank Bengaluru, who gave me golden opportunity to do this wonderful Project in the esteemed organization, which helped me to learn various concepts.

Finally, I express my sincere thanks to my Parents, Friends and all the Staff of MBA department of AIT for their valuable suggestions in completing this Project Report.

Place: Bengaluru

Date:11/04/2019

Kavyashree G K

USN:1AY17MBA17

TABLE OF CONTENTS

Chapter No's	Chapter Name	Page Numbers
1	Executive summary	1
	1.1 Introduction	3
	1.2 Industry profile	3
	1.3 company profile	6
	1.4 Promoters, vision, mission and quality policy	7
	1.5 Products profile and services of Vijaya Bank	8
	1.6 Areas of operation	13
	1.7 Competitor's information	14
	1.8 SWOT Analysis	14
	1.9 Future growth and prospectus	16
	1.10 Financial Statement	18
2	Conceptual background and Literature review	
	2.1 Theoretical Background of the study	21
	2.2 Literature Review	25
3	Research Design	
	3.1 Statement of the problem	30
	3.2 Need for the study	30
	3.3 Objectives of the study	31
	3.4 Scope of the study	31

	3.5 Research methodology	31
	3.6 Limitations	32
	Chapter scheme	33
4	Data Analysis and Interpretation	
	Analysis and Interpretation of data	35
5	Summary of Findings, Suggestions and Conclusion	
	5.1 Findings	59
	5.2 Suggestions	60
	5.3 Conclusion	61
	Bibliography	62
	Annexure	64

LIST OF TABLES

TABLE NO	TITLE	PAGE NO
1	Showing the percentage of net NPA	35
2	Showing the percentage of gross NPA	36
3	Showing the performance of cash recovery in NPA	38
4	Showing the percentage of capital adequacy ratio	39
5	Showing the performance of doubtful assets ratio	41
6	Showing the performance of loss assets ratio	42
7	Showing the advances	44
8	Showing the performance of provision for NPA	45
9	Showing the slippage of assets of NPA category	47
10	Showing assets quality sector-wise gross NPA	48
11	Showing the performance of sub-standard assets ratio	50
12	Showing NPA accounts of housing loans	51
13	Showing NPA accounts of personal loans	53
14	Showing NPA accounts of Educational loans	54
15	Showing NPA accounts of Vehicle loans	56

LIST OF GRAPHS

Graph NO	TITLE	PAGE NO
1	Showing the percentage of net NPA	35
2	Showing the percentage of gross NPA	37
3	Showing the performance of cash recovery in NPA	38
4	Showing the percentage of capital adequacy ratio	40
5	Showing the performance of doubtful assets ratio	41
6	Showing the performance of loss assets ratio	43
7	Showing the advances	44
8	Showing the performance of provision for NPA	46
9	Showing assets quality sector-wise gross NPA	47
10	Showing assets quality sector-wise gross NPA	49
11	Showing the performance of sub-standard assets ratio	50
12	Showing NPA accounts of housing loans	52
13	Showing NPA accounts of personal loans	53
14	Showing NPA accounts of Educational loans	55
15	Showing NPA accounts of Vehicle loans	56

EXECUTIVE SUMMARY

Non-performing assets were a major aspect of the profitability of Indian banks prior to 1992; the banks didn't show their bad debts sustained by them and the provisions made by them as that it should have associated in nursing adverse. As this owns the low level of profits, the extra capital from the government as even made strong recurrent inn hands of funds.

The transparency is also a main milestone for financial sector reform. As the prudential norms as relate to the income recognition, provision for bad debts, doubtful debts, asset classification and capital adequacy.

The study is about impact of Non-performing of assets where study is conducted in Vijaya Bank, at Dasarahalli, Bangalore branch. Which has risen in its level of NPA over the years in the report the reason for the increase is observed and measured to the control the NPA is given the suggestion.

The problem of Non-Performing Asset is danger to banks as it destroys the healthy financial condition and profitability of the bank.

The customer could reduce the trust on the bank if the Non-Performing Asset are been increased in the bank as the bank should take corrective remedies to reduce the Non-Performing Asset as comparatively to past years.

CHAPTER-1

INTRODUCTION

1.1 Introduction

This Project helps to know about the organisation and concepts with project was very beneficial as it helped to work well in the competitive world. This provides opportunity to learn and understand the banking concepts and helps to adjust for work environment in future. Project in Vijaya Bank from the date specified, was useful and benefited to know about banking operations.

Topic for research study:

“A study on Non-Performing Assets” conducted at Vijaya Bank, Hesaragatha main road branch, Bangalore.

1.2 INDUSTRY PROFILE

The history of the banking system in India is been identified with distinct phases. From nationalization of banks in early phases during 1786 to 1969, until the 1991. Prior to the banking sector reforms the new frames in the Indian Banking were been introduction as exploration of financial and banking sector reforms after 1991. It's the most conservation stage for Indian Banking. As there was formation of joints stock bank in year 1786, namely it was General bank of India. So following incident, Bank of Hindustan and the Bengal bank came into existence. The East India Company also established the reigns in country, following two new branches were setup. In the upcoming year both Bank of Bombay (1840) and Bank of Madras (1843) were also established. All the above mentioned banks were individual working and it was called as Presidency bank, but only until 1920. As latter in this year there was been an amalgamation of this two banks which was named as an Imperial Bank of India. Mainly these banks were of private shareholders, who were been mainly from European region.

Latter there was a need of Indian origin banks, thus Punjab National Bank was established, which headquarter at Lahore, constructed in 1894. Though in this period many banks that were setup, the commercial bank came up only after 20th century. All the banks setup in this periods are such Bank of India, Canara Bank, Bank of Baroda, Ranging from period 1906-1913, even two new banks were came up that is The Indian bank and Bank of Mysore.

Structure of banking system in India

In India the financial sector reforms has been rapidly progression on the various aspect such as deregulation, interest rate, various prudential norms, barriers to entry, risk-based suspension and reduction in reserve requirements. But there arises a cause of concern that is on the progress institution aspect which is being slower. There are various changes which are being required to overcome the NPA problem which would span the judiciary, policies which are to be truly effective.

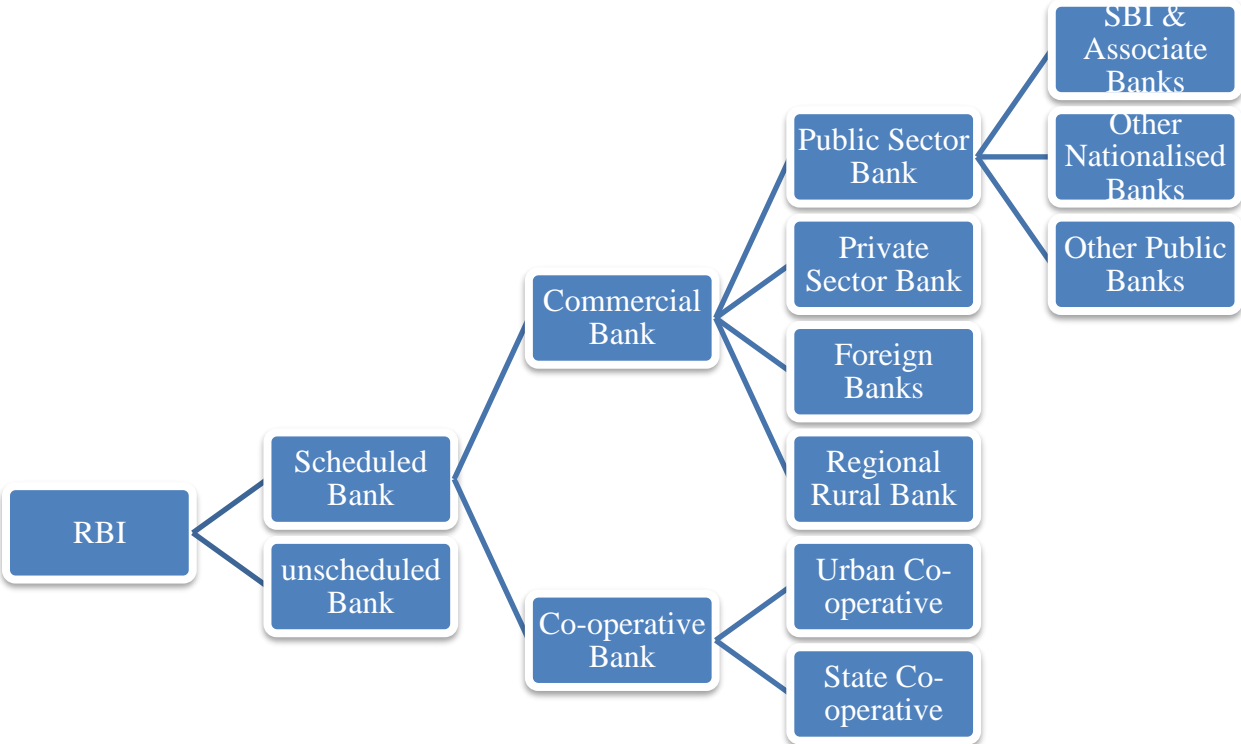
The Indian financial system has the huge number of the cooperative banks commercial and specialized development bank in the industry, and also has the external trade and housing, agriculture, social security institutions, collective investment institutions etc. Banking system is backbone of Financial System.

The Indian banking industries was established in Eighteenth century and have evolutionary experience in system. In their early days, Indian banks used traders to engage in financial activities only.

The banking sector was on the eve of Independence, developed by the Presidency Bank, the latter being transformed into Imperial Bank of India and then transformed into State Bank of India. In the beginning of the banking sector, private ownership and fluctuating working conditions were the dominant factors.

The latter up the public ownership and accountability came in and then they were Nationalized in 1969 and in 1980 which transformed the importance from private to public sector and foreign players in a competitive scenario and to the greater liberalization.

Structure of Indian Banking System is as Follows:



1.3 Company Profile

The Vijaya Bank was established on October 23rd 1931 in the place Mangalore, Karnataka. As it was established by a group of farmers which was led by Sri Attavara Balakrishna Shetty. Therefore, its name was originated by on the auspicious Vijayadashami Day as so since named as “Vijaya Bank”. Latter it has been promoted as Scheduled Bank in 1958 and got nationalized on April 15th 1980.



Now Vijaya Bank is all other the Indian Institution as they serve the diverse sector of the country. The bank has almost 2031 branches and 2001 ATMS across the country and union territories.

The Vijaya Bank offers very attractive and unique products and service to its customers. The bank as upgraded to the latest technology to make customers work essay. It also provides the mobile banking, mobile wallet, Rupay and many more services to grab the attraction of it customers.

1.4 PROMOTERS OF VIJAYA BANK

The share holding pattern of the company is the main part of the fundamental analysis. The shareholding pattern is been determined by market capitalization of the stock and indicate were stock valuation is justified. The public shareholding percentage as been mentioned below of Vijaya Bank.

Category and name of the shareholder	No. of Share holder	No. of fully paid up equity shares held	Total no. Of shares held	Shareholding as % of total No. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No (A)	As a % of total shares held (B)	No. of equity shares held in dematerialized form
Indian	1	896811702	896811702	68.77	0	0.00	896811702
Central Government/ State Government	1	896811702	896811702	68.77	0	0.00	896811702
President of India	1	896811702	896811702	68.77	0	0.00	896811702
Foreign	0	0	0	0	0	0.00	0
Grand Total	1	896811702	896811702	68.77	0	0.00	896811702

1.4 VISION, MISSION & QUALITY POLICY

Vision

To be the most preferred bank for customer centric financial service backed by technology

Mission

To emerge as the prime bank driven by modern technology in meeting customer aspirations, offering professional financial services and contributing to sustained national development.

QUALITY POLICY:

- To satisfy the client's objective.
- To provide better quality and benefits to client.
- To manage clients, provide good consistency progress.

1.5 PRODUCTS & SERVICES OF VIJAYA BANK:

Vijaya Bank offers different types of services to its customers:

LOANS

Vijaya Bank offers clients different types of loans to meet their individual financial needs. Different types of loans include: -

Housing loan: The finance is provided to whom they need to purchase or construction of the house for the residential purpose.

Vehicle loan: The Vehicle loan is given for the purchase of the two-wheeler or a four-wheeler for their personal use.

V Vehicle: It is the loan provided to the vehicle which can be purchased for the transporting of students or employees.

Jewel loans: The loan provided against the value of 22 karat or 24 karat gold jewellery or ornaments

Personal loan: The personal loan is provided to meet their personal demands of the customers, the loan amount varies from one customer to another, is based on the efficiency of the customers.

Loans to transport operators: It is the specialized loan offered to the transport operators for the purchase of the vehicle and meeting their operational costs.

V Reverse Mortgage: The senior citizen who have their own self-acquired or self-occupied property can utilize this loan.

V Restaurant: It is the specialized loan provided for those who need to open and maintain the restaurant business.

Loans for traders: It's the financing scheme provided to the traders through which they can utilize for their acquire business assets and business expenses.

V Rent: The loan is provided to an individual who own properties which are been rented out.

V secured Overdraft: The facility is provided to those who need to meet the working capital needs.

Loan to Medical Practitioners: It is the specialized loans for the medical practitioners to meet their specific expenses.

Loan against property: The loan is provided to those individuals who have their own commercial or residential property.

Education loan: The loan is given to the students to bear the expenses of the college for their higher studies.

Other loans:

- V Solar
- V Flour Mill
- V Dal Mill
- V Rice Mill
- V Cashew
- V Equip
- V Swashakti
- Vijaya Top-Up Loan
- Vijaya Mangala

Credit Cards

Vijaya Bank has a range of credit cards to its credit which offer unmatched benefits to customers.

The range of cards offered by the bank includes:

- VISA Classic Credit Card: - It's a domestic card which can be used throughout the India and Nepal, usually these types of the card are offered to salaried and self-employed individuals.
- Vijaya Platinum: - This Card is valid only up to three years from a date of issue, it's available only for the customers of the bank.
- Master Card Classic Credit Card: It's another type of domestic card with is valid in India and Nepal, the card is offered only to the accountholders of bank in the affiliation along with MasterCard.
- MasterCard Global Credit Card: -It is an international credit card offered along with the association of MasterCard, the card is given to its customers of bank.
- VISA Gold Credit Card: This card is valid in India and Nepal given to its accountholders of the bank.
- VISA City Specific Cards: - The Credit cards can be used only in the specific city.
- VISA Classic International Card: This is one of another credit cards which is been affiliated with VISA and will be accepted globally

- VISA Doctor Card: - The credit card offered to the doctors and medical practitioners of the any discipline of a medicine
- VISA Nurses Card: This card is provided only to nurses

Savings Account

Different forms of saving accounts are offered to individuals so that they can fulfil their banking needs. These accounts included:

The saving account as offered various type of accounts to its customer, as it this help to fulfil the needs of the customer. The account also includes: -

- V Genuth Saving Bank Account: -The saving account for the children as where, a new-born baby after one day can also open the account.
- V Payroll Saving Account: It's a salary account for the employees of corporate, institution, firms, etc.
- V Balika Saving Bank Account: The saving account for a girl child according to the as Government's scheme for the girl child
- Vijaya Saral savings: It is one of the simple saving account that can be opened with Rs.10 (ten) only as the initial deposit.
- V Basis SB Account: It's the small saving account for the specific people like low income group.
- V Platinum Savings Bank Account: The saving account offers the additional and attractive features and the benefits in the terms of banking facilities.

Term deposits

The term deposit is also called as Fixed Deposits; this deposit earns the higher return than that of the promise done by a saving account. The account in this category is as follows:

- Recurring Deposit: -It's a deposit scheme in which those monthly payments of instalment are made of the small amount for the fixed tenure and maturity value.
- Vijaya shree Units: It's a fixed deposit scheme in which the customers are to withdraw amount in partial I the multiples of Rs.1000.
- V GenuthUnnati Recurring Deposit Bank Account: It's a recurring deposit account for mainly for the children up to 18 years; it's usually with a tenure ranging from threeto ten years.
- V Balika Deposit: - The fixed deposit is meant only for the girl child as according to the incentive's schemes launched by Indian government for the welfare of the girl child.
- Fixed Deposit: -It is one of the traditional schemes, where its interest is earned are paid to individuals on the monthly, Quarterly, half-yearly or a yearly basis.
- Vijaya tax saving scheme: -It is one of the deposit schemes for the minimum period of five years, where it aims to save tax under regulations of the section 80C.
- Jeevan Nidhi deposit: It is the daily deposit scheme where money is will be collected in the doorstep of the house by the bank representative. The tenure can be of the 12, 39 or 63 months.

NRI Banking

Vijaya Bank even provides service to the Non-residential of India. Majorly the bank deals in nine international currencies, which includes the Pound Sterling, US Dollar, Japanese Yen, Euro, UAE Dirhams, Australian Dollar, etc. The facilities to NRI offered such as like a bank account of saving which can be in Indian currency or an foreign currency, fixed deposit, loans, remittance service, forex services, treasury services, etc.

1.6 Area of Operations

- Karnataka
- Delhi
- Goa
- Jammu & Kashmir
- Tripura
- Andaman & Nicobar
- Manipur

INFRASTRUCTURE FACILITIES

The Vijaya bank as good infrastructure and hygienic office, as this help to maintain the cleanliness in the office: -

- The bank mainly concentrates upon the basic needs such as
 - Adequate space for the customer,
 - Proper furniture
 - Drinking water facilities
- It provides separate spacing for senior citizen, disable person.
- It shows the boards display in the English, Hindi and regional language.
- The employees of the bank wear the Identification Card which displays the Name and photo of the employee.
- The bank prefers to give attention towards the cleanliness and maintenance the branch premises clean as make comfortable to its customer.

1.7 COMPETITORS OF VIJAYA BANK:

Some major competitors are:-

- Allahabad Bank
- Central Bank
- IDBI Bank
- Union Bank
- Bank of India

1.8 SWOT ANALYSIS

There SWOT analysis has the four major elements they are – strengths, weakness, Opportunities and the Threats.

STRENGTH

Strength is the ability of the company which help to create, configuration and it supports the upper hand in commercial centres.

- The bank as high market leadership position.
- High Margins
- The brands catering to different segments of customers as with the regional bank segments
- The bank as increased crowded market as it's the first mover advances.
- Is as a wide geographic network

WEAKNESS OF VIJAYA BANK

Vijaya Bank as a weakness as it can be by the absence of the strength or even by the assets of capacities that are required but not yet present in the bank. The managers have to be having accurate information about the shortcomings in absence of the strategic planning or even of the key decision.

- High turnover of employees at lower level is worry of Vijaya Bank.
- Low investments in to banks customer-oriented service
- Per unit are been declining as it reduces the revenue of the bank
- There is low loyalty among the suppliers
- Pressure is created when the Gross Margins and Operating Margins are improved as it effects the financial Statements.
- Niche market and local monopolies is able to exploit the fast disappearing.

OPPORTUNITIES FOR VIJAYA BANK

Opportunities are the potential areas which help the firm to identify the potentials of profit, market shares and growth of the bank.

- The guidelines are been increased by the government as it causes trouble to the un-composed players in regards to Regional Banks. This helps Vijaya Bank
- Rapid Expansion of Economy
- Increased customer base segments
- Opportunities in the Online Space.
- Lower inflation rate
- Trends in customers migration to high-end products

THREATS OF VIJAYA BANK

Threats represent a potential risk to the business model of the business due to changes in macroeconomic factors and consumer perceptions. Threats can be managed but, cannot be controlled.

- Commoditization of product segments
- Saturation of the urban market and recession of the rural market
- Improve the technical expertise of local actors in the export market
- Shortage of skilled human resources

1.9 FUTURE GROWTH AND PROSPECTS

In the last year, the stocks have been gained by 78.4%, as more than 22.7% jump in the BSE Banker. In the past two years, the bank's business growth has been sluggish compared with the credit growth in the banking system. This was mainly due to the risk-aversion strategy adopted by the management. But, in the last few quarters, the bank has streamlined its processes, strengthened its credit appraisal system and reintroduced several retail & SME products, which have boosted loan growth.

As a result, the net interest margin of the bank headquartered in the south has consistently improved over the last seven quarters. The NIM for the third quarter FY11 was at 3.44%, up 64 bps on a year-on-year basis.

However, there is further room for improvement in NIM as the bank's CASA share (a low-cost deposit route) is only 24% of its total deposit. The average CASA of its peers is 30%. Considering its large network of 1,164 branches, there is scope for improvement in CASA.

The bank's business has shown buoyancy, but the asset quality raises concerns. Its average net non-performing assets (NPAs) were 1.4% of the total assets. For most other banks, the ratio is below 1%. However, the Centre's 370-crore infusion into the bank will help support credit growth and, more importantly, will also offer adequate provision in case of incremental slippages.

At 68%, Vijaya Bank has a lower credit-deposit ratio than the average 70% for most other public sector and private sectors. What it means is the bank can sustain its credit growth without straining its balance sheet. Another concern for the bank is its lower asset utilisation. While most Indian banks operate on a return on average assets (RoA) of 1%, Vijaya Bank posted a ROA 0.85% in the December 2010 quarter.

At a price-to-book value of 1.4, the bank's valuation is in line with its peers. The bank's future performance will largely hinge on its ability to maintain the momentum in loans and on curbing bad loans.

AWARDS AND ACHIEVEMENTS

Rajbhasha Kirti Puraskar Award

Vijaya Bank has been honoured by President of India as it got Rajbhasha Kirti Puraskar Award.

VIBSETI Award from Ministry of Rural Development, Government of India

Our Bank got VIBSETI Award from the Ministry of Rural Development, Government of India at Vigyan Bhawan, and New Delhi on June 2017.

SKOCH FINANCIAL TECHNOLOGY AWARD

- 100 Digital Villages Financial Inclusion
- E-Surveillance of ATMs & Branches
- Retail Lending
- Best Bank in NPA Management
- Best Bank in Public Sector
- National Payment Excellence Awards 2016 by NPCI

1.10 FINANCIAL STATEMENT OF VIJAYA BANK

Balance Sheet of Vijaya Bank		-----in Rs.Cr.-----		
	March 2018	March 2017	March 2016	
	12 months	12months	12 months	
Capital and Liabilities:				
Total Share Capital	1,304.15	998.85	932.56	
Equity Share Capital	1,304.15	998.85	932.56	
Share Application Money	0.00	0.00	220.00	
Reserves	8,532.54	6,322.18	5,598.30	
Net worth	9,836.69	7,321.03	6,750.86	
Deposits	157,287.54	133,011.95	125,440.72	
Borrowings	6,299.79	11,061.80	20,300.57	
Total Debt	164,587.33	144,073.75	135,741.29	
Other Liabilities & Provisions	2,417.52	2,656.34	2,042.72	
Total Liabilities	176,841.54	154,051.12	144,534.87	
Assets				
Cash & Balances with RBI	4,303.70	5,770.42	6,268.35	

Balance with Banks, Money at Call	666.54	160.29	351.20
Advances	116,165.44	94,548.89	88,986.96
Investment	39,511.66	44,424.55	41,842.249
Gross Block	1,300.49	1,318.76	1,286.91
Revaluation Reserves	790.51	830.47	873.86
Net Block	509.98	488.29	413.05
Capital Work in Progress	0.99	0.00	1.39
Other Assets	15,683.23	8,658.67	6,672.44
Total Assets	176,841.54	154,051.11	144,534.88
Contingent Liabilities	24,167.81	18,201.36	45,978.20
Book Value (Rs)	75.43	73.29	70.03

CHAPTER- 2
CONCEPTUAL BACKGROUND
AND LITERATURE REVIEW

2.1 THEORETICAL BACKGROUND OF THE STUDY

Meaning of Non-Performing Assets: -

A Non-Performing plus suggests that loan or an account of recipient that has been classified by a bank or institution as sub-standard, uncertain or loss plus, in accordance with the directions or tips regarding plus classification issued by run.

Non-Performing plus defines classifications of loan on books of the economic establishment that area unit default or behind on scheduled payment of principal or interest. In most cases, debt is considered as Non-Performing when loan payments have not made for a period of 90 days.

The spread of the NPA is the main threat to the banking sector. Assets that prevent banks from generating revenue are called "bad assets". NPA's loan portfolio affects the impact of operational efficiency on the profitability, liquidity and solvency of the bank. The NPA has suffered headaches in recent years, particularly in the Indian banking sector.

Moving towards international practices and to make sure bigger transparency by Indian financial system, it has been adopted the 90 days due, norms for the identification of NPA, FY 31stMarch 2014.

As many stepsas been taken to measure the borrowers account as when the borrower re pays the remaining interest and segments. As like different manner with a focal point are a named as:

- Non-performing assets.
- Performing or standard assets.

FIRST REPORT CULMINATION OF NARASIMHAM COMMITTEE

- Formation of assets and reconstruction of its funds.
- The account classification method is to be conducted in uniform accounting practices on income.
- Banks as to achieve capital adequacy to 8% within 1997 of Risk weighted assets.
- Priority sector as defined and given finance as to be regulated within 10% CRR and SLR.

SECOND REPORT CULMINATION OF NARASIMHAM COMMITTEE

- Capital adequacy as been raised from 8% to 10% in this committee.
- Income recognition norms to 90 days are introduced in this phased manner.
- 2/3 larger banks are tied up with international orientation, as 8 to 10 national banks and local banks.
- The strategic decisions have been recognized, as so it provides profitable products to its customers.
- Reconstruction of assets of the companies are been introduced to issue bonds, as it helps to be part of 2nd tier capital.

Problems caused by NPA

The Non-Performing Asset will not only reflection adequately on bank's account books, they even adversely impact on the national economy.

- Depositors won't get their rightful returns and would cause to lose uninsured deposits. Banks begin charging high interest rates on some products to overcome NPL losses.
- Shareholders of the bank are adversely affected.
- Bad loans imply redirecting the funds from good projects to bad ones. Hence, the economy suffers from loss of good projects and cause failure in bad investment.
- Liquidity of the bank rises, as bank does not get loan repayment or its interest payments on time.

The effects of NPA:

- Interest will be reduced which the bank has been earned in the form of profit.
- Liquidity positions of bank are affected.
- Serving good customers are been affected.
- Balance sheets are adversely affected.
- Bank will become reluctant to lend thus affecting the borrowers.

Symptoms of NPA:

- When the account balance is low than the RBI regulations.
- When their no minimum required balance in account.
- If installment is not paid according to scheduled period.
- If there is no regular operation in account.
- When there is huge competition in the market also impact on NPA.
- If there are many changes in Government Policies.
- When there is a fluctuation in the strategy.
- When stock statements are not submitted at time

Classification of Non-Performing Asset for banks:

- Standard Assets: A Standard asset is a type of asset in which the borrower does not make repayment on regularly basis and on time.
- Sub-Standard Assets: A Sub-Standard asset is a Non-Performing Asset which does not exceeding 12 months of payment. It is an asset, for which 15% reserve is maintained by bank.
- Doubtful Assets: A Doubtful asset is a Non-Performing Asset which exceeds more than 12 months.

Factors of Non-Performing Asset

The rises in Non-Performing Assets are causing several problems to banking sector. As seen the problems related to NPAs are more in public sector banks when there are compared to private sector and foreign banks, the Non-Performing Assets are influenced both from external and internal factors.

1. Internal Factors

- Defective Lending process: -
- Inappropriate technology
- Improper SWOT analysis
- Absence of regular industrial visit

2. External Factors

- Wilful Defaults
- Natural calamities
- Ineffective recovery tribunal
- Industrial sickness
- Change on Government Policies
- Lack of demand

2.2 LITERATURE REVIEW

➤ **Dutta. A (2014): -**

The growth of NPAs in the public and private sectors of Indian banks has been analyzed with commercial banks. Secondary data were used to study the trends and progress of Indian banking, cash receipts, financial and financial reports, and economic studies.

➤ **Asha Singh (2013):-**

The study evaluates public undertaking banks are been facing problem on the improve proportion of non-performing assets. It's totally opposite to the private sector bank. To take it in develop efficient way to move upon the goal and even to expand the services of banks the NPA and its greater organized efficiently and properly.

➤ **Das S. (2010): -**

This study has been attempted to analyse parameter which they are accurate reason of NPA, as they make the wilful defaults, market failure, low follow-up and the supervision. As they even cause the poor legal framework, diversion of funds and lack of entrepreneurial skill.

➤ **Ahmad. Z, Jegsdeeshwaran. M (2013): -**

The papers tell about the causes and written on the NPA. As five years continually the secondary data have been collected and they are analysed by ANOVA, CAGR, mean and ranking of banks.

➤ **Joseph A L (2014): -**

The study says that the banking industries trends of the NPA. The NPA are even influenced by internal, external and other factors and this even suggest reducing the NPA level of banking.

➤ **Kamra. S. D (2013): -**

The paper analysis by the certain selected nationalised banks position of NPA. It also put its indication on the policies adopted to manage NPA and strategy to overcome the NPA.

➤ **B.Selvarajan & Dr.G. Vadivalagan (2013):-**

The examined the issue of bad loans cannot take and some steps are occupied to reengage the issue of NPA in financial sheets of the bank. These are no accord in correct followed in determining the issue and its present affect the enter banking system.

➤ **Arora N OstwalN (2014): -**

This paper tells and analysis public and private sectors loan assets are been classified and compared. The NPA are still threats for banking, financial institutions and public sector was been analysed and study was concluded.

➤ **B. S WaraichS Gautam V (2013): -**

The study tells the impact of new products lines which are influencing the non-performing asset, that the comparative analysis was based upon the component of loans which are analysed the improvement of managing the NPA.

➤ **Rajput N Gupta M ChauhanA K (2012): -**

The study tells the empirical approach how the profitability index of NPA, which the factor is contributing to the NPA and help to analysis the solution regarding this. Even the statistical tools are used to analysis by using the representation techniques, regression, correlation and DEA.

➤ **Ibrahim M S Thangavelu (2014): -**

This paper presents the concept of NPA, a component of public sector, foreign bank, and private sector lending assets, as a diagnostic approach that is analyzed using auxiliary data.

➤ **Srinivas K T (2013): -**

The paper tries to understand the reasons for occurrence of loans and advances are converting into the NPA in the Commercial bank sector of India and helps to find the solution regards to overcome the above problem.

➤ **Rai K (2012): -**

The paper tells how the operational performance are to be evaluated of the banking sector, issues and NPA trends are also to be measures to manage the NPA which reformulation of banking sector, it also involved establishment of monitoring department and credit appraisal techniques and etc.

➤ **Satpal (2014):**

This study identifies the actual definition of NPA and the factors that shape and contribute to the NPA, identify its causes and identify its impact on the operations of Indian banks.

➤ **Rajeev M Mahesh (2010): -**

This paper examines the NPA on trends in India at different levels, understands how issues are shaped and understood, and helps reduce NPCs. This document will help you manage a common responsibility group or self-help group to increase the recovery rate of your debts.

➤ **Yadav S (2014):**

the study is done with the help of secondary data, the paper helps to understand the recent trends and measures adopted to prevent the NPA in Indian banking industry.

➤ **RakshitD Chakrabarti. S (2012): -**

This paper will help you understand the expansion of the NPA in nationalized banks and understand why loan accounts are transformed into NPAs for nationalized banks.

➤ **Gupta J Jain (2012):**

This study shows the performance and practice of a successful banking sector. When it helps you find clients, you have taken out different types of loans at different branches of the bank.

➤ **Pradhan T K (2012)-**

This study informs you about mismanagement or the conversion of funds, which is a major cause of NPA. This study was based on key data analysed by the percentage method. Many banks have analysed their data using structured questions.

➤ **Kaur & Sandeep (2012):-**

The paper states that the high level of NPA in the banks. Its credit is essential for the development and the improvement of economy and even NPA a greater effect on credit flow of banks. As raising funds by the process of recycling the funds back from the non performing assets.

CHAPTER-3
RESEARCH DESIGN

Research Design

Research is the systematic way of solving problems and finding reality in organised way. Even research helps in to generalizable knowledge. Research usually done by applying what is known and building it on. Extra knowledge can be gained by proving existing theories, and by better explain observation.

3.1 Statement of problem:

The research problems are those difficulties which occur through research experience with regards to theoretical situation and need to get observes the solution regarding the same. In Indian banking sector the main problem is lack of incentives the huge borrowers need to repay the loans back. As they need not make sacrifices in default, as major problem related to NPA in public sector banks. The current monograph is related to Non-Performing Assets of Vijaya Bank.

3.2 Need for the study:

The study is related to Non-Performing Asset in the banking sector as it's the backbone of Indian economy. It has been identified that in Private sector are been reduced in Non-Performing Asset as compared to Public sector banks. As the study helps to identify the variables to manage the Non-Performing Asset as get related study to gather information and analysis the performance of Vijaya Bank. As even this helps in understanding the methods adopted by the Reserve Bank of India for managing the Non-Performing Asset its effects related to Non-Performing Asset.

3.3 Objectives of the Study

- To gather information of various channels in which the recovery of Non-Performing Asset can be done.
- To make accurate suggestions to reduce Non-Performing Asset in future and manage existing Non-Performing Asset.
- To make study of measures and precautions taken by banks, as they make to avoid Non-Performing Asset.
- To analyse if bank related to its profitability.

3.4 Scope of the Study

The scope of study as follows:

- The study helps in reducing in existing Non-Performing Assets and to suggest banks to take up measures as to avoid Non-Performing Asset in future.
- The study is based upon the information provided by bank and website.
- The study helps the Government in the creating and implementing the new alternative strategies to make control over Non-Performing Asset.
- The study helps finding the appropriate techniques to manage and even develop the time bound action planned to analysis the growth of Non-Performing Asset.

3.5 Research Methodology

Before taking up the any task it's become every important to determine problem of study. I have collected data by secondary data which is of descriptive analysis to compete the research, as information is gathered by the account office, branch managers, research reports, promoting research, published articles related to the Non-Performing Asset.

Hypothesis

H0: - There is no significant difference between NPA and Profitability of bank.(H0=0)

H1: - The performance of the bank is based upon NPA is not significant during the study. (H1=1)

3.6 Limitation on the study: -

Every factor like live and non-live has its own limitation, which restrict the usage of that factor. Every study done cannot be completely free from limitations. Some limitations like to be, the limitations such as time areas, efforts, economic, scope as even the method of study. Some limitations of present research work are:

- The bank operations are confidential as such much information cannot be obtained.
- The study is related to academic purpose therefore, it has some limitations.
- The complete details cannot be optioned.
- The data obtained cannot be analysed to other branches.
- The Reserve Bank of India changes its guidelines for once in a year regarding to Non-Performing Asset, as finding and suggestions cannot be observed for more period of time.
- The research can be done up on Private and Public sector banks, where Cooperative banks and Foreign banks which are working in India are not covered, as it is difficult to get proper conclusion regards to entire banking sector.

CHAPTER SCHEME

Chapter 1: Introduction

The introduction gives the information regards to the topic which includes the theoretical background and company details.

Chapter 2: Conceptual background & literature review

It gives the information regards to background, origin and details of NPA.

Chapter 3: Research methodology

This chapter gives the details of the research study. The title of the study, statement of problems, objective, scope, needs and limitations of the study.

Chapter 4: Analysis and interpretation of data

In this chapter the data is collected from SBI websites and it's been analysed properly, the results are presented in both graphical and sentences from.

Chapter 5: Findings, suggestions and conclusions

After the analysis and interpretation of data, the research is justified and followed by the suggestions and conclusions.

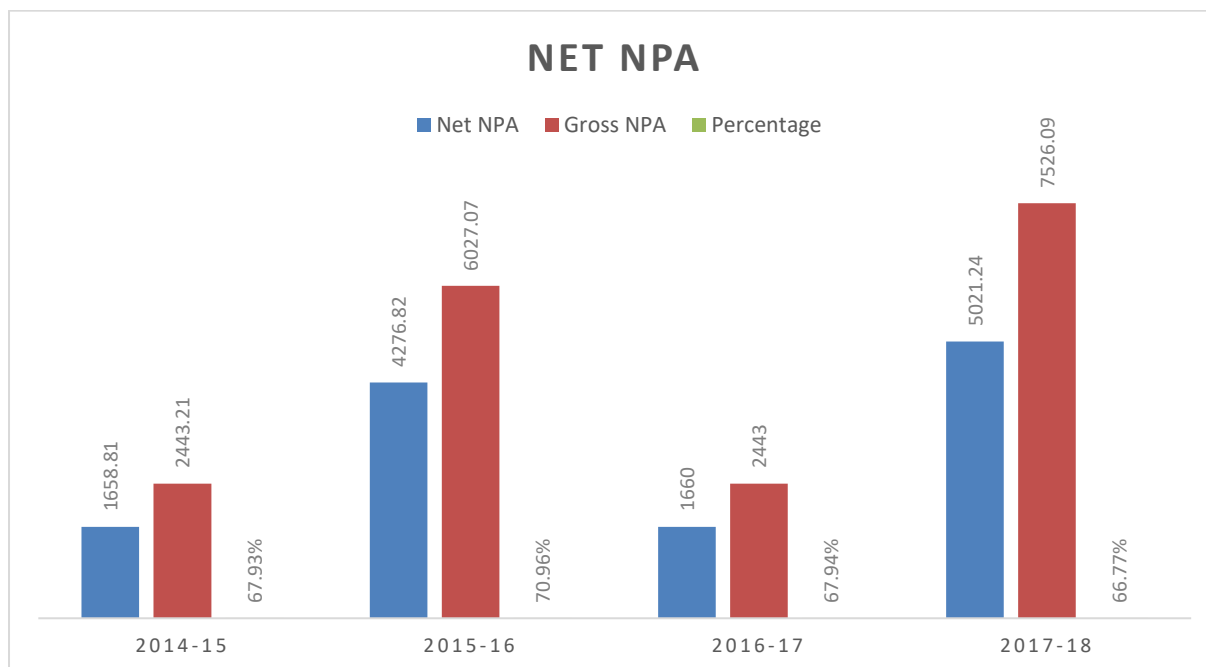
CHAPTER 4

ANALYSIS AND INTERPRETATION

Table:4.1 Showing the percentage of Net NPA

Year	Net NPA	Gross NPA	Percentage
2014-15	1659.81	2443.21	67.93%
2015-16	4276.82	6027.07	70.96%
2016-17	1660.00	2443.00	67.94%
2017-18	5021.24	7526.09	66.77%

Graph: 4.1 showing the percentage of Net NPA



Analysis:

From the above chart we can analyze that the Net NPA over Gross NPA is 67.93% in the year FY 2014-15 and it was increased by 70.96% and declined to 67.94% and there was decline to 66.77%.

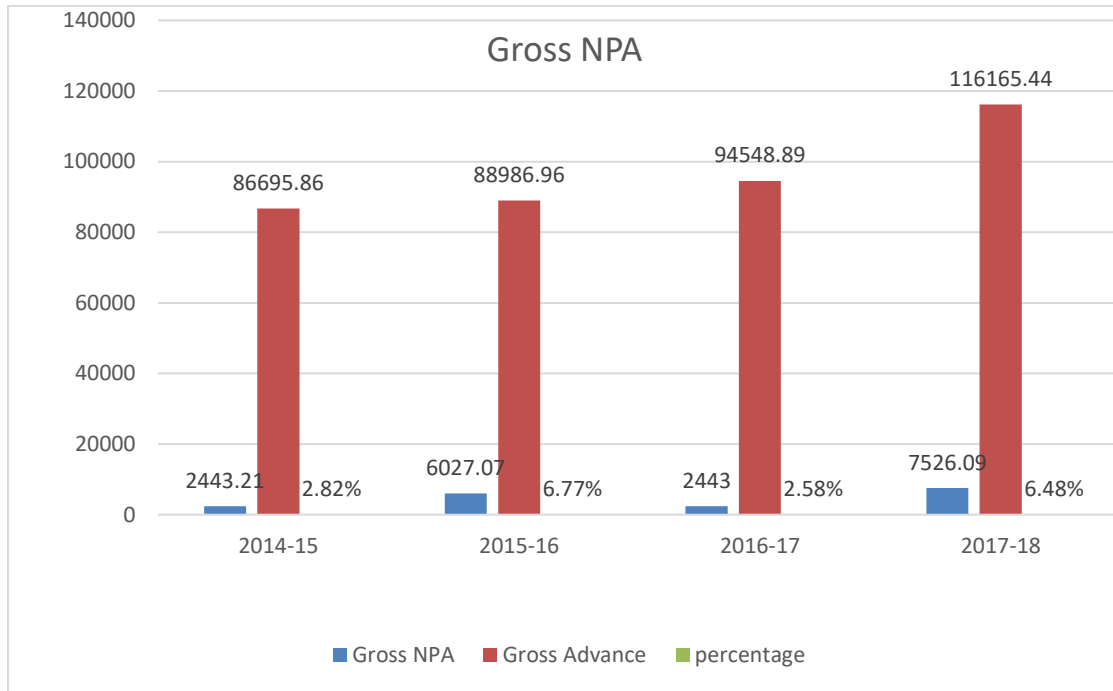
Interpretation:

In the chart we can interpret that the Net NPA (%) has increased by 3.03% in Financial Year 2015-16 as compared to Financial Year 2014-15. As again, it has declined by 3.02% in 2016-17 and again there was an increase of 1.17% in 2017-18. As his results indicates there was reduction in NPA in Financial Year 2016-17 and 2017-18, as it indicates the reduction of NPA in bank, the bank needs to maintain constants and reduce NPA in further years.

Table 4.2: Showing the percentage of Gross NPA.

years	Gross NPA	Gross Advance	Percentage
2014-15	2443.21	86695.86	2.82%
2015-16	6027.07	88986.96	6.77%
2016-17	2443.00	94548.89	2.58%
2017-18	7526.09	116165.44	6.48%

Graph:4.2 Showing the percentage of Gross NPA



Analysis:

The analysis of chart helps to know the Gross NPA over Gross Advances in the Financial Year 2014-15 is 2.82%, in 2015-16 is 6.77%, in 2016-17 is 2.58% and in 2017-18 is 6.48%. Thus this indicates the fluctuation in Gross NPA and Gross Advance.

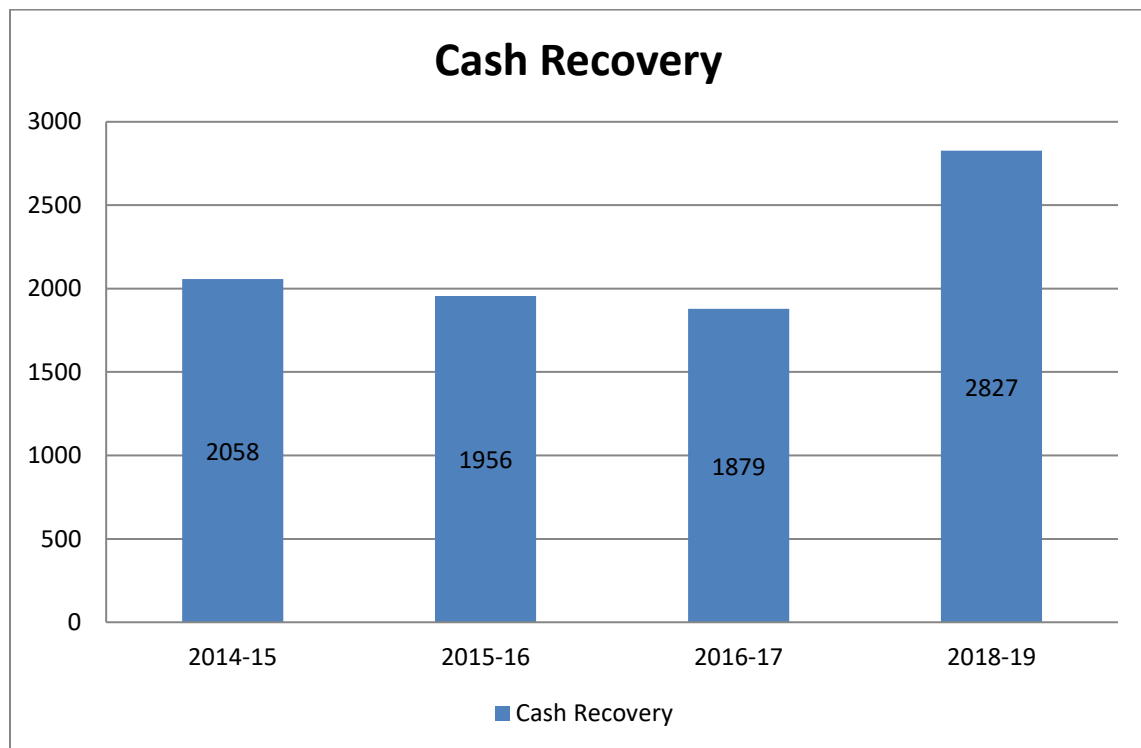
Interpretation:

The analysis of the above chart indicates a rise in the gross advance and gross NPA compared to other years. Therefore, the bank needs to maintain constancy in the further years.

Table 4.3. showing the performance of cash recovery in NPA

Year	Cash Recovery
2014-15	2058
2015-16	1956
2016-17	1879
2017-18	2827

Graph 4.3. showing the performance of cash recovery in NPA



Analysis:

From above Chart the cash recovery of NPA has been raised by the Vijaya Bank.

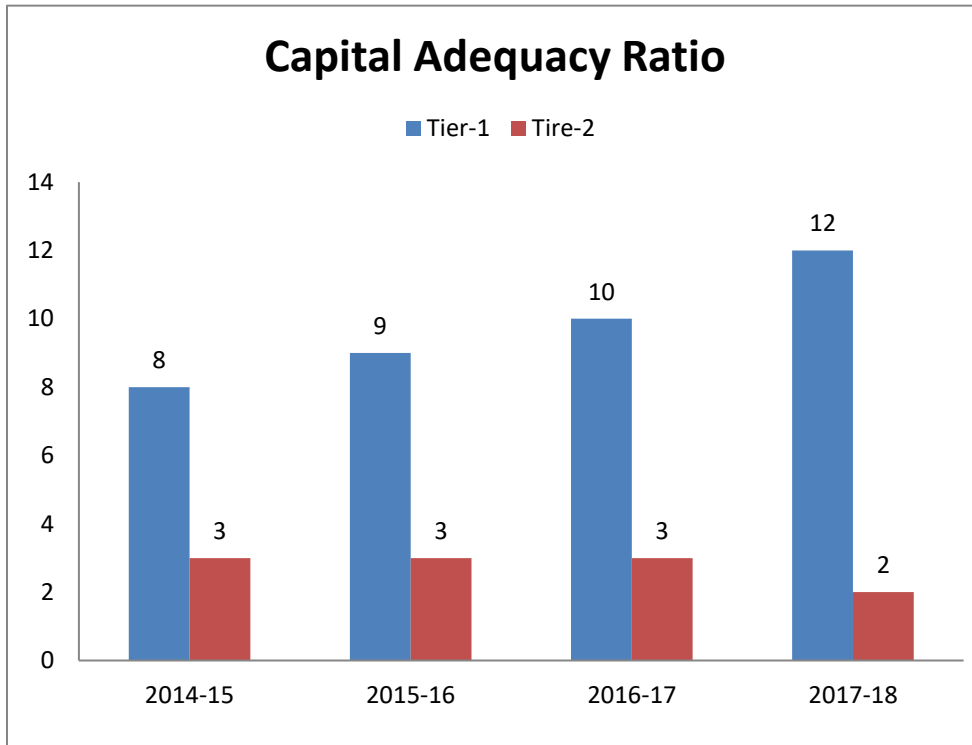
Interpretation:

Analysing the bank performance, the cash recovery has been decreased in the Financial Year 2015-16 and 2016-17 and further it has been increased in 2018-19 as this helps to have a standard constant in Vijaya Bank.

Table 4.4 showing the percentage of capital adequacy ratio

Year	Tier-1	Tier-2
2014-15	8.00	3.00
2015-16	9.00	3.00
2016-17	10.00	3.00
2017-18	12.00	2.00

Graph4.4 showing the percentage of capital adequacy ratio



Analysis:

Every banking sector as to have capital reserve to maintain the Performing Asset. As the chat capital adequacy ratio is based upon the 2 tier and this will be varying yearly.

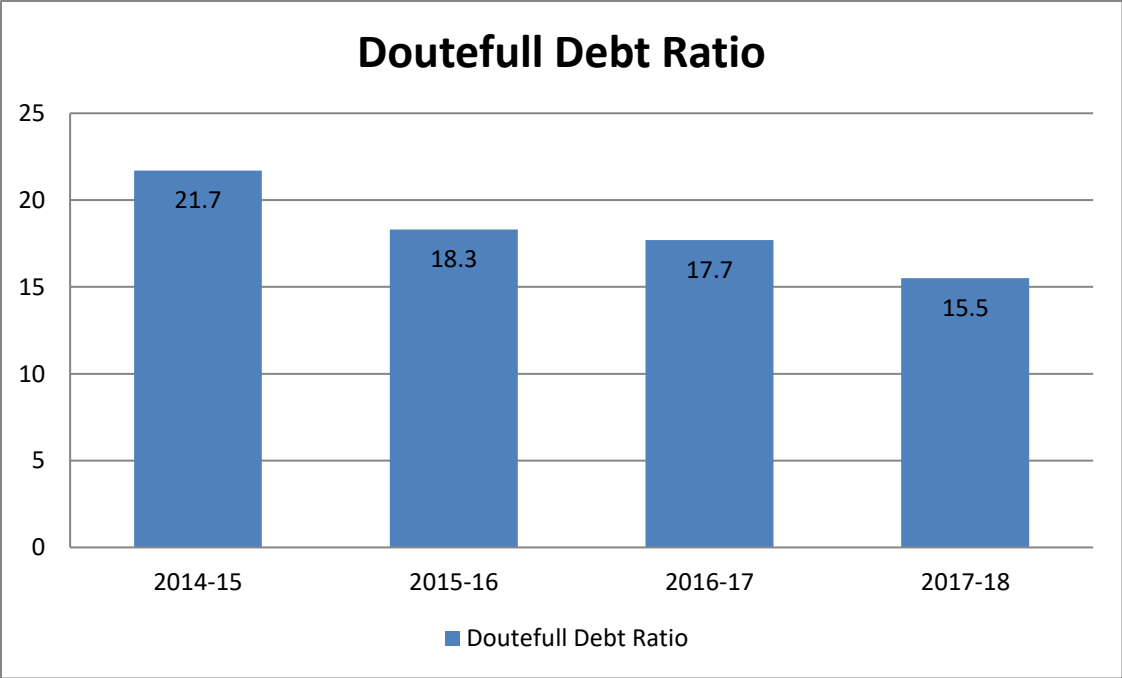
Interpretation:

The analysis of capital adequacy ratio percentage has been of two bases. As this shows one tier and other one varies in fluctuation of the tries.

Table 4.5. showing the performance of doubtful assets ratio.

Year	Doubtful Debt Ratio
2014-15	21.7
2015-16	18.3
2016-17	17.7
2018-19	15.5

Graph 4.5. showing the performance of doubtful assets ratio.



Analysis:

The chart indicates the doubtful asset ratio are been declined from Financial Year 2015-16, 2016-17 and 2017-18 as this help to have a growth of the bank.

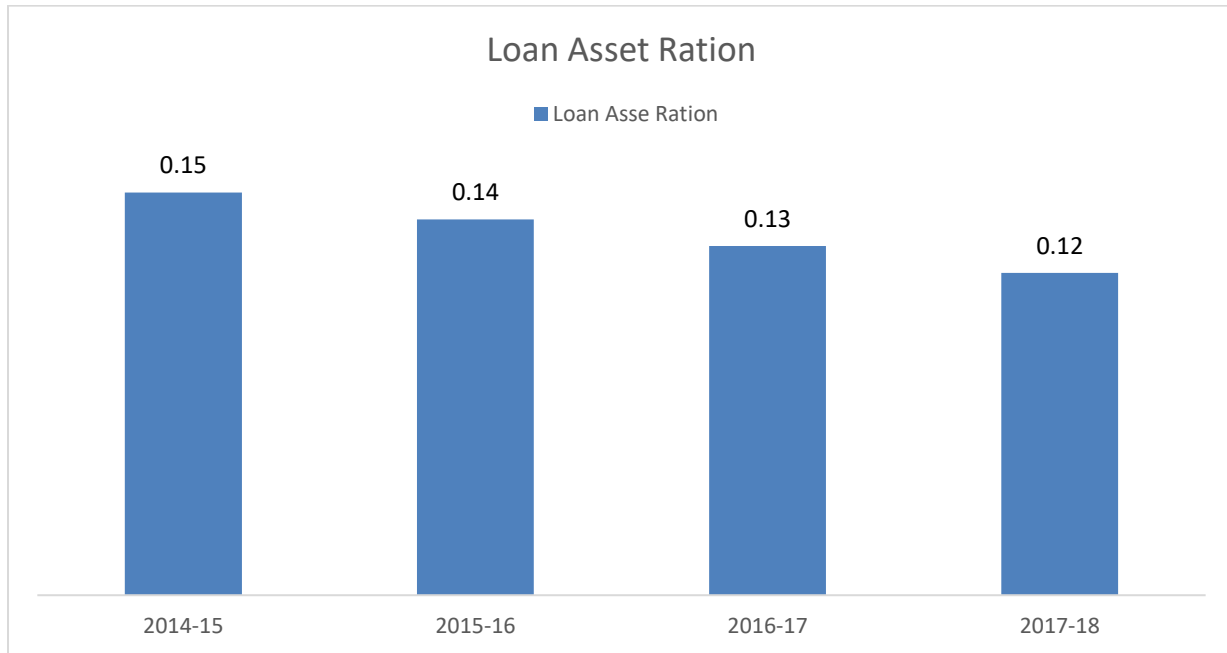
Interpretation:

The analysis indicates the positive growth of the bank as the graph indicates that the doubtful debts have declined by year to year, as it's a good growth of Vijaya Bank.

Table 4.6. showing the performance of Loan assets ratio

Year	Loan Asset Ratio
2014-15	0.15
2015-16	0.14
2016-17	0.13
2017-18	0.12

Table 4.6. showing the performance of Loan assets ratio



Analysis:

The graph shows the loan ratios account of the bank which is been increased by year to year. As this helps to gain more interest to the bank and make the customer to the Vijaya bank.

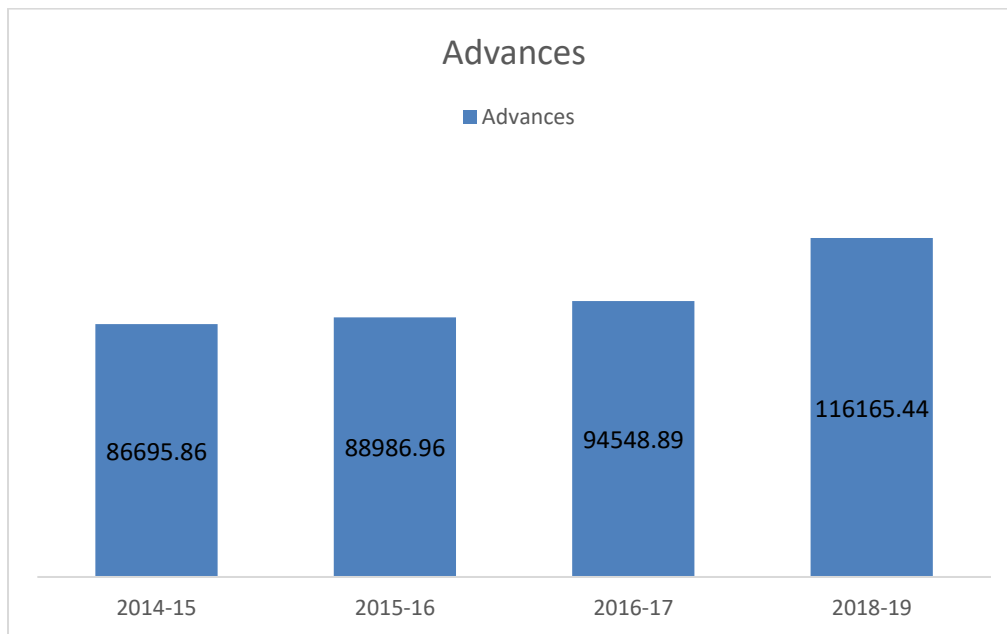
Interpretation:

As the analysis can be indicated as by increasing the loan the interest can be gained by the bank, as this make the profitability and increase it affection of the bank.

Table 4.7: showing the advances

Year	Advances
2014-15	86695.86
2015-16	88986.96
2016-17	94548.89
2017-18	116165.44

Graph 4.7: showing the advances



Analysis:

From the graph shows the advances are been rising by year to year. As this indicate the growth of the bank.

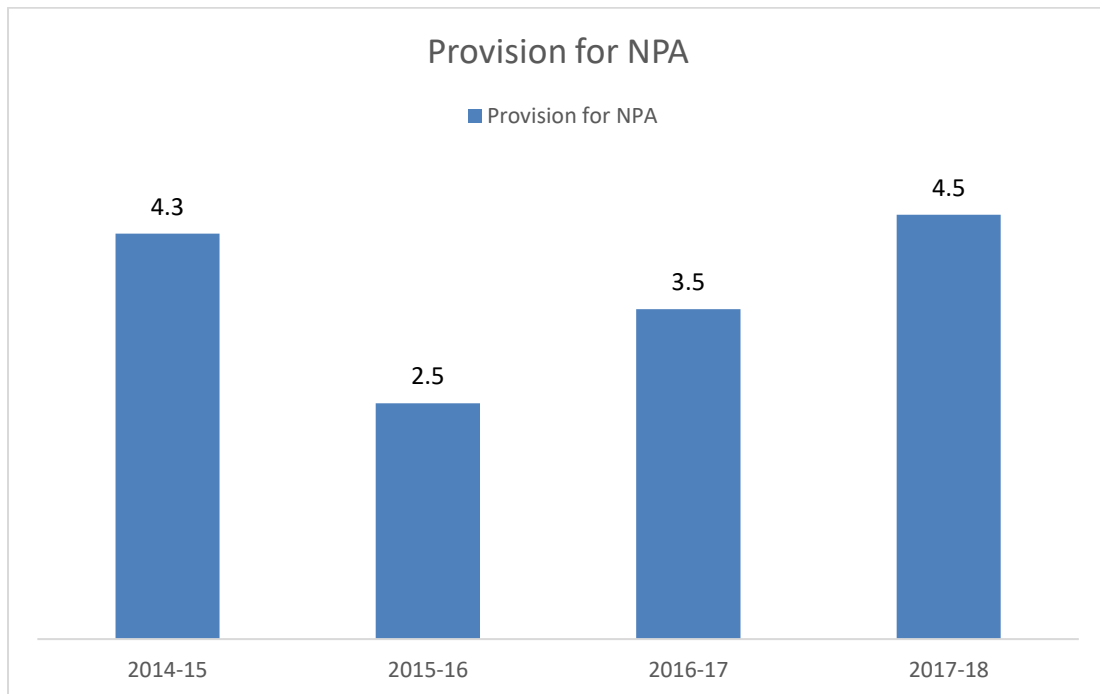
Interpretation:

The analyses from the graph shows advances are increasing from the Financial Year 2014-15 and 2015-16 and 2017-18. Therefore, the bank performance is improved from year by year, hence if advances are increased the NPA will be reduced.

Table 4.8: showing the performance of provision for NPA

Year	Provision
2014-15	1675.29
2015-16	1432.98
2016-17	1558.29
2017-18	1746.62

Graph 4.8: showing the performance of provision for NPA



Analysis:

From the above graph it indicates that Vijaya Bank makes provision. As it indicates the NPA provisions are been extended.

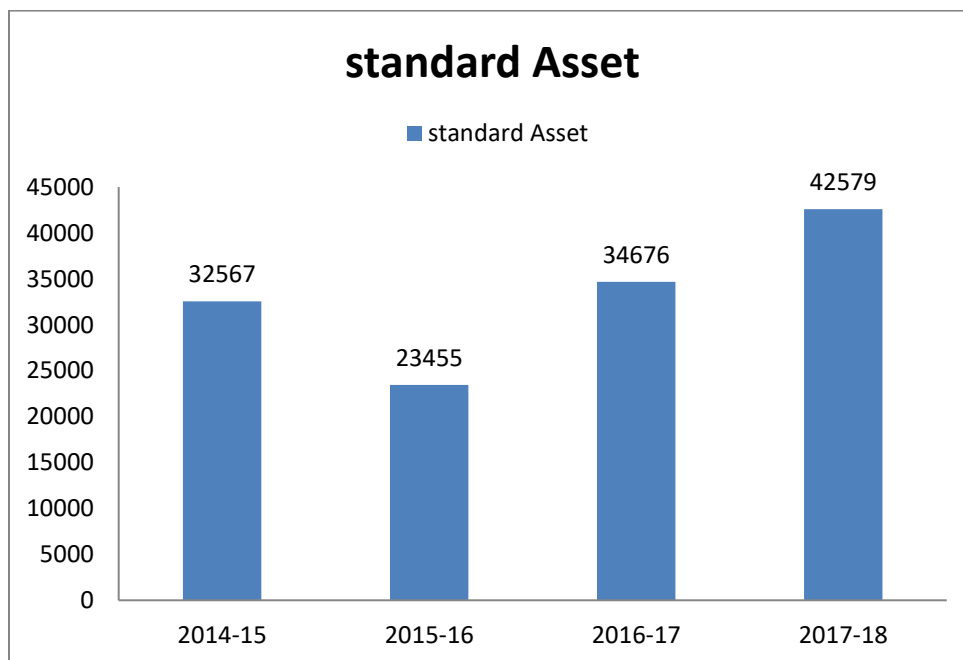
Interpretation:

After analysing above graph, it has increased towards certain extend in 2016-17, and again increased in 2017-19, since need to keep the development which is best for the bank.

Table 4.9. showing slippage of standard assets to NPA category

Year	Slippage asset of NPA
2014-15	32567
2015-16	23455
2016-17	34676
2017-18	42579

Graph 4.9. showing slippage of standard assets to NPA category



Analysis:

The above graph shows the slippages standard asset of NPA is decreasing in Financial 2015-16 and increase in the financial year 2016-17 and in 2017-18.

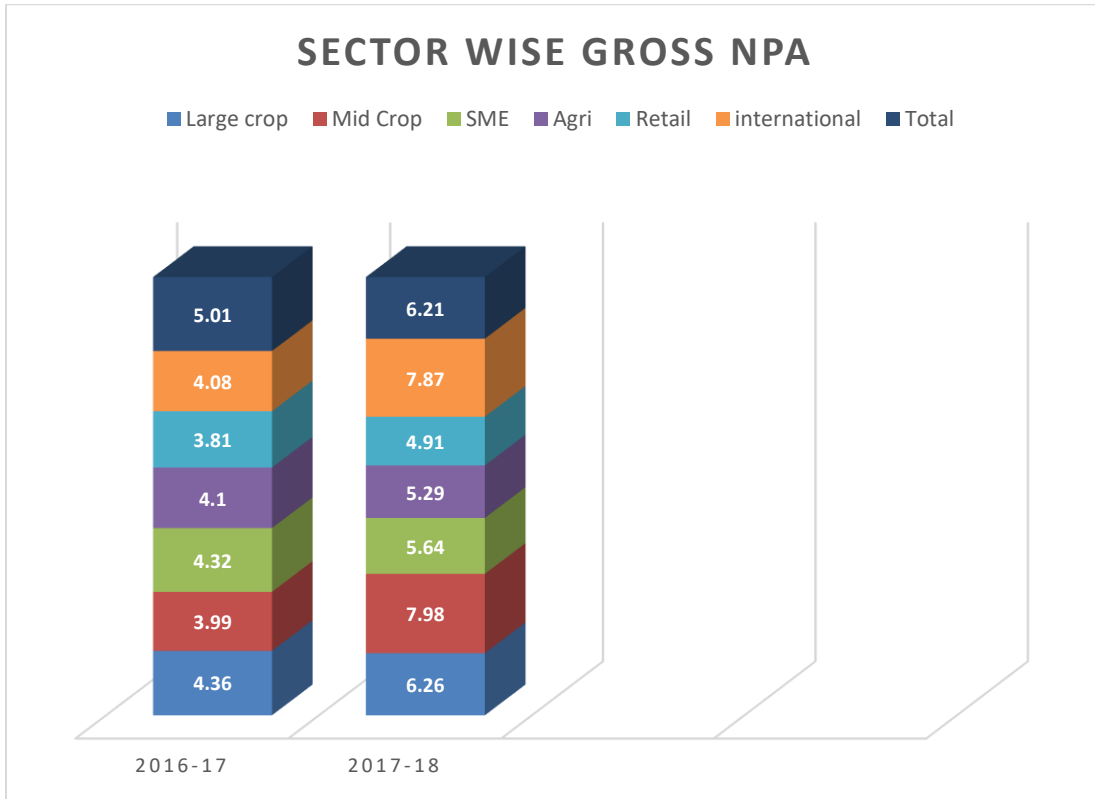
Interpretation:

The bank performing regards to standard assets has been increased year to year. Therefore, it's the best indication to maintain the same to increase the banks efficiency.

Table 4.10. showing Assets Quality sector-wise Gross NPA for the year 2016-17 and 2017-18

SECTORS	2016-17		2017-18	
	Amount	% of ,NPA	Amount	% of NPA
Large corporate	12,753	4.36	15,872	6.26
Mid corporate	16,004	3.99	18,792	7.98
SME	8,893	4.32	10,460	5.64
Agri	12,481	4.10	14,426	5.29
Retail	10,254	3.81	13,757	4.91
International	29,156	4.08	37,993	7.87
Total	89,541	5.01	1,11,300	6.21

Graph 4.10. showing Assets Quality sector-wise Gross NPA for the year 2016-17 and 2017-18



Analysis:

The graph indicates the sector of assets quality in of NPA for the Financial Year 2016-17 and 2017-18. As there is a fluctuation in the various sector of Net NPA.

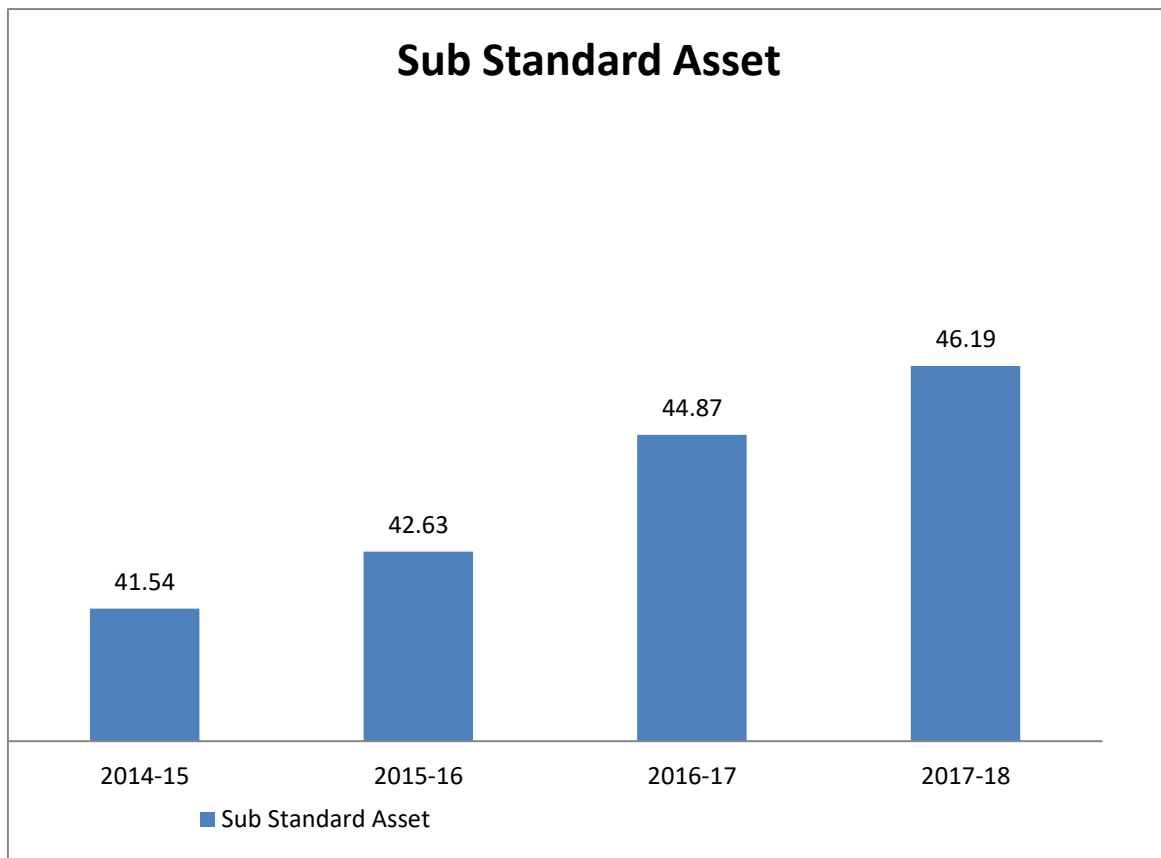
Interpretation:

The analysis indicates that the various change in Gross NPA in many sector from year to year, as they can take certain accurate measures to crop the problem.

Table 4.11. showing the performance of sub-standard assets ratio

Year	Sub-Standard asset Ratio
2014-15	41.54
2015-16	42.63
2016-17	44.87
2017-18	46.19

Graph4.11. showing the performance of sub-standard assets ratio



Analysis:

The graph indicates the sub-standard assets are slightly increased by year to year as from financial year 2015-16, 2016-17 and 2017-18.

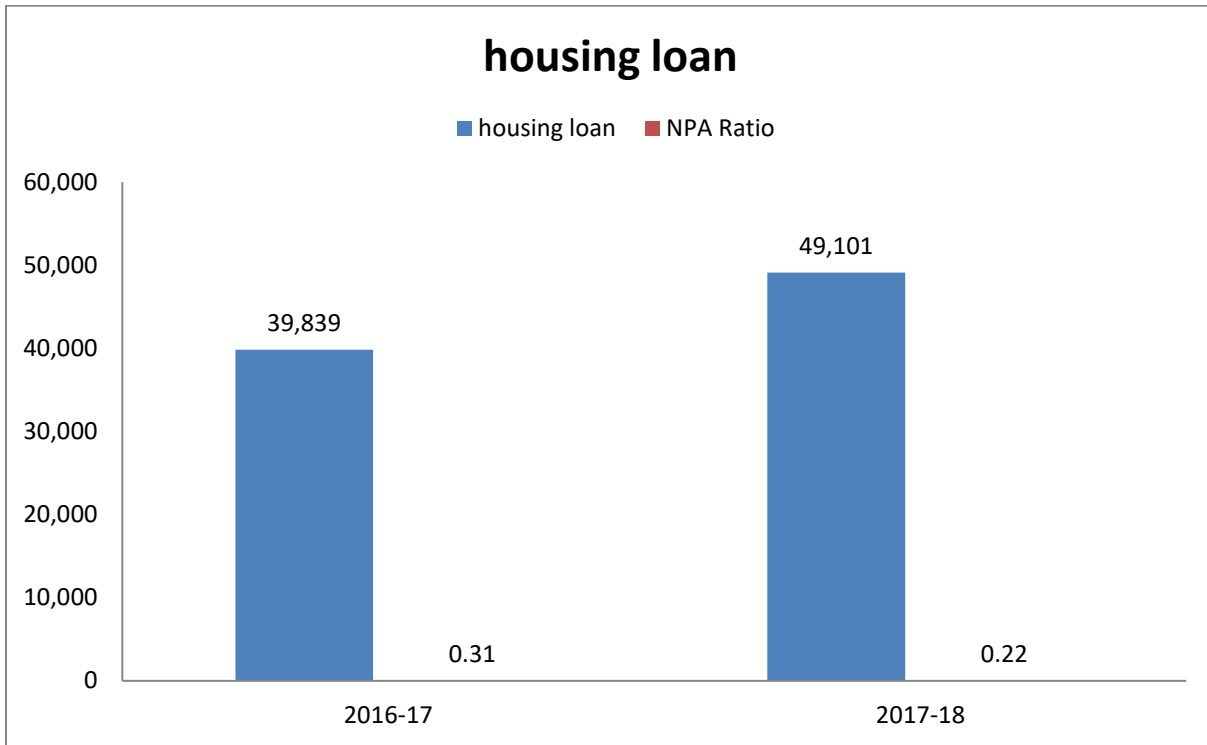
Interpretation:

The analysis gives the relation of the data that the sub-standard to doubtful asset is been increased from year to year as this turn to be doubtful asset, as it have a constant growth it should be reduced by taking certain measures.

Table 4.12. showing NPA accounts of housing loans:

Year	Housing loan	NPA Ratio
2016-17	39,839	0.31
2017-18	49,101	0.22

Graph 4.12. showing NPA accounts of housing loans:



Analysis:

The graph indicates the housing loan of the Vijaya bank which are been provided to the customers, as even the housing loan is been increased from Financial Year 2016-17 to 2017-18 where this indicates the appraisal of the loan facility to its customers.

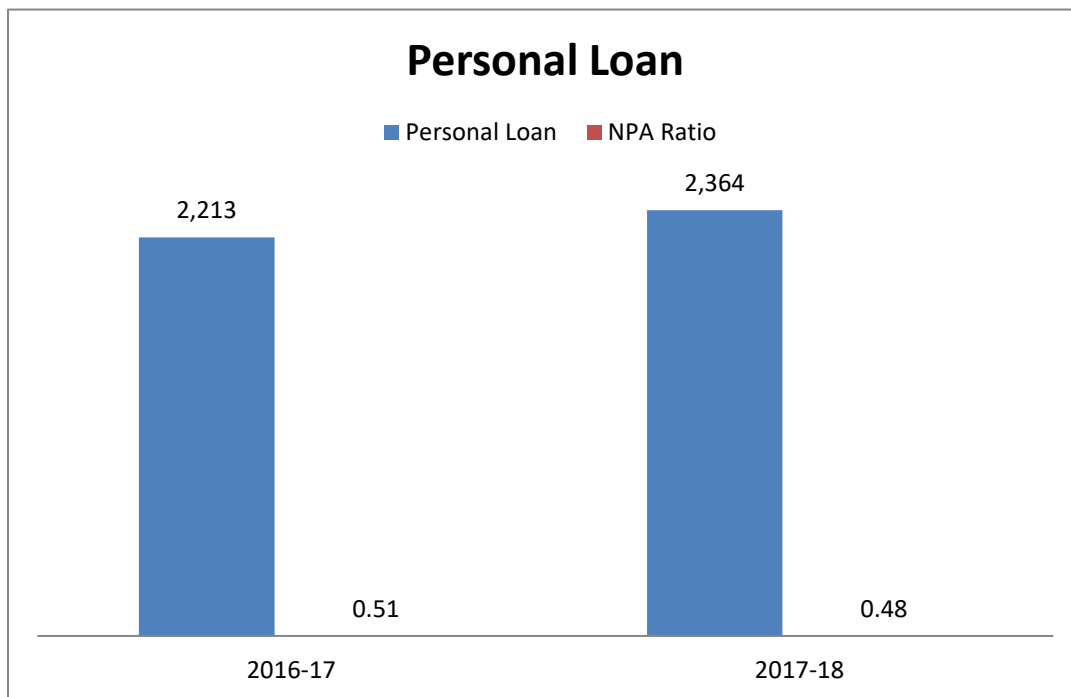
Interpretation:

The data can be analysed as the housing loan facility is been increased as this makes the customers happy were, they can fulfil their dream house by using the facility and this increase the ability of the Vijaya Bank.

Table 4.13. showing NPA accounts of Personal loan:

Year	Personal loan	NPA Ratio
2016-17	2,213	0.51
2017-18	2,364	0.48

Graph 4.13. showing NPA accounts of Personal loan:



Analysis:

The above graph indicates the personal loans of the Vijaya Bank customers, which shows that the NPA ratio has been declined from Financial Year 2016-17 to 2017-18 as it is the good indication of the Vijaya bank.

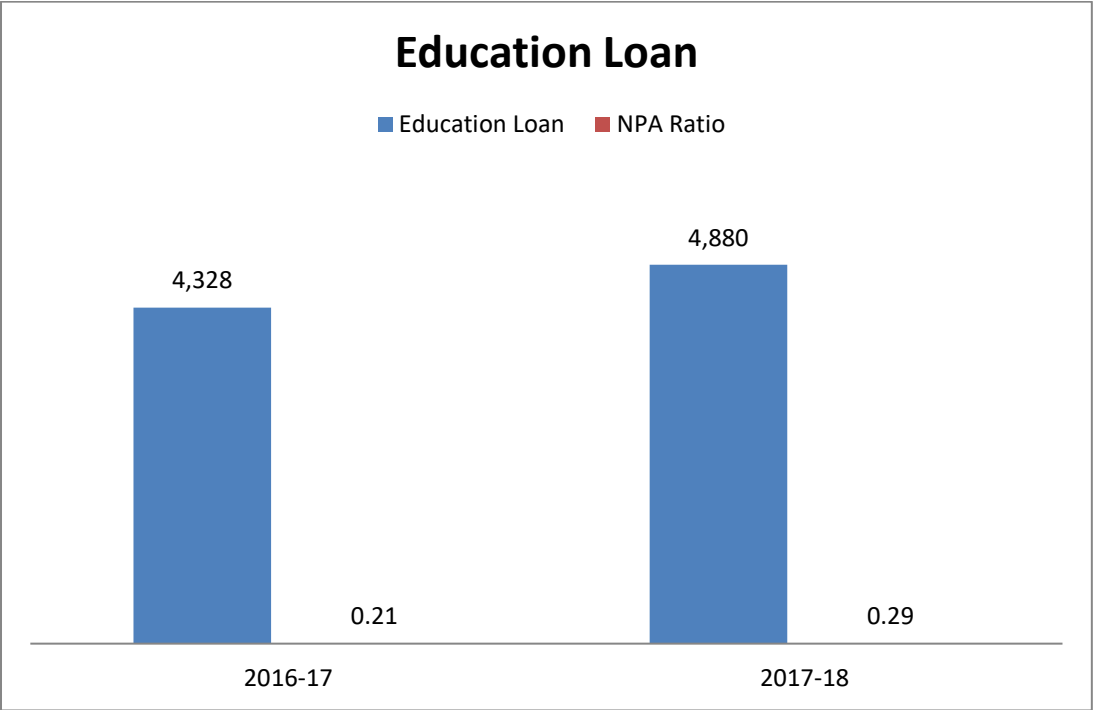
Interpretation:

As it can be analysed as the bank is providing personal loan to its customer as it helps to overcome their personal problems and this helps to increase the goodwill of the Vijaya Bank.

Table 4.14. showing NPA accounts of Educational Loan:

Year	Education loan	NPA Ratio
2016-17	4,328	0.21
2017-18	4,880	0.29

Graph 4.14. showing NPA accounts of Educational Loan:



Analysis:

The above graph indicates the education loans of the Vijaya Bank, this shows the NPA ratio has been increased from Financial Year 2016-17 to 2017-18 as it is not good to maintain the stable growth, so need to take corrective action to avoid the overcomes.

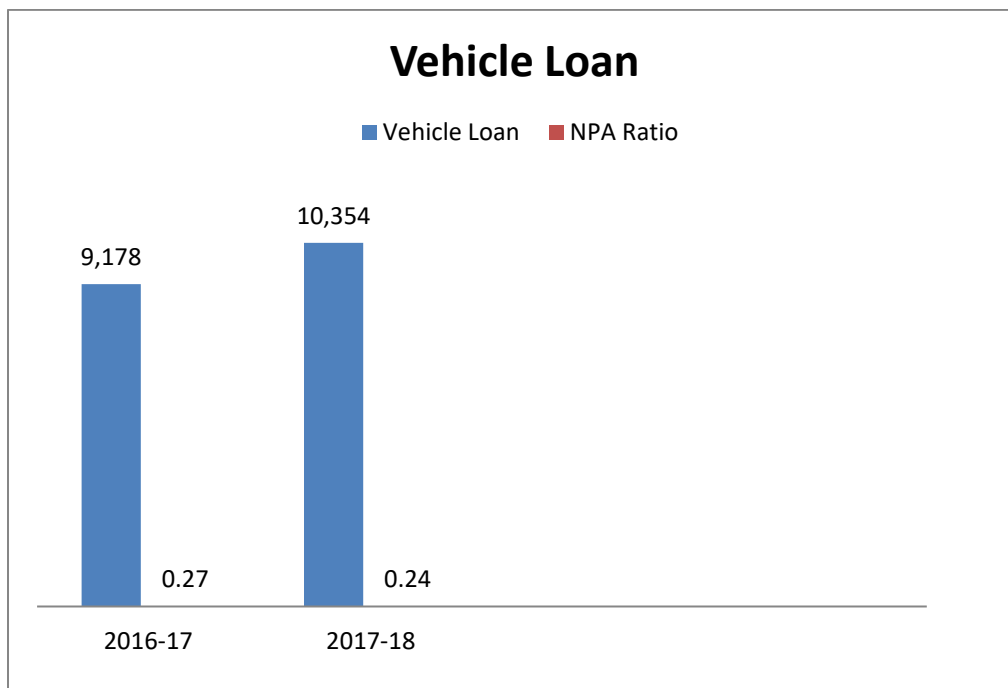
Interpretation:

As it's analysed that the bank is providing the education loan to the students as this helps the low-income family to pursue the higher studies.

Table 4.15 showing NPA accounts of Vehicle Loan:

Year	Vehicle Loan	NPA Ratio
2016-17	9,178	0.27
2017-18	10,354	0.24

Graph4.15 showing NPA accounts of Vehicle Loan:



Analysis:

The above graph indicates the Vehicle loan of the Vijaya Bank, this shows the NPA ratio has been declined from Financial Year 2016-17 to 2017-18.

Interpretation:

As it can be analysed as the bank provide the Vehicle loan to its customers who are in need of vehicle for their use, this help bank in gaining the interest on the loan.

CHAPTER – 5

Findings, Suggestions and conclusion

5.1 Findings: -

- The Non-Performing asset has been 3,931 in 2016-17 and 3,501.31 in 2017-18 as it indicates the decline.
- The gross Non-Performing Asset in the sectors have been reduced compared to previous year to 24.5%
- The vehicle loan assets Non-Performing Asset has been reduced by 0.3% by the previous year's NPA.
- The gross Non-Performing Asset has been increased by 5.86% as compared to the previous year.
- The sub-standard asset has been fluctuation from the financial year 2014-15, 2015-16, 2016-17 and 2017-18.
- The Doubt-full asset is almost falling from the financial year 2014-15, 2015-16, 2016-17 and 2017-18.
- The Net NPA has been reduced by 3.81% as compared to the financial year 2016-17 and 2017-18.
- The influence of Gross and Net Non-Performing Asset it directly affects the Profit of the bank.

5.2 Suggestions: -

In the project, it has been identified that the Non-Performing Asset takes a main part in banking sector, as it completely affects the profit of the bank. Hence bank need to take the affective decision to overcome the Non-Performing Asset in the future period of the time.

- The bank needs to take corrective actions upon the non-repayment on instalments, to make it regular instalment.
- The while providing the loan they need to look up their potential ability to repay the loan, and need future proceeds regarding approving the loan.
- The Vijaya Bank as a best branding were lending is convent as the many fraud activity make occur, as it should be careful.
- The Vijaya Bank as to take corrective action on credit assessment, as this help to take accurate measures in checking pre and post sanction of loan, as this is useful to avoid standard assets and slippages of Non-Performing Asset.
- The Vijaya Bank need to take some precaution to over the Non-Performing Asset as this help to recovery the due loans.
- The bank should monitor and take quick action and remedies to avoid misuse of loans.
- The banks should identify the Non-Performing Asset at the beginning stage, as will help to minimise and make easy to recovery at the earlier stage.
- The banks should maintain the regular audit as it will edge the slip of Non-Performing Asset.

5.3 Conclusion: -

The Vijaya bank as even updated to new technology according to banking sector need as it has adopted passbook entry machine, money deposit machine, mobile banking, net banking as to make easy to its customers, this make it customers work much easy as compared to before.

It has even maintained excellent relationship with the customers, as the customers are made interest of the bank and involved in the banking activities, could not make a mind to go for other banks for taking up the products.

The merger of all associate bank with the SBI have further strengthened it dominate position in the banking industry as the country's largest universal bank

The recent merger of Vijaya Bank, Dena Bank with Bank of Baroda as this will be the third largest bank in India, as main purpose of merging is to consolidation in the sector loads of Non-Performing Asset.

I hereby conclude the analysis, facts and figures of the financial performance of Vijaya Bank as regards to Non-Performing-Asset will be considered to be satisfactory with bit of quantum and percentages.

BIBLIOGRAPHY

ANNUAL REPORTS

The annual reports of Vijaya Bank from the period of March 2016 to March 2018

REFERENCE

- **Dutta. A (2014):** - A study on non performing assets of schedule commercial banks in India. Journal of research in management and commercial. P 28-46.
- Asha Singh (2013) Performing of nonperforming assets in Indian commercial banks. Financial services, international journal for marketing and management research. P 20-27.
- **Das S. (2010):** - analysis of nonperforming assets in the Indian banking sector. International journal of economics and management research. P 670-689.
- **Ahmad. Z, Jegdeeshwaran. M (2013):** - Real bit of awful obligations in Indian banks emerged out of loaning to the need segment at the managers of legislators. Money and finance. P 21-51.
- **Joseph A L (2014):** - “Administration of NPA Tendencies and Tasks”. Journal of Academic Research in Economics. P 181-189.
- **Kamra. S. D (2013):** - Nonperforming assets of Indian commercial banks, Journal of management. P 12-18
- **B Selvarajan and Dr. G Vadivalagan (2013):-** A study on management of nonperforming assets in priority sector Indian banks, global journal of business research and management.
- **Arora. N and Ostwal N (2014):-** A study loan recovery process and npa manage banks, management insight. P 47-52.
- **B. S WaraichS Gautam V (2013):** - The secret of recovery, Indian Bank Association Journals Indian Council for Research of International Economic Relations. P 100-109.
- **Rajput N Gupta M ChauhanA K (2012):** - Management of Non-performing Assets in Financial Corporation Sector some insight MIT Press. P 225-265.

- **Ibrahim M S Thangavelu (2014):** - Analytical study on loan recovery and asset quality of vijaya bank. International journals of financial management. P 1-10.
- **Srinivas K T (2013):** - Non Performing Assets causes, extent and remedies, Asian journals of Ondian Management. P 104-116.
- **Rai K (2012):** - “Administration of nonperforming assets in commercial banks’. International research journals of finance and economics. P 103-116.
- **Satpal (2014):-** Prudential Norms and growth of NPA in Indian financial sectors some insight MIT presses. P 225-265.
- **Rajeev M Mahesh (2010):** - Recovery through SEIZURE some aspects, Indian bank association bulletin. ELK Asian Journals of Finance proceedings. P 33-38.
- **Yadav S (2014):-** Reforming Indian Financial Sector Changing Dimensions and Emerging Issues. Amercian Economic review papers and proceedings. P 33-38.
- **RakshitD Chakrabarti. S (2012):** - Management study of nonperforming assets a current scenario. International journals of social science. P 227-243
- **Gupta J Jain (2012):-** Creation of performing assets from NPA to PA. Journals of Indian Management. P 104-116.
- **Pradhan T K (2012):-** Designing Effects Credit Recovery Management and control system, journals of business and economic Issues. P 12-19.
- **Kaur & Sandeep (2012):-** Volatility of Indian stock market and FIIs. Europen Business Review, journals of Finance. P 22-34.

WEBSITES:

www.vijayabank.in

www.npa.com

www.rbi.com

www.moneycontrol.com

Annexures

BALANCE SHEET

Balance Sheet of Vijaya Bank -----in Rs.Cr.-----			
	March 2018	March 2017	March 2016
	12 months	12months	12 months
Capital and Liabilities:			
Total Share Capital	1,304.15	998.85	932.56
Equity Share Capital	1,304.15	998.85	932.56
Share Application Money	0.00	0.00	220.00
Reserves	8,532.54	6,322.18	5,598.30
Net worth	9,836.69	7,321.03	6,750.86
Deposits	157,287.54	133,011.95	125,440.72
Borrowings	6,299.79	11,061.80	20,300.57

Total Debt	164,587.33	144,073.75	135,741.29
Other Liabilities & Provisions	2,417.52	2,656.34	2,042.72
Total Liabilities	176,841.54	154,051.12	144,534.87
Assets			
Cash & Balances with RBI	4,303.70	5,770.42	6,268.35
Balance with Banks, Money at Call	666.54	160.29	351.20
Advances	116,165.44	94,548.89	88,986.96
Investment	39,511.66	44,424.55	41,842.249
Gross Block	1,300.49	1,318.76	1,286.91
Revaluation Reserves	790.51	830.47	873.86
Net Block	509.98	488.29	413.05

Capital Work in Progress	0.99	0.00	1.39
Other Assets	15,683.23	8,658.67	6,672.44
Total Assets	176,841.54	154,051.11	144,534.88
Contingent Liabilities	24,167.81	18,201.36	45,978.20
Book Value (Rs)	75.43	73.29	70.03

Profit loss account

Profit Loss Account of Vijaya Bank -----in Crores-----			
	March 2018	March 2017	March 2016
	12 Months	12 Months	12 Months
Operating Income	12,589.84	12,379.46	12,083.58
Material Consumed	-	-	-
Manufacturing Expenses	-	-	-
Personal Expenses	1,607.36	1,747.89	1,246.97
Selling Expenses	8.21	7.03	8.40
Administration Expenses	1,087.74	898.82	758.96
Expenses Capitalised	-	-	-
Cost of Sales	2,703.32	2,653.74	2,014.33
Operating Profit	1,599.57	852.70	746.50
Other recurring income	1,600.61	1,651.26	873.86
Adjusted PBDIT	3,200.18	2,503.97	1,620.36

Financial Expenses	8,286.95	8,873.02	9,322.74
Depreciation	102.38	82.81	71.49
Other write offs	-	-	-
Adjusted PBT	3,097.80	2,421.15	1,548.87
Tax charges	256.19	164.00	-223.44
Adjusted PAT	727.02	750.49	381.80
Non recurring items	-	-	-
Other non cash adjustments	-	-	-
Reported net profit	727.02	750.49	381.80
Earning before appropriation	2,001.88	2,087.73	Q,482.98
Equity dividend	188.36	180.33	-
Preference dividend	-	-	-
Dividend tax	-	-	-
Retained earnings	1,813.52	1,907.40	1,483.98

Retail Credit -----(Rs. In Crores) -----

Particular	March 2018	March 2017
Housing loan	30,073	25,139
Jewel Loan	13,509	10,726
Loan to SRTO	3,502	3,204
V-Wheels	6,792	5,838
Education Loan	1,559	2,815
Personal Loan	1,525	1,450
V Rent	3,426	3,759
V Mortgage	2,032	1,076
V Entrepreneur	5,159	3,814
Others	6,730	5,790
Total Retail Credit	74,431	63,610

Asset Quality (Rs.in Crores)

Parameters	March 2018	March 2017
Gross NPA	15,105	13,211
Gross NPA (%)	5.86	6.17
Net NPA	9,925	8,435
Net NPA (%)	4.32	3.99
Provision Coverage Ratio (%)	59.39	58.15
Gross Credit Cost (%)	1.41	1.45
Net Credit Cost (%)	1.47	1.39
Slippage Ratio (%)	4.85	3.41

Capital Funds

Particulars	March 2018	March 2017
Common Equity Tier-1	20,309	15,095
Additional Tier-1	2,650	2,645
Tier-II	4,314	4,842
Capital	27,272	22,582
Total Advance		
Gross Advances	2,41,025	2,07,443
RWA to Gross Advances (%)	82.60	85.04
Common Equity Tier-1 Ratio (%)	10.36	8.44
Tier ICRAR (%)	11.71	9.96
Tier II CRAR (%)	2.19	2.77
Total CRAR (%)	13.90	12.73



ACHARYA INSTITUTE OF TECHNOLOGY
DEPARTMENT OF MBA

PROJECT (17MBAPR407) -WEEKLY REPORT

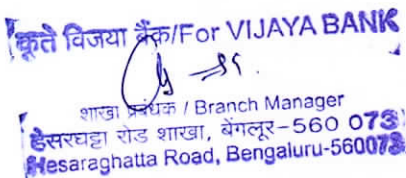
NAME OF THE STUDENT: KAVYASHREE G K

INTERNAL GUIDE: PROF . JANARDHAN G SHETTY

USN: 1AY17MBA17

COMPANY NAME: VIJAYA BANK

WEEK	WORK UNDERTAKEN	EXTERNAL GUIDE SIGNATURE	INTERNAL GUIDE SIGNATURE
3 rd Jan 2019 – 9 th Jan 2019	Industry Profile and Company Profile		
10 th Jan 2019 – 17 th Jan 2019	Preparation of Research instrument for data collection		
18 th Jan 2019 – 25 th Jan 2019	Data collection		
26 th Jan 2019 – 2 nd Feb 2019	Analysis and finalization of report		
3 rd Feb 2019 – 9 th Feb 2019	Findings and Suggestions		
10 th Feb 2019 – 16 th Feb 2019	Conclusion and Final Report		



Company Seal



College Seal

HOD Signature
Head of the Department
Department of MBA
Acharya Institute of Technology
Sri Jayanahalli, Bangalore
14/4/19