



**ORIGINAL RESEARCH PAPER**

**Economics**

**THE NAVANAGARA URBAN CO-OPERATIVE BANK LIMITED IN KRISHANARAJA NAGAR TALUK MYSORE DISTRICT- AN ECONOMIC ANALYSIS**

**KEY WORDS:** Goals and Objectives, Members, Share Capital, Reserves and other funds, Deposits, Working Capital, Investments, Loans and Advances, Net Profit.

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**ABSTRACT**

The Urban Co-operative Banks contributing significantly to the economic development in urban areas. The primary aim of these banks is to encourage thrift and saving among members meeting the credit requirements of the lower and middle income groups in urban and semi urban areas. Krishanaraja Nagara Taluk, Navanagara Urban Co-operative Bank Limited is one of the leading urban co-operative banks in Mysore district. The present study focus on and the vision, mission, goals and objectives of NUCBL in Mysore District and the trends of financial performance of the Navanagara Urban Co-operative Bank Limited based on Members, Share Capital, Reserves and Other Funds, Deposits, Working Capital, Investments, Loans and Advances, Net Profit and Share Dividend. The data analysis carried out by using simple statistical tools CAGR, Mean Standard Deviation, Co-efficient Variation. The study period covers a period of 4 years (2012-13 to 2015-16).

**Introduction**

The Urban Cooperative Banking sector is the most important and growing segments of co-operative sector which is totally self-reliant and most vibrant. It is poised to emerge as an important segment of the banking sector contributing significantly to the economic development in urban areas. The primary aim of these banks is to encourage thrift and saving among members meeting the credit requirements of the lower and middle income groups in urban and semi urban areas.

The Navanagara Urban Co-operative Bank Limited is promoted by Karnataka state Ex-Minister S. Nanjappa in 1998. NUCBL is a leading Urban Co-operative Bank in the Krishanaraja Nagara Taluk, Mysore District, functioning with its Head office at Krishanaraja Nagar. The all branches of the banks are computerized and it is offering good services to its customers and increasing its profit over the years. The NUCBL bank is awarded as "Best Managed Urban Co-operative Bank in the State" and "Best Urban Co-operative Bank". This bank at present is functioning with number of 5 branches with Head office situated at Mysore District, namely. Hunsur branch, Periyapatna and Hootgalli Branch.

This bank avail different types of services Deposits like, Savings Deposit, Current Deposit, Fixed Deposit, Navajyothi Cash Certificate, Cumulative term Deposit and Various Loans Scheme like, Joint Loan and Installment Joint Loan, Business Loans, Hypothecation Loan for Vehicles, Loans against term Deposits, Mortgage Loans, Personal Loans, Loans to Salary earners, Loans against Government Security, Housing Loans, Cash Credit Loans, and Overdraft Loans Account, Bill Discounting.

The NUCBL are providing SMS alerts, RTGS, NEFT, banker's cheque and Demand Drafts, Cheque Collection Facility, Safe Deposit Lockers, Bank Guarantee and Letter of Credits, E- Stamping facility.

**Objectives of the Study**

The following are the objectives of the study;

- 1) To study the trends of financial performance of Navanagara Urban Co-operative Bank Limited.
- 2) To study the vision and mission and goals, objectives of NUCBL in Mysore District.

**Methodology**

The present study is based on secondary data. The secondary data collected from the Annual Reports Journal of Navanagara Urban Co-operative Bank Limited (NUCBL) Mysore District. News papers, Journals and Office Documents of Reports. The data analysis carried out by using simple statistical technique like, Mean Standard Deviation and Co-efficient Variation. The study period covers a period of 4 years (2012-13 to 2015-16).

**Visions and Mission of the NUCBL**

- Customer Satisfaction is out sole motto.
- Customers are the live wire of banking and without them banking will not have any meaning.
- Let's join hands together, let's make tomorrow better.
- Your trust is our asset.
- Do the best for better future.

**Goals and Objectives of NUCBL**

The following are the main goals and objectives;

- Profit Motive.
- Wealth Maximization.
- Asset and Liability Management.
- Surplus Cash Management.
- Build up Quality Loan Asset Portfolio.
- Increase the Non-Interest Income.
- Reduce the operating Cost.
- To absorb Technology at a Faster Pace.
- Innovative Services.
- Increase Customer Satisfaction.
- Focus on Skill Development.

**Innovative Services**

The NUCBL aims for Innovating new services, which will increase the speed of response, Commitment to customer satisfaction and innovative thinking, which renders confidence on its delivery capabilities, and offering many innovated facilities to its customers like, Fast Cheque Collection (FCC) facility, Quick Sanction of Pledge, Gold National Savings Certificate (NSC) and LIC Loans, Letter of Credits etc.

**Table-1.1 Financial Performance of Navanagara Urban Co-operative Bank Limited from (2012-13 to 2015-16)**

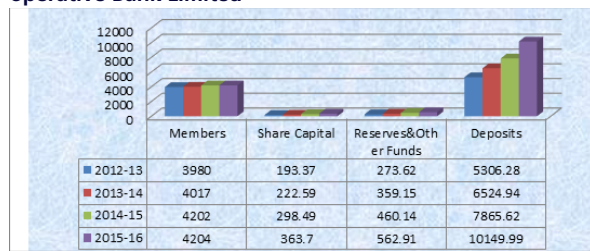
(Rs in Lakhs)

Year	Members	Share Capital	Reserves & Other Funds	Deposits
2012-13	3980	193.37	273.62	5306.28
2013-14	4017	222.59	359.15	6524.94
2014-15	4202	298.49	460.14	7865.62
2015-16	4204	363.7	562.91	10149.99
Total	<b>16403</b>	<b>1078.15</b>	<b>1655.82</b>	<b>29846.83</b>
CAGR	<b>2.11</b>	<b>24.47</b>	<b>27.28</b>	<b>23.77</b>
Mean	<b>4100.75</b>	<b>269.54</b>	<b>413.96</b>	<b>7461.71</b>
SD	<b>119.03</b>	<b>76.83</b>	<b>125.19</b>	<b>2074.72</b>
CV	<b>2.90</b>	<b>28.50</b>	<b>30.24</b>	<b>27.80</b>

Source: Annual Reports of NUCBL (2012-13 to 2015-16)

Graph-1.1 Financial Performance of Navanagara Urban Co-

**operative Bank Limited**



The above table-1.1 and graph 1.1 shows the financial performance of Navanagara Urban Co-operative Bank Limited in Mysore District. It is clear from the analysis the Membership was 3980 lakhs in 2012-13 which has increased to 4204 lakhs in 2015-16. The Share Capital was Rs.193.37 lakhs in 2012-13 which has increased to 363.7 lakhs in 2015-16. The Reserves and other funds was Rs. 273.62 lakhs in 2012-13 which has increased to Rs.562.91 lakhs in 2015-16. The Deposits was Rs. 5306.28 lakhs in 2012-13 which has increased to Rs.10, 149.99 lakhs in 2015-16.

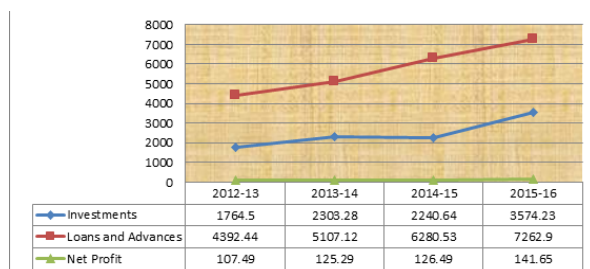
**Table-1.2 Financial Performance of Navanagara Urban Co-operative Bank Limited from 2012-13 to 2015-16**

(Rs in Lakhs)

Year	Investments	Loans and Advances	Net Profit	Share Dividend
2012-13	1764.5	4392.44	107.49	15%
2013-14	2303.28	5107.12	125.29	15%
2014-15	2240.64	6280.53	126.49	15%
2015-16	3574.23	7262.9	141.65	10%
Total	<b>9882.65</b>	<b>23042.99</b>	<b>500.92</b>	<b>55%</b>
CAGR	<b>23.25</b>	<b>18.71</b>	<b>8.73</b>	
Mean	<b>2470.66</b>	<b>5760.75</b>	<b>125.23</b>	
SD	<b>774.05</b>	<b>1268.35</b>	<b>13.98</b>	
CV	<b>31.33</b>	<b>22.02</b>	<b>11.16</b>	

Source: Annual Reports of NUCBL (2012-13 to 2015-16)

**Graph-1.2 Financial Performance of Navanagara Urban Co-operative Bank Limited**



The above table-1.2 and graph 1.2 shows the financial performance of Navanagara Urban Co-operative Bank Limited in Mysore District. It is clear from the analysis the Investments was Rs.1764.5 lakhs in 2012-13 which has increased to Rs. 3574.23 lakhs in 2015-16. The Loans and Advances was Rs. 4392.44 lakhs in 2012-13, which has increased to Rs. 7262.9 lakhs in 2015-16. The Net Profit was Rs. 107.49 lakhs in 2012-13 which has increased to Rs. 141.65 lakhs in 2015-16. The Share Dividend was 15% in 2012-13 which has decreased 10% in 2015-16.

**Conclusion**

The Navanagara Urban Co-operative Bank Limited in Krishnarajanagar Taluk Mysore District is one the best example of Urban Co-operative Banks in Karnataka State. The all branches of the banks are computerized and it is offering valuable good services to customers. The study period from 2012-13 to 2015-16, estimated value of CAGR value of Members 2.11, the Share Capital CAGR value of 24.47, The Reserves and other funds CAGR value of 27.28, The Deposits CAGR value of 23.77, the Investments CAGR value of 23.25, the Loans and Advances CAGR value of

18.71 and the net profit CAGR value of 8.73.

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