



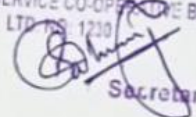
## ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO. 1230 ഉള്ളൂർ സർവ്വീസ് സഹകരണ ബാങ്ക് കൂപ്പിൾ നമ്പർ. 1230

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### CERTIFICATE

THIS IS TO CERTIFY THAT MISS. ATHIRA ASOKAN A R (REG NO.59023100009), FIRST YEAR M.COM STUDENT OF ALL SAINT'S COLLEGE, TRIVANDRUM HAS SUCCESSFULLY COMPLETED 12 DAYS INTERNSHIP FROM 16.04.2024 TO 27.04.2024 .



For ULLOOR SERVICE CO-OPERATIVE BANK  
LTD. NO. 1230  
  
Secretary

# **INTERNSHIP REPORT OF ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO:1230**

Submitted in partial fulfillment of the requirement for the Award of the degree of  
Master of Commerce

University of Kerala



Submitted by

**ATHIRA ASOKAN A R**

Register Number: **59023100009**



**Department of Commerce**

**ALL SAINTS' COLLEGE THIRUVANANTHAPURAM  
2023-2025**

## **ACKNOWLEDGEMENT**

Primarily I would like to thank God for being able to complete this internship project successfully. Then I would like to express my special thanks and gratitude to our Head of Department of Commerce, Assistant Professor, **Sr. CICILA, ALL SAINTS COLLEGE**, Thiruvananthapuram for his support and for giving me the golden opportunity to do this wonderful internship project which helped me to know about so many new things. I am also thankful to all the faculty of our college for their fruitful guidance and assistance that helped me in completing this project. I take this opportunity to thank my parents and friends who supported me a lot in finishing this project within the time. I would also extend my deep gratitude to **Mr.SATHYA RAJ.P.** and their staff for permitting me to do my internship there and my supervisor directly and indirectly extended their full co-operation despite their busy office schedule.

**ATHIRA ASOKAN A R**

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# **CHAPTER-1**

## **INTRODUCTION**

"Co- operation" is derived from the Latin word coperari. Co means with and operari means to work. In other words, co-operations means working together with others for a common purpose. The Webster universal dictionary defines co-operation as an association of a number of persons for a common benefit especially in carrying on some branch of trade and industry, the profit being shared as dividend among the members. In other words, co-operation is joint a collective action of people directed towards some specified goal in which there is common interest or hope of getting some reward. Such co-operation may be voluntary or involuntary, direct or indirect, formal or informal, but always there is a combination of efforts towards a specific end in which all the participants hence a stake, real or imaged. Self help though mutual help become the guiding principle of co-operation. Each for all and all for each is the slogan of cooperation.

ICA defines; a co-operative society is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise

## 1.1 INTRODUCTION

As part of the M.com Degree program, the 15 days internship program was conducted for learning about the practical side of functioning of an organization. This report entitled as "Accounting procedure in **ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230**". gave the most valuable opportunity to explore the practical knowledge on accounting procedure in the organization. It also helped in getting an overall knowledge about the organization.

The summer internship was conducted at **ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230**. This industry belongs to the **ULLOOR SERVICE CO-OPERATIVE** group of companies, a Government undertaking company situated at (place) xxx km away from Thiruvananthapuram central. They manufacture mainly for  
ATHIRA ASOKAN A R

This summer internship at **ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230**. was highly useful in learning about the Finance department and its functioning. Finance being the life blood of any business is very crucial for the efficient and effective working of all activities in an organization.

## 1.2 OBJECTIVE OF INTERNSHIP

### Primary Objectives:

To study in detail about various activities that are involved in the finance department.

To understand and analyze the various accounts and records maintained by the

finance department.

To study the accounting procedures that are followed by the finance department of ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230

To understand and gain a clear picture of various functions of the finance department of ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230

### **Secondary Objectives:**

To study the entire organization structure and functioning of the company.

To have a brief idea about the functioning of each department of the company.

To get to know what is happening inside an electronic industry.

## **1.3 METHODOLOGY**

For the preparation of the project, data is collected from primary and secondary sources. Primary data is collected from members, non-members, staffs, managing committee members etc. secondary data is collected from registers, byelaws, and annual report of the 5 years and other relevant accounts of the banks. The collected data were classified and tabulated to render analysis and interpretation easy. For the analysis of data, statistical tools such as percentages, trend analysis and ratio analysis

were used.

#### **1.4 SCOPE OF INTERNSHIP**

Primarily, the internship helped to get to know the organization structure and understand how an organization actually functions in reality. It helped in increasing the confidence as it helped in attaining the first-hand experience of the overall functioning of the finance department of ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230. It helped to familiarize with the actual accounting procedures carried out within the organization. Apart from this it gave an opportunity to experience the professional development under an actual working environment and was very useful as this experience could be implemented in our future work area. It also plays a vital role for the students to implement their theoretical knowledge and get a practical knowledge from the organization. Moreover, it also played a very pivotal role in developing new skills and sharpens the skills and applies them in real situations.

#### **1.5 LIMITATIONS OF THE STUDY**

The functions of the bank were very wide. The time is limited to understand the overall functioning of the bank. Only few years records are taken for study. We could not visit bank branches because of lack of time. So we collect information from USCB Head office.

#### **1.6 INTERNSHIP DETAILS**



The internship entitled "A Report on accounting procedure at ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230" was for a period of two weeks from 16 April 2024 to 27 April 2024. The internship mainly focused on the working of finance department of ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230

### **1.7 DAILY SCHEDULE**

The normal working hours of ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230 is from 9.00 am to 5.00 Pm. However, the reporting time for the internship trainees was 9.30 am. After reporting, the work shall be assigned by the supervisor head and the necessary steps to complete the same shall be undertaken. The interns are relieved from duty by 3.30 pm.

## **CHAPTER-2**

### **PROFILE OF THE BANK**

The ULLOOR SERVICE CO-OPERATIVE BANK LTD. NO: 1230

bank was registered on 14th August 1101 and started functioning on 03th September 1101; the main objective of the bank is to protect the economic interest of the members.

- ❖ To promote the principles of thrift, self help and self efficiency among the members
- ❖ To provide short term and medium term loans to members
- ❖ To procure and distribute seeds, pesticides, fertilisers, agricultural implements etc., to agricultural sector and cottage industries
- ❖ To market agricultural and industrial products of the members through marketing societies
- ❖ To prepare and implement agricultural production and plan for the sales for its members
- ❖ To own or hire godowns for collecting and storing agricultural produce of members
- ❖ To give sufficient support for the extension of artificial irrigation facilities
- ❖ To provide facilities for providing bio fertilisers and chemical fertilisers either personally or on co-operative basis within the area of operation of bank.

- ❖ To purchase and keep modern agricultural implements for the benefit of members and farmers.
- ❖ To provide good varieties of farming animals to the members.
- ❖ To act as an agent for selling of seeds, fertilizers and agricultural implements.
- ❖ To rise deposits for members and non-members.
- ❖ To perform such other activities conclusive or incidental for above objects.

## **AREA OF OPERATION**

The area of operation of the Bank shall confine to the Ulloor, Cheruvaikkal , Akkulam, Pongummoodu, Edavacode, Nalanchira, Mannanthala, Kuzhivila wards

## **OBJECTIVES OF THE SOCIETY**

- The main objective of the bank is to protect the economic interest of its members.
- To provide short term & medium term loans & advance to the members."
- To procure & supply of seeds, fertilizers, implements, pesticides etc. for agricultural purposes, home agro industries and house hold resources.
- To raise deposits from member & non members
- To encourage the qualities of moderation scene of self-sufficiency and mutual service among the members and develops and implement plans for it.
- To own or hire godown for collecting and storing agricultural products of the members.
- To provide support to members for the production of new varieties of seeds.
- Acquire the immovable property required for the proper functioning of the society.
- Establish vocational training centres for the members or their dependents.
- Purchase and maintain vehicle and machinery necessary for functioning the of society.
- Undertake and execute contract works.

- To accept deposits and financial assistance from members and non-members and other Co- op societies registered under the Charitable Societies Act, Self-employment organization, local-self govt bodies, cultural societies, alternative financial institutions etc.

## **MAXIMUM BORROWING POWER (MBP)**

The maximum borrowing power of the society is fixed to 150 times of the paid-up share capital plus reserve fund of the society and it should be specified in the Bye law.

## **INDIVIDUAL MAXIMUM BORROWING POWER (IMBP)**

In the Ulloor Service Co-operative Bank, the Individual Maximum Borrowing Power is Rs. 4000000/- only.

## **SOURCES OF FUND**

There are two types of funds called own fund and borrowed fund

### **Internal Resources or Own Fund**

- a. Share Capital
- b. Entrance Fee
- c. Reserve fund and Other Reserves

### **External Resources or Borrowed Fund**

- a. Deposits from Members and Non-Members
- b. Borrowings from Apex bank

## **LIABILITY**

The Bank has Limited Liability which means the liability of its members for the debt of the society in the event of its winding up is limited to the share taken by them.

## **MEMBERSHIP**

- The District bank or the state bank will have the right to take the shares if required.
- Each individual member has to pay an entry fee of Rs 100 per All those who have signed the application for bank registration will be the first members. If the application for membership is rejected an appeal may be made to the registrar and the decision of the registrar shall be final.
- share.This amount is non-refundable.
- At request of the bank, each member is required to present his or her debt and other liabilities in a statement group that is fully and correctly attached.
- After the death of each member a declaration must be made by nominee in writing for the purchase and transfer of his share or other right in the bank or any assets due to the bank.
- In the case of death of nominee, the nominated members have to report to the said bank and make a new nomination.

- The board of directors may disqualify a member who is not eligible to remain a member of the bank under this bylaws.
- resident or is in occupation of land within the area of operation of the society and those who should attain the age of 18. Those who satisfy all the conditions laid down in the act, rules and byelaws of the banks

Membership of Ulloor Service Co-operative Bank is classified into three categories and they are:-

### **A class**

A class issued to individuals residing within or occupying land in the area of operation of the society. Further he should attain the age of 18 and not of unsound mind. A class share value is Rs.100. Voting right is given only for A class members.

### **B class**

B class Issued to nominal or associate member. B class share value is Rs 25

### **C Class**

class Issued to government statutory or non-statutory body, committee approved and local administrative body. C class share value is Rs 1000

A Class Share	RS.100
B Class Share	RS.25
C Class Share	RS.1000

The number of member for the last 5 years Membership from 2018 – 23 are as follows

YEAR	NUMBER OF MEMBERS	SHARE CAPITAL
2018 – 2019	28291	9170438
2019 – 2020	14573	12355869
2020– 2021	16794	13453960
2021– 2022	174680	14737279
2022– 2023	18571	15863734



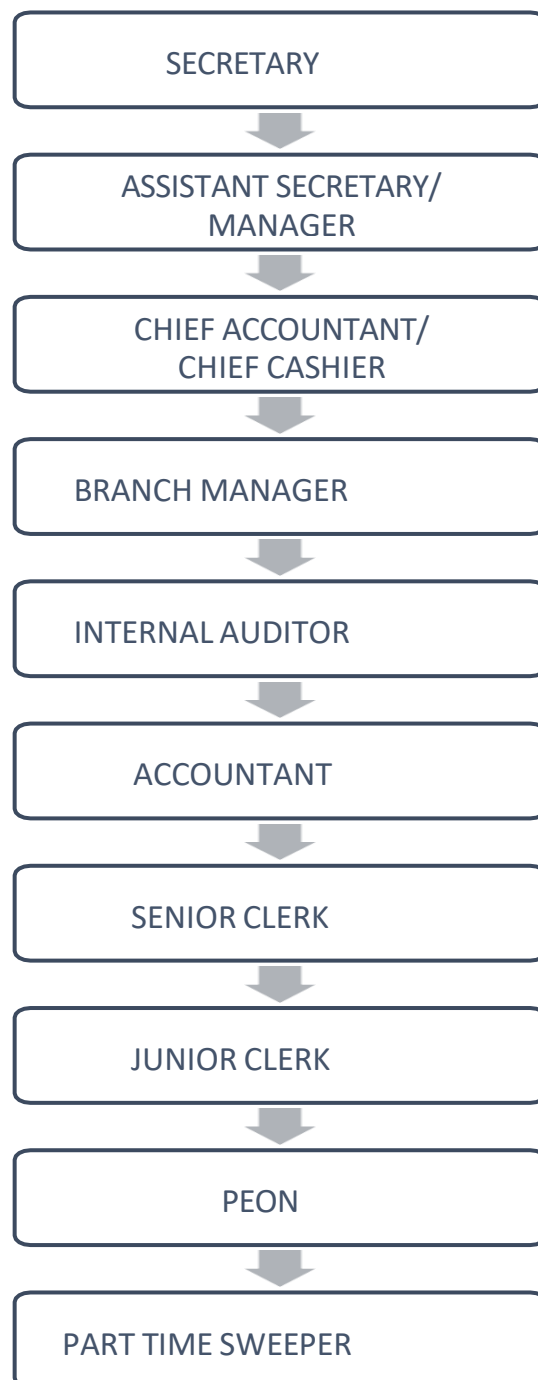
The members are considered as the asset of a bank. The following table shows the membership for the year 2018-2023

Year	No: of members
2018-2019	28291
2019-2020	14573
2020-2021	16794
2021– 2022	174680
2022– 2023	18571

## STAFF PATTERN

According to latest classification norms of co-operative department, USCB is class on service co- operative bank. There are currently 32 staff working at USCB.

The following is the staff pattern of societies.



## **MANAGEMENT**

Management of the bank was done of democratic lines. The supreme authority of bank is vested in the bank of general body. The day to day affairs of the bank is done by managing committee elected from the general body. The management of the ULLOOR Service Cooperative Bank is vested with elected board of directors consisting of 15 members for the period of 5 years to conduct day to day affairs of the bank. Three seats are reserved for women one seat for SC/ST, one seat for deposit representative who having not less than Rs. 10000 as deposit from among the committee members, they have elected a president. At present the president is Sri.V.N Muralidaran Pillai and the secretary is Sri. Sathyaraj V, Sitting fees is given to each member attending the managing committee meeting. There are conducting atleast two meeting of every month.

## **WORKING CAPITAL**

Working capital means such portion of the Reserve fund, other fund, paid up share capital, loan and deposits received by a society and debentures issued by the society and have not been invested in building and other fixed assets.

## **DISPOSAL OF NET PROFIT ( S – 56 R – 53 )**

A society shall out of its net profit:

- Transfer of the amount not less than 15% of the net profit to the Reserve Fund.
  - Not less than 5% or 60000 whichever is less transfer to Co-operative Education Fund
  - 10 % and a maximum of Rs.100000 of the net profit to the Co-operative Member Relief Fund.
  - 7% of the net profit to Agricultural Credit Stabilization Fund ( society which provide short term, medium term loan ) should transfer
  - 5% of the net profit in the Professional Education Fund maintained by the registrar.
- The balance of the net profit may be disposed for all or any of the following purpose;
- Payment of dividend to members on their paid up share capital at such rate not exceeding 25%
  - Payment of bonus to members as per the provisions in the bylaw
  - Donation of amount not exceeding 10% of the net profit for any charitable purpose as defined in S-2 of Charitable Endowment Act (common good fund).

Balance of net profit if any shall be utilized for the purpose specified in the bylaw of the society except for payment of bonus of employees.

## **TYPE OF REGISTERES MAINTAINED**

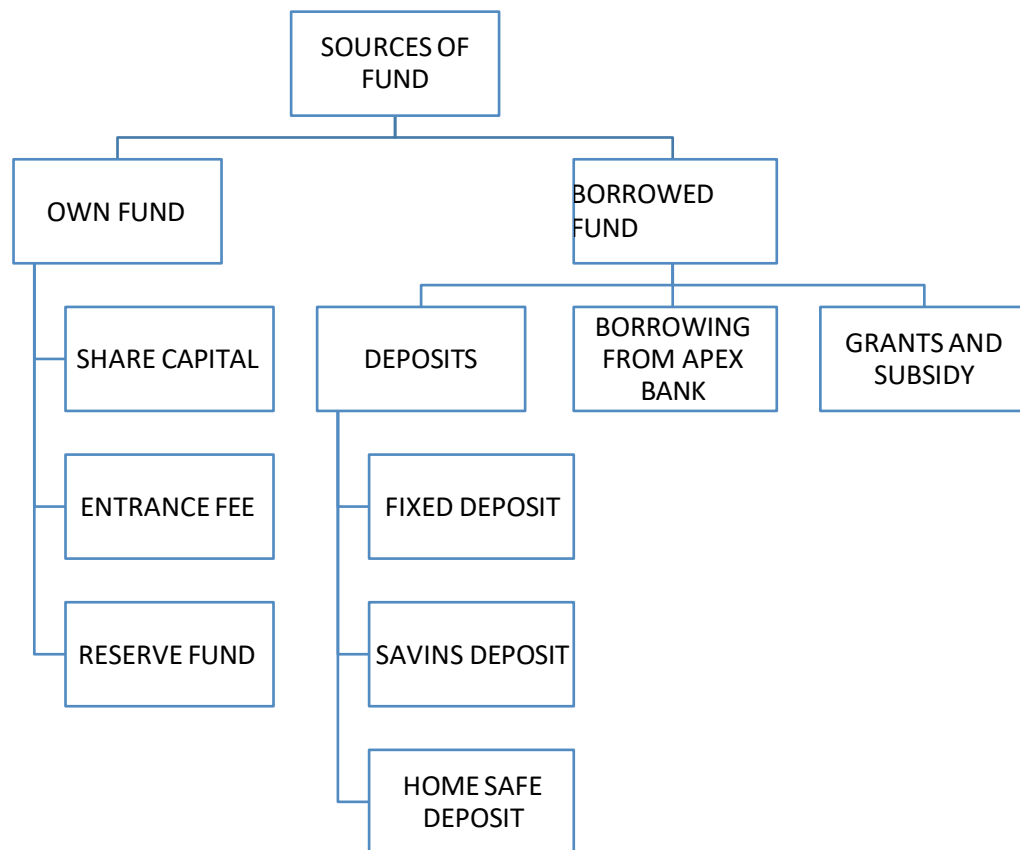
1. Cash book
2. Day book
3. Minutes book
4. Membership Register
5. General ledger
6. Deposit Register
7. Stock Register
8. Gold Register
9. MDS Ledger
10. Coin bar Register
11. Loan Ledger
12. Nomination Register
13. Cheque book
14. Investment Register

## MOBILIZATION OF FUND

Mobilization of funds is one of the important activities of bank. The bank mobilize the funds for its activity through various sources. The main sources of funds of this bank can be divided in to two they are

1. Owned fund
2. Borrowed fund

The internal resources or own fund consisting of share capital, entrance fee and Reserve fund . External Resources or Borrowed fund mainly consists of deposits from members and non-members, borrowings from apex bank and grants and subsidies from government.



## INTERNAL RESOURCES

### 1. Share capital

. Share capital is one of the internal source of fund of Ulloor Service Co- operative Bank. It is the base of the working capital of co-operative Bank.

The Borrowing power of the Bank is filed on the basis of the internal sources. So, the bank management tried their lead best collect more share capital. The authorized share capital of the society is Rs. 2 Crores. The Ulloor Service Co-operative Bank issues three types of shares: A class, B Class & C class A person can become a member of cooperative bank only by taking atleast one share. The share capital of the bank can be increased by share linking.

The following Table shows the last 5 years share

YEAR	SHARE CAPITAL
2018 – 2019	9170438
2019 – 2020	12355869
2020– 2021	13453960
2021– 2022	14737279
2022– 2023	15863734

## **2. Entrance Fee**

It is to be paid by the member at the time of taking admission. It is treated as a miscellaneous income. It will not be refund at any circumstance. The entrance fee the bank is fixed as Rs.25

## **3. Reserve Fund**

A fund of money created to take care of maintenance repairs as unexpected expences of the bank. So this shall not be invested in the business of the bank. It may be indivisible and no member shall have any claim to the share in it. Every bank should constitute 25% of the Net Profit as Reserve Fund. The strength of Reserve fund will show profitability, financial stability and economic viability of the bank.

## **BORROWED FUND**

Borrowed fund refers to the fund raised through loans or borrowings. The sources for raising borrowed funds include public deposits.

According to ULLOOR SCB, there is no other borrowings from other institutions except its apex bank.

### **I. Deposits**

Receiving deposits is an ideal method for raising working capital by co-operative societies, deposits collected from members and non-members were the main sources of borrowed fund of this bank. Some of the important deposits collected by the bank are

1. Fixed Deposits
2. Savings Deposit
3. Home safe Deposit



## **LOANS**

Loans should be given only to members. All loan application must be submitted to the Board of Directors for approval. Members have the right to receive loans only after the approval of the Board. But in case of emergency, the President has the power to give a normal loan of up to fifty rupees per member on the recommendation of the Secretary. This loan has to be approved by the next board meeting.

### **TYPES OF LOANS**

1. Ordinary Loan
2. Consumer Loan
3. Gold Loan
4. MDS Loan (Chitty Loan)
5. Home Loan
6. Fixed Deposit Loan
7. Agricultural Loan
8. Staff OD Loan

## RECOVERY

Recovery rate, commonly used in credit risk management, refers to the amount recovered when a loan defaults. In other words, the recovery rate is the amount, expressed as a percentage, recovered from a loan when the borrower is unable to settle the full outstanding amount. A higher rate is always desirable.

Primary Co-operative societies by bank are in a situation where the non- performing assets of the bank are increasing as the co-operatives who have taken loans from the bank/societies are unable to repay the loans due to various reasons. As a result, the losses of the institutions increases, this adversely effect the operation of the bank/societies.

## MDS (CHITTY)

MDS is a newly modified form of chitty. It is an income earning scheme of the bank. MDS helps the poor people to achieve money for future purpose. The bank also promotes MDS and trying to implement new schemes in MDS.

At the present, the bank is running chits worth Rs 10 lakh, Rs 5 lakh, Rs 3 lakh, Rs 2 lakh, Rs 1 lakh, Rs 50000, Rs 25000.

MDS SCHEME	TOTAL
MDS- 1250 x 20	25000
MDS – 2500 x 20	50000
MDS- 5000 x 20	100000
MDS – 5000 x 40	200000
MDS- 10000 x 30	300000
MDS – 12500 x 40	500000
MDS – 25000 x 50	1000000

**ULLOOR SERVICE CO-OPERATIVE BANK LTD NO 1230  
PONGUMMOODU**

**MDS STATEMENT FOR THE YEAR 2022-2023**

Name of the branch	Opening due by(1)	Opening due to (2)	Cash during Rt	Auction Discount(4)	Total receipt(3+4)	Cash during Pmt(5)	Bonus	Total Pmt(5+6+7)
Head office	35616770	56503796	77055585	5155415	82211000	70106400	5390390	79359290
Kariyam	8732900	12732411	21171340	876741	22048081	22175085	1027415	24416250
Cheruvaikkal	1967150	2506950	6889134	113116	7002250	6736120	112910	7186530
Mannanthala	18862900	31006342	29162241	2124861	31287102	31179280	2487430	35412110
Parottukonam	5309800	8245000	9099427	280073	9379500	13037960	299440	13946150
<b>Total</b>	<b>70489520</b>	<b>110994499</b>	<b>143377727</b>	<b>8550206</b>	<b>151927933</b>	<b>143235245</b>	<b>9317585</b>	<b>160320330</b>

Ob due by	70489520
receipt	151927933
Cl due to	123883386
<b>Total</b>	<b>346300839</b>

Ob due to	110994499
payment	160320330
Cl due by	74986010
<b>Total</b>	<b>346300839</b>

### **III. SPECIALISATION**

I have chosen the study of overall Statement of Ulloor Service Co-operative Bank Ltd. No: 1230 are the specialization for internship.

#### **DEPOSITS**

A deposit is a financial term that means money held at a bank. Receiving deposits is an ideal method for raising working capital by co-operative societies. Deposits collected from members and non-members were the main sources of borrowed fund of this bank.. Deposit is a transaction involving a transfer of money to another party for safekeeping. When a customer deposit money into a bank account it earn interest. It means that in a fixed interval a small percentage of the accounts total is added to the amount of

money already in the account. Interest can be compounded at different rates and frequencies depending on the bank or institution. A deposit can be made by individuals or entities such as corporations. Bank deposit consist of money placed

into banking institutions for safekeeping. These deposit are made to deposit accounts such as savings account,etc.The account holder has the right to withdraw deposited fund, as set forth in the terms and conditions governing the account agreement.

# **Kinds of Deposit**

## **1. Fixed Deposit**

Fixed deposit are those deposits with the bank for a fixed period which is specified at the time of making the deposit. Such deposit is there for called fixed(FD) or time deposit. It is an investment option offered by the bank that gives higher rate of interest than a regular savings account. At the time of opening fixed deposit account banker issue a receipt acknowledging the receipt of money on deposit account. It is known as Fixed Deposit Receipt (FDR). By investing in an FD we can achieve our financial goal comfortably due to higher rate of returns offered by it. As per fixed deposit scheme a fixed sum is deposited for a fixed period and the amount cannot be withdrawn before that the fixed period. The rate of interest is calculated according to the length of the period for which the amount is deposited under the deposit scheme. For senior citizen is 0.5% of additional interest is also provided by the bank.

FD is an option to deposit a lump sum amount for a specified period ranging from 15 days to 10 years. A fixed deposit of less than Rs.1000 or less than 15 days shall not be accepted. The Rate of interest on fixed deposit shall be fixed by registrar from time to time. If the customer of the bank withdraws fixed deposit from his/her account up to Rs.2,00,000 should be allowed on counter payment. The amount exceeding Rs.2,00,000 shall be withdrawn by cash only by earlier permission granted by the chief executive of the bank. In the case of premature closing of

fixed deposit, the rate of interest is calculated by deducting 1% from the corresponding period of deposit rate. Individual, trust and minors are eligible to invest in fixed deposit.

A glance on fixed deposit mobilized in ULLOOOR SCB is given b

<b><u>Duration (Days )</u></b>	<b><u>Interest rate</u></b>
15 - 45 days	6%
46 - 90 days	6.50%
91 - 179 days	7%
180 - 346 days	7.25%
12 months to 23 months	8.25%
24 months and above	8%

## **2. Savings Bank Deposit**

A Savings Bank deposit is meant for the people of the lower and middle classes who wish to save a part of their to meet their future needs and also intended to earn an income from their savings. It is an interest-bearing deposit typically pay a modest interest rate. The number of withdrawals over a period of one year is limited to 150 times.

Savings account can be opened by Individuals, Jointly or Guardian on behalf of minor in minor's name

It is the meant for middle and lower income groups. This scheme was promote to encourage the saving habit of the members. Saving deposit can be open with a minimum balance of 100. But certain restrictions are imposed on its withdrawal. The bank allowed 4% rate of interest to each savings bank account deposit.

The short resume of saving bank deposits mobilized by the bank is given bel

### 3. Home Safe deposit

Home safe deposit is another type of deposit scheme to encourage the saving mentality of the people. Under this scheme, a small Pot or box with an opening is supplied to the depositor. The depositor can save the amount in that box. Periodically, this box is opened by an authorized person of the bank and count down the amount and credited in the account of the depositor. At the end of the fixed period, the depositor withdrew the amount with interest.

### 4. Monthly deposit scheme

MDS is an implicated form of chitty. It is an important income earning scheme of the bank. There are deposits ranging from Rs. 25,000/- to 1,00,000/- . Duration of MDS ranges from 20 months to 50 months.

Amount (Rs.)	Period (Months)	Installments
10,00,000	50	20,000
5,00,000	40	12,500
3,00,000	30	10,000
2,00,000	40	5,000
1,00,000	20	5,000
50,000	20	2,500
25,000	20	1,250



## **TREND PERCENTAGE METHOD**

As per trend analysis, base year index is used for expressing the movement of variable for the given period of time. It is a method of ascertaining the trend percentage of variable of different levels based on the base year index. Base year is the standard year which is free from all abnormality in business.

In our study the base year is 2016 – 2017. As per this, base year index is considered as 100 and

$$\text{Trend percentage} = ( \text{Current year} / \text{Base year} ) \times 100$$

## **DEPOSITS**

**Analysis of deposit structure for the last five years of the bank.**

<b>Fixed Deposit</b>	685320605.00 (82.33%)	741586355.00 (81.73%)	794189198.00 (82.65%)	825973013.00 (83.11%)	942363779.00 (85.02%)
<b>Saving Deposit</b>	33098788.56 (3.9%)	40083040.06 (4.4%)	43499512.33 (4.5%)	47692770.90 (4.7%)	54839904.11 (4.9%)
<b>Recurring Deposit</b>	23208266.70 (2.7%)	22005666.70 (2.4%)	18533916.70 (1.9%)	16454966.70 (1.6%)	16709466.70 (1.5%)
<b>Minor Saving Deposit</b>	3946184.35 (0.47%)	4466449.35 (0.49%)	4616088.35 (0.48%)	4639057.35 (0.46%)	4745872.35 (0.42%)
<b>Zero Balance account</b>	62174.00 (7%)	56458.00 (0.006%)	60038.00 (0.006%)	58151.00 (0.005%)	50949.00 (0.004%)
<b>Mangalya Nidhi</b>	4382889.00 (0.52%)	5003391.00 (0.55%)	4355704.00 (0.45%)	4359711.00 (0.43%)	2395734.00 (0.21%)
<b>TOTAL</b>	832402097.61 (100%)	907270397.11 (100%)	960868173.38 (100%)	993812352.95 (100%)	1108377864.16 (100%)

it is clear that more than 80% of the total deposit concentrates on Fixed deposit. Saving deposit hold 3.97% total deposit in 2016 -2017 and it shows increasing trend. Recurring deposit and Zero Balance account shows a decreasing trend year by year. Minor saving deposit shows a fluctuating trend year by year, while Mangalya Nidhi shows the decreasing trend.

In this graph the majority deposits are fixed deposits. On the other hand fixed deposit is the high cost deposit . So the bank should try to attract a low cost deposit as CASA(Current Account and Saving bank Account) deposit. By attracting CASA deposits the bank would be able to reduce the cost of deposit .

## **LOAN PROCEDURE**

The loans are only issued to 'A' class members. The members who are eligible to get a loan have to submit an application in the prescribed form. In the application form, one has to furnish his Name, Address, Membership number, Purpose and period of loan, extent of land owned or possessed, the securities offered along with the declaration properly signed. There are two types of securities on which the bank provides loans to its members. They are

- Security of Semi-Government employees.
- Security of property owned by members

In the case of security of government employees, loan is issued on the basis of Salary Certificate produced by them. The salary Certificate should be signed by the Drawing and Disbursing Officer. An amount of Rs. 50,000 is issued as security for one Government employee and may extend up to 1,00,000 for two Government employees. The application for loan submitted is verified by the secretary in order to ascertain whether there is any liability related to the loan or to the security. If he has no liability, the secretary places the application before the Board meeting. After passing resolution and obtaining confirmation regarding genuinity of Certificate from the Drawing and Disbursing Officer, he is eligible to receive the loan amount on receipt of the confirmation certificate, the surety are allowed to execute in favor of the there is also an agreement form to be signed by the surety stating that he is ready to remit the amount if the principal Debtor fails to repay the amount on completion of these formalities, the applicant has to sign on the individual loan ledger and voucher to receive the loan amount on issue of the loan, the liability is noted in the liability register of principal debtor and surety. The period of this type of loan is 60 months. Interest is charged as per the of the Registrar of co-operative societies.

In the case of application for loan by pledging landed property, legal advisors are appointed by the Bank. After the surety is over the loan application is handed over to two members of the committee

for the purpose of ascertainment of value. The valuation is conducted based on local enquiry, spot inspection, consideration of sales satisfaction.

of the property in the area etc. In the case of mortgage of landed property, the loan amount is to be released to the member only after creating gehan on the property. While submitting the loan application the following documents will be submitted along with the application form.

- Encumbrance Certificate
- Tax receipt.
- Possession Certificate
- Location Certificate
- Thanda peru
- Original title deed
- Prior deed
- Legal report

They will verify the documents and furnish a report regarding the genuinity of the document produced. The committee will examine the recommendation and will take decision accordingly.

## **TYPES OF LOANS**

Two types of loans are issued by this Bank. They are

- Agricultural Loan/ Kissan Credit
- Non-Agricultural loan.

## **Agricultural Loan/ Kissan Credit**

Co-Operative societies are generally organized for providing financial assistance to agricultural needs. These loans are issued on the security of Government employee as well as the security of the landed property. This bank provides agricultural loan as Medium term (MT Loans).

### **MT Loans and Kissan Credit Card**

These loans are issued for agricultural purpose which are intended for the cultivation of coconut, rubber etc. The period of this type of loan is 36 months. These loans are issued on the security of property owned by the loan applicant. The rate of interest is 7%. Maximum amount is 3,00,000 /-.

## **❖ Non – Agricultural Loan**

Ordinary Loan

Consumer Loan Gold loan

Fixed Deposit Loan(FD loan) Home Loan

MDS Loan

Staff OD

Agricultural gold loan

➤ **Ordinary loans**

Ordinary loans are issued for the purpose of repayment of old debts and also for house hold purpose. The period of ordinary loan is 3 years. The rate of interest of this type loan is 11%. These loans are used on the security of two government employees or on the basis of their salary certificate. The maximum amount is Rs. 2,00,000/-.

➤ **Consumer Loan**

Consumer loans are issued for the purchasing essential consumer and household articles. The maximum amount that can be issued is Rs. 5,00,000/- and should be repaid within a period of 5 years. The rate of interest is 11%. The security is based on the personal property of the applicant.

➤ **Gold Loan**

Gold loan are issued to the members on security of the gold. The maximum amount is Rs. 2,00,000/-. and the repayment period in 12 months. The bank charges 10%.

➤ **MDS Loan( Chitty loan)**

MDS Loan is issued on the basis of chitty payment. 65% of the chitty payment will be issued as chitty loan. The rate of interest for this type of loan is 12%. The repayment period is the life period of the chitty.

➤ **Fixed Deposit Loan**

Fixed deposit loan are issued to the depositors. On the basis of their fixed deposit. The maximum amount is 85% of the fixed deposit. The rate of interest is 12%.

➤ **Agricultural Gold Loan(AGL)**

This type of loan is issued for agricultural purpose in the mortgage of gold. The rate of interest is 10%. The maximum amount is 2 lakhs. The repayment period is 1 year.

➤ **Housing Loan**

Housing loan is provided by this bank for homeless people.

The rate of interest is 11%. The maximum amount issued



as home loan is 10,00,000/- with security as personal property of the applicant. The duration of the loan is 5 years.

### ➤ **Staff OD Loan**

This facility of overdraft is utilized by the staffs of the society. The amount that can be taken as overdraft range from Rs. 3,00,000 to Rs. 4,00,000. The rate of interest is determined by the amount of deposit

### **Type of loan**

Ordinary loan	-	1360000	1325000	1250000	215000
Consumer loan	25497700	32964000	42393700	68926500	84089500
Gold loan	591058880	492375850	310847360	219548240	256694060
Fixed deposit loan	29582500	26531000	32510000	41016900	35465300
Home loan	28405000	21250000	18820000	22590000	25827500
MDS loan	148000	703600	908200	74783000	55005000
Staff OD	56565550	5267666	5039719	7186981	5797780
Agricultural gold loan	1955700	1463000	600000	708300	375200

## **LOAN GROWTH**

### **INTERPRETATION**

The loan growth of Ulloor SCB has not been progressive. Only in the year 2018-19, there was an increase in the loan amount. Basically during our study period, the loan amount has been fluctuating.

# **WORK DIARY**

## **PERSONAL PROFILE**

Name of student : ATHIRA ASOKAN A R  
Candidate code : 59023100009  
Name of the college : ALL SAINTS' COLLEGE TVM

## **WORK PROFILE**

Name of the organization : Ulloor Service Co-operative Bank.  
Department / Branch : Pongumoodu  
Functional area : Finance  
Supervisor and Designation : Mr.SATHYA RAJ.P

<b>Days</b>	<b>Activities</b>	<b>Process observed and data handled.</b>	<b>Learning(Stated in terms of experience)</b>
Day – 1	Visited the bank and met secretary discussed regarding intership	Bank profile	I studied the detailed profile of ULLOOR Service Co-operative Bank Ltd no: 1230. The bank secretary explained to us about the profile of the bank. It gave me an idea about establishment, members, address, time, branch area of operation, staff structure etc. I got an overall picture about the organization from the discussion.
Day – 2	Studied about the rules and regulations of the bank, membership, source of fund, share capital etc.	Bye-law	I studied the various rules and regulations of the bank. I learned about the objectives of the bank, source of funds, membership etc.
Day – 3	Studied about various facilities offered by the bank and also analysis the budget.	Bank's magazine and other records.	I was able to understand facilities the bank various offered by Various services offered by
Day – 4	the Understood at regarding membership the bank	Membership from fixed deposit account opening form/ renewal form ,account opening form for individuals and institutional know your customer form	Studied about various membership details and qualifications become a member.
Day – 5	Analyzed the bank's working activities for the previous few years	Audit report and audit certificates	During the last year the bank had 18571 members Share capital of the bank for those years was 15863734

Day - 6	Evaluate the banking software	Posting the different transactions.	Understood the working of the software.
Day – 7	Procedure for opening an account.	Account opening form.	Understood the procedure for opening an account in the bank.
Day – 8	Take details of the deposits and visit the Deposit sections.	Deposit register and ledgers.	Studied about the different types of deposits offered by the bank such as Fixed deposits, Saving deposits, Recurring deposits, Minor saving deposits etc. Got an idea about the duration and interest rate of deposits.
Day – 9	Visited the chitty section.	Application form for joining the scheme, ledgers relating to chitty.	Learned how the system of chitty works.

Day – 10	Study about the warehouse of the bank.	A separated book is maintained.It Includes all information about warehouse items.	Bank has only one warehouse.
Day -11	Visited the Finance department, the broad functional areas where this internship was mainly focused at.	The various sub- sections of the Finance department were introduced and the functions of each were explained clearly.	The finance department had mainly three sub- sections: Cash section (for dealing regular daily transactions), Payroll section and Purchase accounts and costing section and sales accounts group section (for dealing the purchase and sale settlements). The basic structure and functioning of finance department was understood
Day-12	Visited the HR Department and Time office. The MIS department was also visited.	Detailed knowledge about the employees, how the records of the same are maintained, and about the punching system followed in the organization was acquired.	The visit to MIS department gained knowledge of how the information is communicated smoothly, efficiently and effectively throughout the organization on a continuous basis without any delay

## **CONCLUSION**

After the completion of the Internship Report of ULLOOR Service Cooperative Bank Ltd no: 1230. The bank plays an important role in socioeconomic development of the community through the various banking activities. The bank does not currently carry out non- banking activities. The bank is functioning upon the co-operative principle are very well. It will definitely come in the path of prosperity and progress near future.

