

DEPARTMENT OF COMMERCE
AVINASHILINGAM INSTITUTE FOR HOME SCIENCE
AND HIGHER EDUCATION FOR WOMEN
COIMBATORE – 641043

CERTIFICATE

This is to certify that the project entitled,

Profitability Analysis of Selected Public Sector Banks

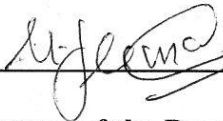
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A. Princy Epsiba

(16PCO007)

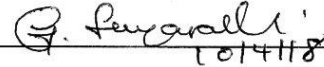
Submitted in partial fulfillment of the required for the award of the Degree of

MASTER OF COMMERCE



10/9/18

Signature of the Dean



10/4/18

Signature of the Head of the Department

Viva voce examination held on _____



10/4/18

Signature of the Supervisor

Signature of the External Examiner

PROFITABILITY ANALYSIS OF SELECTED PUBLIC SECTOR BANKS

BY

PRINCY EPSIBA.A

16PCO007

Under the guidance of

Dr. P.Deivanai

Thesis submitted to

**AVINASHILINGAM INSTITUTE FOR HOME SCIENCE AND HIGHER
EDUCATION FOR WOMEN**

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In Partial Fulfillment of the Requirement For The

Degree of Master of Commerce

April 2018

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BY

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Under the guidance of

Dr. P. Deivanai

Declaration

DECLARATION

We hereby declare the work entitled “**Profitability Analysis of Selected Public Sector Banks**” is submitted in partial fulfillment of the requirements for the award of the degree of master of commerce, under the supervision and guidance of Dr.(Mrs.)**P.Deivanai**,M.Com., M.Phil., M.B.A.,SLET, Ph.D Associate Professor Department of Commerce, Avinashilingam Institute for Home Science and Higher Education for Women, Coimbatore-641043

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Signature of the Candidate

Signature of the Guide

Certificate

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Acknowledgement

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Abstract

ABSTRACT

Healthy financial soundness is a key factor in any financial sector. One of the major measures of economic development and financial growth of a country has been the soundness of its banks. This paper evaluates the performance of selected public sector banks such as Bank of Baroda, Punjab National bank, and Canara bank, Central bank of India and Bank of India for the period 2007 to 2017. Financial ratio is employed to measure the profitability, liquidity and credit quality performance of selected public sector banks. At present, banks in India are venturing into non-traditional areas and generating income through diversified activities other than the core banking activities. Strategic mergers and acquisitions are being explored and implemented. With this, the banking sector is currently on the threshold of an exciting phase. The Banks are now facing a number of challenges such as frequent changes in technology, stringent prudential norms, increasing competition, worrying level of NPA's, rising customer expectations, increasing pressure on Profitability, asset-liability management, liquidity and credit risk management, rising operating expenditure and so on. This study is primarily based on secondary data. The study highlights movement of banking variables as return on assets, cash to deposit, term deposit to total deposit, interest income to total assets, net interest margin etc. The study found that overall banking performance increased very slowly in the year of analysis. This paper is aimed at examining the profitability and productivity of Indian public sector banks.

Introduction

CHAPTER - 1

Introduction

Public sector banks are the fulcrum of an economy, and it is through them that the monetary and fiscal policies of the government are concretized. By creating credit, banks are in a position to affect prices, nominal national income and other macro-economic variables. Banks are at the heart of the financial system. They are a class of financial institutions which the public views as safe and convenient outlets for its saving. The importance of a viable, sound and safe banking system cannot be overemphasized.

Banking in its simplest form is as old as authenticated history. In India, references about banking habits and regulation exist in our scriptures and ancient texts. During the Vedic times (2000-1400 B.C.), money lending and 'Rna' or debt are repeatedly mentioned in the Vedic literature. During the Smriti period, which followed the Vedic period and epic age, Manu the great law giver of that time spoke of vaishis earning money through interest. He observed that "a sensible man should deposit his money with person of good family, good conduct, well acquainted with the law, veracious, having money, many relatives, wealthy and honorable". He also talks about regulations governing credit interest on loan to bankers, usurers, renewal of commercial papers etc.

The performance evaluation of public sector banks comprising of three sections. The first section covers evaluation of PSBs and examines the recent trends. The second section is devoted to the performance analysis in term of efficiency and profitability indices of PSBs for the entire study period. The third section deals with period-wise analyses of performance of PSBs and grouping of banks is carried out using principle component analysis.

The banking has become the foundations of modern economic development. According to the dictionary, the term bank means the side of the sea, a little hill, a shoal in the sea or a repository for money. In economics, a bank means a repository for money of the whole economy. The term banking is being used for a pretty long time but its beginning is shrouded in mystery. The role of public sector banks in the economic development, genesis of public sector bank in India, the emerging weakness and the subsequent banking sector reforms are discussed.

Banking is an important segment of the tertiary sector and acts as a backbone of economic progress. The banks render vital services to the masses belonging to the various sectors of the economy like agriculture, industry whether small scale or large scale. The banking system is one of the few institutions that impinge on the economy and the effect its performance for better or worse. They act as a development agency and are the source of hope and aspirations of the masses.

Banks play an important role in mobilizing savings of individuals into productive investments. The performance of the financial institution is a major concern for both, the regulators and the policy makers, since it has a strong linkage with the performance of the economy. The financial sector is reasonably well developed in India. Though small in comparison to, say, USA, it has a strong banking system, a set of large and small stock and commodity exchanges, strong equity culture, large number of mutual funds, development institutions like Industrial Development Bank of India, non-banking finance companies, other specialized financial institutions, besides a large informal sector.

At present, banks in India are venturing into non-traditional areas and generating income through diversified activities other than the core banking activities. Strategic mergers and acquisitions are being explored and implemented. With this, the banking sector is currently on the threshold of an exciting phase. The Banks are now facing a number of challenges such as frequent changes in technology, stringent prudential norms, increasing competition, worrying level of NPA's, rising customer expectations, increasing pressure on Profitability, asset-liability management, liquidity and credit risk management, rising operating expenditure and so on. This paper is aimed at examining the profitability and productivity of Indian public sector banks .

Some duties based on the experiences of individual countries and some other based on comparative data from developed and under developed countries support the hypothesis that the financial inter- mediation has a positive role to play in the development process because finance plays a significant role in the economic development.

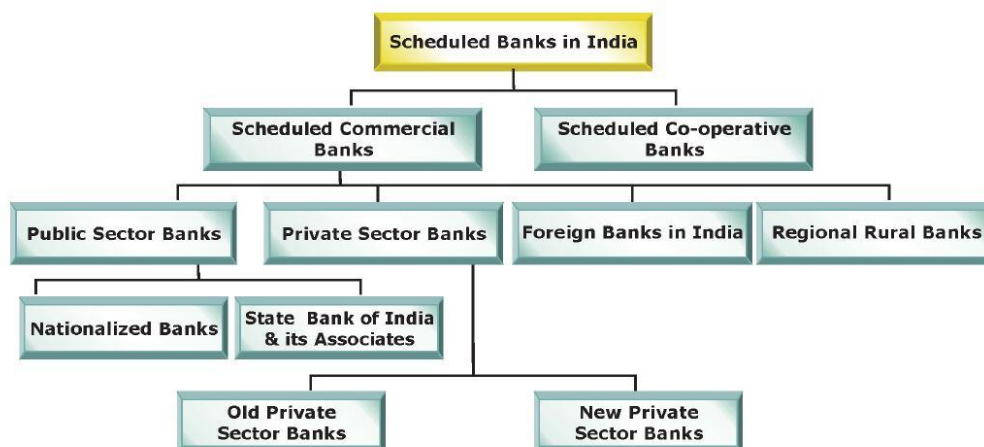
It seems to be the case that where enterprise leads finance follows . the sample impulse within an economy which sets enterprise on foot makes owners of wealth venturesome and when a strong impulse to invest is fettered by lack of finance, devices are invented to release it.. Habits and institutions are developed.

At present, banks in India are venturing into non-traditional areas and generating income through diversified activities other than the core banking activities. Strategic mergers and acquisitions are being explored and implemented. With this, the banking sector is currently on the threshold of an exciting phase. The Banks are now facing a number of challenges such as frequent changes in technology, stringent prudential norms, increasing competition, worrying level of NPA's, rising customer expectations, increasing pressure on Profitability, asset-liability management, liquidity and credit risk management, rising operating expenditure and so on. This paper is aimed at examining the profitability and productivity of Indian public sector banks .

Functions of public sector banks:

The most important function of public sector banks is to accept deposits from the public. Various section of society according to their needs and economic condition, deposit their savings with the banks.

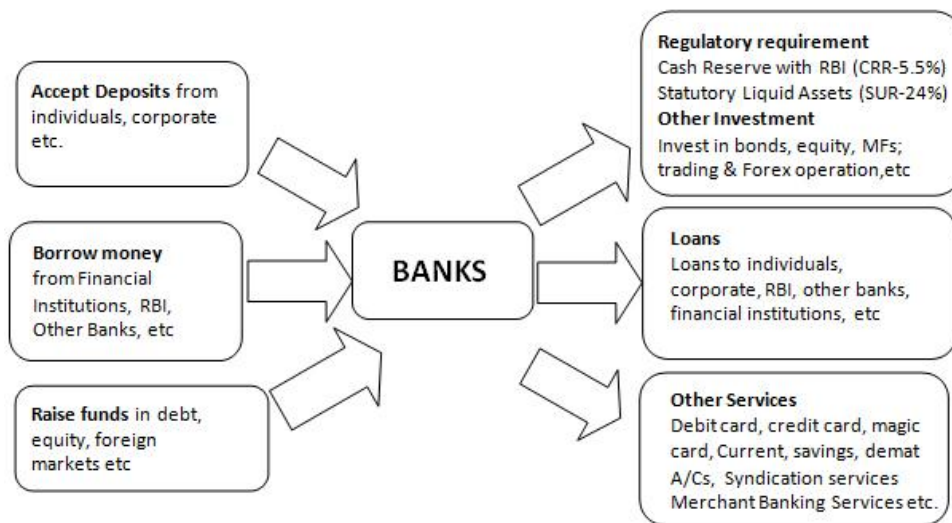
According to chronological facts, the system of banking originated in India with the setting of “The general bank of India” . subsequently, there was an upsurge of bank all over the country. A few, like “The bank of Bengal “ (now The state bank of India),have withstood the troubles and tribulations of time and functions very smoothly even today.



Banking has undergone many changes and developments in the due course of time. It has never failed to meet the budding demands of the nation. For them satisfaction and contentment of the customers is of great importance now a days. In other words the

renovation and reconstruction of the banking sector was carried out to tender to the ever-growing needs of people of the country.

The relation of banks with their customers has deeply amplified in the present days. For each and vary aspect of money, we now reply on banks. In the meanwhile, banks have also introduced customer friendly services and beneficiary activities for the public. Banking in the earlier days was supposed to be a very hectic chore. Opening an account in the bank was a very lengthy procedure carefully monitored by the concerned officials.



The public sector banks made impressive strides in branch expansion programme during the period 1982 to 1999-2000. However, the branch expansion programme was much faster during the period 1982 to 1990-91, as 11088 new branches were added to the existing branches, registering a growth rate of 3.98 per cent per annum. In contrast to it during the period 1991-92 to 1999-2000 only 3974 new branches were opened registering a nominal growth rate of 1.13 per cent per annum. Undoubtedly, a part of reason for this fall in growth rate lies in the adoption of the philosophy of economic reforms by the bank. In the first half of the study the policy emphasis was to set up banks in rural and unbanked areas. However, in the second half of the period, in the background of the financial reforms, the impetus has shifted to economic viability of new branches. There has been a shift from quantity to quality and, therefore, the branch expansion programme registered a smaller rate of growth in the second half of the period. Otherwise also the scope of setting up new branches was more in the 80's when population served per branch and the geographical area covered per branch stood very high.

Banking:

According to section 5(b) of the Banking Regulation Act, 1949, “banking” means the accepting, for the purpose of lending or investment, of deposit of money from the public, repayable on demand or otherwise, and withdraw able by cheque, draft, order or otherwise. Banking company means any company which transacts the business of banking in India. No company can carry on the business of banking in India unless it uses as part of its name at least one of the words bank, banker or banking.

Suman Goel is her study entitled “Profitability Analysis of Indian Public Sector Banks in the Light of Basel II Norms” The research study focus on forms the central part of Indian financial sectors in India by playing a fundamental role in the economic growth of country .The profitability of banking play a major role to enhance efficiency/productivity by increasing competition among banks and adopting principles of supervisory norms in order to ensure banking soundness. The main objective is study is to evaluate the profitability conditions of banks before and after the implementation. The study concludes major result of this study is that the various banks that have recovered or refused in their performance with respect to the selected parameters.

Commercial banks:

Commercial banks constitute the major portion of the country’s credit and banking institutions. The commercial banks are spread across the length and breadth of the country, and cater to the short-term needs of industry, trade and commerce and agriculture unlike the developmental banks which focus on long-term needs. These days the commercial banks also look after other needs of their customers including long-term credit requirements. Commercial banks operating in India may be categorized into public sector, private sector, and Indian or foreign banks depending upon the ownership, management and control. They may also be differentiated as scheduled or non-scheduled, licensed or unlicensed.

Indian banking system:

The Indian financial system comprises a large number of commercial and co-operative banks, specialized developmental banks for industry, agriculture, external trade and housing, social security institutions, collective investment institutions, etc. The banking system is at the heart of the financial system. The Indian banking system has the RBI at the apex. It is the

regulatory body for all banks in India. It is the central bank of the country under which there are the commercial banks including public sector and private sector, foreign banks and local area banks. It also includes regional rural banks as well as co-operative banks.

Public sector banks:

Public sector banks have acquired a place of prominence since nationalization. These continue to be the major lenders in the economy due to their sheer size and penetration of network. Till 1955 they were used to be only private commercial bank whether scheduled or non-scheduled, licensed or unlicensed, foreign or Indian, they were all owned and controlled by private entrepreneurs and shareholders. There were three phases of bank nationalization. First was in July 1955, when Government of India nationalized the Imperial bank of India to create the State Bank of India. It was a pioneering attempt in introducing public sector banking in the country. In 1959, eight state banks of erstwhile princely states were also nationalized to form the subsidiaries of the state bank of India. But now only seven of them are in existence, since the state banks of Bikaner and Jaipur were merged. The second phase of public sector banking came into existence when 14 major commercial banks were nationalized on July 19, 1969. This was done with the view to serve the needs of development of the economy in conformity with national priorities and objectives. On April 15, 1980, six more private sector banks were nationalized. This led to the dominance of public sector banks as nearly 90 per cent of the banking activity in the country was brought into the public sector. Most people generally rely on nationalized banks backed by the government. The public sector banks were socially controlled and publicly owned. It was done with the objective of giving professional bent to bank management and provision of adequate credit for agricultural and rural sector, small industries, exports and a new class of entrepreneurs. It also aimed to professionalize bank management through adequate training of bank staff.

In retrospect, it appears that political motives dominated the decision about the two nationalizations. Large-scale branch expansion, mass recruitment of staff to take banking to grass roots level, direct investments and credit programmes, administered interest rate regime, credit dispensation towards poverty alleviation programmes through loan meals, etc., ruled the roost in the Indian banking scene for over two decades. However, when faced with stiff competition from private sector banks have reinvented themselves, and have markedly improved their services and operational results.

Profiles of public sector banks:

State Bank of India:

State Bank of India is an Indian multinational, public sector banking and financial services company. It is a government-owned corporation with its headquarters in Mumbai, Maharashtra. All branches and administrative offices throughout the country sponsor and participate in large number of welfare activities and social causes. Their business is more than banking because they touch the lives of people anywhere in many ways. As of 2016-17, it had assets of 30.72 trillion (US\$460 billion) and more than 14,000 branches, including 191 foreign offices spread across 36 countries, making it the largest banking and financial services company in India by assets. *SBI* is one of the largest employers in the country having 2, 22,033 employees. The company is ranked 232nd on the Fortune Global 500 list of the world's biggest corporations as of 2016.

Punjab National Bank:

Punjab National Bank was registered on 19 May 1894 under the Indian Companies Act, with its office in Anarkali Bazaar, Lahore present day Pakistan. Punjab National Bank, India's first Swadeshi Bank, commenced its operations on April 12, 1895 from Lahore, with an authorized capital of Rs 2 lack and working capital of Rs 20,000. The far-sighted visionaries and patriots like Lala Lajpat Rai, Mr. E C Jessawala, Babu Kali Prasono Roy, Lala Harkishan Lal and Sardar Dyal Singh Majithia displayed courage in giving expression to the spirit of nationalism by establishing the first bank purely managed by the Indians with Indian Capital. Founded in 1894, the bank has over 6,968 branches and over 9,935 ATMs across 764 cities. It serves over 80 million customers.

Bank of Baroda:

Bank of Baroda is an Indian state-owned International banking and financial services company headquartered in Vadodara in Gujarat, India. It is the second largest bank in India, next to State Bank of India. It has been a long and eventful journey of almost a century across 25 countries. Starting in 1908 from a small building in Baroda to its new hi-rise and hi-tech. Baroda Corporate Centre in Mumbai is a saga of vision, enterprise, financial prudence and corporate governance. Based on 2014 data, it is ranked 801 on Forbes Global 2000 list. Bank of Baroda has total assets in excess of 3.58 trillion, a network of 5493 branches in India and abroad, and 10441 ATMs as of Sept, 2016. The bank was founded by the Maharaja of

Baroda, Maharaja Sayajirao Gaekwad III on 20 July 1908 in the Princely State of Baroda, in Gujarat. The bank, along with 13 other major commercial banks of India, was nationalized on 19 July 1969, by the Government of India and has been designated as a profit-making public sector undertaking (PSU).

Bank of India:

Bank of India was founded on 7th September, 1906 by a group of eminent businessmen from Mumbai. The Bank was under private ownership and control till July 1969 when it was nationalized along with 13 other banks. The Bank came out with its maiden public issue in 1997 and follow on Qualified Institutions Placement in February 2008. Founded in 1906, it has been government-owned since nationalization in 1969. However, some branches are individually owned, such as Kandia, Indonesia, etc. Bank of India has 5100 branches as on 31 January 2017, including 56 offices outside India, which includes five subsidiaries, five representative offices, and one joint venture. Bank of India is a founder member of SWIFT (Society for Worldwide Inter Bank Financial Telecommunications), which facilitates provision of cost-effective financial processing and communication services.

Canara bank:

As a premier commercial bank in India, Canara Bank has a distinct track record in the service of the nation for over 110 years. Today, Canara Bank has a strong pan India presence with 5847 branches and 9657 ATMs, catering to all segments of an ever growing clientele accounts base of 7.36 cores. Across the borders, the Bank has 8 branches, one each at London, Hong Kong, Shanghai, Leicester, Manama, Johannesburg, New York and DIFC (Dubai) & a Representative Office at Sharjah, UAE. We are recognized as a leading financial conglomerate in India, with as many as nine subsidiaries/ sponsored institutions/joint ventures in India and abroad. In our second century of dedicated service to the nation, we aspire to emerge as a "Preferred Bank" by pursuing global benchmarks in profitability, operational efficiency, asset quality, risk management and expanding the global reach.

Objectives of the Study

1. To study the trends in deposits, advances, investments, total assets, interest income, net profit of the select public sectors banks
2. To Compare the profitability of the banks based on select criterion.

3. To identify the determinants of profitability of the select public sectors banks

Hypothesis Used in this Study

The following Hypothesis are tested for the study

- H_{01} – There is no significant difference in the profitability of the select public sector bank.

Scope of the study

The study confines in analyzing the profitability of the select banks. It also makes an attempt to study the trends in advances, deposits and investments of the banks.

Limitations of the study

- The study is restricted with five banks public sector banks only,
- The period of study undertaken is restricted to 10 years.
- Only profitability of the banks are studied.

CHAPTER SCHEME

The following chapters present an outlook of the current study.

Chapter I

The chapter deals with the introduction bank profitability and objectives of the study, scope and limitations of the study also form part of chapter I.

Chapter II

The chapter deals with the review. A available literature on the topic a study.

Chapter III

The chapter deals with the methodology adopted in the study, it includes description Regarding sources of data, tools used for analysis of data and variables used in the study.

Chapter IV

This chapter consists of analysis and interpretation of the study.

Chapter V

The last chapter presents summary of findings and conclusion and suggestion

Review of literature

CHAPTER - II

Review of literature

Review of literature has vital relevance with any research work due to literature review the possibility of repetition of study can be eliminated and another dimension can be selected for the study.

Amit Kumar Singh (2015) in his study focused on “**An analysis of profitability position of private bank in India**” Profit is a measure of success of business and the means of its survival and growth. Profitability is the ability of a business to earn profit for its owners. The objective of this study was overall profitability analysis of different private sector banks in India based on the performance of profitability ratio like interest spread, net profit margin, return on long term funds, return on net worth, return on assets & adjusted cash margin. Profitability is a measure of efficiency and control it indicates the efficiency or effectiveness with which the operations of the business are carried on. Profitability ratios provide different useful insights into the financial health and performance of a company Private sector banks should increase their profitability and productivity performance by adopting innovation modern technological changes and by fixing responsibility of officers for recovery etc & operating cost can be improve with the introduction of high level technology as well as by improving the per employee productivity.

Angela Roman and Adina Elena Danuletiu (2013)in their study focused on “**An empirical analysis of the determinates of bank profitability in Romania**” This research study consists of study is to examine the factors that have an influence upon the profitability of Romanian commercial banks between 2003 and 2011.the study found that bank profitability and management quality and banking liquidity. The empirical results of this study highlight the fact that the ratio of non- performing loans, the management quality and the rate of liquidity assets to total assets has a significant impact upon the banking profitability.

Asikhia Olalekan and Sokefun Adeyinka (2013) et.al in their study focused on “**Capital adequacy and bank’s profitability**” An empirical evidence from Nigeria, the study analyses about the effect of capital adequacy on profitability deposits banks in Nigeria. This paper will

make an attempt to assess the effect of capital adequacy of both foreign and domestic banks in Nigeria and their profitability. The period of study is taken from the year 2006-2007 to 2009-2010. The study found that capital adequacy relates positively to profitability of banks in Nigeria. The most important thing revealed by this study is that capital adequacy is an important factor when it comes to the determination of profitability of deposit, in Nigerian banking sector as this will have a positive effect on their profitability.

Assad Naim Nasimi (2016) in their study entitled “**Effect of capital structure on firm profitability**” This research study paper will make an attempt to investigate the effect of capital structure, a sample of 30 firms have been selected from FTSE-100 index of London stock exchange. The data period for the study was multiple regression analysis method to explore the impact of capital structure on firm performance. The results revealed that interest coverage has positive significant impact on ROA, ROE and ROIC where debt is positive significant impact on ROE and ROIC. The study concluded that an optimal level of capital structure, effective utilization and allocation of resources shall be employed to achieve the targeted level of efficiency in business.

Brindadevi (2013) in his study focused on “**Profitability analysis of private sector banks in India**” This study analysis about overall profitability of the banks using profitability ratio like interest spread, net profit margin, return on long term fund, return on net worth, return on assets. They conclude that there is difference among the mean value of interest spread, net profit margin return on long term fund and return on net worth and there is no difference among the mean value of return on assets of private banks.

Dr. D Mahila Vasanthi Thangam (2016) et.al in his study entitled “**Profitability analysis of selected public and private banks in India**”, This research study examines the relationship among the profitability and productivity of Indian commercial banks both public and private sector banks. The study period is 5 years starting from year 2010-2011 to 2014-2015. Techniques used on correlation and t-test. Analyzing the banks overall profitability and productivity India reveal that both public and private sector banks are profitable.

Dr. Kingshuk Adhikari and (2014) et.al in their study focused on “**Profitability of State Bank of India: An Analysis**” The paper attempts to analyze the profitability of State bank of India for the period of seven years. Apart from studying the trend of different components of both income and expenditure, performance of the bank has been analyzed with the parameters like OPTWF, ROA, ROE, ROI and EPS. There is a significant difference not only between

the components of income but also across the components of expenditure. The paper concludes that the profitability performance of the SBI is not consistent during the study period. The bank should focus more on diversification of income and should also curtail operating expenses in order to improve profitability performance.

Dr. Mahammand Suleiman Aladwan (2015) et.al in their study focused on, “**The impact of bank size on profitability**” the study analyses about the effect of bank size on its profitability for Jordanian listed commercial banks within different size bank categories. The period of study taken is from the year 2007-2008 to 2011-2012. This study attempts to measure the return on equity as dependent variables. The study reveals about statistical difference in profitability according to size and simple regression was applied by using dummy variables for categories to proxy asset size. They conclude that research could be conducted to classify banks in the current size in proportion to their differences in profitability, liquidity, or capital adequacy.

Dr. T.Velnampy and J.Aloy Niresh (2012) conducted a study on “**The relationship between capital structure and profitability**” the purpose of this study is to investigate the relationship between capital structure and profitability of ten listed srilankan banks. The study period is 8 years starting from year 2002-2009. The data has been analyzed by using descriptive statistics and correlation analysis to find out the association between the variables. Results of the analysis show that there is a negative association between capital structure and profitability except the association between debt to equity and return on equity. They conclude that banks generally play a critical role in the economic development of every country. Banks in srilanka must be only interested in mobilizing deposits but must also be concerned with utilizing these deposits effectively and efficiently.

Dr.Hitesh Shukla (2017) et.al in their study entitled “**A Comparative study of profitability analysis of selected public and private sector banks**” The research study On behalf of these the main purpose of the banking industry is to generate revenue. Profitability is one of the most important goals of all business. So this study is an effort to examine profitability study of selected public and private banks in India. The main objective is the profitability analysis of selected public sector and private sector banks of India. The study concludes. It is necessary for the public sector banks to utilize their capital employed very effectively to generate enough return.

Dr.k Madhusudhana Rao (2014) et.al in their study entitled “**An analysis on the performance of private and public sector banking systems**” The purpose of the study is to examine the financial performance of SBI and HDFC bank, public sector and private sector respectively. This study is conducted to compare the financial performance of SBI and HDFC bank on the basis of ratios such as credit deposit, net profit margin etc. The period of study taken is from the year 2008-2009 to 2012-2013. The study found that HDFC bank is performing well and financially sound than SBI but in content of deposits and expenditure both are SBI and HDFC bank has better managing efficiency.

Dr.M.Dhanabhakya (2012) et.al in his study entitled on “**Financial performance of selected public sector banks in India**” The financial performance of the selected six public sector banks is analyzed using different parameters. The selected public sector banks have performed well on the sources of growth rate and financial efficiency during the study period. The profitability of a bank denotes the efficiency with which a bank deploys its total resources to optimize its net profits and thus serve as an index to the degree of asset utilization and managerial effectiveness. In this article an attempt is made to see the financial performance of the selected public sector banks with the different norms.

Godwin E. Bassey and comfort Effiong Moses (2015) et.al in their study entitled, “**Bank profitability and liquidity management**” this study was carried out to examine the liquidity- profitability trade off of deposit money banks in Nigeria. The study was carried on fifteen deposit money banks in Nigeria and covered a panel data of 2010 to 2012. The empirical results revealed that there is a statistically significant relationship between and liquidity measures- current ratio, liquid ratio, cash ratio – and return on equity. It was suggested that the banks should evaluate and redesign their liquidity management strategy so that it will not only optimize returns to shareholders equity but also optimize the use of assets.

Loriya Chirog Thakarshibhai (2014) in his conducted a study on, “**An profitability analysis of banks in India**” this study attempts to measure the relative profitability of Indian banks. This study period is 5 year starting from year 2009-2010 to 2013-2014. The data’s are analyzed using standard deviation, mean and Anova. An analysis of the public sector banks private sector banks shows that the reduction in operating expenses way only experienced by the public sector banks.

Mabwe Kumbirai and Robert Webb (2010) et.al in their study entitled “**A financial ratio analysis of commercial bank performance in south Africa**” This research study consists of paper investigates the performance of South Africa’s commercial banking sector for the period 2005- 2009.this paper uses a descriptive financial sectors are employed to measure the profitability liquidity and credit quality performance of five large South African based commercial banks. The study found that overall bank performance increased considerably in the first two years of the analysis. A significant change in trend is noticed at the onset of the global financial crisis in 2007, reaching it speak during 2008-2009. This resulted in falling profitability, low liquidity and deteriorating credit quality in the South African Banking sector.

Mayanic Malviya (2012)in her study focused on “**An analysis on the profitability, risk and growth indicators of public and private sector banks**” the study analyses about the profitability risk and growth prospects of the two types of institutions through return on equity decomposition and the use of other financial ratios. Various difference between public and private institutions have emerged. In particular, public sector institutions realized higher profitability and cost control, they were more capitalized in absolute terms and relied relatively less on income earned through interest.

Munyambonera Ezra Francies (2013) et.al in their study focused on “**Determinants of commercial bank profitability in sub- Saharan Africa**” This study is investigate the determinates of commercial bank profitability in sub- Saharan Africa. The analysis used an unbalanced panel of 216 commercial banks drawn from 42 countries in SSA for the period 1999 to 2006. Using the cost efficiency model, bank profitability was estimated using panel random effects method in static framework. The explanatory variables are growth in bank assets, growth in bank deposits, capital adequacy, operational efficiency and liquidity ratio as well as the macroeconomic variables of growth in GDP and inflation. They conclude that both bank specific as well as macroeconomic factors explain the variation in commercial bank profitability over the study period.

Prasad and Ravinder (2011) et.al in their study entitled “**Performance Evaluation of Banks: A Comparative Study on SBI, PNB, ICICI and HDFC**” This research study analyzed the profitability of four major banks in India i.e. SBI, PNB, ICICI bank and HDFC bank for the period 2005-06 to 2009-2010. Statistical tools like arithmetic mean, one way ANOVA Tukey HSD test have been employed for the purpose of study. The profitability of these banks have been evaluated by using various parameters like operating profit margin

gross Profit margin Net profit margin Earning per share Return on Equity Return on assets Prices earnings Ratio and Dividend payout Ratio. The study revealed that SBI performed better in terms of earning per share and dividend payout ratio while PNB performed in terms of operating profit margin and return on equity. The study found that HDFC bank outperformed in terms of gross profit margin, net profit margin, return on assets and price earnings ratio. The study evidenced that ICICI Bank paid highest portion of earning as dividends to shareholders. Analysis ranked HDFC Bank on the top position followed by PNB SBI and ICICI Bank.

S. Ayyappan (2013) et.al in their study entitled “**Profitability Analysis of Selected Public and Private Sector Banks in India**” 26 financial variables were selected for eight public sector banks .During the study period they analyzed the key profitability variables and the path analysis with the help of the balance sheet and the data available in RBI and suitable statistical tools are also applied to identify its impact on profitability. The positive and negative contribution of selected variables during the study period and their ups and downs during the study period is measured.

Sarah Nabalayo Lukorito (2014) et.al in their study entitled, “**Assessing the effect of liquidity on profitability of commercial banks in Kenya**” the purpose of the study is to examine the effect of deposit the growth, the sector still faces many challenges including still competition from within MFIS, mortgage firms and SACCOS and competition over the last few years resulting from increased innovations in the market. All the 43 commercial banks in Kenya formed the population and a census was done over a period of 5 years from 2009 to 2013 due to availability of data. The study found that liquidity of banks was one of the major determinates of Kenyan banks profitability. The effect on profitability is higher when the liquid assets are not held exclusive liquid assets have no or little interest generating capacity.

Suman Goel (2015) et.al in their study entitled “ **Profitability Analysis of Indian Public Sector Banks in the Light of Basel II Norms**” This research study is banking in India has faced an enormous change after banking sector reforms and the implementation of Basel norms.Basel 2 norms more evidently associate capital requirements with the particular categories of risks that banks face. In current years, there have been substantial stresses on the profitability of banks. The profitability of banking play a major role to enhance efficiency/productivity by increasing competition among banks and adopting principles of supervisory norms in order to ensure banking soundness. The objective of this paper is to

analyze Profitability indicators of 5 public sector banks before and after the implementation of Basel II norms. This study is based on the secondary data. The data has been collected from annual reports of RBI, journals and various websites. Paired T- test has been used to review the difference in Profitability indicators over the two periods show no significant improvement between the periods.

T. Durai pandi and P. Vellingiri (2014) et.al in their study focused on “**Factors determining profitability of public sector banks in India**”, this paper will make attempt to probe and understand the factors influencing the profitability of public sector banks. They adopted CRAMEL ratio technique to observe the values and these factors have been adopted in the multivariate technique. Thus explains that in terms of profitability, majority of the banks has registered above the benchmark on return on assets, equity paid up to net worth, return on capital employed and deposits to total assets.

V. S. Sundram (2015) et.al in their study entitled “**profitability analysis of selected public sector banks in India**” the research study major measures of economic development and financial growth of a country has been the soundness of its banks. This paper evaluates the performance of selected public sector banks such as Bank of Baroda, Punjab National bank, Canara bank, Central bank of India and Bank of India for the period. The main objective Financial ratio is employed to measure the profitability, liquidity and credit quality performance of selected public sector banks. This study is primarily based on secondary data. The study conclude highlights movement of banking variables as return on assets, cash to deposit , term deposit to total deposit, interest income to total assets, net interest margin etc. The study found that overall banking performance increased very slowly in the year of analysis

V.K. Gupta(2017) et.al in their study entitled “**A Comparative study of efficiency of public and private sector banks**” the research study In Indian banking structure banks are divided in public sector banks, private sector banks, foreign banks, rural banks. Until recently, Indian banks have dominated public sector banks, but now the situations has changed, now banks are known for technical and financial changes. The main objective analysis the efficiency of selected banks. To compare the efficiency of public and private sector banks. To suggest some measure to enhance the efficiency of banks. The study conclude this study is to analysis the efficiency of selected banks, so here we can say that in this study period private sector banks are better than public sector banks.

Waqus Tarip et.al (2014) in their study focused on “**Determinants of commercial banks profitability**”, the study measure the associations of total amount of profit with different factors. This study examines the influence of commercial banks determinants on the performance of commercial banks in Pakistan over the time period from 2004-2010. The commercial bank’s profitability is found out by the return on equity (ROE) and net-interest margin (NIM). Result indicates that the capital strength of a bank is utmost significance in affecting its performance, as a well-capitalized bank is observed to be less risky and such edge lead to high profitability. This study is important and worthwhile for all commercial banks mangers regarding performance decisions of banks. As the development of the banking sector depends profoundly on strong decision making that leads to the efficiency and performance.

Research methodology

CHAPTER III

RESEARCH METHODOLOGY

Introduction

Research commonly refers to a search solution to the problems. It is an original contribution to the existing stock of knowledge making for its advancement. Research methodology is a way to systematically solve the research problem of the current research in descriptive in nature.

Sources of Data

The study and profitability of banks was based on secondary data and required material of data collected from Various Annual reports of the selected banks.

Period of Study

The period of study covered 10 years from 2007-2011 to 2012-2016.

Sample selection

The population for the study for scheduled commercial banks functioning in India. There are 27 public sector banks. From the population samples of 5 commercial banks in public sector were selected based on total assets of the banks as on March 2017.

Top 5 commercial banks were selected and the list presented below.

List of banks selected

(Rs.In Crores)

Category	Name of the banks	Total assets
Public sector banks	State Bank of India	1,791,311.40
	Punjab National Bank	5,591,20.48
	Bank of Baroda	4,86,806.56
	Bank of India	4,73,009.13

Statistical tools used for the study

- Mean (Average)
- Standard deviation
- Co-variance
- Compounded annual growth rate
- Multiple Correlation
- One sample 't' test

❖ Mean

It is the most common measures of central tendency and may be defined as the value which we get by dividing the total of values of various given items in a series by the total number of items.

$$\text{Mean} = \sum X_i / n$$

❖ Standard deviation

Standard Deviation is most widely used measure of dispersion of a series. According to Drummond & Jones (2006), a standard deviation "is the numerical value that describes the spread of scores away from the mean and is expressed in the same units as the original scores. The wider the spread of scores, the larger the standard deviation. Standard Deviation is the root mean square deviation of the values from their arithmetic mean.

$$\text{Standard Deviation} = \sqrt{\sum (X_i - \bar{X})^2 / n}$$

❖ Co-efficient of variation

Co-efficient of variation is defining as the percentage of the standard deviation to the mean. It should be noted that higher the variability the greater would be the co-efficient of variation. Co-efficient of variation (C.V.) may be calculated with the help of standard deviation and mean.

$$\text{Coefficient of Variation (C.V)} = \text{SD/Mean} * 100]$$

❖ **Compound Annual Growth Rate (CAGR)**

The compound annual growth rate is a useful measure of growth over multiple time periods. It can be thought of as the growth rate that gets you from the initial investment value to the ending investment value if you assume that the investment has been compounding over the time period.

$$\text{CAGR} = (\text{EV} / \text{BV})^{1/n} - 1$$

Where:

EV = Ending value

B= Beginning value

n = Number of periods (months, years, etc.)

Multiple Correlation

Multiple correlations is a statistical technique that predicts values of one variable on the basis of two or more other variables. It is correlation between the variables value and the best predictions that can be computed linearly from the predictive variable.

The parameters selected for evaluation of profitability & key performance ratio analyses are:-

1. Net profit margin
2. Operating profit margin
3. Return on Assets
4. Return on Equity
5. Net interest margin
6. Interest income to total assets
7. Non –interest income to total assets
8. Operating profit to total assets
9. Operating expenses to total assets
10. Interest expenses to total assets

Net profit margin

Net profit margin also called profit margin is the most basic profitability ratio that measures the percentage of net income of an entity to its net sales. It represents the proportion of sales that is left over after all relevant expenses have been adjusted. Net profit margin is used to compare profitability of competitors in the same industry. It can also be used to determine the profitability potential of different industries.

$$\text{Net Profit Margin} = \frac{\text{Net Income}}{\text{Net Sale}}$$

Operating profit margin

Operating profit margin is the profitability ratio known as a margin ratio which is used to calculate the operating profit margin for a bank's income statement. A bank's operating profit margin ratio gives the bank's operations contribute to its profitability.

$$\text{Operating profit margin} = \frac{\text{operating income}}{\text{sales revenue}}$$

Return on assets

ROA is a ratio indication of how profitable a company is relative to its total assets. It is calculated by dividing a company's annual earnings by its total assets, and is represented as a percentage. The formula for return on assets is:

$$\text{Return on Assets} = \frac{\text{Net Profit}}{\text{Total Assets}} \times 100$$

Return on equity

ROE is an Indicator of the Profitability of Banks from equity shareholders point of view. The price of equity shares in the capital market largely depends upon ROE but for speculation. Generally, the ability of the Banking Company to attract fresh equity in the market depends upon this indicator to a large extent.

$$\text{Return on Equity} = \frac{\text{Net Profit}}{\text{Net worth}} \times 100$$

Net interest margin

NIM, being the difference between the interest income and the interest expended as a percentage of total assets, shows the ability of the bank to keep the interest on deposits low and interest on advance high.

$$\text{Net Interest Margin} = \frac{\text{Net Interest Income}}{\text{Total Assets}} \times 100$$

Interest income to total assets

Interest income is the difference between the revenue that is generated from a bank's assets and the expenses associated with paying out its liabilities. A typical bank's assets consist of all forms of personal and commercial loans, mortgages and securities. The liabilities are the customer deposits. The excess revenue that is generated from the interest earned on assets over the interest paid out on deposits is the net interest income.

$$\text{Interest Income} = \text{Interest Received} - \text{Interest Paid}$$

Non-interest income to total assets

Non-interest income can be anything from asset sales to fees for penalties related to overdrafts or withdrawals. Some banks rely heavily on fees from automated teller machines, while other banks rely on general transaction fees. Non-interest income is particularly important in business banking relationships. Banks generally charge business and companies more for non-interest transactions. This ratio shows how much the bank is earning on total assets through non-interest income. The higher it is the better it is for the bank and vice-versa.

$$\text{Non- interest income of total assets} = \frac{\text{Total non-interest income}}{\text{average total assets}}$$

Operating expenses to total assets

The operating expenses to total assets are equal to a bank's operating expenses divided by its revenues. Operating expense to total assets can be explained as a way of quantifying the

cost of operating a rate of property compared to the income brought in by that bank. The operating expense is a helpful tool in carrying out the comparisons between the expenses of analogous banks. If a particular bank rate features a high operating expense, an investor should take it as a warning signal and look into the matter for why are the operating expenses high.

Operating expenses to total assets=Operating expenses/ revenues.

Interest expenses to total assets

The cost incurred by an entity for borrowed funds. Interest expense is a non-operating expense on the income statement. It represents interest payable on any borrowings – bonds, loans, convertible debt or lines of credit. It is essentially calculated as the interest rate times the outstanding principal amount of the debt. Interest expense on the income statement represents interest accrued during the period covered by the financial statements, and not the amount of interest paid over that period. While interest expense is tax-deductible for companies, in an individual's case, it depends on his or her jurisdiction and also on the loan's purpose.

Interest expenses to total assets= Interest rate *amount of the outstanding principal of the debt.

Analysis and
interpretation

CHAPTER IV

Analysis and Interpretation

The analysis of data is the way to use the collected raw data in to get meaningful information.

The current study focuses on identifying the trends in the deposits, investments, advances, total assets, total interest income, net profit. The other objectives of the study include understanding the:

- Identifying the determinates of the profitability.
- Trends in deposits, advances, investments, total assets, interest income, net profit for public sector banks.
- Relationship between profitability of public sector banks.

Data collected from secondary sources were analyzed and presented are given below:

Trends in select variables – Deposits, Investments, Advances, Total assets, Interest income and Net profit of selected public sector banks.

Table 1 presents the trends in the total deposits of the select five public sector banks.

Table 1
TOTAL DEPOSITS OF SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)

((InCrores)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008	5,37,403.94	1,66,457.23	1,52,034.13	1,50,011.98	1,54,072.42
2008-2009	7,42,073.13	2,09,760.50	1,92,396.95	1,89,704.48	1,86,892.51
2009-2010	8,04,116.23	2,49,329.80	2,41,044.26	2,29,761.94	2,34,651.44
2010-2011	9,33,932.81	3,12,898.73	3,05,439.48	2,98,885.81	2,93,436.64
2011-2012	10,43,647.36	3,79,588.48	3,84,871.11	3,18,216.03	3,27,053.73
2012-2013	12,02,739.24	3,91,560.06	4,73,883.34	3,81,839.59	3,55,855.99
2013-2014	13,94,408.51	4,51,396.75	5,68,894.39	4,76,974.05	4,20,722.82
2014-2015	15,76,793.24	5,01,378.64	6,17,559.52	5,31,906.63	4,73,840.10
2015-2016	17,30,722.44	5,53,051.13	5,74,037.87	5,13,004.52	4,79,791.56
2016-2017	20,44,751.39	6,21,704.02	6,01,675.17	5,40,032.01	4,95,275.24
MEAN	101,70,312.04	32,77,591.72	35,70,328.57	31,44,308.23	29,75,844.73
S.D	22180900.33	7114717.062	7682164.787	6774645.271	6397437.184
C.V	218.09	217.07	215.17	215.46	214.98
CAGR	0.86	0.86	0.86	0.87	0.88

Source: Annual reports of the public sectors banks

Table 1 presents the total deposits collecting by select public sector banks during the ten year period ending 2016-17. All the select bank have increasing trend their deposit mobilization. In this table the state bank of India is leads into the deposit collected which was at 20, 44,751.39 crores in 2016-17. Then the Punjab national bank occupying second position in collecting deposit and followed by bank of Baroda respectively the compound annual growth rate of 0,86 percent and 0.87 percent. Bank of India and Canara bank occupying 4th and 5th position, in deposit collecting 31,44,308.23 and 29,75,844.73 the CAGR of 0.87 and 0.88. in all the bank was increasing trend.

Table 2 presents the trends in the total investments of the select five public sector banks.

TABLE 2
TOTAL INVESTMENTS OF SELECT PUBLIC SECTOR BANKS

Year	(FROM 2007-08 to 2016-2017)					(Rs In Crores)
	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	1,89,501.27	53,991.71	43,870.07	41,802.88	49,811.57	
2008-2009	2,75,953.96	63,385.18	52,445.88	52,607.18	57,776.90	
2009-2010	2,85,790.07	77,724.47	61,182.38	67,080.18	69,676.95	
2010-2011	2,95,600.57	95,162.35	71,396.59	85,872.42	83,636.20	
2011-2012	3,12,197.61	1,22,629.47	83,209.40	86,753.59	1,02,057.43	
2012-2013	3,50,927.27	1,29,896.19	1,21,393.72	94,613.43	1,21,132.83	
2013-2014	3,98,308.19	1,43,785.50	1,16,112.66	1,14,152.44	1,26,828.26	
2014-2015	4,95,027.40	1,51,282.36	1,22,319.72	1,19,792.04	1,45,346.18	
2015-2016	4,77,097.28	1,57,845.89	1,20,450.52	1,18,848.92	1,42,309.30	
2016-2017	7,65,989.63	1,86,725.44	1,29,630.54	1,27,826.86	1,50,265.89	
MEAN	38,46,393.25	11,82,428.56	9,22,011.48	9,09,349.94	10,48,841.51	
S.D	1,63,409.38	44,057.24	33,203.58	29,852.71	37,703.49	
C.V	4.25	3.73	3.60	3.28	3.59	
CAGR	0.86	0.87	0.89	0.88	0.88	

Source: various annual reports of the banks

Table 2 presents the total investment collecting by selected public sector banks during the ten year period ending 2016-2017. All the select bank have increasing trend their investment mobilization. In this table the state bank of India is leads into the investment collected which was at 38, 46,393.25 crores in 2016-17. The Punjab national bank occupying second position in collecting investment and followed by bank of Baroda respectively the compound annual growth rate of 0.89 and 0.88. Bank of India and bank of Baroda occupying 4th and 5th position in investment collecting 9,22,011.48 and 9,09,349.94 the CAGR of 0.89 and 0.88 in all the bank was increasing trend.

Table 3 presents the trends in the total advances of the select five public sector banks.

TABLE 3
TOTAL ADVANCES OF SELECT PUBLIC SECTOR BANKS

(FROM 2007-08 to 2016-17)					(Rs In Crores)
Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008	4,16,768.20	1,19,501.57	1,06,701.32	1,13,476.33	1,07,238.04
2008-2009	5,42,503.20	1,54,702.99	1,43,985.90	1,42,909.37	1,38,219.40
2009-2010	6,31,914.15	1,86,601.21	1,75,035.29	1,68,490.71	1,69,334.63
2010-2011	7,56,719.45	2,42,106.67	2,28,676.36	2,13,096.18	2,11,268.29
2011-2012	8,67,578.89	2,93,774.76	2,86,377.29	2,48,833.34	2,32,489.82
2012-2013	10,45,616.55	3,08,725.21	3,28,185.76	2,89,367.50	2,42,176.62
2013-2014	12,09,828.72	3,49,269.13	3,97,005.81	3,70,733.54	3,01,067.48
2014-2015	13,00,026.39	3,80,534.40	4,28,065.14	4,02,025.54	3,30,035.51
2015-2016	14,63,700.42	4,12,325.80	3,83,770.18	3,59,188.95	3,24,714.82
2016-2017	15,71,078.38	4,19,493.15	3,83,259.22	3,66,481.68	3,42,008.76
MEAN	98,05,734.35	28,67,034.89	28,61,062.27	26,74,603.14	23,98,553.37
S.D	3,99,328.62	1,07,526.57	1,16,054.59	1,05,300.56	83,853.76
C.V	0.04	0.04	0.04	0.04	0.03
CAGR	1.16	1.15	1.15	1.14	1.14

Source: various annual reports of the banks

Table 3 presents the total advances collecting of select public sector bank during the ten year period ending 2016-17. All the five select banks showed an increasing trend their mobilization. In this table state bank of India is leads into the advances collected which was at 98,05,734.35 crores in 2016-17. Then the Canara bank occupying second position in collecting advances and followed by bank of Baroda respectively the compound annual growth rate of 1.15 and 1.16 percent respective in respect advances Punjab national bank and Canara bank occupying 4th and 5th position in deposit collecting 28,67,034.89 and 23,98,553.37 the CAGR of 1.15 and 1.14.

Table 4 presents the trends in the total assets of the select five public sector banks.

TABLE 4
TOTAL ASSETS OF SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)

(Rs In Crores)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008	7,21,526.24	1,97,484.66	1,79,599.50	1,77,066.90	1,78,323.83
2008-2009	9,64,432.08	2,45,404.88	2,27,406.73	2,23,791.46	2,17,477.64
2009-2010	10,53,413.74	2,95,140.88	2,78,316.71	2,73,537.84	2,62,608.41
2010-2011	12,23,736.21	3,76,854.50	3,58,397.18	3,49,853.08	3,33,846.48
2011-2012	13,35,519.24	4,56,744.48	4,47,321.46	3,83,299.57	3,72,095.07
2012-2013	15,66,261.03	4,77,448.19	5,47,135.44	4,52,602.72	4,10,390.36
2013-2014	17,92,234.60	5,49,011.74	6,59,504.53	5,73,190.20	4,86,423.61
2014-2015	20,48,079.80	6,01,946.05	7,14,988.55	6,18,697.76	5,42,594.70
2015-2016	22,59,063.05	6,64,545.67	6,71,376.48	6,09,913.93	5,47,516.10
2016-2017	26,74,380.65	7,16,580.02	6,94,875.41	6,26,309.27	5,78,146.30
MEAN	156,38,646.64	45,81,161.07	47,78,921.99	42,88,262.73	39,29,422.50
S.D	6,23,646.27	1,77,976.47	2,06,901.95	1,72,271.01	1,44,297.30
C.V	3.99	3.88	4.33	4.02	3.67
CAGR	115.67	115.40	116.22	115.07	113.96

Source: various annual reports of the banks

Table 4 presents the total assets collecting by select public sector banks during the ten years period ending 2016-17. All the select bank have increasing trend their assets mobilization. In this table state bank of India is leads into the assets collected which was at 156, 38,646.64 crores 2016-17. Then the Punjab national bank occupying second position in collecting assets and followed by bank of Baroda respectively the compound annual growth rate of 115.67 and 115.40

Bank of Baroda and bank of India occupying 4th and 5th position in assets collecting 47,78,921.99 and 42,88,262.73 the CAGR of 116.22 and 115.07 in all the bank was increasing trend

Table 5 presents the trends in the total interest income of the select five public sector banks.

TABLE 5
TOTAL INTEREST INCOME OF SELECT PUBLIC SECTOR BANKS
(FROM 2006-07 to 2015-16)

(Rs In Crores)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008	58,348.74	16,262.58	13,864.52	14,472.15	16,509.05
2008-2009	76,479.78	22,245.85	17,849.24	19,399.22	19,546.15
2009-2010	85,962.07	25,032.22	19,504.70	20,494.63	21,752.78
2010-2011	96,324.78	30,599.06	24,695.11	24,393.49	25,751.53
2011-2012	1,20,872.90	40,630.63	33,096.05	31,801.84	33,778.22
2012-2013	1,35,691.94	46,109.25	38,827.27	35,674.97	37,230.95
2013-2014	1,54,903.72	47,799.96	43,402.45	42,201.94	43,480.37
2014-2015	1,74,972.96	52,206.09	47,365.56	47,662.61	48,300.29
2015-2016	1,91,843.67	54,301.37	49,060.14	45,449.01	48,897.37
2016-2017	2,10,979.17	56,227.36	48,957.99	46,063.18	48,942.04
MEAN	13,06,379.73	3,91,414.37	3,36,623.03	3,27,613.04	3,44,188.75
S.D	51,863.43	14,526.30	13,758.04	12,436.65	12,828.72
C.V	3.97	3.71	4.09	3.80	3.73
CAGR	115.35	114.78	115.05	113.73	112.83

Source: various annual reports of the banks

Table 5 presents the total interest income collecting by select public sector banks during the ten years period ending 2016-17. All the select bank have increasing trend their assets mobilization. In this table state bank of India is leads into the assets collected which was at 2,10,979.17 crores 2016-17. Then the Punjab national bank occupying second position in collecting assets and followed by bank of Baroda respectively the compound annual growth rate of 114.78 and 115.05. Bank of Baroda and bank of India occupying 4th and 5th position in assets collecting 3,36,623.03 and 3,27,613.04 the CAGR of 115.05 and 113.73 in all the bank was increasing trend .

Table 6 presents the trends in the net profit of the select five public sector bank

TABLE 6
NET PROFIT OF SELECT PUBLIC SECTOR BANKS
(FROM 2006-07 to 2015-16)

(Rs In Crores)					
Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008	6,729.12	2,048.76	1,435.52	2,009.40	1,565.01
2008-2009	9,121.23	3,090.88	2,227.20	3,007.35	2,072.42
2009-2010	9,166.05	3,905.36	3,058.33	1,741.07	3,021.43
2010-2011	7,370.35	4433.5	4,241.68	2,488.71	4,025.89
2011-2012	11,707.29	4,884.20	5,006.96	2,677.52	3,282.71
2012-2013	14,104.98	4,747.67	4,480.72	2,749.35	2,872.10
2013-2014	10,891.17	3,342.58	4,541.08	2,729.27	2,438.19
2014-2015	13,101.57	3,061.58	3,398.44	1,708.92	2,702.62
2015-2016	9,950.65	-3,974.40	-5,395.54	-6,089.21	-2,812.82
2016-2017	10,484.10	1,324.80	1,383.14	-1,558.31	1,121.92
MEAN	1,02,626.51	26,864.93	24,377.53	11,464.07	20,289.47
S.D	2328.756882	2602.970801	3041.969438	2862.953488	1896.179807
C.V	2.27	9.69	12.48	24.97	9.35
CAGR	1.05	0.95	1.00	-0.97	0.96

Source: various annual reports of the banks

The table 6 highlights the trend in the net profit earned by the select banks during the period of study. All the five banks recorded a fluctuating trend in their net profit. Except state bank of India Rs. 10,484.10 crores the remaining banks Punjab national bank, bank of Baroda, bank of India and Canara bank reported net loss during 2016-17. The compounded annual growth rate of net profit was the highest at -0.97 percent in the case of bank of India, followed by bank of Baroda at 1.00 percent during the period of study. Canara bank registered the lowest compounded annual growth rate of 0.96 percent during the period.

TABLE – 6(a)

**Descriptive statistics relating deposit, investments, total advances, total assets, total interest income, net profit of select public sector banks
(In percentage)**

Profitability of commercial banks:

Profits are important for the survival and growth of any organization. Profits indicate the efficiency of the management in the organization. To study the profitability select banks, following ratios are used.

Public sector bank

For commercial banks have been select for the study and their profitability and key performance ratio is presented in the following table.

- Net profit margin
- Operating profit margin
- Return on Assets
- Return on Equity
- Net interest margin
- Interest income of total assets
- Non –interest income of total assets
- Operating profit of total assets
- Operating expenses of total assets
- Interest expenses of total assets.

Net profit margin

Net profit margin is used to compare profitability of competitors in the same banking industry. It can also be used to determine the profitability potential of different industries. NPA of Select public sector bank is presented in table7

Table: 7

NET PROFIT MARGIN OF SELECT PUBLIC SECTOR BANKS (FROM 2007-08 to 2016-17)

(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	11.85	12.95	11.13	14.87	10.02	
2008-2009	12.25	14.44	13.28	16.52	11.22	
2009-2010	10.99	16.08	16.66	8.88	14.77	
2010-2011	9.05	16.42	19.38	11.44	17.54	
2011-2012	10.99	13.4	16.87	9.4	10.64	
2012-2013	11.78	11.33	12.73	8.61	8.42	
2013-2014	7.98	7.73	11.66	7.19	6.16	
2014-2015	8.59	6.61	7.91	3.93	6.17	
2015-2016	6.07	-8.38	-12.24	-14.56	-6.38	
2016-2017	5.97	2.8	3.27	-3.96	2.71	
MEAN	95.52	93.38	100.65	62.32	81.27	
RANGE	MAX	12.25	16.42	19.38	16.52	17.54
	MIN	5.97	2.8	3.27	-3.96	2.71
S.D	2.36	7.61	9.10	9.27	6.66	
C.V	2.47	8.15	9.05	14.87	8.20	

Source: Various Annual Reports of select banks.

Table 7 reveals the fluctuating trend in the net profit margin of the selected banks. State bank of india is recorded higher percentage of 12.25. punjab national bank is recorded higher percentage 14.44. Bank of baroda is recorded higher percentage 16.66. Bank of India is recorded of higher percentage 16.52. Canara bank is recorded of higher percentage is 14.77. The average net margin of Bank of Baroda was the highest at 100.65 percent during the period of the study and Bank of India had the lowest Mean value of net profit at 62.32 percent. Standard deviation was the highest value is 9.27. coefficient of variation was the lowest value is 2.47 in case of bank of India.

Operating profit margin

Operating profit margin is the profitability ratio known as a margin ratio which is used to calculate the operating profit margin for a bank's income statement. A bank's operating profit margin ratio gives the bank's operations contribute to its profitability. Operating profit margin of select public sector bank is presented in table8.

Table 8
OPERATING PROFIT MARGIN OF SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17) (In percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	10.11	10.8	3.95	8.37	5.72	
2008-2009	10.42	9.46	10.04	12.51	8.22	
2009-2010	6.66	13.26	8.28	5.49	7.5	
2010-2011	-10.38	3.04	6.54	-0.7	5.29	
2011-2012	-2.48	1.87	5.34	-2.25	1.15	
2012-2013	-1.61	1.26	2.41	-3.18	-0.82	
2013-2014	-5.61	-2.85	0.2	-4.12	-3.77	
2014-2015	-6.21	-6.1	-2.33	-5.81	-4.22	
2015-2016	-11.12	-22.88	-23.59	-23.3	-17.46	
2016-2017	-14.23	-16.13	-12.73	-21.2	-15.54	
MEAN	-24.45	-8.27	-1.89	-34.19	-13.93	
RANGE	MAX	10.42	13.26	10.04	12.51	8.22
	MIN	-1.61	-6.1	0.2	-0.7	-0.82
S.D	8.87	11.64	10.47	11.54	9.10	
C.V	-36.28	-140.69	-553.72	-33.75	-65.33	

Source: Various Annual Reports of select banks

Table 8 that the decline trend in the operating profit margin of the select banks. State bank of India is recorded higher percentage of 10.42. Punjab National Bank is recorded on higher percentage is 13.26. Bank of Baroda is recorded on higher percentage 10.04. Bank of India is higher percentage on 12.51. Canara bank is recorded higher percentage is 8.22. standard deviation had the higher value 11.64. correlation co-efficient variance is -33.75.

Return on Assets

ROA is a financial ratio that shows the percentage of profit that a company earns in relation to its overall resources (total assets). ROA of Select public sector bank is presented

Table: 9

**RETURN ON ASSETS OF SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)**

(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008	0.93	1.02	0.79	1.12	0.86
2008-2009	0.94	1.25	0.97	1.33	0.94
2009-2010	0.87	1.31	1.09	0.63	1.14
2010-2011	0.6	1.17	1.18	0.7	1.19
2011-2012	0.87	1.06	1.11	0.69	0.87
2012-2013	0.9	0.99	0.81	0.6	0.69
2013-2014	0.6	0.06	0.68	0.47	0.49
2014-2015	0.63	0.5	0.47	0.27	0.49
2015-2016	0.44	-0.59	-0.8	-0.99	-0.5
2016-2017	0.38	0.18	0.19	-0.24	0.19
MEAN	7.16	6.95	6.49	4.58	6.36
RANGE	MAX	0.94	1.25	1.18	1.33
	MIN	0.6	-0.59	-0.8	-0.24
S.D	0.21	0.63	0.59	0.67	0.50
C.V	2.95	9.09	9.16	14.52	7.94

Source: Various Annual Reports of select banks.

Table 9 reveals the fluctuating trend in the return on assets of the selected banks. State bank of India recorded higher percentage value of 0.94. Punjab National Bank is recorded on higher percentage is 1.31. Bank of Baroda is recorded on higher percentage 1.18. Bank of India is higher percentage on 1.33. Canara Bank is recorded higher percentage is 1.19. Standard deviation had the higher value 0.26. Coefficient variance is lowest value

Return on Equity

ROE is an Indicator of the Profitability of Banks from equity shareholders point of view. The price of equity shares in the capital market largely depends upon ROE but for speculation. Generally, the ability of the Banking Company to attract fresh equity in the market depends upon this indicator to a large extent. ROE of Select public sector bank is presented in table10.

Table: 10
RETURN ON EQUITY OF SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)

(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	13.72	19.00	12.99	22.76	18.86	
2008-2009	15.74	23.52	17.35	25.51	20.94	
2009-2010	13.89	24.06	20.24	13.6	24.09	
2010-2011	11.34	22.12	20.15	15.58	22.43	
2011-2012	13.94	18.52	18.22	13.57	15.91	
2012-2013	14.26	15.19	14.01	11.49	12.57	
2013-2014	9.2	9.69	12.61	9.12	10.1	
2014-2015	10.2	8.12	8.52	5.43	10.21	
2015-2016	6.89	0.00	0.00	0.00	0.00	
2016-2017	6.69	3.47	3.43	-5.06	3.96	
MEAN	115.87	143.69	127.52	112	139.07	
RANGE	MAX	15.74	23.52	20.24	25.51	24.09
	MIN	9.2	0.00	0.00	0.00	0.00
S.D	3.22	8.58	6.92	9.41	8.00	
C.V	2.78	5.97	5.43	8.40	5.76	

Source: Various Annual Reports of select banks

Table 10 reveals the fluctuating trend in the return on equity of the selected banks. State bank of India recorded higher percentage value of 15.74. Punjab National Bank is recorded on higher percentage is 23.52. Bank of Baroda is recorded on higher percentage 17.35. Bank of India is higher percentage on 23.51. Canara bank is recorded higher percentage is 20.94..standard deviation had the higher value 9.41. coefficient variance is lowest vale 2.78.

Net Interest Margin

NIM is a measure of the difference between the interest income generated by banks or other financial institutions and the amount of interest paid out to their lenders relative to the amount of their interest-earning assets. NIM of Select public sector banks is presented in table17.

Table: 11
NET INTEREST MARGIN OF SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)
(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	3.43	3.56	2.78	3.01	2.73	
2008-2009	3.26	3.68	2.99	3.25	2.76	
2009-2010	3.14	3.82	2.72	2.71	2.78	
2010-2011	2.56	3.12	2.45	2.22	2.29	
2011-2012	3.24	2.92	2.3	2.16	2.05	
2012-2013	2.83	3.1	2.06	1.99	1.91	
2013-2014	2.72	2.93	1.81	1.88	1.81	
2014-2015	2.68	2.74	1.84	1.83	1.76	
2015-2016	2.51	2.29	1.89	1.92	1.76	
2016-2017	2.28	2.08	1.94	1.88	1.69	
MEAN	28.65	30.24	22.78	22.85	21.54	
RANGE	MAX	3.43	3.82	2.99	3.25	2.29
	MIN	2.28	2.08	1.84	1.88	1.69
S.D	3.22	8.58	6.92	9.41	8.00	
C.V	2.78	5.97	5.43	8.40	5.76	

Source: Various Annual Reports of select banks.

Table 11 reveals trend in the net interest margin for the select banks is highly volatile. Punjab National Bank, Bank of Baroda, and Canara Bank recorded higher percentage of net profit margin during 2007-2008 to 2012-2013. All banks have registered positive net interest margin in 2016-2017. The average net interest margin of Punjab National Bank was the highest at 30.24 percent during the period of the study and Canara Bank had the lowest Mean value of net interest margin return at 21.54 percent. Standard deviation and coefficient of variation were the lowest in case of State Bank of India.

Interest income to total asset

Interest income is the difference between the revenue that is generated from a bank's assets and the expenses associated with paying out its liabilities. A typical bank's assets consist of all forms of personal and commercial loans, mortgages and securities. The liabilities are the customer deposits. Interest income to select public sector bank is presented in table12

Table: 12
INTEREST INCOME TO TOTAL ASSETS SELECTED PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)

		(In Percentage)				
Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	7.86	7.94	7.18	7.55	24.86	
2008-2009	7.71	8.66	7.37	8.06	23.91	
2009-2010	7.91	8.18	6.59	7.12	26.64	
2010-2011	6.65	7.13	6.1	6.19	25.18	
2011-2012	7.97	7.95	6.63	7.4	8.24	
2012-2013	7.63	8.74	6.43	7.05	8.26	
2013-2014	7.6	7.85	5.9	6.61	8.03	
2014-2015	7.44	7.67	6	7.01	7.98	
2015-2016	7.24	7.1	6.56	6.85	7.96	
2016-2017	6.48	6.56	6.07	6.27	7.09	
MEAN	74.49	77.78	64.83	70.11	148.15	
RANGE	MAX	7.97	8.74	7.37	8.06	26.64
	MIN	6.65	6.56	5.9	6.27	7.09
S.D	0.52	0.69	0.49	0.57	8.92	
C.V	0.69	0.89	0.76	0.82	6.02	

Source: Various Annual Reports of select banks.

Table 12 reveals that the interest income of total assets are fluctuating the canara bank, State bank of India, and the shows a higher percentage of interest income of total assets. State bank of India is the recorded of higher value is 7.89. Punjab national bank is higher values is 8.66. State bank of Baroda is highly recorded value is 7.18. Bank of india is recorded high value is 8.06. canara bank high value is 24.86. standard deviation is higher value is 8.92. coefficient of variation is least for the state bank of india.

Non-interest income to total assets

Non-interest income can be anything from asset sales to fees for penalties related to overdrafts or withdrawals. Some banks rely heavily on fees from automated teller machines, while other banks rely on general transaction fees. Non-interest income is particularly important in business banking relationships. Non-interest income of total assets select public sector bank is presented in table 13.

Table:13
NON- INTEREST INCOME TO TOTAL ASSETS SELECT PUBLIC SECTOR
BANKS
(FROM 2007-08 to 2016-17)
(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	0.13	0.17	0.51	0.49	0.37	
2008-2009	0.14	0.42	0.23	0.32	0.25	
2009-2010	0.34	0.23	0.55	0.24	0.56	
2010-2011	1.29	0.95	0.78	0.75	0.83	
2011-2012	1.07	0.91	0.76	0.86	0.78	
2012-2013	1.02	0.88	0.66	0.83	0.76	
2013-2014	1.03	0.83	0.67	0.74	0.79	
2014-2015	1.1	0.97	0.61	0.68	0.83	
2015-2016	1.24	1.03	0.74	0.59	0.88	
2016-2017	1.31	1.24	0.97	1.08	1.29	
MEAN	13.21	13.19	5.7	5.83	6.51	
RANGE	MAX	1.31	1.24	0.97	1.08	1.29
	MIN	0.14	0.17	0.23	0.24	0.37
S.D	0.47	0.36	0.20	0.26	0.29	
C.V	3.58	2.73	3.45	4.38	4.44	

Source: Various Annual Reports of select banks.

Table 13 shows that Non-Interest Income of Total Assets is

negative for State bank of India and Punjab national bank for the year 2007-2008. The Non-Interest Income of Total Assets remains positive for the state bank of India is recorded on high value is 1.31 and Punjab national bank high value recorded is 1.24.

Operating profit to total assets

It is a measure of profitability commonly used in the Banking industry. It does not take into account the bank's leverage; it has nothing to do with asset composition and it has nothing to do with liquidity. Operating profit to total assets of select public sector banks is presented in table 14.

Table :14
OPERATING PROFIT TO TOTAL ASSETS SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)
(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	0.79	0.85	0.28	0.63	0.49	
2008-2009	0.8	0.82	0.74	1.01	0.69	
2009-2010	0.52	1.08	0.54	0.39	0.58	
2010-2011	-0.69	0.21	0.39	-0.04	0.36	
2011-2012	-0.19	0.14	0.35	-0.16	0.09	
2012-2013	-0.12	0.11	0.15	-0.22	-0.06	
2013-2014	-0.42	-0.22	0.01	-0.27	-3.30	
2014-2015	-0.46	-0.46	-0.14	-0.04	-3.33	
2015-2016	-0.80	-1.62	-1.54	-0.59	-3.39	
2016-2017	-0.92	-1.05	-0.77	-1.33	-1.1	
MEAN	-1.49	-0.14	0.01	-0.98	-8.97	
RANGE	MAX	0.79	0.85	0.74	1.01	0.69
	MIN	-0.8	-1.05	-0.14	-0.04	-1.1
S.D	0.64	0.86	0.68	0.66	1.76	
C.V	-43.11	-612.70	6,830.40	-67.16	-19.60	

Source: Various Annual Reports of select banks

Table 14 depicts that though the operating profit to total assets for all the banks initially shows a positive trend it turns negative. And it is negative for all the banks for the year 2016. The Canara Bank least value is -1.1. Total operating cost value is (-8.97).

Operating expenses to total assets

The operating expenses to total assets are equal to a bank's operating expenses divided by its revenues. The operating expense is a helpful tool in carrying out the comparisons between the expenses of analogous banks. Operating expenses to total assets of Select public sector bank is presented in table15.

Table: 15
OPERATING EXPENSES TO TOTAL ASSETS SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)

		(In Percentage)				
Year		State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank
2007-2008		2.02	1.96	1.87	1.86	2.03
2008-2009		1.87	2.03	1.69	1.64	1.8
2009-2010		2.36	1.94	1.69	1.97	1.85
2010-2011		1.88	1.68	1.29	1.44	1.31
2011-2012		1.95	1.52	1.15	1.28	1.24
2012-2013		1.86	1.7	1.08	1.17	1.24
2013-2014		1.99	1.69	1.08	1.16	1.23
2014-2015		1.88	1.73	1.07	1.3	1.32
2015-2016		1.84	1.49	1.32	1.53	1.35
2016-2017		1.71	1.3	1.33	1.41	1.45
MEAN		19.36	17.04	13.57	14.76	14.82
RANGE	MAX	2.36	2.03	1.87	1.97	2.03
	MIN	1.71	1.3	1.07	1.3	1.8
S.D		0.17	0.23	0.29	0.28	0.30
C.V		0.89	1.34	2.16	1.88	2.00

Source: various annual reports of the banks

Table 15 shows that the operating expense to total assets is fluctuating for all the banks. The State Bank of India possess the highest average value for operating expenses to total assets is 19.36. The standard deviation for the operating expenses to total assets is least 0.19 percent for the State Bank of India with the coefficient of variation of 9.62 percent.

Interest expenses to total assets

The cost incurred by an entity for borrowed funds. Interest expense is a non-operating expense on the income statement. It represents interest payable on any borrowings – bonds, loans, convertible debt or lines of credit. It is essentially calculated as the interest rate times the outstanding principal amount of the debt. Interest expense to total assets of select public sector bank is presented in table16.

Table:16
INTEREST EXPENSES OF TOTAL ASSETS SELECT PUBLIC SECTOR BANKS
(FROM 2007-08 to 2016-17)

(In Percentage)

Year	State Bank of India	Punjab National Bank	Bank of Baroda	Bank of India	Canara Bank	
2007-2008	4.42	4.38	4.39	4.54	5.9	
2008-2009	4.44	4.97	4.38	4.81	5.64	
2009-2010	4.49	4.36	3.86	4.4	4.93	
2010-2011	3.99	4.01	3.65	3.96	4.53	
2011-2012	4.73	5.02	4.32	5.24	6.19	
2012-2013	4.8	5.64	4.36	5.05	6.35	
2013-2014	4.85	4.91	4.09	4.72	6.22	
2014-2015	4.75	4.93	4.16	5.18	6.22	
2015-2016	4.72	4.81	4.66	4.93	6.19	
2016-2017	4.2	4.48	4.12	4.38	5.4	
MEAN	45.39	47.51	41.99	47.21	57.57	
RANGE	MAX	4.85	5.64	4.66	5.24	6.35
	MIN	4.2	4.01	3.65	4.4	5.9
S.D	0.28	0.46	0.29	0.40	0.62	
C.V	0.62	0.96	0.69	0.86	1.08	

Source: various annual reports of the banks

Table 16 shows that the interest expenses of total assets shows an increasing trend at an decreasing rate. And falls in the middle year and again faces an increasing trend. The average value of interest expenses of total assets is highest 57.57 for the Canara bank. The standard deviation for the interest expenses of total assets is least for State bank of India 0.28 with the co-efficient of variation of 0.62 percent

Table 16(a)**Descriptive statistics relating to Profitability Ratio Of select Public Sector Banks****FROM (2007-08 to 2016-17)**

Ratios		SBI	PNB	BOB	BOI	COI
Net Interest margin	Mean	95.52	93.38	100.65	62.32	81.27
	S.D	2.36	7.61	9.10	9.27	6.66
	C.V	2.47	8.15	9.05	14.87	8.20
Operating Profit margin	Mean	-24.45	-8.27	-1.89	-34.19	-13.93
	S.D	8.87	11.64	10.47	11.54	9.10
	C.V	-36.28	-140.69	-553.72	-33.75	-65.33
Return on assets	Mean	7.16	6.95	6.49	4.58	6.36
	S.D	0.21	0.63	0.59	0.67	0.50
	C.V	2.95	9.09	9.16	14.52	7.94
Return on equity	Mean	115.87	143.69	127.52	112	139.07
	S.D	3.22	8.58	6.92	9.41	8.00
	C.V	2.78	5.97	5.43	8.40	5.76
Net Interest Margin	Mean	28.65	30.24	22.78	22.85	21.54
	S.D	0.38	0.57	0.44	0.52	0.45
	C.V	1.33	1.88	1.91	2.27	2.09
Interest Income to total Assets	Mean	74.49	77.78	64.83	70.11	148.15
	S.D	0.52	0.69	0.49	0.57	8.92
	C.V	0.69	0.89	0.76	0.82	6.02
Non – Interest Income of Total Assets	Mean	13.21	13.19	5.7	5.83	6.51
	S.D	0.47	0.36	0.20	0.26	0.29
	C.V	3.58	2.73	3.45	4.38	4.44
Operating profit to total assets	Mean	-1.49	-0.14	0.01	-0.98	-8.97
	S.D	0.64	0.86	0.68	0.66	1.76
	C.V	-43.11	-612.70	6,830.40	-67.16	-19.60
Operating Expenses to total Assets	Mean	19.36	17.04	13.57	14.76	14.82
	S.D	0.17	0.23	0.29	0.28	0.30
	C.V	0.89	1.34	2.16	1.88	2.00
Interest Expenses to total Assets	Mean	45.39	47.51	41.99	47.21	57.57
	S.D	0.28	0.46	0.29	0.40	0.62
	C.V	0.62	0.96	0.69	0.86	1.08

Table: 17
Public Bank T-test values taken for the period of ten years
(From 2007-08 to 2016-2017)

Ratios	Bank name	t-value	Sig(2-tailed)	Mean difference	Significance
Net interest margin	SBI	12.782	.000	9.55200	Significance
	PNB	3.878	.004	9.33800	Significant
	BOB	3.496	.007	10.06500	Significant
	BOI	2.127	.062	6.23200	Significant
	CB	3.856	.004	8.12700	Significant
Operating profit margin	SBI	-.872	.406	-2.44500	Significant
	PNB	-.225	.827	-.82700	Not-Significant
	BOB	-.057	.956	-.18900	Not-Significant
	BOI	-.937	.373	-3.41900	Not-Significant
	CB	-.484	.640	-1.39300	Not-Significant
Return on assets	SBI	10.731	.000	.71600	Significant
	PNB	3.477	.007	.69500	Significant
	BOB	3.452	.007	.64900	Significant
	BOI	2.178	.057	.45800	Significant
	CB	3.984	.003	.63600	Significant
Return on equity	SBI	11.368	.000	11.58700	Significant
	PNB	5.293	.000	14.36900	Significant
	BOB	5.828	.000	12.75200	Significant
	BOI	3.765	.004	11.20000	Significant
	CB	5.494	.000	13.90700	Significant
Net interest margin	SBI	23.754	.000	2.86500	Significant
	PNB	16.857	.000	3.02400	Significant
	BOB	16.538	.000	2.27800	Significant
	BOI	13.956	.000	2.28500	Significant
	CB	15.131	.000	2.15400	Significant
Interest income to total assets	SBI	45.638	.000	7.44900	Significant
	PNB	35.581	.000	7.77800	Significant
	BOB	41.420	.000	6.48300	Significant
	BOI	38.624	.000	7.01100	Significant
	CB	5.251	.001	14.81500	Significant
Non-interest income of total assets	SBI	5.803	.000	.86700	Significant
	PNB	6.692	.000	.76300	Significant
	BOB	10.428	.000	.64800	Not-Significant
	BOI	8.155	.000	.65800	Not-Significant
	CB	8.031	.000	.73400	Not-Significant
Operating profit to total	SBI	-.734	.482	-1.4900	Significant
	PNB	-.052	.960	-.01400	Not-Significant

assets	BOB	.005	.996	.00100	Not-Significant
	BOI	-.471	.649	-.09800	Not-Significant
	CB	-1.613	.141	-.89700	Not-Significant
Operating expenses to total assets	SBI	35.568	.000	1.93600	Significant
	PNB	23.534	.000	1.70400	Significant
	BOB	14.669	.000	1.35700	Significant
	BOI	16.859	.000	1.47600	Significant
	CB	15.801	.000	1.48200	Significant
Interest expenses to total assets	SBI	50.702	.000	4.53900	Significant
	PNB	32.833	.000	4.75100	Significant
	BOB	45.746	.000	4.19900	Significant
	BOI	36.926	.000	4.72100	Significant
	CB	29.167	.000	5.75700	Significant

Source: various annual reports of the banks

Table 17 reveals the results of the hypothesis, if there was difference in profitability of the select public sector banks during the study period. The p value of Net profit margin, Return on assets, Return on equity, Net interest margin, Interest income to total assets, Non interest income to total assets, Operating expenses to total assets, Interest expenses to total assets is less than 0.05, i.e., 5% level of significant. The null hypothesis does not support statistically. Hence, null hypothesis was rejected and alternative hypothesis was accepted.

The t- value of operating profit margin and operating profit to total assets is not less than 0.05. Hence, null hypothesis was accepted and alternative hypothesis was rejected.

Table:18

Correlation Matrix for Public Sector Banks

	Return on equity	Net interest margin	Operating profit margin	Total advances	Total deposits
Return on equity	1				
Net interest margin	0.976	1			
Operating profit margin	0.967	0.997	1		
Total advances	0.917	0.971	-0.969	1	
Total deposits	0.973	0.998	0.996	0.963	1

Table 18 reveals that the correlation between dependent variable return on assets and select independent variable in respect of public sector variable return on equity is positively correlated our total deposit (0.973) net interest margin is correlated with operating profit margin (0.976) operating profit margin is correlated with total deposit r1 negative by (-0.969) and positively.

Findings, suggestion
and conclusion

CHAPTER – V

Summary of Finding, Suggestion and Conclusion

Trends in Deposits, Investments, Advances, Total assets, Interest Income and Net Profit of select Public Sector Banks

- The select bank have improved their deposit mobilization state bank of India's collected deposit are 101,70,312.04 crores in 2016-17. Punjab National Bank and bank of Baroda recorded higher compounded annual growth rate of 0.86 percent and 0.86percent respectively.
- The compounded annual growth rate in total investments was higher in the case Punjab national bank at 0.86 percent and in bank of Baroda at 0.86 percent.
- Advances of all the five select banks showed an increasing trend. Bank of Baroda and state bank of India registered a compounded annual growth rate 1.14 percent and 1.16 percent respective in respect advances.
- Bank of Baroda and bank of India recorded the highest compounded annual growth rate in total assets at 116.22 percent
- The interest income, being the major item of reserve of a bank, showed an increasing trend in respect of all the select bank. Bank of Baroda and bank of India recorded the highest compounded annual growth rate
- The five banks recorded a fluctuating trend in their net profit. Except state bank of India Rs. 1,02,626.51 crores the remaining banks Punjab national bank, bank of Baroda, bank of India and canara bank reported net loss during 2016-17. The compounded annual growth rate of net profit was the highest at 1.16 percent in the case of bank of India

Public Sector Banks

- The four banks registered negative net profit margin in 2016-2017, except State Bank of India. The average net margin of Bank of Baroda was the highest at 100.65 percent during the period of the study and Bank of India had the lowest Mean value of net profit at 62.32 percent.
- The decline trend in the operating profit margin of the select banks. The mean operating margin was the highest at -8.27 percent and State Bank of India recorded the lowest operating profit margin and it was negative at -1.89 in the bank of india
- The 4 banks registered negative return of asset during 2016-2017, except State Bank of India. The average return of assets of Punjab National Bank was the highest at 6.95 percent
- All banks have registered positive return on equity in 2016-2017. The average return of assets of Punjab National Bank was the highest at 143.69 percent and State of India had the lowest Mean value of return on equity at 115.87 percent.
- All banks have registered positive net interest margin in 2016-2017. The average net interest margin of Punjab National Bank was the highest at 30.24 percent and Canara Bank had the lowest Mean value of net interest margin return at 21.54 percent.
- The average interest income of total assets for the canara bank stands highest 26.64 and the least value on average of interest income of total assets is recorded by the bank of Baroda.
- The Non- Interest Income of Total Assets remains positive for the state bank of India and Punjab national bank. Bank of baroda, bank of India, and canara bank shows an positive trend right from the year 2007-2008 to 2016-2017
- The operating profit to total assets for all the banks initially shows a positive trend it turns negative. The Canara bank has the least average value for the operating profit to total assets (-8.97).
- The operating expense to total assets is fluctuating for all the banks .The State Bank of India possess the highest average value for operating expenses to total assets is 19.36.

The interest expenses of total assets shows an increasing trend at an decreasing rate. The average value of interest expenses of total assets is highest 57.57 for the Canara bank.

Suggestions:

- Profits are generated by the way of high volume of business coupled with the better services. The public sector banks should try to upgrade technology in order to have an customer friendly policies to face competition at national and international level
- In spite of their high net profit margin, SBI had lowest mean value of return on their equity and the lowest operating profit margin so they should take adequate measures to improve their return on their equity & their operating profit margin.
- Canara bank possesses an least average value for operating profit to total assets. So it has to take adequate measures to improve the operating profit to total assets.

Conclusion:

The financial performance of the selected five public sector banks is analyzed using different parameters. The selected public sector banks that are Bank of India, Canara Bank, Bank of Baroda, and State Bank of India and Punjab National Bank of India are in a position to follow the rules of the Government for the social and economic development of the country. The selected public sector banks have performed well on the sources of growth rate and financial efficiency during the study period. Analyzing the banks overall profitability and productivity indices reveal that public sector banks are profitable. With the increasing competition in the banking sector, profitability and productivity has become a greatest challenge to Indian commercial banks. Banks should explore every possibility for improvement and increase the profitability. Attempts should be made to control over expenses and also the resources should be utilized in a more efficient manner. Profitability ratios provide a definitive evaluation of the overall effectiveness of management based on the returns generated on sales and investment. Profita

bility is the primary motivating force for any economic activity. All these information will create an opinion in the mind of management of the bank, and they can easily assess the strength, weakness, opportunities and threats of the banks, which will ultimately boost the profitability of the banks.

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Annexure

State Bank of India
Standalone Balance Sheet

----- in Rs. Cr. -----

	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	797.35	776.28	746.57	746.57	684.03
Equity Share Capital	797.35	776.28	746.57	746.57	684.03
Reserves	155,903.06	143,498.16	127,691.65	117,535.68	98,199.65
Net Worth	156,700.41	144,274.44	128,438.22	118,282.25	98,883.68
Deposits	2,044,751.39	1,730,722.44	1,576,793.24	1,394,408.51	1,202,739.57
Borrowings	317,693.66	224,190.59	205,150.29	183,130.88	169,182.71
Total Debt	2,362,445.05	1,954,913.03	1,781,943.53	1,577,539.39	1,371,922.28
Other Liabilities & Provisions	155,235.19	159,875.57	137,698.05	96,412.96	95,455.07
Total Liabilities	2,674,380.65	2,259,063.04	2,048,079.80	1,792,234.60	1,566,261.03
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	127,997.62	129,629.33	115,883.84	84,955.66	65,830.41
Balance with Banks, Money at Call	43,974.03	37,838.33	58,977.46	47,593.97	48,989.75
Advances	1,571,078.38	1,463,700.42	1,300,026.39	1,209,828.72	1,045,616.55
Investments	765,989.63	477,097.28	495,027.40	398,308.19	350,927.27
Gross Block	42,344.99	9,819.16	9,329.16	8,002.16	6,595.71
Revaluation Reserves	31,585.65	0.00	0.00	0.00	0.00
Net Block	10,759.34	9,819.16	9,329.16	8,002.16	6,595.71
Capital Work In Progress	573.93	570.12	0.00	0.00	409.31
Other Assets	154,007.72	140,408.41	68,835.55	43,545.90	47,892.03
Total Assets	2,674,380.65	2,259,063.05	2,048,079.80	1,792,234.60	1,566,261.03
Contingent Liabilities	1,112,081.35	1,064,167.65	225,244.99	203,619.38	993,018.45
Book Value (Rs)	196.53	185.85	172.04	1,584.34	1,445.60

Standalone Balance Sheet

	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	671.04	635.00	634.88	634.88	631.47
Equity Share Capital	671.04	635.00	634.88	634.88	631.47
Reserves	83,280.16	64,351.04	65,314.32	57,312.82	48,401.19
Net Worth	83,951.20	64,986.04	65,949.20	57,947.70	49,032.66
Deposits	1,043,647.36	933,932.81	804,116.23	742,073.13	537,403.94
Borrowings	127,005.57	119,568.96	103,011.60	53,713.68	51,727.41
Total Debt	1,170,652.93	1,053,501.77	907,127.83	795,786.81	589,131.35
Other Liabilities & Provisions	80,915.09	105,248.39	80,336.70	110,697.57	83,362.30
Total Liabilities	1,335,519.22	1,223,736.20	1,053,413.73	964,432.08	721,526.31
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	54,075.94	94,395.50	61,290.87	55,546.17	51,534.62
Balance with Banks, Money at Call	43,087.23	28,478.65	34,892.98	48,857.63	15,931.72
Advances	867,578.89	756,719.45	631,914.15	542,503.20	416,768.20
Investments	312,197.61	295,600.57	285,790.07	275,953.96	189,501.27
Gross Block	5,133.87	4,431.96	11,831.63	10,403.06	8,988.35
Accumulated Depreciation	0.00	0.00	7,713.90	6,828.65	5,849.13
Net Block	5,133.87	4,431.96	4,117.73	3,574.41	3,139.22
Capital Work In Progress	332.68	332.23	295.18	263.44	234.26
Other Assets	53,113.02	43,777.85	35,112.76	37,733.27	44,417.03
Total Assets	1,335,519.24	1,223,736.21	1,053,413.74	964,432.08	721,526.32
Contingent Liabilities	899,565.18	790,389.59	429,917.37	614,603.47	736,087.59
Bills for collection	0.00	0.00	166,449.04	152,964.06	93,652.89
Book Value (Rs)	1,251.05	1,023.40	1,038.76	912.73	776.48

Key Financial Ratios of State Bank of India

	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Per Share Ratios					
Basic EPS (Rs.)	13.43	12.98	17.55	156.76	210.06
Diluted Eps (Rs.)	13.43	12.98	17.55	156.76	210.06
Cash EPS (Rs.)	16.02	15.01	19.04	163.75	222.86
Book Value					
[Excl. Reval Reserve]/Share (Rs.)	196.53	185.85	172.04	1,584.34	1,445.60
Book Value [Incl. Reval Reserve]/Share (Rs.)	236.14	185.85	172.04	1,584.34	1,445.60
Dividend/Share (Rs.)	2.60	2.60	3.50	30.00	41.50
Operating					
Revenue / Share (Rs.)	220.13	210.86	204.13	1,826.36	1,749.29
Net Profit/Share (Rs.)	13.15	12.82	17.55	145.88	206.20
Per Employee Ratios					
Interest Income/Employee (Rs.)	8,375,280.48	7,879,372.97	7,146,806.39	6,141,015.07	5,241,313.86
Net Profit/Employee (Rs.)	500,274.50	478,997.86	614,410.66	490,520.33	617,837.58
Business/Employee (Rs.)	172,538,127.46	153,770,974.81	134,911,208.60	117,290,548.25	98,484,254.10
Per Branch Ratios					
Interest Income/Branch (Rs.)	102,223,785.91	97,524,610.40	92,227,711.21	84,906,158.54	79,760,764.56
Net Profit/Branches (Rs.)	6,106,058.59	5,928,654.49	7,928,812.64	6,781,972.73	9,402,069.66
Business/Branches (Rs.)	2,105,899,694.70	1,903,254,798.38	1,740,994,692.57	1,621,668,366.65	1,498,704,257.70
Key Performance Ratios					
Net Profit Margin (%)	5.97	6.07	8.59	7.98	11.78
Operating Profit Margin (%)	-14.23	-11.12	-6.21	-5.61	-1.61
Return on Assets (%)	0.38	0.44	0.63	0.60	0.90
Return on Equity / Networth (%)	6.69	6.89	10.20	9.20	14.26
Net Interest Margin (X)	2.28	2.51	2.68	2.74	2.83
Cost to Income (%)	41.15	39.14	36.85	36.76	34.09
Interest					
Income/Total Assets (%)	6.48	7.24	7.44	7.60	7.63
Non-Interest					
Income/Total Assets (%)	1.31	1.24	1.10	1.03	1.02
Operating Profit/Total	-0.92	-0.80	-0.46	-0.42	-0.12

Assets (%)					
Operating Expenses/Total Assets (%)	1.71	1.84	1.88	1.99	1.86
Interest Expenses/Total Assets (%)	4.20	4.72	4.75	4.85	4.80
Valuation Ratios					
Enterprise Value (Rs. Cr)	2,467,752.16	1,976,114.45	1,865,393.88	1,635,798.25	1,447,875.02
EV Per Net Sales (X)	14.06	12.07	12.24	12.00	12.10
Price To Book Value (X)	1.49	1.05	1.55	1.21	1.43
Price To Sales (X)	1.33	0.92	1.31	1.05	1.18
Retention Ratios (%)	79.88	79.71	80.48	79.43	79.87
Earnings Yield (X)	0.04	0.07	0.07	0.08	0.10

Key Financial Ratios of State Bank of India

----- in Rs. Cr. -----

	Mar 12	Mar 11	Mar 10	Mar 09	Mar 08
Per Share Ratios					
Basic EPS (Rs.)	184.31	130.16	144.37	143.77	126.62
Diluted Eps (Rs.)	184.31	130.16	144.37	143.77	126.50
Cash EPS (Rs.)	189.47	131.67	159.06	155.69	117.33
Book Value [Excl. Reval Reserve]/Share (Rs.)	1,251.05	1,023.40	1,038.76	912.73	776.48
Book Value [Incl. Reval Reserve]/Share (Rs.)	1,251.05	1,023.40	1,038.76	912.73	776.48
Dividend/Share (Rs.)	35.00	30.00	30.00	29.00	21.50
Operating Revenue / Share (Rs.)	1,587.40	1,281.80	1,312.59	1,172.02	898.60
Net Profit/Share (Rs.)	174.46	116.07	144.37	143.67	106.56
Per Employee Ratios					
Interest Income/ Employee (Rs.)	4,943,426.72	3,651,068.43	4,160,491.97	3,613,923.16	3,166,411.08
Net Profit/ Employee (Rs.)	543,309.55	330,608.20	457,618.51	443,001.64	375,498.71
Business/ Employee (Rs.)	88,695,813.20	75,836,787.78	72,297,238.83	62,893,336.88	53,734,446.54
Per Branch Ratios					
Interest Income/ Branch (Rs.)	74,647,129.22	59,420,618.92	65,939,419.37	64,479,403.99	55,251,869.33
Net Profit/ Branches (Rs.)	8,204,126.56	5,380,601.33	7,252,771.80	7,904,009.10	6,552,214.90
Business/ Branches (Rs.)	1,339,331,641.491	1,234,232,925.241	1,145,835,151.211	1,122,139,210.669	937,632,083.06
Key Performance Ratios					
Net Profit Margin (%)	10.99	9.05	10.99	12.25	11.85
Operating Profit Margin (%)	-2.48	-10.38	6.66	10.42	10.11
Return on Assets (%)	0.87	0.60	0.87	0.94	0.93
Return on Equity / Networth (%)	13.94	11.34	13.89	15.74	13.72
Net Interest Margin (X)	3.24	2.65	3.41	3.26	3.43
Cost to Income (%)	38.00	41.23	35.03	31.32	33.04
Interest Income/Total Assets (%)	7.97	6.65	7.91	7.71	7.86
Non-Interest Income/Total Assets (%)	1.07	1.29	0.34	0.14	0.13
Operating Profit/Total Assets (%)	-0.19	-0.69	0.52	0.80	0.79
Operating Expenses/Total Assets (%)	1.95	1.88	2.36	1.87	2.02
Interest Expenses/Total Assets (%)	4.73	3.99	4.49	4.44	4.42
Valuation Ratios					
Enterprise Value (Rs. Cr)	1,257,160.88	1,134,867.64	977,829.06	807,953.79	638,559.38
EV Per Net Sales (X)	11.80	13.94	11.73	10.86	11.25
Price To Book Value (X)	1.67	2.70	2.00	1.17	2.06
Price To Sales (X)	1.32	2.16	1.58	0.91	1.78
Retention Ratios (%)	79.93	74.15	79.22	79.81	79.82
Earnings Yield (X)	0.08	0.04	0.07	0.13	0.07

Standalone Balance Sheet

	----- in Rs. Cr. -----				
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	425.59	392.72	370.91	362.07	353.47
Equity Share Capital	425.59	392.72	370.91	362.07	353.47
Reserves	37,670.86	35,072.64	37,321.06	34,125.07	30,894.58
Net Worth	38,096.45	35,465.36	37,691.97	34,487.14	31,248.05
Deposits	621,704.02	553,051.13	501,378.64	451,396.75	391,560.06
Borrowings	40,763.34	59,755.24	45,670.55	48,034.41	39,620.92
Total Debt	662,467.36	612,806.37	547,049.19	499,431.16	431,180.98
Other Liabilities & Provisions	16,016.21	16,273.94	17,204.89	15,093.44	15,019.15
Total Liabilities	716,580.02	664,545.67	601,946.05	549,011.74	477,448.18
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	25,210.00	26,479.07	24,224.94	22,245.58	17,886.25
Balance with Banks, Money at Call	63,121.65	47,144.02	31,709.23	22,972.87	9,249.13
Advances	419,493.15	412,325.80	380,534.40	349,269.13	308,725.21
Investments	186,725.44	157,845.89	151,282.36	143,785.50	129,896.19
Gross Block	6,273.25	5,222.73	3,551.48	3,419.74	3,357.68
Revaluation Reserves	3,750.53	2,844.78	1,387.55	1,408.18	1,428.85
Net Block	2,522.72	2,377.95	2,163.93	2,011.56	1,928.83
Other Assets	19,507.06	18,372.94	12,031.19	8,727.10	9,762.58
Total Assets	716,580.02	664,545.67	601,946.05	549,011.74	477,448.19
Contingent Liabilities	358,610.46	359,017.11	293,586.00	238,008.93	231,810.55
Book Value (Rs)	179.03	180.61	203.24	952.50	884.03

Standalone Balance Sheet

	----- in Rs. Cr. -----				
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	339.18	316.81	315.30	315.30	315.30
Equity Share Capital	339.18	316.81	315.30	315.30	315.30
Reserves	26,028.37	19,720.99	15,915.63	12,824.59	10,467.35
Net Worth	26,367.55	20,037.80	16,230.93	13,139.89	10,782.65
Deposits	379,588.48	312,898.73	249,329.80	209,760.50	166,457.23
Borrowings	37,264.27	31,589.69	19,262.37	4,374.36	5,446.56
Total Debt	416,852.75	344,488.42	268,592.17	214,134.86	171,903.79
Other Liabilities & Provisions	13,524.18	12,328.27	10,317.69	18,130.13	14,798.23
Total Liabilities	456,744.48	376,854.49	295,140.79	245,404.88	197,484.67
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	18,492.90	23,776.90	18,327.58	17,058.25	15,258.15
Balance with Banks, Money at Call	10,335.14	5,914.32	5,145.99	4,354.89	3,572.57
Advances	293,774.76	242,106.67	186,601.21	154,702.99	119,501.57
Investments	122,629.47	95,162.35	77,724.47	63,385.18	53,991.71
Gross Block	3,168.86	3,105.60	4,215.21	3,930.36	3,699.64
Revaluation Reserves	1,449.53	1,470.76	1,491.99	1,513.74	1,535.70
Accumulated Depreciation	0.00	0.00	1,701.74	1,533.25	1,384.12
Net Block	1,719.33	1,634.84	1,021.48	883.37	779.82
Other Assets	9,792.88	8,259.42	6,320.07	5,020.20	4,380.84
Total Assets	456,744.48	376,854.50	295,140.80	245,404.88	197,484.66
Contingent Liabilities	224,750.05	138,915.26	68,124.47	79,270.65	80,606.88
Bills for collection	0.00	0.00	33,215.78	31,941.43	23,448.99
Book Value (Rs)	777.39	632.48	514.77	416.74	341.98

Key Financial Ratios of Punjab National Bank

----- in Rs. Cr. -----

	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Per Share Ratios					
Basic EPS (Rs.)	6.45	-20.82	16.91	93.91	139.52
Diluted Eps (Rs.)	6.45	-20.82	16.91	93.91	139.52
Cash EPS (Rs.)	8.22	-18.23	18.50	102.05	143.33
Book Value [Excl. Reval Reserve]/Share (Rs.)	179.03	180.61	203.24	952.50	884.03
Book Value [Incl. Reval Reserve]/Share (Rs.)	196.65	195.10	210.72	991.39	924.45
Dividend/Share (Rs.)	0.00	0.00	3.30	10.00	27.00
Operating Revenue / Share (Rs.)	222.16	241.52	249.74	1,193.78	1,185.19
Net Profit/Share (Rs.)	6.23	-20.24	16.51	92.32	134.31
Per Employee Ratios					
Interest Income/ Employee (Rs.)	6,395,648.26	6,698,259.90	6,782,158.44	6,594,841.40	6,619,055.99
Net Profit/ Employee (Rs.)	179,223.45	-561,347.44	448,320.40	509,998.32	750,121.90
Business/ Employee (Rs.)	140,856,500.49	136,350,747.60	129,142,340.02	122,162,597.46	110,643,568.21
Per Branch Ratios					
Interest Income/ Branch (Rs.)	68,140,663.59	70,154,363.76	70,602,682.93	69,703,676.83	71,319,933.95
Net Profit/ Branches (Rs.)	1,909,486.60	-5,879,284.02	4,667,042.68	5,390,388.65	8,082,518.73
Business/ Branches (Rs.)	1,500,716,584.03	1,428,072,378.85	1,344,379,634.15	1,291,188,324.46	1,192,177,854.78
Key Performance Ratios					
Net Profit Margin (%)	2.80	-8.38	6.61	7.73	11.33
Operating Profit Margin (%)	-16.13	-22.88	-6.10	-2.85	1.26
Return on Assets (%)	0.18	-0.59	0.50	0.60	0.99
Return on Equity / Networth (%)	3.47	-11.20	8.12	9.69	15.19
Net Interest Margin (X)	2.08	2.29	2.74	2.93	3.10
Cost to Income (%)	40.22	48.18	37.13	36.36	31.06
Interest Income/Total Assets (%)	6.56	7.10	7.67	7.85	8.74
Non-Interest Income/Total Assets (%)	1.24	1.03	0.97	0.83	0.88
Operating Profit/Total Assets (%)	-1.05	-1.62	-0.46	-0.22	0.11
Operating Expenses/Total Assets (%)	1.30	1.49	1.73	1.69	1.70
Interest Expenses/Total Assets (%)	4.48	4.81	4.93	4.91	5.64
Valuation Ratios					
Enterprise Value (Rs. Cr)	669,325.84	602,958.97	549,603.95	504,127.21	438,656.45
EV Per Net Sales (X)	14.16	12.71	11.87	11.66	10.47
Price To Book Value (X)	0.84	0.47	0.71	0.78	0.81
Price To Sales (X)	0.68	0.35	0.58	0.62	0.61
Retention Ratios (%)	100.00	100.00	79.48	89.16	79.89
Earnings Yield (X)	0.04	-0.24	0.11	0.12	0.19

Key Financial Ratios of Punjab National Bank

----- in Rs. Cr. -----

	Mar 12	Mar 11	Mar 10	Mar 09	Mar 08
Per Share Ratios					
Basic EPS (Rs.)	154.02	140.60	123.86	98.03	64.98
Diluted Eps (Rs.)	154.02	140.60	123.86	98.03	64.98
Cash EPS (Rs.)	152.62	148.02	130.93	104.09	70.38
Book Value [Excl. Reval Reserve]/Share (Rs.)	777.39	632.48	514.77	416.74	341.98
Book Value [Incl. Reval Reserve]/Share (Rs.)	820.13	678.91	562.09	464.75	390.68
Dividend/Share (Rs.)	22.00	22.00	22.00	20.00	13.00
Operating Revenue / Share (Rs.)	1,074.01	851.81	770.04	678.61	501.69
Net Profit/Share (Rs.)	144.00	139.94	123.86	98.03	64.98
Per Employee Ratios					
Interest Income/ Employee (Rs.)	5,863,478.12	4,732,809.54	4,264,973.30	3,676,105.25	2,823,459.90
Net Profit/ Employee (Rs.)	786,164.53	777,533.37	686,016.99	531,033.59	365,687.30
Business/ Employee (Rs.)	108,384,959.18	97,335,214.43	77,138,190.89	63,073,993.56	51,519,755.22
Per Branch Ratios					
Interest Income/ Branch (Rs.)	64,190,362.11	51,957,027.34	48,539,864.05	45,837,126.39	37,071,558.71
Net Profit/ Branches (Rs.)	8,606,527.58	8,535,801.50	7,807,591.96	6,621,424.59	4,801,413.41
Business/ Branches (Rs.)	1,186,543,146.96	1,068,551,006.35	877,913,420.83	786,465,680.16	676,445,813.45
Key Performance Ratios					
Net Profit Margin (%)	13.40	16.42	16.08	14.44	12.95
Operating Profit Margin (%)	1.87	3.04	13.26	9.46	10.80
Return on Assets (%)	1.06	1.17	1.31	1.25	1.02
Return on Equity / Networth (%)	18.52	22.12	24.06	23.52	19.00
Net Interest Margin (X)	2.92	3.12	3.82	3.68	3.56
Cost to Income (%)	31.33	35.90	32.50	31.50	33.28
Interest Income/Total Assets (%)	7.95	7.13	8.18	8.66	7.94
Non-Interest Income/Total Assets (%)	0.91	0.95	0.23	0.43	0.17
Operating Profit/Total Assets (%)	0.14	0.21	1.08	0.82	0.85
Operating Expenses/Total Assets (%)	1.52	1.68	1.94	2.03	1.96
Interest Expenses/Total Assets (%)	5.02	4.01	4.36	4.97	4.38
Valuation Ratios					
Enterprise Value (Rs. Cr)	429,769.49	359,367.36	282,218.93	210,032.39	172,667.73
EV Per Net Sales (X)	11.80	13.32	11.62	9.82	10.92
Price To Book Value (X)	1.19	1.93	1.97	0.99	1.49
Price To Sales (X)	0.86	1.43	1.32	0.61	1.01
Retention Ratios (%)	84.72	84.27	82.23	79.59	79.99
Earnings Yield (X)	0.16	0.11	0.12	0.24	0.13

Bank Of India
Standalone Balance Sheet

----- in Rs. Cr. -----

	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	1,055.43	817.29	665.65	643.00	596.64
Equity Share Capital	1,055.43	817.29	665.65	643.00	596.64
Share Application Money	1,721.92	1,303.65	0.00	0.00	0.00
Reserves	29,709.72	30,196.28	30,781.09	29,280.08	23,321.51
Net Worth	32,487.07	32,317.22	31,446.74	29,923.08	23,918.15
Deposits	540,032.01	513,004.52	531,906.63	476,974.05	381,839.59
Borrowings	39,405.67	51,083.14	40,057.14	48,427.51	35,367.58
Total Debt	579,437.68	564,087.66	571,963.77	525,401.56	417,207.17
Other Liabilities & Provisions	14,384.52	13,509.05	15,287.25	17,865.56	11,477.39
Total Liabilities	626,309.27	609,913.93	618,697.76	573,190.20	452,602.71
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	27,347.66	33,961.61	27,170.03	19,073.44	21,967.04
Balance with Banks, Money at Call	68,540.29	65,179.68	49,233.66	42,308.85	32,868.82
Advances	366,481.67	359,188.95	402,025.54	370,733.54	289,367.50
Investments	127,826.86	118,848.92	119,792.04	114,152.44	94,613.43
Gross Block	8,461.86	8,480.31	5,885.53	5,786.06	2,778.93
Net Block	8,461.86	8,480.31	5,885.53	5,786.06	2,778.93
Capital Work In Progress	0.00	0.00	0.00	0.00	91.20
Other Assets	27,650.93	24,254.46	14,590.96	21,135.87	10,915.80
Total Assets	626,309.27	609,913.93	618,697.76	573,190.20	452,602.72
Contingent Liabilities	391,401.30	707,618.65	200,913.85	273,952.28	245,916.80
Book Value (Rs)	291.70	379.47	472.42	465.37	401.38

Standalone Balance Sheet

----- in Rs. Cr. -----

	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	574.52	547.22	525.91	525.91	525.91
Equity Share Capital	574.52	547.22	525.91	525.91	525.91
Reserves	19,151.38	15,423.99	12,275.46	11,258.72	8,300.38
Net Worth	19,725.90	15,971.21	12,801.37	11,784.63	8,826.29
Deposits	318,216.03	298,885.81	229,761.94	189,708.48	150,011.98
Borrowings	32,114.23	22,021.38	22,399.90	9,486.98	7,172.45
Total Debt	350,330.26	320,907.19	252,161.84	199,195.46	157,184.43
Other Liabilities & Provisions	13,243.43	12,974.69	8,574.63	12,811.39	11,056.16
Total Liabilities	383,299.59	349,853.09	273,537.84	223,791.48	177,066.88
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	14,986.71	21,782.43	15,602.62	8,915.28	11,741.85
Balance with Banks, Money at Call	19,724.54	15,527.56	15,627.51	12,845.97	5,975.54
Advances	248,833.34	213,096.18	168,490.71	142,909.37	113,476.33
Investments	86,753.59	85,872.42	67,080.18	52,607.18	41,802.88
Gross Block	2,722.95	2,365.93	3,790.81	3,578.23	3,448.44
Revaluation Reserves	1,235.89	1,319.47	1,428.62	1,710.29	1,763.10
Accumulated Depreciation	0.00	0.00	1,504.07	1,156.75	1,049.28
Net Block	1,487.06	1,046.46	858.12	711.19	636.06
Capital Work In Progress	48.64	114.81	65.07	110.45	26.92
Other Assets	11,465.69	12,413.22	5,813.63	5,692.02	3,407.32
Total Assets	383,299.57	349,853.08	273,537.84	223,791.46	177,066.90
Contingent Liabilities					
Bills for collection	0.00	0.00	28,372.75	11,490.74	20,181.00
Book Value (Rs)	343.79	292.26	243.75	224.39	168.06

Key Financial Ratios of Bank Of India

----- in Rs. Cr. -----

	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Per Share Ratios					
Basic EPS (Rs.)	-15.72	-83.01	26.57	44.74	47.79
Diluted Eps (Rs.)	-15.72	-83.01	26.57	44.74	47.79
Cash EPS (Rs.)	-14.88	-71.00	29.96	45.99	49.16
Book Value [Excl. Reval Reserve]/Share (Rs.)	291.49	379.47	472.42	465.37	400.88
Book Value [Incl. Reval Reserve]/Share (Rs.)	291.49	379.47	472.42	465.37	400.88
Dividend/Share (Rs.)	0.00	0.00	5.00	5.00	10.00
Operating Revenue / Share (Rs.)	372.27	511.40	652.44	589.58	534.81
Net Profit/Share (Rs.)	-14.76	-74.50	25.67	42.45	46.08
Per Employee Ratios					
Interest Income/ Employee (Rs.)	8,228,450.74	0.00	9,587,176.60	20,455,457.83	7,571,045.65
Net Profit/ Employee (Rs.)	-326,348.65	0.00	377,245.03	1,472,654.18	652,338.68
Business/ Employee (Rs.)	189,845,795.79	0.00	206,166,041.94	457,404,408.35	159,257,600.51
Per Branch Ratios					
Interest Income/ Branch (Rs.)	78,331,045.26	82,325,113.26	88,777,412.10	81,527,096.77	74,345,128.15
Net Profit/ Branches (Rs.)	-3,106,688.20	-11,993,716.76	3,493,295.18	5,869,397.85	6,405,746.97
Business/ Branches (Rs.)	1,807,244,168.46	1,717,930,805.59	1,909,100,919.87	1,823,027,075.27	1,563,856,204.80
Key Performance Ratios					
Net Profit Margin (%)	-3.96	-14.56	3.93	7.19	8.61
Operating Profit Margin (%)	-21.20	-23.30	-5.81	-4.12	-3.18
Return on Assets (%)	-0.24	-0.99	0.27	0.47	0.60
Return on Equity / Networth (%)	-5.06	-19.63	5.43	9.12	11.49
Net Interest Margin (X)	1.88	1.92	1.83	1.88	1.99
Cost to Income (%)	43.75	47.23	29.09	29.36	28.14
Interest Income/Total Assets (%)	6.27	6.85	7.01	6.61	7.05
Non-Interest Income/Total Assets (%)	1.08	0.59	0.68	0.74	0.83
Operating Profit/Total Assets (%)	-1.33	-1.59	-0.40	-0.27	-0.22
Operating Expenses/Total Assets (%)	1.41	1.53	1.30	1.16	1.17
Interest Expenses/Total Assets (%)	4.38	4.93	5.18	4.72	5.05
Valuation Ratios					
Enterprise Value (Rs. Cr)	566,802.76	538,057.85	557,823.84	521,046.39	413,288.54
EV Per Net Sales (X)	14.43	12.87	12.84	13.74	12.95
Price To Book Value (X)	0.48	0.26	0.41	0.49	0.75
Price To Sales (X)	0.37	0.19	0.30	0.39	0.57
Retention Ratios (%)	100.00	100.00	80.56	88.22	78.29
Earnings Yield (X)	-0.11	-0.77	0.13	0.19	0.15

Key Financial Ratios of Bank Of India

----- in Rs. Cr. -----

	Mar 12	Mar 11	Mar 10	Mar 09	Mar 08
Per Share Ratios					
Basic EPS (Rs.)	48.98	47.35	33.15	57.26	40.83
Diluted Eps (Rs.)	48.98	47.35	33.15	57.26	40.83
Cash EPS (Rs.)	49.51	48.05	35.03	58.50	39.60
Book Value [Excl. Reval Reserve]/Share (Rs.)	343.35	291.86	243.41	224.08	167.83
Book Value [Incl. Reval Reserve]/Share (Rs.)	364.86	315.97	270.58	256.60	201.35
Dividend/Share (Rs.)	7.00	7.00	7.00	8.00	4.00
Operating Revenue / Share (Rs.)	495.73	397.50	372.44	345.98	256.90
Net Profit/Share (Rs.)	46.60	45.48	33.11	57.18	38.21
Per Employee Ratios					
Interest Income/ Employee (Rs.)	6,409,367.72	5,467,317.78	4,936,731.32	4,531,301.53	3,326,424.76
Net Profit/ Employee (Rs.)	602,555.47	625,538.87	438,821.68	748,934.45	494,731.78
Business/ Employee (Rs.)	127,610,355.88	128,687,190.65	101,411,197.12	83,669,162.35	65,451,913.53
Per Branch Ratios					
Interest Income/ Branch (Rs.)	71,201,666.00	62,325,856.16	60,528,353.52	59,696,329.72	46,863,013.53
Net Profit/ Branches (Rs.)	6,693,788.75	7,130,963.90	5,380,311.80	9,866,621.72	6,969,832.12
Business/ Branches (Rs.)	1,417,623,443.50	1,466,997,100.29	1,243,384,010.20	1,102,275,332.68	922,093,277.84
Key Performance Ratios					
Net Profit Margin (%)	9.40	11.44	8.88	16.52	14.87
Operating Profit Margin (%)	-2.25	-0.70	5.49	12.51	8.37
Return on Assets (%)	0.69	0.70	0.63	1.33	1.12
Return on Equity / Networth (%)	13.57	15.58	13.60	25.51	22.76
Net Interest Margin (X)	2.16	2.22	2.71	3.25	3.01
Cost to Income (%)	28.16	32.64	31.54	26.78	29.56
Interest Income/Total Assets (%)	7.40	6.19	7.12	8.06	7.55
Non-Interest Income/Total Assets (%)	0.86	0.75	0.24	0.32	0.49
Operating Profit/Total Assets (%)	-0.16	-0.04	0.39	1.01	0.63
Operating Expenses/Total Assets (%)	1.28	1.44	1.97	1.64	1.86
Interest Expenses/Total Assets (%)	5.24	3.96	4.40	4.81	4.54
Valuation Ratios					
Enterprise Value (Rs. Cr)	356,083.70	325,287.31	254,479.76	201,845.03	158,742.96
EV Per Net Sales (X)	12.50	14.95	12.99	11.09	11.75
Price To Book Value (X)	1.05	1.64	1.40	0.98	1.51
Price To Sales (X)	0.73	1.20	0.91	0.64	0.98
Retention Ratios (%)	82.59	82.14	75.38	83.65	87.76
Earnings Yield (X)	0.13	0.10	0.10	0.26	0.15

Bank Of Baroda
Standalone Balance Sheet

	----- in Rs. Cr. -----				
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	462.09	462.09	443.56	430.68	422.52
Equity Share Capital	462.09	462.09	443.56	430.68	422.52
Reserves	39,841.16	39,736.89	39,391.79	35,555.00	31,546.92
Net Worth	40,303.25	40,198.98	39,835.35	35,985.68	31,969.44
Deposits	601,675.17	574,037.87	617,559.52	568,894.39	473,883.34
Borrowings	30,611.44	33,471.70	35,264.28	36,812.97	26,579.28
Total Debt	632,286.61	607,509.57	652,823.80	605,707.36	500,462.62
Other Liabilities & Provisions	22,285.56	23,667.92	22,329.40	17,811.50	14,703.38
Total Liabilities	694,875.42	671,376.47	714,988.55	659,504.54	547,135.44
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	22,780.21	21,672.42	22,488.60	18,629.09	13,452.08
Balance with Banks, Money at Call	127,689.70	112,227.93	125,864.55	112,248.82	71,946.83
Advances	383,259.22	383,770.18	428,065.14	397,005.81	328,185.76
Investments	129,630.54	120,450.52	122,319.72	116,112.66	121,393.72
Gross Block	5,758.37	6,253.78	2,874.85	2,734.12	2,453.12
Net Block	5,758.37	6,253.78	2,874.85	2,734.12	2,453.12
Other Assets	25,757.37	27,001.65	13,375.69	12,774.03	9,703.93
Total Assets	694,875.41	671,376.48	714,988.55	659,504.53	547,135.44
Contingent Liabilities	290,118.38	261,320.91	283,992.78	291,777.69	230,581.15
Book Value (Rs)	174.92	174.46	180.13	838.02	758.91

Standalone Balance Sheet

----- in Rs. Cr. -----

	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	412.38	392.81	365.53	365.53	365.53
Equity Share Capital	412.38	392.81	365.53	365.53	365.53
Reserves	27,064.47	20,650.73	14,740.86	12,470.01	10,678.40
Net Worth	27,476.85	21,043.54	15,106.39	12,835.54	11,043.93
Deposits	384,871.11	305,439.48	241,044.26	192,396.95	152,034.13
Borrowings	23,573.05	22,307.85	13,350.09	5,636.09	3,927.05
Total Debt	408,444.16	327,747.33	254,394.35	198,033.04	155,961.18
Other Liabilities & Provisions	11,400.46	9,606.31	8,815.97	16,538.15	12,594.41
Total Liabilities	447,321.47	358,397.18	278,316.71	227,406.73	179,599.52
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	21,651.46	19,868.18	13,539.97	10,596.34	9,369.72
Balance with Banks, Money at Call	42,517.08	30,065.89	21,927.09	13,490.77	12,929.56
Advances	287,377.29	228,676.36	175,035.29	143,985.90	106,701.32
Investments	83,209.40	71,396.59	61,182.38	52,445.88	43,870.07
Gross Block	2,341.50	2,299.72	4,266.60	3,954.13	3,787.14
Accumulated Depreciation	0.00	0.00	1,981.84	1,644.41	1,360.14
Net Block	2,341.50	2,299.72	2,284.76	2,309.72	2,427.00
Other Assets	10,224.73	6,090.44	4,347.22	4,578.12	4,301.83
Total Assets	447,321.46	358,397.18	278,316.71	227,406.73	179,599.50
Contingent Liabilities	175,269.81	146,008.59	77,997.01	64,745.82	75,364.33
Bills for collection	0.00	0.00	27,949.60	22,584.64	15,105.51
Book Value (Rs)	668.34	537.45	414.71	352.37	303.18

Key Financial Ratios of Bank Of Baroda

----- in Rs. Cr. -----

	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Per Share Ratios					
Basic EPS (Rs.)	6.00	-23.89	15.83	107.38	108.84
Diluted Eps (Rs.)	6.00	-23.89	15.83	107.38	108.84
Cash EPS (Rs.)	8.20	-21.18	16.86	113.45	113.16
Book Value [Excl. Reval Reserve]/Share (Rs.)	174.44	173.99	179.62	835.56	756.64
Book Value [Incl. Reval Reserve]/Share (Rs.)	174.44	173.99	179.62	835.56	756.64
Dividend/Share (Rs.)	1.20	0.00	3.20	21.50	21.50
Operating Revenue / Share (Rs.)	182.65	190.70	193.72	904.15	833.02
Net Profit/Share (Rs.)	5.99	-23.35	15.32	105.44	106.05
Per Employee Ratios					
Interest Income/ Employee (Rs.)	8,050,349.07	8,469,902.04	8,700,951.23	8,464,970.22	8,164,761.62
Net Profit/ Employee (Rs.)	263,856.54	-1,037,184.46	688,248.88	987,170.50	1,039,417.28
Business/ Employee (Rs.)	187,892,864.56	184,119,500.30	211,759,217.10	209,973,739.55	186,060,383.78
Per Branch Ratios					
Interest Income/ Branch (Rs.)	76,993,121.33	81,054,594.19	81,155,188.89	78,921,178.56	81,173,095.94
Net Profit/ Branches (Rs.)	2,523,510.31	-9,925,565.31	6,419,409.33	9,203,654.24	10,333,763.84
Business/ Branches (Rs.)	1,796,997,620.87	1,761,972,134.84	1,975,112,697.77	1,957,641,263.28	1,849,790,365.31
Key Performance Ratios					
Net Profit Margin (%)	3.27	-12.24	7.91	11.66	12.73
Operating Profit Margin (%)	-12.73	-23.59	-2.33	0.20	2.41
Return on Assets (%)	0.19	-0.80	0.47	0.68	0.81
Return on Equity / Networth (%)	3.43	-13.42	8.53	12.61	14.01
Net Interest Margin (X)	1.94	1.89	1.84	1.81	2.06
Cost to Income (%)	38.58	47.15	29.96	27.38	26.95
Interest Income/Total Assets (%)	6.07	6.56	6.00	5.90	6.43
Non-Interest Income/Total Assets (%)	0.97	0.74	0.61	0.67	0.66
Operating Profit/Total Assets (%)	-0.77	-1.54	-0.14	0.01	0.15
Operating Expenses/Total Assets (%)	1.33	1.32	1.07	1.08	1.08
Interest Expenses/Total Assets (%)	4.12	4.66	4.16	4.09	4.36
Valuation Ratios					
Enterprise Value (Rs. Cr)	649,465.90	619,824.10	666,551.91	618,145.10	515,648.78
EV Per Net Sales (X)	15.39	14.07	15.51	15.87	14.65
Price To Book Value (X)	0.99	0.85	0.91	0.86	0.90
Price To Sales (X)	0.95	0.77	0.84	0.80	0.81
Retention Ratios (%)	75.93	100.00	78.57	79.66	79.78
Earnings Yield (X)	0.03	-0.16	0.09	0.15	0.16

Financial Ratios of Bank Of Baroda

----- in Rs. Cr. -----

Mar 08

Per Share Ratios					
Basic EPS (Rs.)	127.84	116.37	83.96	61.14	39.41
Diluted Eps (Rs.)	127.84	116.37	83.96	61.14	39.41
Cash EPS (Rs.)	128.12	114.17	89.98	67.24	45.62
Book Value [Excl. Reval Reserve]/Share (Rs.)	666.29	535.72	413.28	351.15	302.14
Book Value [Incl. Reval Reserve]/Share (Rs.)	666.29	535.72	413.28	351.15	302.14
Dividend/Share (Rs.)	17.00	16.50	15.00	9.00	8.00
Operating Revenue / Share (Rs.)	719.56	557.17	501.96	458.77	352.83
Net Profit/Share (Rs.)	121.41	107.98	83.67	60.93	39.27
Per Employee Ratios					
Interest Income/ Employee (Rs.)	7,035,856.36	5,465,193.93	4,819,429.99	4,552,214.97	3,386,226.88
Net Profit/ Employee (Rs.)	1,187,185.82	1,059,201.84	803,323.00	604,593.57	376,915.80
Business/ Employee (Rs.)	159,394,996.89	133,375,578.78	110,063,751.36	92,048,624.82	68,558,398.15
Per Branch Ratios					
Interest Income/ Branch (Rs.)	74,952,574.39	64,031,350.50	58,284,790.03	56,386,851.04	44,487,008.28
Net Profit/ Branches (Rs.)	12,647,022.48	12,409,829.43	9,715,155.65	7,488,909.89	4,951,781.65
Business/ Branches (Rs.)	1,698,025,762.57	1,562,656,064.37	1,331,079,122.62	1,140,177,283.46	900,695,119.70
Key Performance Ratios					
Net Profit Margin (%)	16.87	19.38	16.66	13.28	11.13
Operating Profit Margin (%)	5.34	6.54	8.28	10.04	3.95
Return on Assets (%)	1.11	1.18	1.09	0.97	0.79
Return on Equity / Networth (%)	18.22	20.15	20.24	17.35	12.99
Net Interest Margin (X)	2.30	2.45	2.72	2.99	2.78
Cost to Income (%)	26.38	29.84	30.51	29.55	32.45
Interest Income/Total Assets (%)	6.63	6.10	6.59	7.37	7.18
Non-Interest Income/Total Assets (%)	0.76	0.78	0.55	0.23	0.51
Operating Profit/Total Assets (%)	0.35	0.39	0.54	0.74	0.28
Operating Expenses/Total Assets (%)	1.15	1.29	1.69	1.69	1.87
Interest Expenses/Total Assets (%)	4.32	3.65	3.86	4.38	4.39
Valuation Ratios					
Enterprise Value (Rs. Cr)	419,521.60	345,712.39	264,220.74	196,010.15	156,968.78
EV Per Net Sales (X)	14.14	15.80	14.40	11.69	12.17
Price To Book Value (X)	1.19	1.80	1.55	0.67	0.94
Price To Sales (X)	1.10	1.73	1.27	0.51	0.80
Retention Ratios (%)	86.13	84.76	82.07	82.77	76.24
Earnings Yield (X)	0.15	0.11	0.13	0.26	0.14

Canara Bank
Standalone Balance Sheet

	----- in Rs. Cr. -----				
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	597.29	542.99	475.20	461.26	443.00
Equity Share Capital	597.29	542.99	475.20	461.26	443.00
Reserves	27,715.10	25,615.55	25,978.18	23,660.60	22,401.55
Net Worth	28,312.39	26,158.54	26,453.38	24,121.86	22,844.55
Deposits	495,275.24	479,791.56	473,840.10	420,722.82	355,855.99
Borrowings	39,503.56	26,873.32	25,671.57	27,230.64	20,283.37
Total Debt	534,778.80	506,664.88	499,511.67	447,953.46	376,139.36
Other Liabilities & Provisions	15,055.10	14,692.70	16,629.66	14,348.29	11,325.45
Total Liabilities	578,146.29	547,516.12	542,594.71	486,423.61	410,309.36
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	19,922.50	20,664.05	21,971.95	22,153.78	15,405.93
Balance with Banks, Money at Call	38,902.96	36,069.61	26,669.14	22,674.93	19,308.77
Advances	342,008.76	324,714.82	330,035.51	301,067.48	242,176.62
Investments	150,265.89	142,309.30	145,346.18	126,828.26	121,132.83
Gross Block	7,168.32	7,198.10	6,949.45	6,641.56	2,862.72
Revaluation Reserves	5,373.15	5,444.66	5,405.85	5,498.25	2,033.24
Net Block	1,795.17	1,753.44	1,543.60	1,143.31	829.48
Other Assets	25,251.02	22,004.89	17,028.32	12,555.85	11,455.73
Total Assets	578,146.30	547,516.11	542,594.70	486,423.61	410,309.36
Contingent Liabilities	459,646.73	314,508.56	297,258.69	239,320.37	263,705.34
Book Value (Rs)	474.01	481.75	556.68	522.96	515.68

Standalone Balance Sheet

----- in Rs. Cr. -----

	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Capital and Liabilities:					
Total Share Capital	443.00	443.00	410.00	410.00	410.00
Equity Share Capital	443.00	443.00	410.00	410.00	410.00
Reserves	20,181.82	17,498.46	12,129.11	9,629.61	7,885.63
Net Worth	20,624.82	17,941.46	12,539.11	10,039.61	8,295.63
Deposits	327,053.73	293,436.64	234,651.44	186,892.51	154,072.42
Borrowings	15,525.39	14,261.65	8,440.56	7,056.61	2,517.23
Total Debt	342,579.12	307,698.29	243,092.00	193,949.12	156,589.65
Other Liabilities & Provisions	8,891.12	8,206.75	6,977.30	13,488.91	13,438.55
Total Liabilities	372,095.06	333,846.50	262,608.41	217,477.64	178,323.83
	Mar '12	Mar '11	Mar '10	Mar '09	Mar '08
	12 mths	12 mths	12 mths	12 mths	12 mths
Assets					
Cash & Balances with RBI	17,795.14	22,014.79	15,719.46	10,036.79	13,364.79
Balance with Banks, Money at Call	10,384.27	8,693.32	3,933.75	6,622.99	4,513.25
Advances	232,489.82	211,268.29	169,334.63	138,219.40	107,238.04
Investments	102,057.43	83,636.02	69,676.95	57,776.90	49,811.57
Gross Block	2,857.54	2,844.40	4,480.37	4,440.07	4,254.33
Revaluation Reserves	2,065.14	2,098.36	2,132.68	2,168.16	2,204.86
Accumulated Depreciation	0.00	0.00	1,620.99	1,510.61	1,337.46
Net Block	792.40	746.04	726.70	761.30	712.01
Other Assets	8,576.01	7,488.02	3,216.92	4,060.26	2,684.17
Total Assets	372,095.07	333,846.48	262,608.41	217,477.64	178,323.83
Contingent Liabilities	205,367.76	140,847.47	110,627.02	136,851.39	95,710.87
Bills for collection	0.00	0.00	21,206.47	25,757.73	25,299.63
Book Value (Rs)	465.57	405.00	305.83	244.87	202.33

Key Financial Ratios of Canara Bank

----- in Rs. Cr. -----

	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Per Share Ratios					
Basic EPS (Rs.)	20.63	-53.61	58.59	54.48	64.83
Diluted Eps (Rs.)	20.63	-53.61	58.59	54.48	64.83
Cash EPS (Rs.)	24.27	-48.67	65.86	57.81	69.11
Book Value [Excl. Reval Reserve]/Share (Rs.)	474.01	481.75	556.68	522.96	515.68
Book Value [Incl. Reval Reserve]/Share (Rs.)	563.97	582.02	670.44	642.16	561.58
Dividend/Share (Rs.)	1.00	0.00	10.50	11.00	13.00
Operating Revenue / Share (Rs.)	692.92	810.73	920.67	857.38	769.25
Net Profit/Share (Rs.)	18.78	-51.80	56.87	52.86	64.83
Per Employee Ratios					
Interest Income/ Employee (Rs.)	7,428,189.76	8,151,039.73	8,104,261.00	8,105,015.33	7,982,089.57
Net Profit/ Employee (Rs.)	201,360.84	-520,815.97	500,634.30	499,691.48	672,733.91
Business/ Employee (Rs.)	150,274,423.07	148,960,595.86	148,909,976.59	147,926,035.37	140,077,440.31
Per Branch Ratios					
Interest Income/ Branch (Rs.)	68,038,212.89	75,264,379.21	76,997,611.05	83,170,582.12	91,410,769.85
Net Profit/ Branches (Rs.)	1,844,356.73	-4,809,066.34	4,756,466.39	5,127,643.74	7,704,138.68
Business/ Branches (Rs.)	1,376,432,686.17	1,375,459,712.94	1,414,775,814.15	1,517,960,666.67	1,604,164,742.22
Key Performance Ratios					
Net Profit Margin (%)	2.71	-6.38	6.17	6.16	8.42
Operating Profit Margin (%)	-15.54	-17.46	-4.22	-3.77	-0.82
Return on Assets (%)	0.19	-0.50	0.49	0.49	0.69
Return on Equity / Networth (%)	3.96	-10.75	10.21	10.10	12.57
Net Interest Margin (X)	1.69	1.76	1.76	1.81	1.91
Cost to Income (%)	33.31	35.68	23.83	24.00	21.91
Interest Income/Total Assets (%)	7.09	7.96	7.98	8.03	8.26
Non-Interest Income/Total Assets (%)	1.29	0.88	0.83	0.79	0.76
Operating Profit/Total Assets (%)	-1.10	-1.39	-0.33	-0.30	-0.06
Operating Expenses/Total Assets (%)	1.45	1.35	1.32	1.23	1.24
Interest Expenses/Total Assets (%)	5.40	6.19	6.22	6.22	6.35
Valuation Ratios					
Enterprise Value (Rs. Cr)	532,954.20	496,309.51	495,022.21	437,993.05	377,764.57
EV Per Net Sales (X)	12.88	11.27	11.31	11.08	11.09
Price To Book Value (X)	0.64	0.39	0.66	0.51	0.75
Price To Sales (X)	0.44	0.23	0.40	0.31	0.50
Retention Ratios (%)	100.00	100.00	79.98	79.19	79.94
Earnings Yield (X)	0.06	-0.27	0.15	0.20	0.17

Key Financial Ratios of Canara Bank

----- in Rs. Cr. -----

	Mar 12	Mar 11	Mar 10	Mar 09	Mar 08
Per Share Ratios					
Basic EPS (Rs.)	74.10	97.83	73.69	50.55	38.17
Diluted Eps (Rs.)	74.10	97.83	73.69	50.55	38.17
Cash EPS (Rs.)	77.64	94.29	77.48	54.78	42.32
Book Value [Excl. Reval Reserve]/Share (Rs.)	465.57	405.00	305.83	244.87	202.33
Book Value [Incl. Reval Reserve]/Share (Rs.)	512.19	452.37	357.85	297.75	256.11
Dividend/Share (Rs.)	11.00	11.00	10.00	8.00	8.00
Operating Revenue / Share (Rs.)	696.40	517.83	498.84	450.50	380.58
Net Profit/Share (Rs.)	74.10	90.88	73.69	50.55	38.17
Per Employee Ratios					
Interest Income/ Employee (Rs.)	7,298,122.04	5,286,095.56	4,714,751.66	4,189,242.00	3,447,629.98
Net Profit/ Employee (Rs.)	776,569.12	927,688.16	696,503.09	470,043.09	345,781.42
Business/ Employee (Rs.)	132,367,417.11	116,299,498.61	93,446,071.30	74,002,683.92	57,989,394.63
Per Branch Ratios					
Interest Income/ Branch (Rs.)	85,696,170.83	70,433,125.27	67,145,740.97	67,657,025.64	58,332,610.47
Net Profit/ Branches (Rs.)	9,118,647.22	12,360,725.51	9,919,338.15	7,591,282.05	5,850,492.34
Business/ Branches (Rs.)	1,554,287,626.67	1,549,600,657.35	1,330,824,219.63	1,195,156,898.90	981,158,878.88
Key Performance Ratios					
Net Profit Margin (%)	10.64	17.54	14.77	11.22	10.02
Operating Profit Margin (%)	1.15	5.29	7.50	8.22	5.72
Return on Assets (%)	0.87	1.19	1.14	0.94	0.86
Return on Equity / Networth (%)	15.91	22.43	24.09	20.64	18.86
Net Interest Margin (X)	2.05	2.29	2.78	2.76	2.73
Cost to Income (%)	21.71	25.18	26.64	23.91	24.86
Interest Income/Total Assets (%)	8.24	6.82	7.72	8.40	8.64
Non-Interest Income/Total Assets (%)	0.78	0.83	0.56	0.25	0.37
Operating Profit/Total Assets (%)	0.09	0.36	0.58	0.69	0.49
Operating Expenses/Total Assets (%)	1.24	1.31	1.85	1.80	2.03
Interest Expenses/Total Assets (%)	6.19	4.53	4.93	5.64	5.90
Valuation Ratios					
Enterprise Value (Rs. Cr)	345,766.68	313,421.94	244,196.89	190,714.23	152,458.07
EV Per Net Sales (X)	11.21	13.66	11.94	10.33	9.77
Price To Book Value (X)	1.02	1.55	1.34	0.68	1.11
Price To Sales (X)	0.68	1.21	0.82	0.37	0.59
Retention Ratios (%)	85.15	87.89	86.43	84.17	79.04
Earnings Yield (X)	0.16	0.15	0.18	0.30	0.17