

SMART

Journal of Business Management Studies

(An International Serial of Scientific Management and Advanced Research Trust)

Vol-10 Number- 2

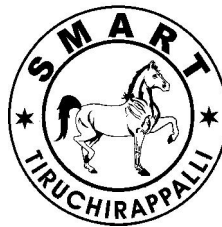
July-December 2014

Rs.400

ISSN 0973-1598 (Print)

ISSN 2321-2012 (Online)

Professor M. SELVAM, M.Com, MBA, Ph.D
Founder – Publisher and Chief Editor



2012 Global Impact Factor : 0.656 (GIF)
2013 Universal Impact Factor : 0.9594 (UIF)

SMART Journal of Business Management Studies is a Professional, Refereed International and Indexed Journal. It is indexed and abstracted by Ulrich's International Periodicals Directory, Intute Catalogue (University of Manchester), CABELL'S Directory, USA, ABDC Journal Quality List, Australia, New Jour, USA and University of Arkansas-Fort Smith, USA.

**SCIENTIFIC MANAGEMENT AND ADVANCED RESEARCH TRUST
(SMART)**

TIRUCHIRAPPALLI (INDIA)

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MOST PROFITABLE BANK IN INDIA: A COMPARATIVE ANALYSIS OF INDIAN NATIONALIZED BANKS

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Abstract

This paper attempts to analyze the profitability of nationalized banks in India. There are nineteen nationalized banks in India. All the banks are profitable. But the question is- which bank is the most profitable nationalized bank in India. This paper has tried to find the answer to the above mentioned question on the basis of profitability analysis since the nationalized banks are the core part of total banking system in India and there is a need to evaluate the performance of these banks. Profitability is an important criterion to measure the performance of banks, in addition to financial and operational efficiency. This study used the most recent data available for the period 2008 to 2012 and examined the profitability of nineteen nationalized banks operating in India. By applying key profitability ratios to assess the comparative profitability of nineteen nationalized bank, it was found that the Punjab National Bank ranked first in the overall profitability analysis index whereas the United Bank of India and the Vijaya Bank were both positioned at 15th rank.

Keywords- Interest Spread, Cash Margin, Net Profit Margin, Return on Long Term Fund, Return on Net Worth, Return on Assets

JEL Code: G 21, E59

I. Introduction

The word profitability is the inflection of two words, “earnings” and “capacity”. It means the profit making capability of the association. Profits are the soul of business without which it cannot stay alive for longer period. Profitability indicates the capacity of managements to generate excess in the process of business operations. A lower profitability may arise due to the lack of management over operating cost. Profitability is the most important and reliable indicator as it gives a broad indicator of the ability of a bank to raise its income level. Profitability of banks is affected by a number

of factors. Some of these are endogenous and some are exogenous. Changes in policies made by RBI are exogenous to the system. These comprise changes in monetary policy and quantitative credit control like changes in cash reserve ratio, statutory liquidity ratio, manipulation of bank rates, qualitative credit controls like selective credit control measures, credit deposit ratio, region-wise guidelines on lending to priority sector, changes in interest rates on deposits and advances, levy of tax on interest income etc. Various other factors like cautious control of expenditure, timely recovery of loans are endogenous. Profit is the main

reason for the continuous subsistence of every profitable organization and profitability depicts the relationship between the absolute amount of profit and various other factors. There are nineteen nationalized banks in India. All the banks are profitable. But the question is-which bank is the most profitable nationalized bank of India. The study has tried to find the answer to the above question on the basis of profitability analysis because nationalized banks are the central part of the total banking system in India and there is need to appraise these banks in terms of profitability.

II. Organization of the Study

This paper is divided into two parts. First part consists of Objectives of the Study, Research Methodology, Data Collection, Sample Information (sample size), Limitations of Study and Second part consists of Findings and Conclusion.

III. Objectives of the Study

The basic objective of the study is to find out the most profitable nationalized bank of India on the basis of profitability analysis. This will help us to rank various banks on the basis of their profitability.

IV. Methodology

This paper used the descriptive ratio analysis to measure, describe and analyze the performance of nationalized banks based on profitability index (**Fig. 1**) during the period 2008 to 2012. A Composite Rank Table was prepared for finding out the most profitable bank.

V. Data Collection

The study was based on secondary data. The relevant information in this regard was collected from the annual reports of banks and their websites. Various articles published in various journals and business magazines were also consulted. Primary data were not collected.

VI. Sample Information (sample size)

Nineteen nationalized banks were selected for the comparative ratio analysis. These banks are - Allahabad Bank, Andhra Bank, Bank of Baroda, Bank of India, Bank of Maharashtra, Canara Bank, Central Bank of India, Corporation Bank, Dena Bank, Indian Bank, Indian Overseas Bank, Oriental Bank of Commerce, Punjab National Bank, Syndicate Bank, Punjab & Sind Bank, Union Bank of India, United Bank of India, UCO Bank, Vijaya Bank.

VII. Limitations of the Study

1. Secondary data, collected for the research study, were from the annual reports, websites and various published reports and hence findings will depend entirely on the accuracy of such data.
2. Data of Punjab & Sindh Bank and United Bank of India for some years were not available.
3. There are different methods to measure the profitability. The present study was based on ratio analysis and it has its own limitations that apply to this study also.
4. Financial analysis does not reveal those facts which cannot be expressed in terms of money. For example, efficiency of workers, reputation and prestige of the management.

VIII. Findings of the Study

Findings of the study were based on the seven Tables, namely, 1- Interest Spread, 2- Cash Margin, 3- Net Profit Margin, 4- Return on Long Term Fund, 5- Return on Net Worth and 6- Return on Assets and 7- Composite Rank

1. Interest Spread

Interest Spread is the distinction between the standard lending rate and the standard borrowing rate for a bank or other

monetary association. In other words, this is the surplus of total interest earned over total interest exhausted. The profitability of the bank is indicated by the Higher Net Interest Margin. **Table 1** indicates the value of interest spread in sample nationalized banks. The data are related to a period of 5 years. For this ratio, ALB, OBC, PNB, UTBI and UCO banks recorded an increasing trend while ADB, BOB, BOI, BOM, CNB, CBI, CRPB, DNB, IB, IOB, OBC, CNDB, PSB, UBI and VB exhibited a fluctuating trend during the study period. From the overall trend, BOI secured the first position for this ratio, with an average value of 4.76 whereas CBI achieved the lowest rank of 17 with an average value of 3.14. OBC and UCO achieved equal position with an average value of 3.75. The positions of all banks, with overall trend, were BOI-1st (4.76), IB-2nd (4.47), PNB-3rd (4.40), BOB-4th (4.34), ADB-5th (4.33), IOB-6th (4.21), ALB-7th (4.00), UTBI-8th (3.89), UBI-9th (3.87), BOM-10th (3.83), OBC & UCO-ranked 11th, (3.75 for both), DNB- 12th (3.72), VB- 13th (3.71), CRPB- 14th (3.66), SNDB-15th (3.58), CNB- 16th (3.51) and CBI secured the 17th rank, with an average ratio of 3.14.

2. Cash Margin

The proportion of money margin measures how sound a company's or association operations are at creating cash from sales or similar activities of their products and services. Since expenses and purchases of assets are paid from cash, this is an extremely useful and important profitability ratio. A high proportion of money margin can indicate that a company is well-organized at changing sales to cash and may also indicate high earnings quality. **Table-2** indicates the data regarding cash margin in selected nationalized banks during the five year study period. The Table shows that IB recorded the highest value in respect of cash margin ratio with an average of 16.63 and secured the first position whereas CBI recorded the least percentage of cash margin, with an

average of 6.57 and it was ranked the last. Ranks and averages of the ratio of other banks were BOB-2nd (15.40), PNB- 3rd (14.61), ADB-4th (13.55), UBI- 5th (13.27), CNB- 6th (12.67), CRPB- 7th (12.53), ALB- 8th (12.22), BOI- 9th (11.94), DNB- 10th (11.65), OBC-11th (10.58), PSB-12th (10.12), IOB-13th (9.77), SNDB- 14th (9.25), UTBI- 15th (8.14), UCO- 16th (8.00), VB- 17th (7.66) and BOM was ranked 18th, with an average ratio of 7.89. About the trend, all the banks exhibited a mixed trend and not a single bank registered an increasing trend.

3. Net Profit Margin

Net Profit Margin is a display of how resourceful a company is and how well it controls its costs. This proportion measures how much net profit is left out of each rupee of sales. Higher the margin, more valuable the company is in transforming revenue into actual profit. A lower margin of safety leads to a higher risk that a reject in sales will rub out profits and result in a net loss. It is also said that net profit periphery is the percentage by which a company's total sales or profits exceeds or is less than the sum of its operating cost. If a company has a positive net profit margin during a certain period of time, it means the company made more money during that period than it spent whereas a negative net profit margin means the company spent extra money than it earned. Net profit margin ratios in selected banks are presented in **Table 3**, which covered the five year study period. The average ratio ranged between 5.85 %, which was the lowest value secured by CBI and 15.54 %, the highest secured by IB. All the sample banks registered a fluctuating trend throughout the period. Ranks and average ratios of other banks were BOB-2 (14.20), PNB- 3 (13.75), CRPB- 4 (13.13), ADB-5 (12.36), UBI-6 (12.29), CNB- 7 (11.94), ALB-8 (11.61), BOI- 9 (11.44), DNB- 10(11.17), OBC-11 (9.80), PSB- 12 (9.49), IOB-13 (9.08), SNDB-14 (8.45), VB- 15 (7.33), UCO-16 (7.25), BOM- 17 (7.13) and UTBI was ranked 18, with an

average ratio of 6.82%. The ratio for DNB remained almost the same during the study period. All the banks registered fluctuating trend throughout the period except PSB which experienced a decreasing trend.

4. Return on Long Term Fund

Return on Long Term Fund establishes the link between net profit and the fund created in business for a long term. Higher return indicates that company utilized resourcefully its long term finances. Returns on long term fund, are displayed in **Table 4**. The average ratio works out between 95.22 and 175.70. PSB was the only bank which displayed an increasing trend while all the banks registered a fluctuating trend. This ratio was the highest in UCO bank whereas it was the lowest in BOB. The ranks and values of all banks were- UCO- 1st (175.70), CBI- 2nd (174.26), SNDB- 3rd (156.74), BOM- 4th (146.66), PSB- 5th (141.76), VB- 6th (139.73), DNB- 7th (138.50), CNB- 8th (136.07), UBI- 9th (134.77), IOB- 10th (133.31), ALB- 11th (121.21), UTBI- 12th (120.92), ADB- 13th (119.68), BOI- 14th (118.73), PNB- 15th (115.98), CRPB- 16th (115.82), OBC- 17th (114.52), IB- 18th (96.29) and BOB secured the 19th position, with an average ratio 95.22.

5. Return on Net Worth or Shareholders' Fund

This is the proportion of net profit to shareholders' investment. It is the link between net profit and share holders' fund. This proportion establishes the productivity from the shareholders' point of view. As the main purpose of business is to maximize its earnings, this ratio indicates the extent to which this main purpose of businesses is being achieved. This proportion is very important from the owner's point of view as it helps the firm to know whether the firm has earned enough proceeds to reimburse its shareholders or not. Higher ratio indicates the better operation of owner's fund, higher competence, favorable business circumstances

and good use on trading on equity. **Table 5** represents the conditions of return on net worth in selected banks. Analysis shows that ratio of RONW was much higher in UBI than in other banks. UBI was ranked first whereas UTBI was the lowest in rank and secured the 19th position. All the banks experienced an increasing trend except BOM, PSB, and UBI. These banks suffered a decreasing trend. Overall trend and ranks of all banks were - UBI- 1st (22.13), IB- 2nd (21.72), PNB- 3rd (21.44), DNB- 4th (20.48), CNB- 5th (20.39), UCO- 6th (19.95), ADB- 7th (19.36), CRPB- 8th (18.77), BOI- 9th (18.20), ALB- 10th (18.03), SNDB- 11th (17.89), BOB- 12th (17.80), PSB- 13th (17.18), IOB- 14th (16.33), CBI- 15th (15.78), BOM- 16th (15.05), VB- 17th (14.19), OBC- 18th (13.81), UTBI- 19th (12.36).

6. Return on Assets

Return on Assets ratio gives an idea of how proficient management using its possessions to make profit. This ratio indicates how much net revenue is generated per rupee of assets. In other words, this ratio shows how cost-effective the company is in relation to its total assets. When the company earns more money on its assets, it realizes higher return. A low return on assets compared with the industry average, indicates inefficient use of company's assets. **Table 6** shows the data regarding return on assets in selected banks during the study period. The analysis shows that PNB secured the first position, with an overall trend of 536.67 and BOM secured the last position with the value of 53.92. All the banks recorded an increasing trend except ALD and PSB. These banks suffered a decreasing trend. Overall trend and ranks of all banks were - PNB- 1 (536.67), BOB- 2 (454.95), CRPB- 3 (415.86), CNB- 4 (324.72), OBC- 5 (302.03), BOI- 6 (254.45), UBI- 7 (146.08), ALB- 8 (142.81), IB- 9 (141.76), PSB- 10 (133.81), IOB- 11 (115.99), CBI- 12 (104.73), UTBI- 13 (103.27), SNDB- 14 (102.35), ADB- 15 (96.56), DNB- 16

(86.47), UCO- 17 (64.88), VB- 18 (62), BOM- 19 (53.92).

7. Composite Rank

Table 7 shows the composition of all ranks. On the basis of this Table, one can decide which bank was the most profitable bank. Higher the total ratio, lower the rank. Table shows that UTBI and VB recorded a maximum total of ratio i.e. 85 and ranked 15, which was the lowest in the Table. UTBI obtained 8th, 15th, 18th, 12th, 19th and 13th serial wise ranks in all six Tables whereas VB got 12th, 17th, 15th, 6th, 17th, and 18th ranks. PNB recorded a minimum total of ratio i.e. 28 and it was the leader, with a position of first rank. Serial wise rank of PNB was 3rd, 3rd, 15th, 3rd and 1st. BOM and CBI recorded the same total, rank and total values of both banks were 14 and 84 respectively. BOM secured the 10th, 18th, 17th, 4th, 16th and 19th rank whereas CBI secured 17th, 19th, 19th, 2nd, 15th and 12th serial wise rank. OBC was fixed at 13th rank, with a total ratio of 73 whereas serial wise ranks of OBC were 11th, 11th, 11th, 17th, 18th and 5th. SNDB was placed at 12th rank with overall value of 71 and serial wise positions were 15th, 14th, 14th, 3rd, 11th and 12th. PSB occupied the 11th position, with serial wise rank of 16th, 12th, 12th, 5th, 13th and 10th and a total ratio of 68. UCO achieved the 10th rank, with a total ratio of 67 whereas serial wise ranks was 11th, 16th, 16th, 1st, 6th and 17th. DNB was located at 9th position, with a total ratio of 59 and serial wise ranks of 12th, 10th, 10th, 7th, 4th and 16th. CRPB and ALB were both positioned at 8th rank, with a total ratio of 52. CRPB secured serial wise ranks of 14th, 7th, 4th, 16th, 8th and 3rd whereas ALB secured 7th, 8th, 8th, 11th, 10th and 8th ranks with a total value of 49, ADB was rated with the rank of 7 whereas serial wise rank were 5th, 4th, 5th, 13th, 7th and 15th. BOI recorded a total value of 48 at 6th rank and serial wise rank was 1st, 9th, 9th, 14th, 9th and 6th rank. Fifth position was secured by the CNB and recorded serial wise ranks of 16th, 6th, 7th, 8th, 5th and 4th, with a

total of 46. BOB was placed at 4th rank, with a total value of 41 and serial wise ranks of - 4th, 2nd, 2nd, 19th, 12th and 2nd rank. With the value of total 37, UBI secured the 3rd rank whereas serial wise ranks were 9th, 5th, 6th, 9th, 1st and 7th rank. IB was positioned at 2nd rank and serial wise ranks were 2, 1, 1, 18, 2 and 9 rank, with the total value of 33.

IX. Conclusion

On the basis of the profitability analysis, based on some parameters, it can be concluded that during the period 2008 to 2012, Punjab National Bank performed much better than other nationalized bank and it was the most profitable nationalized bank in India. The Indian Bank was the second most profitable bank.

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Fig. 1**Table 1: Interest Spread**

Name of Bank	2008	2009	2010	2011	2012	Overall Trend	Rank
Allahabad Bank (ALB)	3.19	3.63	4.13	4.28	4.75	4.00	7
Andhra Bank (ADB)	4.04	3.78	4.48	4.59	4.77	4.33	5
Bank of Baroda (BOB)	4.21	4.02	4.15	4.60	4.73	4.34	4
Bank of India (BOI)	4.80	4.96	4.57	5.06	4.43	4.76	1
Bank of Maharashtra (BOM)	3.60	4.12	3.52	3.66	4.24	3.83	10
Canara Bank (CNB)	3.47	3.47	3.32	3.47	3.80	3.51	16
Central Bank of India (CBI)	2.48	3.10	2.80	3.82	3.51	3.14	17
Corporation Bank (CRPB)	3.79	4.02	3.51	3.37	3.62	3.66	14
Dena Bank (DNB)	3.67	3.97	3.35	3.79	3.83	3.72	12
Indian Bank (IB)	4.41	4.13	4.47	4.81	4.51	4.47	2
Indian Overseas Bank (IOB)	4.26	4.29	4.69	3.89	3.93	4.21	6
Oriental Bank of Commerce (OBC)	3.18	3.24	3.79	4.53	4.01	3.75	11
Punjab National Bank (PNB)	4.18	4.18	4.46	4.67	4.51	4.40	3
Syndicate Bank (SNDB)	3.25	3.48	3.06	3.91	4.20	3.58	15
Punjab & Sind Bank (PSB)	N/A	N/A	3.66	3.30	3.58	3.51	16
Union Bank of India (UBI)	3.82	4.00	4.17	3.49	3.87	3.87	9
United Bank of India (UTBI)	N/A	N/A	3.52	3.99	4.15	3.89	8
UCO Bank (UCO)	3.29	3.43	3.72	4.11	4.20	3.75	11
Vijaya Bank (VB)	3.06	3.92	3.87	3.73	3.95	3.71	13

Source: www.rbiindia.org and compiled by author

Table 2: Cash Margin

Name of Bank	2008	2009	2010	2011	2012	Overall Trend	Rank
Allahabad Bank (ALB)	14.44	10.12	12.71	12.15	11.68	12.22	8
Andhra Bank (ADB)	13.10	12.32	15.54	14.95	11.82	13.55	4
Bank of Baroda (BOB)	12.06	14.19	16.54	18.16	16.07	15.40	2
Bank of India (BOI)	14.47	16.25	9.09	10.83	9.06	11.94	9
Bank of Maharashtra (BOM)	10.39	9.19	9.56	4.02	6.30	7.89	18
Canara Bank (CNB)	10.65	11.80	14.46	16.23	10.22	12.67	6
Central Bank of India (CBI)	7.16	5.72	8.28	8.39	3.31	6.57	19
Corporation Bank (CRPB)	13.03	12.36	13.70	12.54	11.00	12.53	7
Dena Bank (DNB)	11.60	11.67	11.79	11.64	11.53	11.65	10
Indian Bank (IB)	16.77	18.21	17.35	17.02	13.81	16.63	1
Indian Overseas Bank (IOB)	14.79	12.16	7.10	8.82	5.97	9.77	13
Oriental Bank of Commerce (OBC)	12.36	10.16	10.65	12.31	7.41	10.58	11
Punjab National Bank (PNB)	13.72	14.60	16.52	15.39	12.80	14.61	3
Syndicate Bank (SNDB)	10.82	9.92	8.00	9.07	8.46	9.25	14
Punjab & Sind Bank (PSB)	N/A	N/A	12.73	10.37	7.25	10.12	12
Union Bank of India (UBI)	11.72	14.17	13.83	14.52	12.11	13.27	5
United Bank of India (UTBI)	N/A	N/A	7.15	9.11	8.15	8.14	15
UCO Bank (UCO)	6.72	7.01	10.44	8.15	7.70	8.00	16
Vijaya Bank (VB)	9.12	4.20	8.78	8.92	7.29	7.66	17

Source: www.rbiindia.org and compiled by author

Table 3: Net Profit Margin

Name of Bank	2008	2009	2010	2011	2012	Overall Trend	Rank
Allahabad Bank (ALB)	13.69	9.43	12.07	11.61	11.24	11.61	8
Andhra Bank (ADB)	11.84	10.96	14.17	13.79	11.06	12.36	5
Bank of Baroda (BOB)	10.38	12.86	15.37	17.18	15.23	14.20	2
Bank of India (BOI)	13.96	15.89	8.59	10.25	8.53	11.44	9
Bank of Maharashtra (BOM)	8.65	7.88	8.16	5.42	5.52	7.13	17
Canara Bank (CNB)	9.61	10.89	13.77	15.65	9.76	11.94	7
Central Bank of India (CBI)	6.31	4.99	7.70	7.66	2.61	5.85	19
Corporation Bank (CRPB)	14.41	12.88	14.05	13.89	10.43	13.13	4
Dena Bank (DNB)	11.61	10.95	11.17	11.07	11.04	11.17	10
Indian Bank (IB)	15.45	16.52	16.25	16.35	13.14	15.54	1
Indian Overseas Bank (IOB)	13.94	11.87	6.14	8.04	5.41	9.08	13
Oriental Bank of Commerce (OBC)	11.38	9.33	9.90	11.60	6.80	9.80	11
Punjab National Bank (PNB)	12.68	13.76	15.64	14.56	12.09	13.75	3
Syndicate Bank (SNDB)	9.65	8.83	7.22	8.50	8.05	8.45	14
Punjab & Sind Bank (PSB)	N/A	N/A	12.01	9.85	6.61	9.49	12
Union Bank of India (UBI)	10.62	13.20	12.88	13.47	11.27	12.29	6
United Bank of India (UTBI)	N/A	N/A	5.47	7.65	7.34	6.82	18
UCO Bank (UCO)	5.75	6.10	9.72	7.48	7.20	7.25	16
Vijaya Bank (VB)	8.65	4.51	8.36	8.24	6.87	7.33	15

Source: www.rbiindia.org and compiled by author

Table 4: Return on Long Term Fund

Name of Bank	2008	2009	2010	2011	2012	Overall Trend	Rank
Allahabad Bank (ALB)	106.77	126.10	127.11	116.06	130.00	121.21	11
Andhra Bank (ADB)	116.48	126.87	127.15	102.46	125.45	119.68	13
Bank of Baroda (BOB)	91.52	103.70	99.27	89.23	92.37	95.22	19
Bank of India (BOI)	122.57	127.39	114.17	109.17	120.36	118.73	14
Bank of Maharashtra (BOM)	160.40	171.63	166.73	112.14	122.42	146.66	4
Canara Bank (CNB)	151.48	149.13	134.69	112.95	132.08	136.07	8
Central Bank of India (CBI)	169.69	207.85	188.21	166.98	138.59	174.26	2
Corporation Bank (CRPB)	94.80	115.83	115.17	110.99	142.31	115.82	16
Dena Bank (DNB)	134.54	156.65	150.33	120.51	130.47	138.50	7
Indian Bank (IB)	91.06	87.96	102.16	95.57	104.69	96.29	18
Indian Overseas Bank (IOB)	146.37	145.71	126.87	116.16	131.42	133.31	10
Oriental Bank of Commerce (OBC)	111.07	124.29	122.32	97.43	117.47	114.52	17
Punjab National Bank (PNB)	111.52	129.83	116.11	108.49	113.95	115.98	15
Syndicate Bank (SNDB)	176.94	174.39	162.39	125.48	144.48	156.74	3
Punjab & Sind Bank (PSB)	N/A	N/A	130.71	135.81	158.76	141.76	5
Union Bank of India (UBI)	126.18	146.45	147.75	135.60	117.88	134.77	9
United Bank of India (UTBI)	N/A	N/A	123.66	110.94	128.17	120.92	12
UCO Bank (UCO)	220.99	203.74	178.21	125.65	149.91	175.70	1
Vijaya Bank (VB)	163.48	161.20	141.84	99.54	132.59	139.73	6

Source: www.rbiindia.org and compiled by author

Table 5: Return on Net Worth or Shareholders' Fund

Name of Bank	2008	2009	2010	2011	2012	Overall Trend	Rank
Allahabad Bank (ALB)	18.57	13.13	20.50	18.61	19.35	18.03	10
Andhra Bank (ADB)	17.71	17.90	23.71	19.51	17.97	19.36	7
Bank of Baroda (BOB)	12.99	17.35	20.24	20.20	18.22	17.80	12
Bank of India (BOI)	22.76	25.51	13.60	15.58	13.57	18.20	9
Bank of Maharashtra (BOM)	18.60	18.16	18.28	10.23	9.97	15.05	16
Canara Bank (CNB)	18.86	20.64	24.09	22.43	15.91	20.39	5
Central Bank of India (CBI)	15.46	14.43	23.03	21.45	4.52	15.78	15
Corporation Bank (CRPB)	17.38	18.23	20.26	19.79	18.19	18.77	8
Dena Bank (DNB)	22.96	21.68	21.36	17.68	18.71	20.48	4
Indian Bank (IB)	25.80	21.18	22.03	21.11	18.47	21.72	2
Indian Overseas Bank (IOB)	25.35	22.31	11.13	13.13	9.73	16.33	14
Oriental Bank of Commerce (OBC)	14.55	14.03	15.49	14.71	10.29	13.81	18
Punjab National Bank (PNB)	19.00	23.52	24.06	22.12	18.52	21.44	3
Syndicate Bank (SNDB)	21.94	19.86	15.57	15.74	16.34	17.89	11
Punjab & Sind Bank (PSB)	N/A	N/A	20.53	17.99	13.02	17.18	13
Union Bank of India (UBI)	19.16	24.66	24.47	23.55	18.79	22.13	1
United Bank of India (UTBI)	N/A	N/A	10.59	13.05	13.44	12.36	19
UCO Bank (UCO)	16.58	19.95	28.02	17.61	17.60	19.95	6
Vijaya Bank (VB)	17.15	11.31	17.72	12.91	11.88	14.19	17

Source: www.rbiindia.org and compiled by author

Table 6: Return on Assets

Name of Bank	2008	2009	2010	2011	2012	Overall Trend	Rank
Allahabad Bank (ALB)	117.47	111.45	131.73	160.50	192.92	142.81	8
Andhra Bank (ADB)	67.00	75.20	90.93	116.02	133.66	96.56	15
Bank of Baroda (BOB)	303.18	352.37	414.71	536.16	668.34	454.95	2
Bank of India (BOI)	168.06	224.39	243.75	292.26	343.79	254.45	6
Bank of Maharashtra (BOM)	41.01	47.97	55.84	61.02	63.77	53.922	19
Canara Bank (CNB)	202.33	244.87	305.83	405.00	465.57	324.72	4
Central Bank of India (CBI)	76.81	86.26	107.96	131.20	121.42	104.73	12
Corporation Bank (CRPB)	294.79	341.36	402.60	481.85	558.70	415.86	3
Dena Bank (DNB)	54.62	67.95	83.43	103.76	122.59	86.47	16
Indian Bank (IB)	74.95	106.93	127.52	184.44	214.94	141.76	9
Indian Overseas Bank (IOB)	87.05	109.06	116.54	131.96	135.34	115.99	11
Oriental Bank of Commerce (OBC)	230.54	257.54	292.19	349.97	379.93	302.03	5
Punjab National Bank (PNB)	341.98	416.74	514.77	632.48	777.39	536.67	1
Syndicate Bank (SNDB)	74.05	88.03	100.06	116.12	133.50	102.35	14
Punjab & Sind Bank (PSB)	N/A	N/A	131.96	127.74	141.73	133.81	10
Union Bank of India (UBI)	93.71	111.33	139.66	174.37	211.31	146.08	7
United Bank of India (UTBI)	N/A	N/A	91.69	103.46	114.65	103.27	13
UCO Bank (UCO)	31.08	50.88	65.74	82.00	94.72	64.88	17
Vijaya Bank (VB)	48.59	53.47	61.44	70.31	76.17	62.00	18

Table 7: Composite Rank

Name of Bank	I.S	C.A	NPM	RLTF	RONW	ROA	Total of ratio	Overall Rank
Allahabad Bank (ALB)	7	8	8	11	10	8	52	8
Andhra Bank (ADB)	5	4	5	13	7	15	49	7
Bank of Baroda (BOB)	4	2	2	19	12	2	41	4
Bank of India (BOI)	1	9	9	14	9	6	48	6
Bank of Maharashtra (BOM)	10	18	17	4	16	19	84	14
Canara Bank (CNB)	16	6	7	8	5	4	46	5
Central Bank of India (CBI)	17	19	19	2	15	12	84	14
Corporation Bank (CRPB)	14	7	4	16	8	3	52	8
Dena Bank (DNB)	12	10	10	7	4	16	59	9
Indian Bank (IB)	2	1	1	18	2	9	33	2
Indian Overseas Bank (IOB)	6	13	13	10	14	11	67	10
Oriental Bank of Commerce (OBC)	11	11	11	17	18	5	73	13
Punjab National Bank (PNB)	3	3	3	15	3	1	28	1
Syndicate Bank (SNDB)	15	14	14	3	11	14	71	12
Punjab & Sind Bank (PSB)	16	12	12	5	13	10	68	11
Union Bank of India (UBI)	9	5	6	9	1	7	37	3
United Bank of India (UTBI)	8	15	18	12	19	13	85	15
UCO Bank (UCO)	11	16	16	1	6	17	67	10
Vijaya Bank (VB)	12	17	15	6	17	18	85	15

I.S- interest spread, *C.A-* cash margin, *NPM-* net profit margin, *RLTF-*return on long-term fund, *RONW-*return on net worth, *ROA-*return on assets, *Total-* total of all ratios higher of total ratio get lower rank

Source: www.rbiindia.org and compiled by author