

A Comprehensive Analysis of Financial Performance: Insights from a Leading Banks

INTRODUCTION:

Overview:

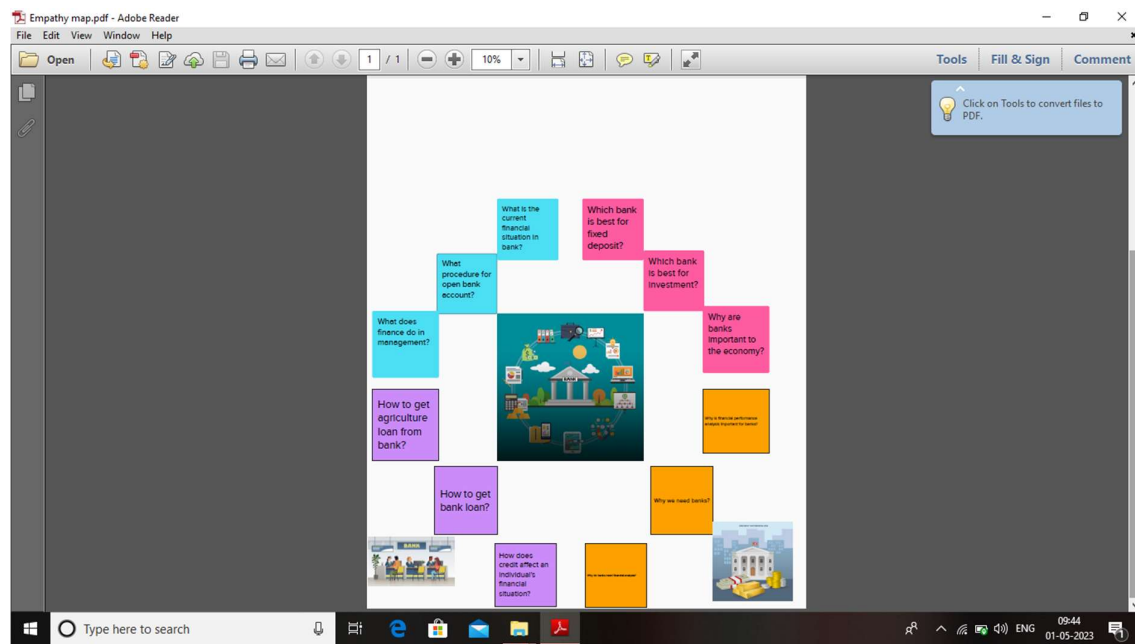
In India, RBI adopted this approach in 1996 followed on the recommendations of Padmanabhan Working Group (1995) committee. In the present study, an attempt has been made to rank the various commercial banks operating in India. The banks in India have been categorized into public sector and Private sector banks. The sample of selected banks consists of 25 Public Sector, 18 Private Sector, and 8 foreign banks. For the purpose of ranking, Camel model approach has been applied, incorporating important parameters like Capital Adequacy, Assets Quality, Management Efficiency, Earnings Quality and Liquidity. The finding of the study shows that financial performance of five public sector banks in India using CAMEL model, Canara bank is the best performer which was followed by Punjab National Bank and State Bank of India, whereas the least ranked bank was Bank of Baroda and Bank of India.

Purpose:

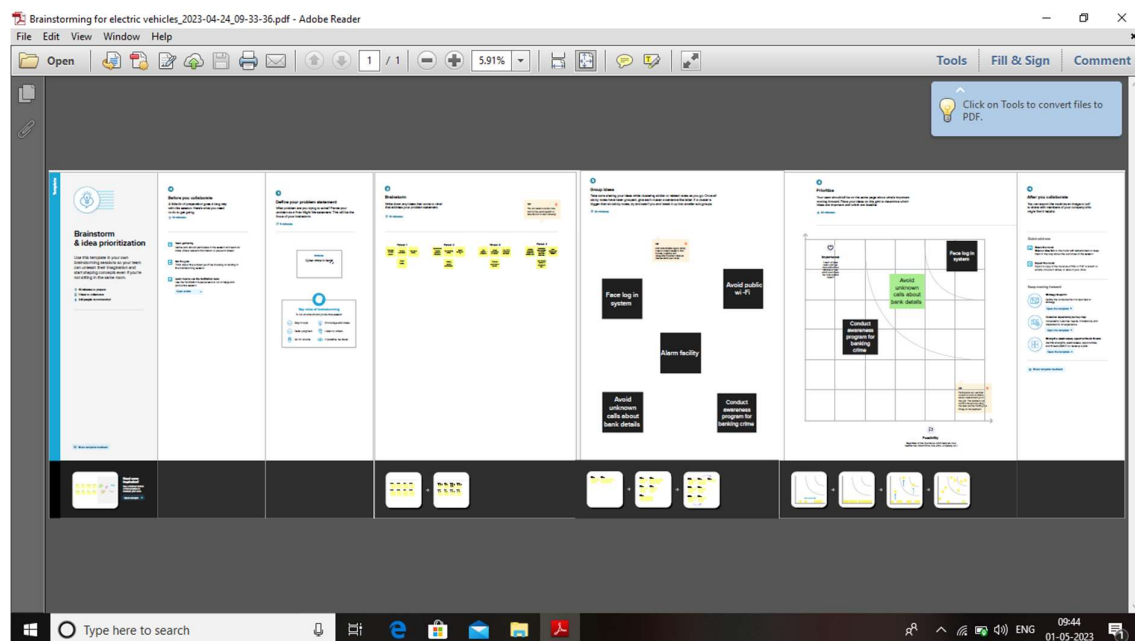
Retail banking is facing a watershed: the threat of disruption by innovators with leading-edge technology and a strong sense of purpose. Our Purpose-Driven Banking 2021 report examines banks' purpose-driven strategy and quantifies its potential to help them win in a changing market. We find positive correlations between purpose-driven strategies and better financial performance and market valuations. Findings also reveal that banking leaders successfully connect their digital transformation agenda to their purpose.

2.PROBLEM DEFINITION & DESIGN THINKING:

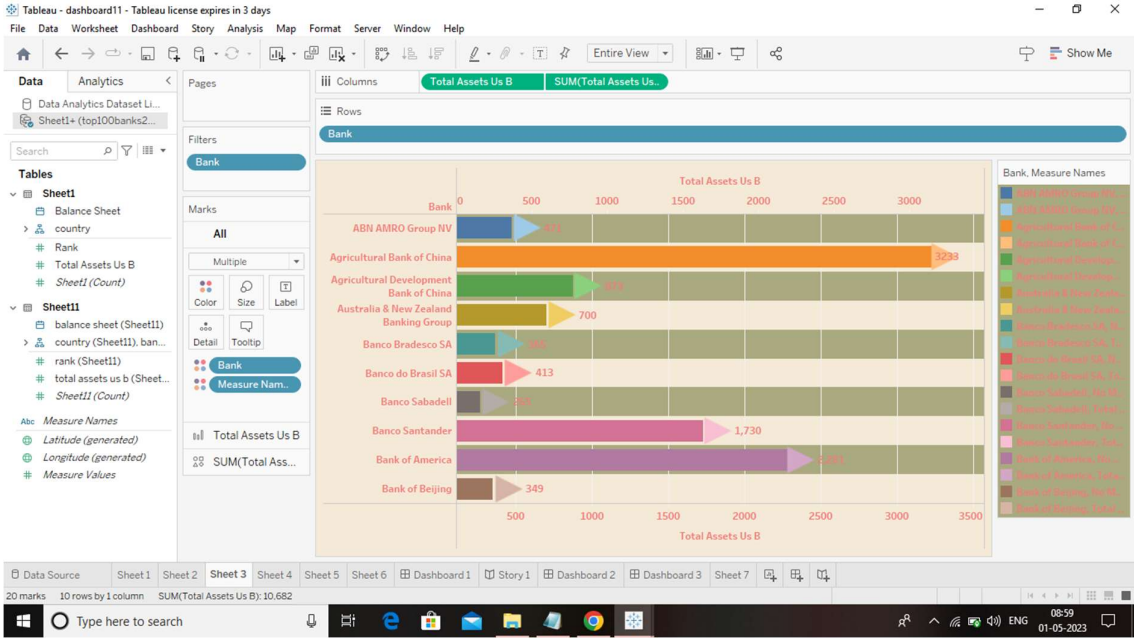
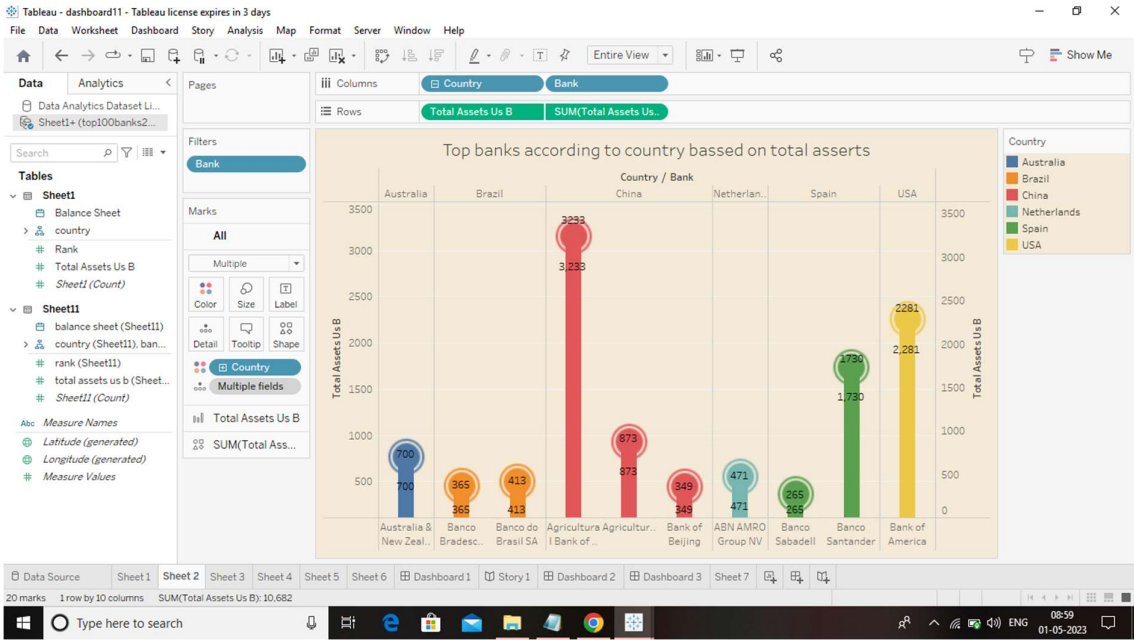
2.1-Empathy map:

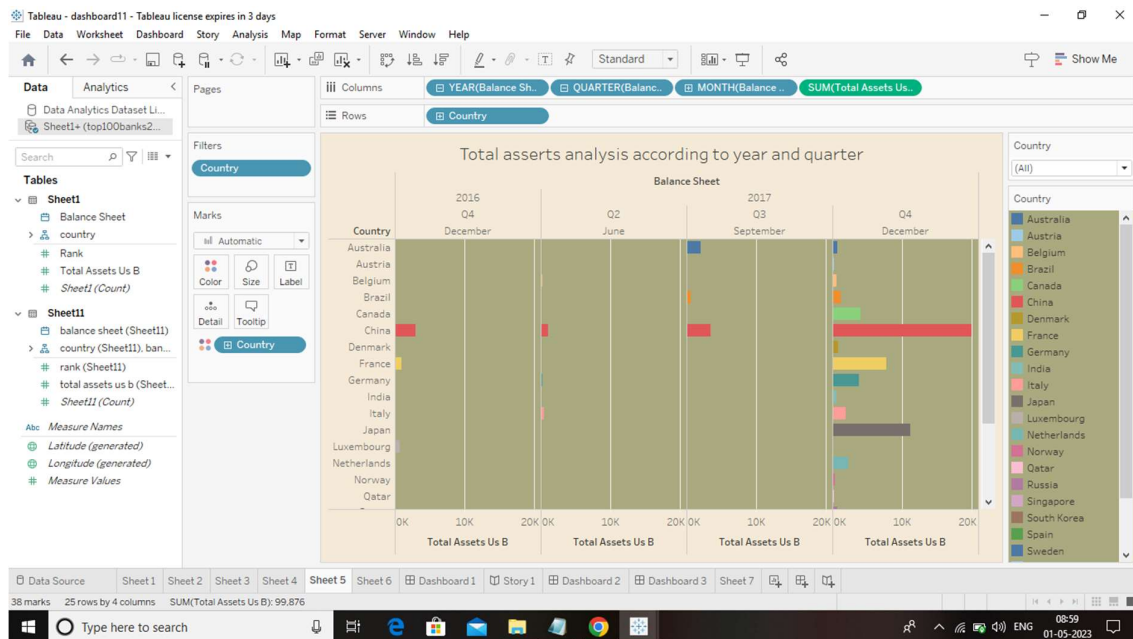
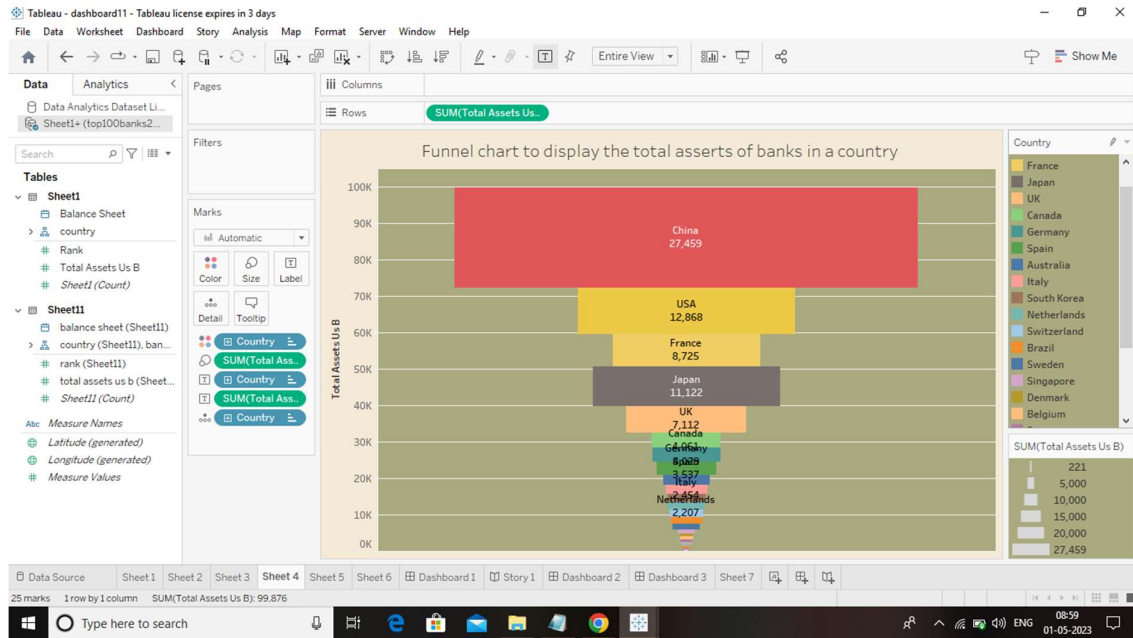


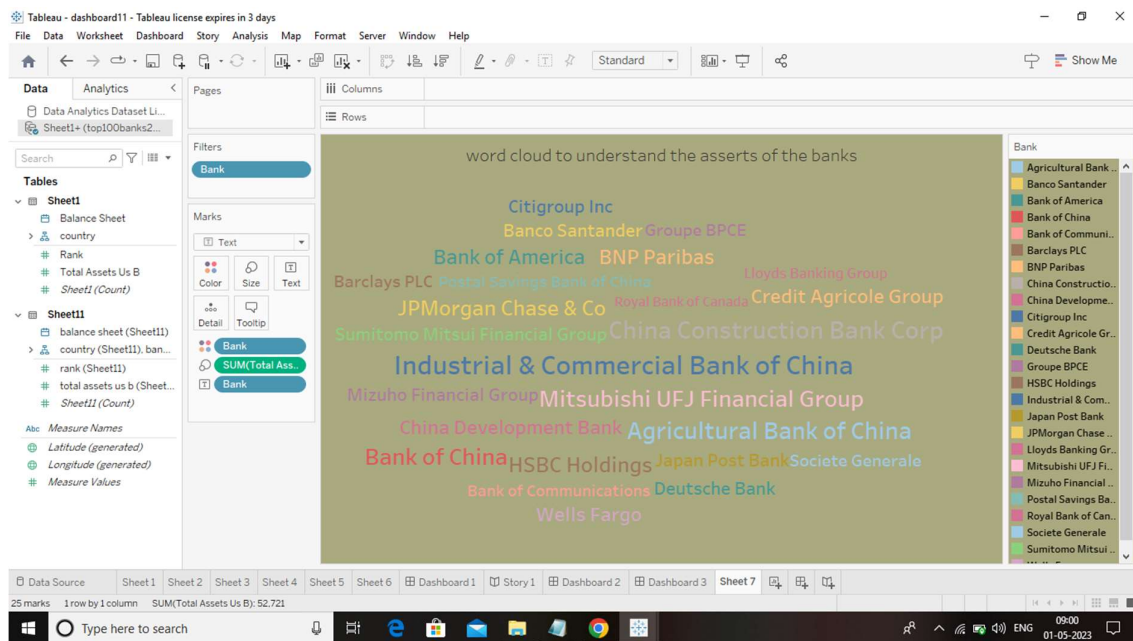
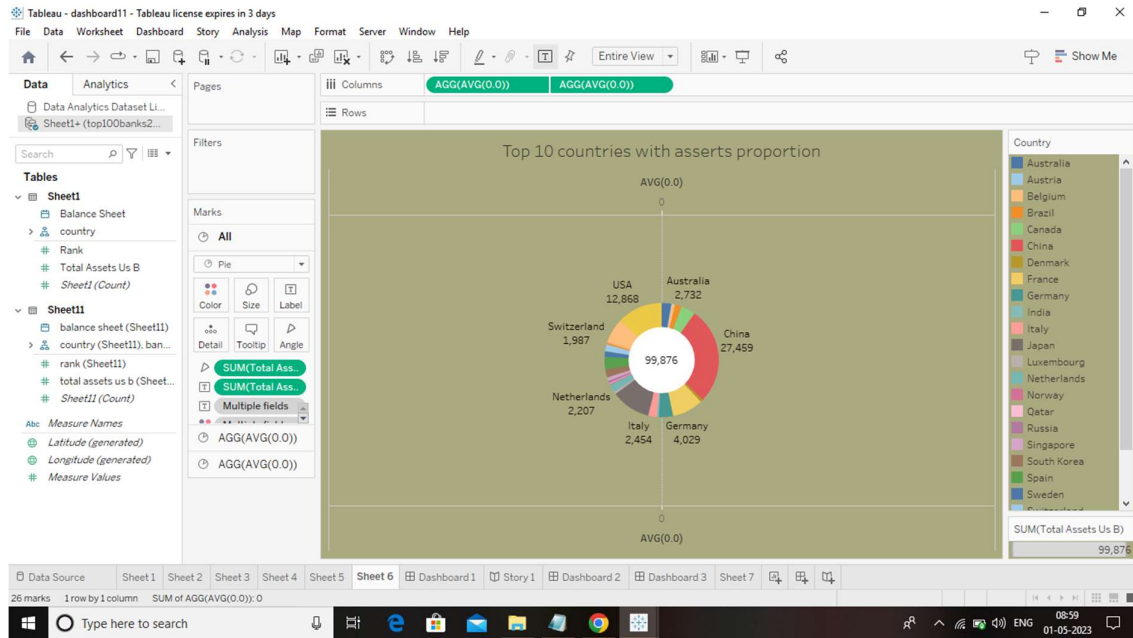
2.2-Ideation & Brainstorming map:

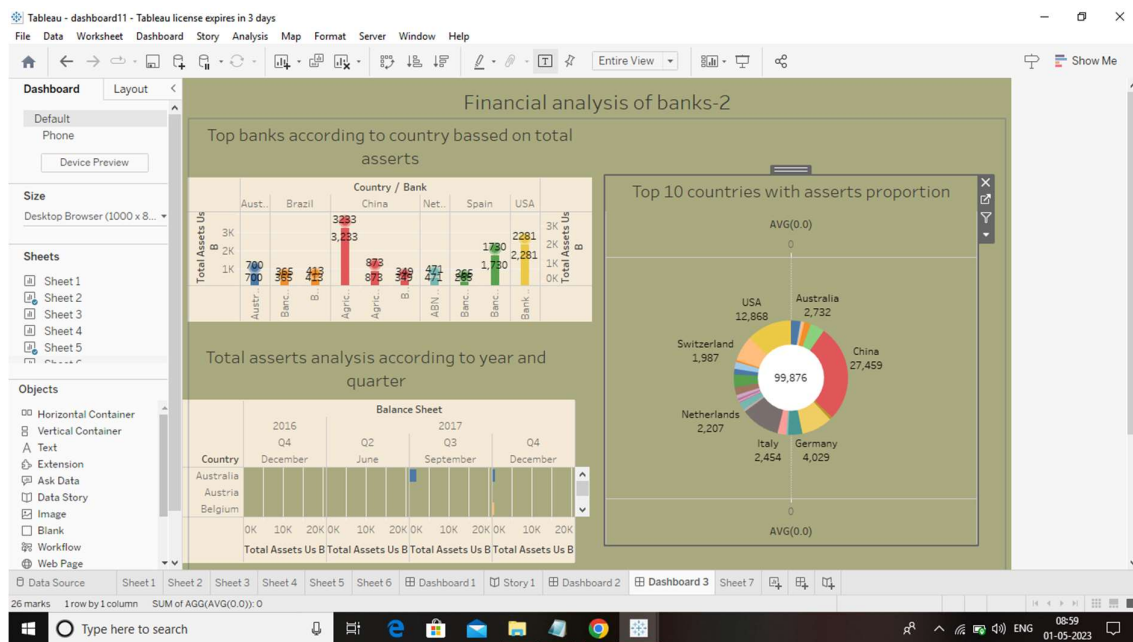
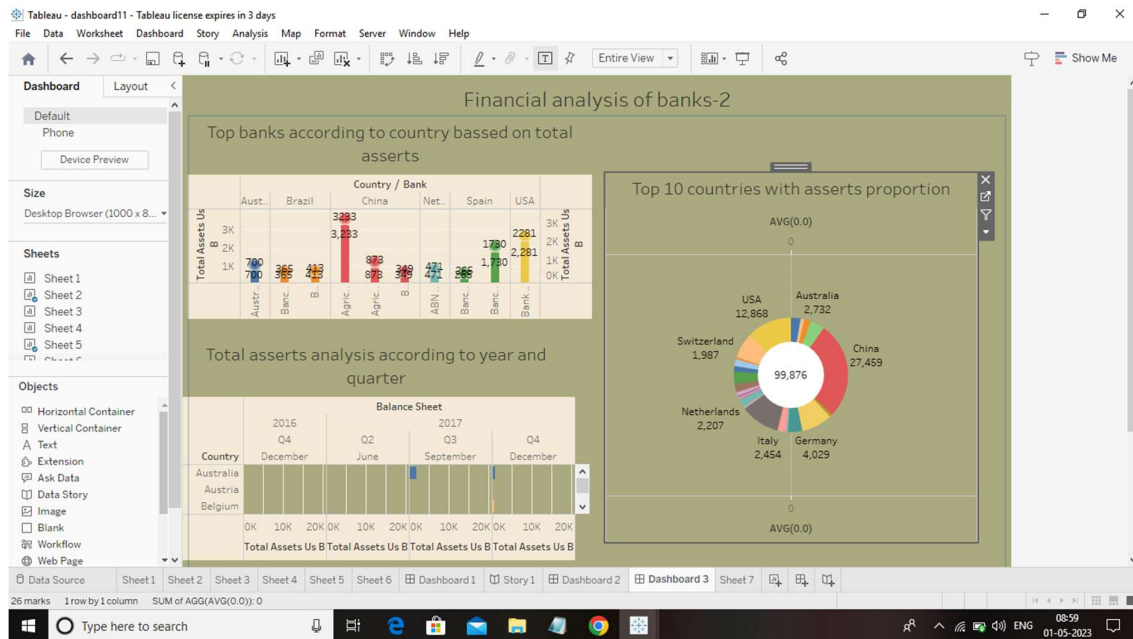


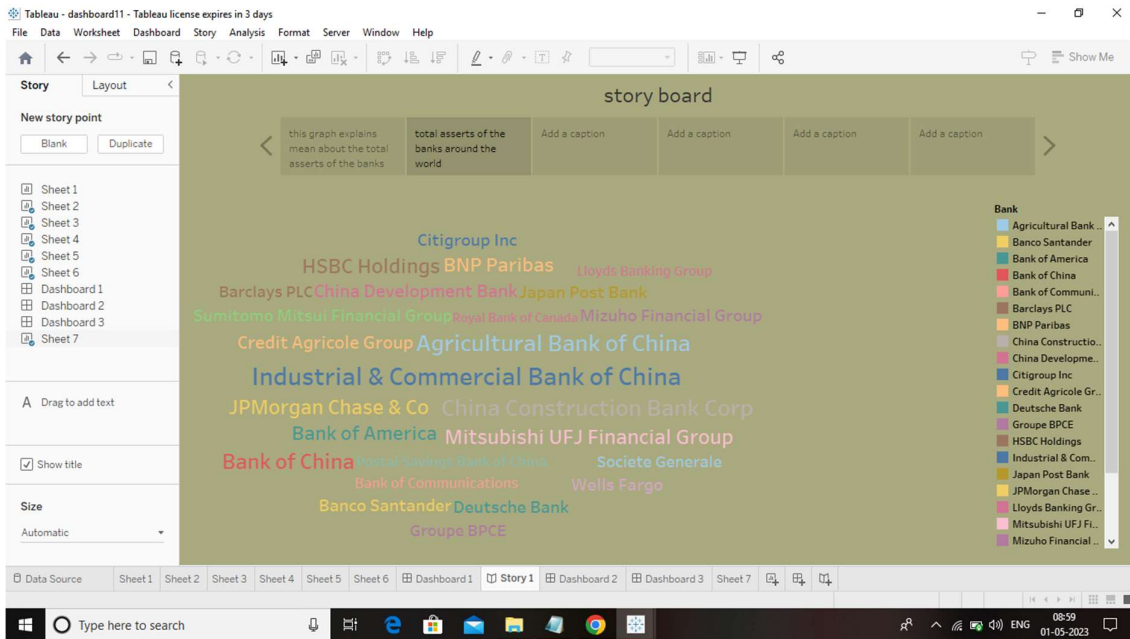
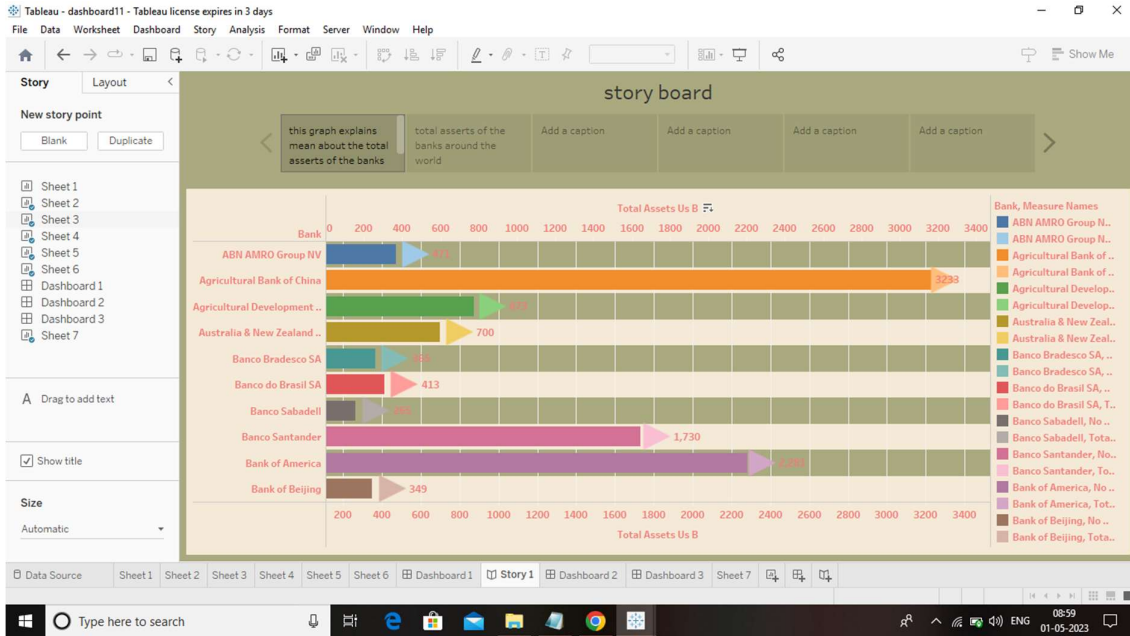
3. RESULT:

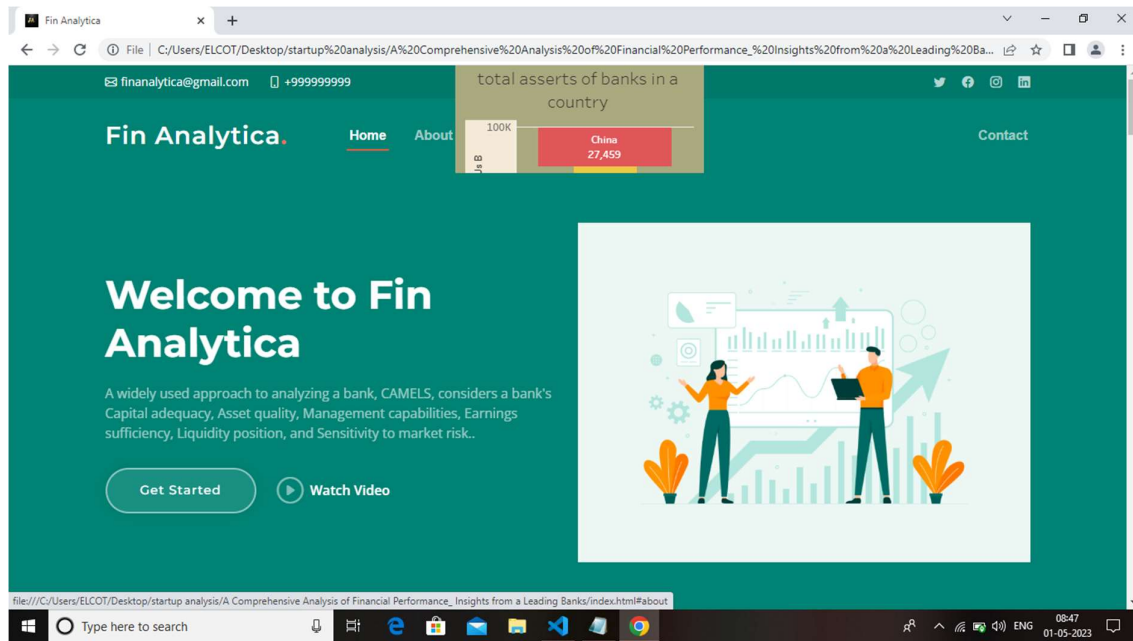












4. ADVANTAGES & DISADVANTAGES:

4.1-Advantages:

- Shareholders definitely want to make sure that the business is being run efficiently and that the capital tied up in the business is minimised.
- Lenders and creditors are interested in how the working capital of a business is managed.
- A lender like a bank would look very closely at the liquidity position of a business to make sure that the business is able to pay the interest and the amounts the capital amounts owed on a bank loan.
- Competitors will be interested to see whether a competing business is able to manage its assets more effectively because that could be a source of competitive advantage over them.

4.2-Disadvantages:

- The financial analysis does not contemplate cost price level changes.
- The financial analysis might be ambiguous without the prior knowledge of the changes in accounting procedure followed by an enterprise.
- Financial analysis is a study of reports of the enterprise.

- Monetary data alone is contemplated in financial analysis while non-monetary factors are overlooked.
- The financial statements are outlined on the ground of accounting concept, as such, it does not mirror the current position.

5.APPLICATION:

- Gross and net non-performing assets.
- Provision coverage ratio.
- Return on assets.
- CASA ratio.
- Net interest margin
- Cost to income.

6.CONCLSION:

Financial management is an essential discipline as it guides the financial managers to make informed financial decisions in their companies. Financial management is guided by several principles that the managers should adhere to in ensuring that the finances of a company are appropriately invested. The investment comes with the analysis of the outcome where different financial profitability and market ratios are used in establishing the stability of a firm. The analysis of Boeing Company using the ratios reveals that the company's financial position is unstable since the ratios have been noted to significantly decline after the crash of the Ethiopianairliner. The company should put in place strategies to restore its glory. It should prove to the world that its next aircraft to be manufactured meet the safety standards. The company should, therefore, consider developing its staff with the modern safety skills that should be incorporated into the aircraft. Also, the company should reach out to its clients and assure them that such an accident is unlikely to occur in the future while at the same time explaining the safety measures it aims to put in place. Also, the company trades in several products.

7.FUTURE SCOPE:

Analyse financial ratios to assess profitability, solvency, working capital management, liquidity, and operating effectiveness. Compare current performance with historical conditions using trend analysis. Compare with peer companies or industry averages to find out how well companies are performing.