COMPARATIVE STUDY OF FINANCIAL PERFORMANCE OF SBI AND HDFC BANK

Submitted in a partial fulfillment
of the requirement for the degree of
MASTER OF BUSINESS ADMINISTRATION
BY

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(19H61E0059)

UNDER THE ESTEEMED GUIDANCE OF

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Venkatapur (V), Ghatkesar (M) Medchal (Dist.)- 500088

2019-2021

DECLARATION

I hereby declare that this Project report titled **"COMPARATIVE STUDY OF FINANCIAL PERFORMANCE OF SBI AND HDFC BANK**" Submitted by me to the Department of Business Management, ANURAG GROUP OF INSTITUIONS, Hyderabad, is a bonafide work under taken by me and it is not submitted to any other University or Institution for the award of any other degree or diploma / certificate or published any time before.

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CERTIFICATE

This is to certify that the bonafide record of Project report is done and submitted by **SYED SAIF ALI**. Bearing HT**.No. 19H61E0059** of MBA II Year/IV semester in during the Academic year 2019-21

Internal Examiner **External Examiner**

Head of the Department

ACKNOWLEDGEMENT

It is my pleasure to thank Dr.V.Vishnu Vandana, HOD, School of Management for her valuable suggestions and also encouraging me to carry out this Project report work which has been immense learning experience of me.

I would like to express a deep indebtedness and whole heart thanks to my Practical guide Mr. A Rambabu, ASSISTANT PROFESSOR for impartial and enlightened guidance throughout the development of the Project report work. I feel grateful for the wonderful efforts that both has put in for the completion of my Project report work. As endeavor over a long period can also be successful by constant effort and encouragement. It is my pleasure to acknowledgement the help of all the respected elders.

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ABSTRACT

The Indian banking industry makes a substantial contribution to the country's economic development. By providing financial help, the banking industry drives the expansion of numerous industries. However, in addition to the pandemic, the banking sector has faced a number of hurdles in recent years, including poor asset quality, corporate governance issues, and an economic recession. These elements have a direct influence on the performance of banks. The performance of banks has been studied using many metrics such as capital adequacy, asset quality, managerial efficiency, earnings, and liquidity-CAMEL model. The CAMEL model was used to conduct a comparison study of State Bank of India and HDFC Bank. According to the findings, HDFC Bank beat State Bank of India on the metrics of Capital Adequacy, Asset Quality, and Management, whereas State Bank of India outperformed HDFC Bank on the parameter of Liquidity. In terms of earnings quality, both banks did equally well.

Capital adequacy, asset quality, management, earnings, and liquidity are key terms.

CHAPTER-I

INTRODUCTION

INTRODUCTION

The term 'monetary execution examination or investigation and the translation of the budget summaries', illustrates to the involved method with the deciding monetary strength and the shortcomings of the business firm by the setting up an essential connection between the things of asset report , benefit and the misfortune account and the other information.
"The Monetary execution investigation is assessing the connection between the part portions of a fiscal report to get the superior comprehension of the inflexible stance's and the execution.

Reason for the monetary examination is to discuss the data contained in the budget reports to the pass judgment on the monetary sufficiency and productivity of the business firm. A specialist examines his patient by the recording his internal heart level, the circulatory strain and Prior to making proper decision with due respect to the ailment and prefer to give treatment. A monetary investigation do the budget reports with the different apparatuses of the examination prefer to remark on the monetary shortcoming or wellbeing of an undertaking.

NEED FOR STUDY

- Monetary examination strategies of a business firm explains out what extent of the income is paid to the investors a method of financial options and what extent it is furrowed back to the business firm for reinvestment purpose.
- If a firm’s capital planning choices are autonomous of monetary investigation of monetary examination strategy, high monetary presentation installments will involve little bit more noteworthy.

OBJECTIVE:

1. To investigate and look at the Financial Performance of SBI and HDFCBank.
2. To review the monetary presentation of organization utilizing CAMELSmodel.
3. To review the monetary soundness of the organization utilizingt-test.

SCOPE OF STUDY

An all around expanded portfolios lessens un-systematic risk by an enormous way. The financial backer likes among protections which yield better for a similar risk or less risk for same return. Venture choices depend on speculation destinations and limitations. Higher the time-frame of speculation lesser is the vulnerabilities of venture.

INFORMATION COLLECTION:

Wellspring of Data Optional Data:
The optional information are those which have as of now been gathered by another organization and which have as of now been handled. The wellsprings of optional information are yearly reports, perusing web, throughmagazines.

1. It incorporates information got from the form's reports of (HDFC and SBI).

2. Articles are gathered from true site of (SBI and HDFC BANKLTD).

THE STRATEGY USED:

2 Types of Financial Statements Are Used to analyze the Financial status.

- The Balance Sheet.
- The Income Statements.

LIMITATIONS FOR THE STUDY

- The significant impediment of the current review limited to one specific area like banking.

- It is bound to just quantify the monetary presentation of select banks. The innate restriction is optional information.

- Subsequently, this might be taken as anotherrestriction.

- Each Project Gives Rise to Its Own Unique Risks And Hence Possess Its Own Unique Challenges.
-
    - **Only InterimReports**
    - **The Historical Costs**

TOOLS

Ms Excel

CHAPTER-II

REVIEW OF LITERATURE

This component tends to the review of these examinations that have been done inside the financial presentation.

Rao (1993) analyzed in his investigation about 'Money related test of Indian Car Tire Industry'. Essential objective of view transformed into intended to look into the monetary situation financial energy and deficiency of the Indian tire industry. He has been imagined and evaluates the monetary show through among office and between place assessment throughout 1981-1988. He has seen that the right sources use in a major parcel of the tire tries become not exactly as gainful real to shape and stock become managed actually pleasantly. He has idea roughly that the tire business' elegant increase execution changed into presented to abnormality and incapable. He has proposed a couple of proposition to deal with financial execution.

Rao (1993) has made a learn about between big business money related assessment of tea industry-audit and prospect. He expected to examinations the sizable variables of tea venture and projected predetermination designs with perceive to arrangements and advantage for the next long time lengths, to help the methodology makers to take fitting picks. He had been resolved different monetary extents for researching the money related prosperity of the business. Later the test of extents, he has contemplated that the parent of offers and gifts of tea manufacturing organizations affirmed that the Indian tea industry has top notch prospects. He has in like manner uncovered that the new changes in the Indian monetary courses of action might assist with increasing the surprising substitute pay, which would potentially help the ones organizations, which can be conveying to troublesome cashregions.

Pai, Vadivel and Kamala (1995) have found practically about the widened organizations and money related execution. Essential inspiration toward the rear of studies become found the association between expanded organizations and their monetary show. With the surrender expectation of assessment, they have picked seven major firms and examined those organization which having various things both related and at any rate in their portfolio and running in arranged endeavors. In this assessment, a lot of execution measures/extents was applied to conclude the confirmation of monetary execution and assortment in execution beginning with one association then onto the ensuing has been noticed and quantifiably settled. They uncovered that the widened partnerships thought about were steady monetaryexecution.

Vijayakumar A. (1996) has concentrated around 'Evaluation of Corporate Liquidity - a different assessment approach' on this investigation he has uncovered that the improvement speed of offers, sway, contemporary offer, running expenses to arrangements and vertical coordination was the sizable components which decide the benefit of associations in the sugar business endeavor.

Moreover he has zeroed in on the brief liquidity job in 28 chose sugar creation greenery in co-usable and individual regions. In examinations an isolate examination has been utilized by the researcher, to attempted to comprehend the fabulous peril organizations from powerless possibility bunches subject to drift and liquidity extents. In this assessment isolating

'Z' rankings were chosen with the assistance of isolate potential and as demonstrated with the guide of the 'Z' appraisals the partnerships are set inside the solicitation for liquidity. Loundes (1998) tried on his investigation paper concerning "execution of Australian Government Trading

Tries: A layout". He has given a characterize of GTE execution over the 5 years to 1996 using the IBIS Enterprise Database, following the method for separating partnership execution as outlined via the controlling gathering (1998). He has welcomed on tantamount exploration and its ramifications to exhibit that there are gigantic differences in execution all through organizations, and all of the more prominent explicitly, across the endeavors. Studying the show of Government Trading Enterprises (GTEs) has arise as slowly sizeable as respects to the free for all towardsprivatization.

Dhankar (1998) has discovered practically about the prerequisites of execution assessment for business attempts in India exploration of public area tries. The author offers another model for assessing the introduction of a business task in India, in which, the reason is to assessment its genuine speed of return and its regular opportunity changed beat of return. Understanding the significance and conflict of public area in India, an undertaking transformed into made to check the show of all open area attempts, which had been started as much as 1964 and were in leisure activity until 1983. It is exquisite to understand that part of them on an ordinary need to talk about making overflow returns, have now not had the choice you purchased identical to their expense ofcapital.

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CHAPTER-III

INDUSTRYPROFILE &COMPANYPROFILE

INDUSTRY PROFILE

The Indian financial area is comprehensively arranged into booked and non-planned banks. The booked banks are those included under the second Schedule of the Reserve Bank of India Act, 1934. The booked banks are additionally arranged into: nationalized banks; State Bank of India and its partners; Regional Rural Banks (RRBs); unfamiliar banks; and other Indian private area banks.

The SBI has blended its Associate banks into itself to make the biggest Bank in India on 1 April 2017. With this consolidation SBI has a worldwide positioning of 236 on Fortune 500 list. The term business banks alludes to both planned and non-booked business banks directed under the Banking Regulation Act,1949.

By and large the inventory, item reach and reach of banking in India is genuinely developed despite the fact that range in rustic India and to the helpless still remaining parts a test.

DIFFERENT AREAS IN SBI:

Our branches have covered an entire range of rural exercises like harvest creation, cultivation, estate crops, ranch automation, land advancement and recovery, burrowing of wells, tube wells and water system projects, ranger service, development of cold stockpiles and go downs, handling of agri-items, money to agri-input vendors.

NRI SERVICES

State Bank of India is the bank of decision for Indians any place they live. With its tremendous organization of north of 14,500 homegrown branches, 53 committed NRI Branches in India, 173 Foreign Offices in 34 nations, Correspondent Banking relations with 475 worldwide banks

WORLDWIDE BANKING

Worldwide financial administrations of State Bank of India are conveyed to help its Indian clients, non-inhabitant Indians, unfamiliar elements and banks through an organization.

GOVERNMENT BUSINESS:

State Bank of India's linkage with Government business is broad. No big surprise that out of 9317 branches in India, around 7000 branches are leading Government Business. The huge organization of our branches gives simple admittance to the average person to store the accompanying Government levy and benefits installments.

Monetary execution of the organization:

The all out share capital of SBI has expanded at a more prominent rate in 2012 than that in earlier years. The money and offsets with RBI has diminished to a when contrasted with earlier year.

The overall pattern of net benefit was seen that it had a development till '10 yet saw a dunk in '11 anyway it rose back again in '12. It was 9,186.05, 8,264.52 and 11,707.29 individually.

Working Expenses have diminished somewhat. The stores and borrowings have decreased. Additionally the gross worth of interests in India has diminished by 0.91 occasions and that external India have changed pitifully. The net benefit has expanded 1.25 occasions when contrasted with earlier years.

COMPANY PROFILE

HDFC was the first to receive 'in principle' approval from the RBI (Reserve Bank of India) to set up a banking institution in private sector, as a part of the liberalisation policy of RBI of the Indian Banking in the year 1994. The bank was established in August month of 1994 as 'HDFC Bank Limited', with registered office at Mumbai, Maharashtra, India. The HDFC Bank started its operations as Scheduled Commercial Bank in the year of January 1995.

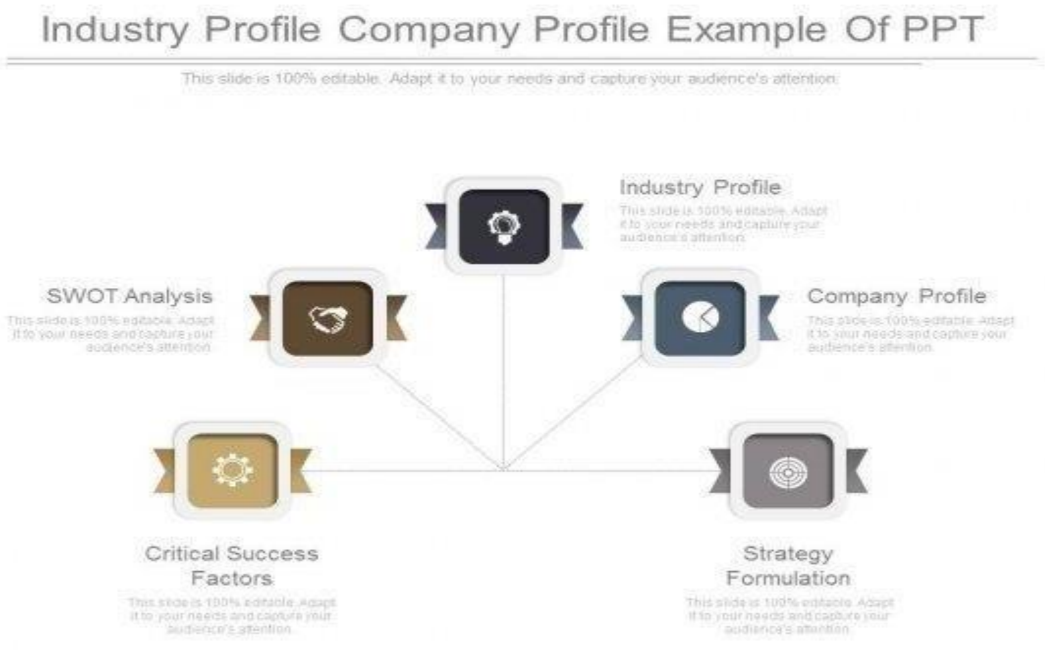
The HDFC Bank's mission is to become a World Class Indian Bank. The goal is to build a sound customer franchises in all distinct businesses to the preferred provider of the banking services for the target the retail and the wholesale customer segments, and to reach healthy progress in the profitability and consistent with bank's risk appetite. It is committed to maintain the maximum level of the ethical standards, corporate governance and professional integrity and regulatory compliance. The HDFC Bank’s philosophy of business is based on 5 core values. They are:

- Customer Focus
- Operational Excellence,
- People
- Product Leadership
- Sustainability

CSR OF HDFC BANK

The ZIIEI (The Zero Investments Innovation for the Education Initiatives) is action-oriented initiatives those aims to increase education system at minimal or zero cost. With the HDFC Bank Parivarthan as bank’s principal sponsor, the ZIIEI is the world-wide largest people-driven grassroot innovative movement.

Rupanthar, a multi-dimensional program under initiative provides platforms for the corporate, government, NGOs and the teachers to become together for sole purpose of the improving quality of education in the government schools. Uttar Pradesh state is the1st state to execute the program. It has successfully shown that the quality of education in the government schools in seventy five districts of Uttar Pradesh and currently implementing in eleven other states and one union territory in India. The ZIIEI aspires to continue to transform our education system for next generations to come.



CHAPTER -IV

DATAANALYSIS

&INTERPRETATION

COMPARISON BETWEEN HDFC AND SBI

I. Capital Adequacy:

This rate is used to guarantee merchants and lift the consistent quality and skill ability of money related structures from one side of the world to the other. Two styles of capital are anticipated: degree one capital, which could keep up with disasters with out a monetary organization being needed to quit trading, and level two capital, which can acclimatize adversities in the event of a turning up consequently gives a lesser level of guarantee to purchasers.

Vehicle resembles affect; inside the most fundamental enumerating, it is very much like the regressive of obligation to-expense affect designs (regardless of reality that CAR uses cost over assets rather than obligation to-cost; when you consider that resources are with the guide of definition equivalent to commitment comparatively to fee trade is required). In assessment to standard affect, regardless, CAR sees that sources can have different degrees of risk.

1. CRAR:

Capital adequacy rate is portrayed as:

$$CAR = \frac{\text{Tier 1 capital} + \text{Tier 2 capital}}{\text{Risk weighted assets}}$$

Capital instruments and subjected obligations where Risk can either be weighted resources ( ) or the individual public controller's base all out capital prerequisite. On the off chance that utilizing hazard weighted resources,

The percent limit changes from one bank to another (17% for this situation, a typical prerequisite for controllers public financial controller of various nations.

CRAR TABLE - 1

Year	SBI BANK	HDFC BANK
2020-11	18.19	18.17
2011-12	18.66	17.40
2012-13	19.16	18.80
2014	18.41	13.40
2015	13.15	18.69
2016	13.59	13.97
2017	15.68	15.52
2018	17.45	19.42
2019	16.21	19.55
2020	16.52	18.53

Data Source: CMIE, RBI Reports

CRAR TABLE – 2

The t-Test: The Two-Sample Assuming The Equal Variances		
	18.18	*18.9*
The Mean	14.1979	14.9157
The Variance	5.27403	19.3333
The Observations	9	9
The Pooled Variance	8.81066	
The Hypothesized Mean Difference	0	
The Df	17	
t Stat	-0.513	
P(T<=t) one-tail	0.31414	
t Critical one-tail	1.74587	
P(T<=t) two-tail	0.6142	
t Critical two-tail	2.18990	

The normal capital sufficiency proportion of SBI and HDFC Bank is 14.19 percent and 14.92 percent individually.

Capital Ratio Tier 1:

The base CAR proportions according to Basel Accord standards: Tier I value to chance weighted resource is 4%, while least CAR including Tier II Capital is 8%.

TIER I CR TABLE - 3

Year	SBI BANK	HDFC BANK
2010-11	9.49	7.12
2011-12	8.10	6.16
2012-13	9.60	7.59
2014	8.55	9.20
2015	8.58	7.42
2016	17.31	18.31
2017	17.57	19.17
2018	13.27	13.49
2019	19.22	18.7
2020	18.61	18.2

Data Source: RBI Annual Reports

TABLE- 4

TIER 1 – Capital		
t-Test: Two-Sample Assuming Equal Variances		
	9.39	*7.14*
The Mean	17.310333	17.0188
The Variance	3.239845	6.41967
The Observations	9	9
The Pooled Variance	4.8297972	
The Hypothesized Mean Difference	0	
The Df	17	
The t Stat	0.2756338	
P(T<=t) one-tail	0.3931777	
t Critical one-tail	1.7458737	
P(T<=t) two-tail	0.7863575	
The t Critical two-tail	2.1899723	

Data Source: Table- 3

From the table-4 plainly the worth of t-test at 5 % level of importance is not exactly the basic worth.

1. Tier II CapitalRatio:

Level II capital incorporates inclination shares in addition to half of subjected obligation. The base Tier II capital 8% according to Basel standards

TTIER II CAPITAL RATIO TABLE - 5

Year	SBI BANK	HDFC BANK
2010-11	1.27	1.13
2011-12	1.19	1.30
2012-13	1.26	1.19
2014	1.18	1.01
2015	1.25	0.90
2016	1.19	1.11
2017	1.22	0.99
2018	1.33	1.18
2019	1.42	1.27
2020	1.53	1.36

Data Source: RBI Reports

THE TIER II CAPITAL RATIO TABLE - 6

The TIER -II		
t-Test: Two-Sample Assuming Equal Variances		
	1.27	*1.14*
The Mean	1.2855656	1.14
The Variance	0.0154278	0.02412
The Observations	9	9
The Pooled Variance	0.0187389	
The Hypothesized Mean Difference	0	
The Df	17	
The t Stat	2.3486156	
P(T<=t) one-tail	0.0169155	
t Critical one-tail	1.7458937	
P(T<=t) two-tail	0.102028	
t Critical two-tail	2.1899423	

Data Source: Table- 5

The normal Tier II capital proportion of SBI and HDFC Bank is 1.29 percent and 1.13 percent individually.

I. The Asset Quality:

A survey or assessment evaluating the acknowledge hazard related for a specific resource. These resources typically require revenue installments - like an advances and venture portfolios. How successful administration is in controlling and observing credit hazard can likewise affect the what sort of FICO assessment is given.

1. The Net NPAs to Net Advance:

Net NPAs are Gross NPAs' net of arrangements on NPAs and anticipation account. NNPA proportion has been taken to gauge the nature of resources and is determined by partitioning net advances. Non-Performing Assets (NPA) are addressed by Net NPA to Net Advances. The degree of net NPA over one percent should be seen genuinely and will be gotten control over to support the hierarchicaltargets.

Net NPAs to Net Advances =Net NPAs/Net Advances

NET NPAS TO NET ADVANCES TABLE - 7

Year	SBI BANK	HDFC BANK
2010-11	0.37	5.21
2011-12	0.16	2.21
2012-13	0.24	1.65
2014	0.44	0.72
2015	0.43	1.02
2016	0.47	1.55
2017	0.63	2.16
2018	0.31	2.19
2019	0.19	1.18
2020	0.18	0.73

Data Source: RBI Reports

THE NET NON - PERFORMING ASSETS TABLE - 8

t-Test: Two-Sample Assuming Equal Variances		
	0.36	*5.22*
The Mean	0.338878889	1.46687
The Variance	0.026318281	0.35443
The Observations	9	9
The Pooled Variance	0.191078126	
The Hypothesized Mean Difference	0	
The Df	17	
The t Stat	5.483173153	
P(T<=t) one-tail	2.51091E-12	
t Critical one-tail	1.745983669	
P(T<=t) two-tail	5.01464E-12	
t Critical two-tail	2.189915285	

Data Source: Table- 7

The net non-performing resources for net advances of SBI and HDFC Bank are recorded mean at 0.33 and 1.467 percent (Table-8) individually.

1. The total Assets Turnover Ratio:

This proportion estimates the productivity in use of the resources. It is shown up at by partitioning deals by complete resources. Absolute Assets Turnover Ratio=Sales/Total Assets

THE TOTAL ASSETS TURNOVER RATIO=SALES/TOTAL ASSETS TABLE - 9

Year	SBI BANK	HDFC BANK
2011	0.151482	0.187281
2012	0.138815	0.165489
2013	0.137194	0.146501
2014	0.142838	0.144657
2015	0.159483	0.153918
2016	0.163164	0.169117
2017	0.177142	0.172020
2018	0.161311	0.161316
2019	0.157482	0.151011
2020	0.166267	0.156658

Data Source: RBI Annual Reports

THEASSETS TURNOVER RATIO TABLE - 10

t-Test: Two-Sample Assuming Equal Variances		
	0.151472	*0.19628*
The Mean	0.154873444	0.15787
The Variance	0.000192210	9.7E-12
The Observations	9	9
The Pooled Variance	0.000148423	
The Hypothesized Mean Difference	0	
The df	17	
The t Stat	-0.341325273	
P(T<=t) one-tail	0.368915564	
t Critical one-tail	1.745883669	
P(T<=t) two-tail	0.737817198	
t Critical two-tail	2.189912285	

Data Source: Table- 9

The normal resources turnover proportion of SBI and HDFC Bank are recorded as 0.156 and 0.158 occasions separately.

I. ManagementCompetence:

The bank the executives ability is client care, viable exchanges and capable danger the board.

1. Credit DepositRatio:

It is the proportion of how much a bank loans out of the stores it has prepared. It shows the amount of a bank's center assets are being utilized for loaning, the fundamental financial action. A higher proportion demonstrates more dependence on stores for loaning as well as the other wayaround.

THE CREDIT DEPOSIT RATIO=THE TOTAL ADVANCES/CUSTOMER DEPOSIT
TABLE - 11

Year	SBI BANK	HDFC BANK
2011	52.53	192.96
2012	58.35	97.38
2013	70.32	89.17
2014	62.90	87.59
2015	66.13	83.83
2016	65.35	84.99
2017	66.78	91.44
2018	72.66	90.11
2019	76.41	87.81
2020	79.15	92.23

Data Source: RBI Reports

CREDIT DEPOSIT RATIO

t-Test: Two-Sample Assuming Equal Variances		
	52.5 3	*182.96*
The Mean	68.66544444	99.3867
The Variance	43.46792778	26.5736
The Observations	8	8
The Pooled Variance	30.02877639	
The Hypothesized Mean Difference	0	
The df	16	
The t Stat	-8.022871602	
The P(T<=t) one-tail	2.67289E-14	
The t Critical one-tail	1.745983669	
P(T<=t) two-tail	5.34498E-14	
t Critical two-tail	2.189312285	

Data Source: Table- 11

The complete advances to client store of SBI and HDFC Bank are recorded mean at 68.7 and 89.4 percent (Table-18) individually.

I. The Earnings Ability or Profitability Ratios:

Benefit proportion is the normal proportion needed to pass judgment on the productivity of business banks. This proportion estimates the productivity or the functional effectiveness of the banks.

1. The Net Profit Ratio:

The Net benefit is gotten if the interest is extended; the working costs and the assessments are deducted from the out pay. It sets up connection among the benefit or absolute pay. It is showing the proficiency.

The Net Profit Ratio = (Net Profit/Total Income)*170

THE NET PROFIT RATIO TABLE -12

Year	SBI BANK	HDFC BANK
2010-11	15.66147	9.663171
2011-12	17.37466	13.6394
2012-13	18.77364	15.66231
2013-14	16.28821	13.56367
2014-15	13.96599	17.76269
2015-16	19.86465	17.56027
2016-17	18.46136	9.712598
2017-18	14.66158	19.12934
2018-19	16.16172	15.74996
2019-20	15.8638	15.651

Data Source: RBI Reports

THE NET PROFIT RATIO TABLE - 13

t-Test: Two-Sample Assuming Equal Variances		
	15.67147	*9.64317*
The Mean	15.17641375	13.1189
The Variance	5.828241612	5.72797
The Observations	9	9
The Pooled Variance	5.774265698	
The Hypothesized Mean Difference	0	
The Df	15	
The t Stat	1.821216743	
P(T<=t) one-tail	0.114221581	
t Critical one-tail	1.753141025	
P(T<=t) two-tail	0.158403162	
t Critical two-tail	2.131419536	

Data Source: Table:12

The net benefit proportion of SBI and HDFC Bank are recorded mean at 15.18 and 13.12 percent (Table-16) individually.

1. Operating ProfitRatio:

The benefit procured from bank's ordinary center business activities. This worth does exclude any benefit procured from the bank's speculations.

TABLE-14 OPERATING PROFIT RATIO

Year	SBI BANK	HDFC BANK
2010-11	26.62374	9.620212
2011-12	31.15434	12.68958
2012-13	32.4903	15.69231
2014	32.387	13.53367
2015	31.41317	17.75269
2016	30.3678	17.50027
2017	26.3925	9.718598
2018	31.90187	19.19633
2019	31.8386	15.78996
2020	27.51313	15.751

Data Source: RBI Reports

THE OPERATING PROFIT RATIO TABLE - 15

t-Test: Two-Sample Assuming Equal Variances		
	26.62384	*9.62771*
The Mean	30.61364389	13.1292
The Variance	4.783843081	5.73655
The Observations	9	9
The Pooled Variance	5.260166352	
The Hypothesized Mean Difference	0	
The Df	10	
The t Stat	16.2398463	
The P(T<=t) one-tail	1.15990E-18	
t Critical one-tail	1.745833669	
P(T<=t) two-tail	2.31998E-18	
t Critical two-tail	2.189972285	

Sources of data: Table No 14

The working benefit proportion of SBI and HDFC Bank are recorded mean at 30.6 and13.12 percent (Table-14) individually.

1. EPS

Profit per share demonstrate the return acquired per share. It is bit not quite the same as return on value capital.

TABLE- 16: EARNINGS PER SHARE (RS.)

Year	SBI BANK	HDFC BANK
2010-11	2.8	19.65
2011-12	3.6	26.44
2012-13	4.6	27.33
2014	5.6	32.15
2015	7.3	34.64
2016	9.2	39.15
2017	17.6	33.70
2018	13.5	35.99
2019	17.0	45.13
2020	22.1	55.95

Data Source: RBI Reports

SBI share face value is Rs.17 per share into face value of Rs.2 per share in 2020.

PER SHARE EARNINGS TABLE - 17

t-Test: Two-Sample Assuming Equal The Variances		
	2.8	*19.65*
The Mean	17.38888889	36.7192
The Variance	38.01561818	84.246
The Observations	9	9
The Pooled Variance	61.19730278	
The Hypothesized Mean Difference	0	
The Df	16	
The t Stat	-7.142159153	
P(T<=t) one-tail	1.16912E-13	
t Critical one-tail	1.745883669	
P(T<=t) two-tail	2.34E-13	
t Critical two-tail	2.189912285	

Data from table:

The profit per portion of SBI and HDFC Bank are recorded mean at 17.39 and36.71 percent in 2020.

I. Liquidity Ratios:

The liquidity alludes to the support of money, bank balance and those resources which are effectively changed over into cash to meet the liabilities as and while emerging.

1. Liquidity/Quick Ratio:

It is characterized as the connection between fast or fluid resources and current or fluid liabilities.

THE QUICK RATIO=QUICK ASSETS/CURRENT LIABILITIES TABLE - 18

Year	SBI BANK	HDFC BANK
2010-11	0.902335	0.38113
2011-12	0.581619	0.470185
2012-13	0.849924	0.611272
2014	0.881514	0.6754
2015	0.661596	0.971717
2016	0.879343	0.876817
2017	1.197757	0.3771679
2018	1.412438	0.411389
2019	1.003316	0.310171
2020	0.599334	0.251474

Data Source: RBI Reports

TABLE- 19: QUICK RATIO

t-Test: Two-Sample Assuming Equal Variances		
	0.90134	*0.38113*
The Mean	0.88127	0.5457
The Variance	0.14155	0.13616
The Observations	9	9
The Pooled Variance	0.14132	
The Hypothesized Mean Difference	0	
The Df	19	
The t Stat	2.69736	
P(T<=t) one-tail	0.01198	
t Critical one-tail	1.74088	
P(T<=t) two-tail	0.01096	
t Critical two-tail	2.18191	

Data Source: Table- 18

From the table-28 unmistakably the worth of t-test at 5 % level of importance is not exactly the basic worth.

I. Sensitivity to MarketRisk:

Unfamiliar trade rates, ware costs or value costs can antagonistically influence a monetary organization's income or capital.

1. SpreadRatio:

Spread is the contrast between revenue acquired and interest paid. So spread is the sum accessible to the business banks for meeting their managerial, working and different costs.

THE SPREAD RATIO TABLE - 19

Year	SBI BANK	HDFC BANK
2010-11	4.135869	1.3699929
2011-12	2.942775	1.7661833
2012-13	3.161641	1.7741689
2013-14	3.131057	1.5814548
2015	3.801831	1.6549622
2016	3.925682	2.1158839
2017	4.119185	2.2413815
2018	3.770163	2.2733731
2019	3.994778	2.2672398
2020	3.852288	2.3101628

Source: RBI Reports

THE SPREAD RATIO TABLE - 20

t-Test: Two-Sample Assuming Equal Variances		
	4.13587	*1.36999*
The Mean	3.61753	1.98972
The Variance	0.1881	0.15717
The Observations	9	9
The Pooled Variance	0.13763	
The Hypothesized Mean Difference	0	
The Df	16	
The t Stat	9.31479	
P(T<=t) one-tail	3.7E-15	
t Critical one-tail	1.74588	
P(T<=t) two-tail	7.4E-15	
t Critical two-tail	2.18991	

Data Source: Table- 19.

CHAPTER-V

FINDINGS

CONCLUSIONS

SUGGESTIONS

FINDINGS

1. The customary capital adequacy level of SBI and HDFC Bank is 14.19 percent and 14.92 rate in a steady progression. In this manner, there's no significant assessment among the HDFC and SBI Bank, and its miles are more noteworthy than the Basel Accord principles of 10per penny.
2. The net non-seeming resources for web advances of SBI and HDFC Bank are recorded suggest at zero.33 and 1.467 rates (Table-8) each in turn. It clears that HDFC Bank non-acting sources are more noteworthy differentiated and SBI Bank.
3. The outright advances to the benefactor store of SBI and HDFC Bank are recorded means sixty-eight. 7 and 89.Four percent in a steady progression. In this manner, HDFC Bank outright advances to supporter shops are more differentiated and SBI Bank.
4. The working benefit level of SBI and HDFC Bank are recorded suggest at 30.6 and13.05 rates (Table-14) each in turn. Hence HDFC Bank's working benefit extent is less differentiated than SBI Bank.
5. The pay per piece of SBI and HDFC Bank are recorded propose at 10.39and36.71

SUGGESTIONS

1. The NPAs of the HDFC monetary organization is two or three rates, some time should control NPAs, at any rate, it influences the asset incredible in seeing that a long haul agora.
2. The load of the SBI monetary organization needs to control inside the fast time body in any case the benefit of the monetary foundation is benefited from through the raised load over the long haul.

Three. The unfurling of the HDFC monetary establishment needs to control at any rate the compensation of the monetary organization is eaten up through the top rate costs over the long haul.

CONCLUSION

- The capital adequacy &the Tier I capital level of the HDFC and the SBI is more than Basel Accord necessity yet normal Tier II capital level of the SBI and the HDFC is 1.29 percent, 1.13per penny since it was. We assume that every banks is remarkable with the capital abundance because it is over the Basel principles.
- The obligation cost portion of HDFC Bank is less differentiated and SBI monetary establishment; as a result, long stretch dissolvability is pleasantly in HDFCbank.
- The weight level of HDFC Bank is gigantic. Regardless, unfurl is more in SBI monetary organization from this time forward it obtains more benefits.
- The entire advances to client save of SBI are less differentiated and HDFC Bank. Therefore, HDFC monetary foundation is managing even more gainfully for changing over stores over progress.

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