INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories
Indexed & Listed at:
Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,
Open J-Gage, India [link of the same is duly available at Inflibnet of University Grants Commission (U.G.C.)],
The American Economic Association's electronic bibliography, EconLit, U.S.A.,
Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.
Circulated all over the world & Google has verified that scholars of more than **5000 Cities** in **187 countries/territories** are visiting our journal on regular basis.
Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA
http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** ***anytime*** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION**:

DATED: _____________

THE EDITOR

IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF ______________________.**

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled '____' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR	:
Designation/Post*	:
Institution/College/University with full address & Pin Code	:
Residential address with Pin Code	:
Mobile Number (s) with country ISD code	:
Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)	:
Landline Number (s) with country ISD code	:
E-mail Address	:
Alternate E-mail Address	:
Nationality	:

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc**. ***The qualification of author is not acceptable for the purpose***.

NOTES:

a) The whole manuscript has to be in ***ONE MS WORD FILE*** only, which will start from the covering letter, inside the manuscript. ***pdf. version is liable to be rejected without any consideration***.

b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:

New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.

d) The total size of the file containing the manuscript is expected to be below **1000 KB**.

e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.

f) ***The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours*** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.

g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.

2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters**, **centered** and **fully capitalised**.
3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name**, **designation**, **affiliation** (s), **address**, **mobile/landline number** (s), and **email/alternate email address** should be given underneath the title.
4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150** to **300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. ***Abbreviations must be mentioned in full***.
6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
8. **MANUSCRIPT:** Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. *It should be free from any errors i.e.* ***grammatical, spelling*** *or* ***punctuation.*** *It must be thoroughly edited at your end*.
9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:

INTRODUCTION
REVIEW OF LITERATURE
NEED/IMPORTANCE OF THE STUDY
STATEMENT OF THE PROBLEM
OBJECTIVES
HYPOTHESIS (ES)
RESEARCH METHODOLOGY
RESULTS & DISCUSSION
FINDINGS
RECOMMENDATIONS/SUGGESTIONS
CONCLUSIONS
LIMITATIONS
SCOPE FOR FURTHER RESEARCH
REFERENCES
APPENDIX/ANNEXURE

The manuscript should preferably be in ***2000 to 5000 WORDS***, But the limits can vary depending on the nature of the manuscript.

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR**, **centered**, **separately numbered** & self-explained, and the **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. *It should be ensured that the tables/figures are referred to from the main text*.

13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.

14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.

15. **REFERENCES:** The list of all references should be alphabetically arranged. ***The author (s) should mention only the actually utilised references in the preparation of manuscript*** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parenthesis.
- ***Headers, footers, endnotes*** *and* ***footnotes*** *should* ***not be used*** *in the document.* However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

EMPIRICAL ANALYSIS ON SELECTED PUBLIC & PRIVATE SECTOR BANKS WITH CAMEL APPROACH

A. SAMBARAJU
STUDENT
SCHOOL OF MANAGEMENT
NATIONAL INSTITUTE OF TECHNOLOGY
WARANGAL

DURGAPRASAD NAVULLA
RESEARCH SCHOLAR
SCHOOL OF MANAGEMENT
NATIONAL INSTITUTE OF TECHNOLOGY
WARANGAL

DR. G. SUNITHA
ASST. PROFESSOR
SCHOOL OF MANAGEMENT
NATIONAL INSTITUTE OF TECHNOLOGY
WARANGAL

ABSTRACT
The economy growth of a country depends on operational efficiency and proper utilization of resources in various sectors. Out of many industries banking sector plays a vital role in the growth of our economy. Banking sector helps in facilitating monetary policy by stimulating capital formation, monetization and innovation. It is imperative to ensure financial health and efficiency of economy through analysis and evaluating the performance of banks. This study tries to evaluate the performance of three public sector banks and three private sector banks in India using CAMEL model which is a latest model of financial analysis. The study carried for a five-year period from 2011-2015.

KEYWORDS
performance, public sector, private sector, economy, capital formation.

INTRODUCTION
The major measure of financial growth and economic development of a country has been the soundness of its banking sector. The soundness is the synonymous with productivity, efficiency, probability, stability and shock free environment. Hence, it is important to measure the soundness of banking sector in the country. The performance of banks is measured by using financial ratios under the criteria as profits, asset quality, liquidity, attitude towards risk and management strategies are considered. In 1980s, USA's federal regulators developed the CAMEL rating system to analyze the performance of banking system. Each banking institute subject to evaluated on basis of five critical dimensions related to its performance and operations, which are referred as component factors. Those are Capital adequacy, Asset quality, Management efficiency, Earnings quality and liquidity used to reflect the financial condition, financial performance, regulatory compliance and operating soundness of the banking institution. Every component is rated on a scale of 1(best) to 5(worst). A composite ranking is assigned to component and it is taken as the prime indicator to bank's current financial condition.

LITERATURE REVIEW
Malihe Rostami (2015) has mentioned about CAMEL Approach in her article. CAMEL Model is very useful tool to evaluate the performance of the banks. It gives accurate and effective result regarding performance of the banking sector. As per his article he took some of the important ratios for analysis purpose. It can compare one organization with the other organizations for its effective performance internally and externally.
Dr. P. Nirajan Reddy &Rekha Rao Subraveti (2015) gave their explanation in their paper regarding CAMEL approach. To strengthen the financial system and economy we have to carefully evaluate and analyze the performance of the banks. CAMEL approach is a tool which is helpful to evaluate the performance of the banks. It is a most popular method for measuring the performance of the banks. It consists various ratios which show reality of its performance.
Fentje Salhuteru & Fransina Wattimena (2015) mentioned the importance and influence of CAMEL ratios towards earnings and management practices in the State Bank to other banks in Indonesia. They explained about the companies that can be improved its performance by applying various risk management techniques for consistent profit growth. Through CAMEL ratios the company can know its actual performance accurately.
Parvesh Kumar Aspal & Sanjeev Dhawan (2014) explained about importance of banking sector in the economy. They took 13 old private sector banks and the CAMEL model is applied on the secondary data related to various ratios from annual reports of those banks in the period of 2007-2012. This is tool is very effective to measure the exact performance of the banks.
Mishra Aswini Kumar, G. Sri Harsha, ShiviAnand and Neil Rajesh Dhruva (2012) has analyzed the performance of banks with the help of CAMEL model by selecting 12 private and public sector banks over a period of 11 years from 2000 to 2011. The study has been found that the private sector banks are stood at top position in the ranking system by showing good performance in terms of liquidity, profitability, stability and efficiency. The public sector banks like SBI, PNB has positioned backseat by showing poor economic soundness in comparison.
Dr. K. Sri Harsha Reddy (2012) has stated the importance and nature of banking sector in the economy in capital formation, the banking sector has more weightage in a country's economy than any other sector. The CAMEL model is used in this study to analyze the performance of banks.
From the above literature reviews we can say that CAMEL model is very helpful to measure the performance of the bank. It must be applied periodically to evaluate the position of the banks in their performance. Based on this model we can give suggestion to improve the performance of the banks.

OBJECTIVE OF THE STUDY
The main objective of the study is to analyze the performance of selected banks, out of which top three private sector banks, top three private sector banks through CAMEL model and give suggestion for improvement if necessary.

METHODOLOGY ADOPTED

- To achieve objective of the study, empirical analysisis done by selecting six banks. Private Sector Banks –ICICI Bank, HDFC Bank, AXIS Bank, Public Sector Banks – State Bank of India, Bank of Baroda, Punjab National Bank.
- The period for evaluating performance through CAMELS in this study is five years, i.e. from financial year 2010-11 to 2014-15. The data is collected from various sources as follows.

DATA COLLECTION

Data collected from the Bank's Balance Sheets, Profit & Loss statements, journals, bank's prospectus, bank's annual reports, capital line databases and money control websites and also by taking personal visit to the employees of respective banks.

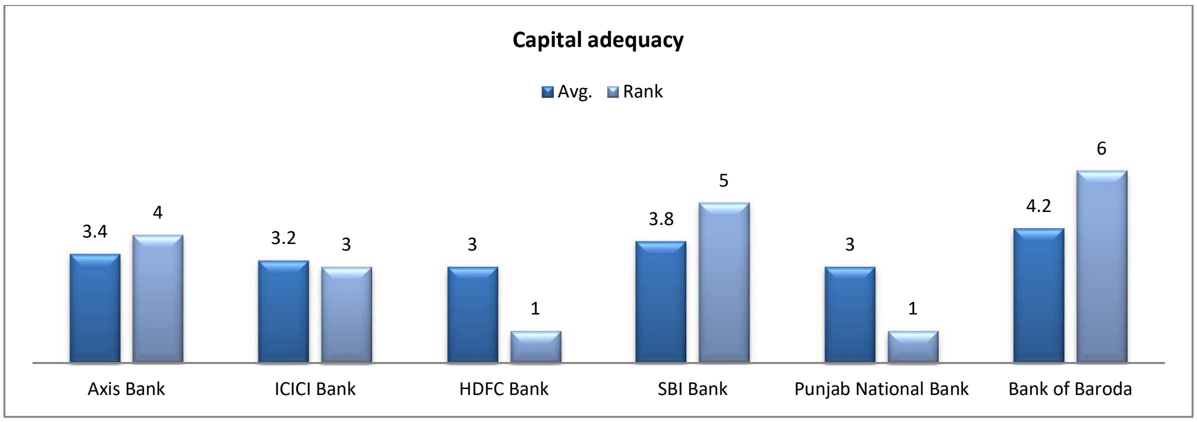
ANALYSIS AND INTERPRETATION

1. CAPITAL ADEQUACY

TABLE 1

		Axis Bank	ICICI Bank	HDFC Bank	SBI Bank	Punjab National Bank	Bank of Baroda
Capital Adequacy Ratio	Avg.	14.89	18.30	16.48	12.74	12.55	13.47
	Rank	3	1	2	5	6	4
Debt to equity ratio	Avg.	8.30	4.35	8.07	12.60	13.78	14.93
	Rank	3	1	2	4	5	6
Interest coverage ratio	Avg.	5.02	4.90	4.75	4.93	5.25	4.50
	Rank	2	4	5	3	1	6
Advances to assets ratio	Avg.	59.98	49.69	60.50	63.51	63.98	60.27
	Rank	5	6	3	2	1	4
Govt. Securities to Total Investment	Avg.	62.35	35.02	76.80	54.57	79.09	79.93
	Rank	4	6	3	5	2	1
Group	Avg.	3.4	3.2	3.0	3.8	3.0	4.2
	Rank	4	3	1.5	5	1.5	6

FIG. 1



INTERPRETATION

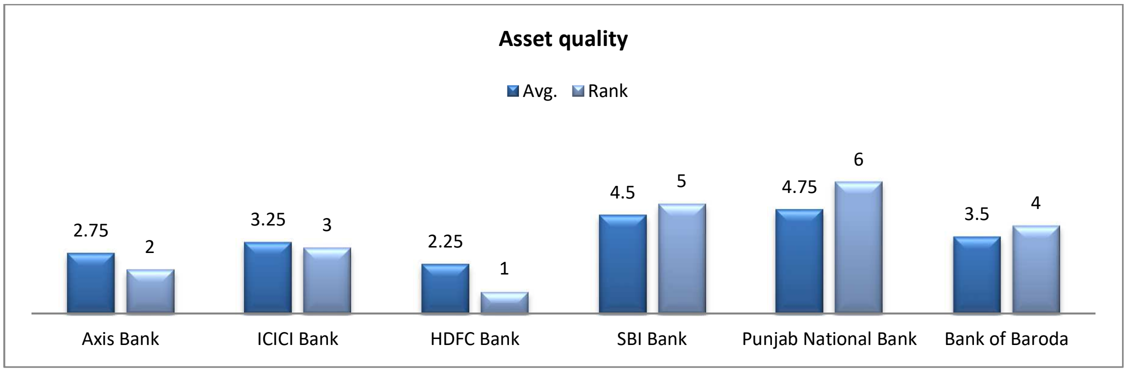
It is also called Capital to Risk Assets Ratio or Ratio of bank's capital to its risk. Bank's CAR can be tracked by national regulators to ensure that it can absorb a reasonable amount of loss and complies with statutory capital requirements. It is used to protect the depositors as well as promote the stability and efficiency of financial system. Two types of capital are measured: tier one capital, which can absorb losses without a bank being required to cease trading, and tier two capital, which can absorb losses in the event of a winding-up and so provides a lesser degree of protection to depositors. From the above table we can say that group averages of five sub-parameters of capital adequacy ratios HDFC and Punjab national bank are at the top position with group average of 3.00 and secured high rank, followed by ICICI Bank (3.32) and Axis bank (3.40), SBI (3.80) and Bank of Baroda (4.20) stood at the last position and score least rank due to its poor performance.

2. ASSET QUALITY

TABLE 2

		Axis Bank	ICICI Bank	HDFC Bank	SBI Bank	Punjab National Bank	Bank of Baroda
Nat NPA to Net Advances	Avg.	0.36	1.03	0.21	2.04	2.33	1.11
	Rank	2	3	1	5	6	4
Net NPA to Total Assets	Avg.	0.22	0.45	0.12	0.98	1.41	0.64
	Rank	2	3	1	5	6	4
Total Investments to Total Assets	Avg.	30.64	38.19	26.32	24.94	25.90	19.48
	Rank	5	6	4	2	3	1
Standard Advance to Total Advances	Avg.	69.83	70.64	55.47	37.09	43.67	42.09
	Rank	2	1	3	6	4	5
Group	Avg.	2.75	3.25	2.25	4.5	4.75	3.50
	Rank	2	3	1	5	6	4

FIG. 2



INTERPRETATION

An asset quality rating is a review or evaluation assessing the Credit risk associated with a particular asset. It is high loan concentrations that portray undue risk to Credit union.

The Investment policies and practices should be appropriate:

- The investment risk factors compared to earnings and capital structure and
- The market value of investments vs. book value of investments.

The quality of all major assets must be considered in the rating. This includes Investments, loans; other real estate owned that could adversely impact a Credit union's financial condition.

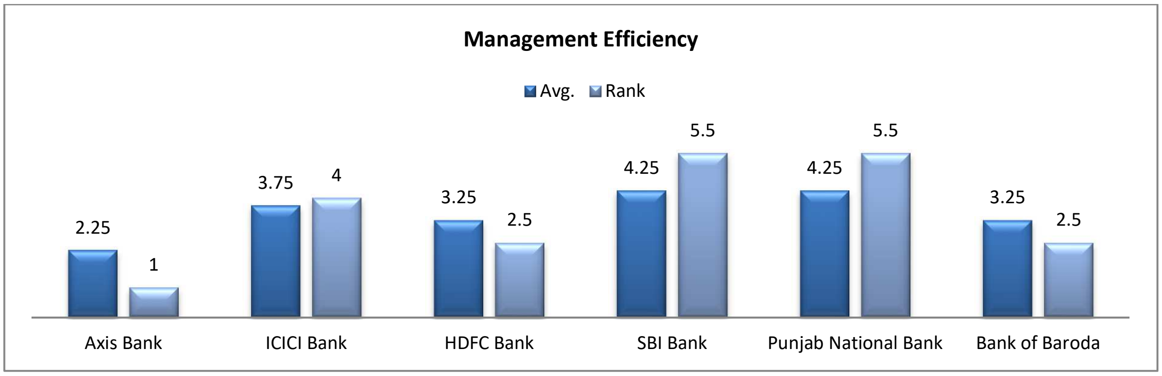
From the above analysis the group averages of sub-parameters of assets quality HDFC Bank has got top position with 2.25, followed by Axis Bank with 2.75, ICICI Bank 3.25, Bank of Baroda 3.50, SBI 4.50 and Punjab National Bank got 4.75 positioned last in terms of assets quality.

3. MANAGEMENT EFFICIENCY

TABLE 3

		Axis Bank	ICICI Bank	HDFC Bank	SBI Bank	Punjab National Bank	Bank of Baroda
Business per Employee(cr)	Avg.	12.93	7.51	7.91	9.49	11.83	16.27
	Rank	2	6	5	4	3	1
Profit per employee	Avg.	0.15	0.13	0.09	0.05	0.06	0.10
	Rank	1	2	4	6	5	3
Credit deposit ratio	Avg.	78.64	99.07	79.52	83.70	77.29	71.87
	Rank	4	1	3	2	5	6
Return of net worth	Avg.	18.66	12.50	19.28	12.88	16.09	18.30
	Rank	2	6	1	5	4	3
group	Avg.	2.25	3.75	3.25	4.25	4.25	3.25
	Rank	1	4	2.5	5.5	5.5	2.5

FIG. 3



INTERPRETATION

Management Efficiency is the major indicator of condition and a key determinant of whether a Credit union possesses the ability to diagnose financial stress. The management efficiency assessment is not solely depending on the Current financial condition and will not be an average of the other component ratings.

The management rating is based on ability to measure, identify, control and monitor the risks of the all activities, ensure its safe operations and compliance with applicable laws and regulations. A management practice addresses some of the following risks: liquidity, Credit, interest rate, transaction, strategic, compliance, reputation, and other risks.

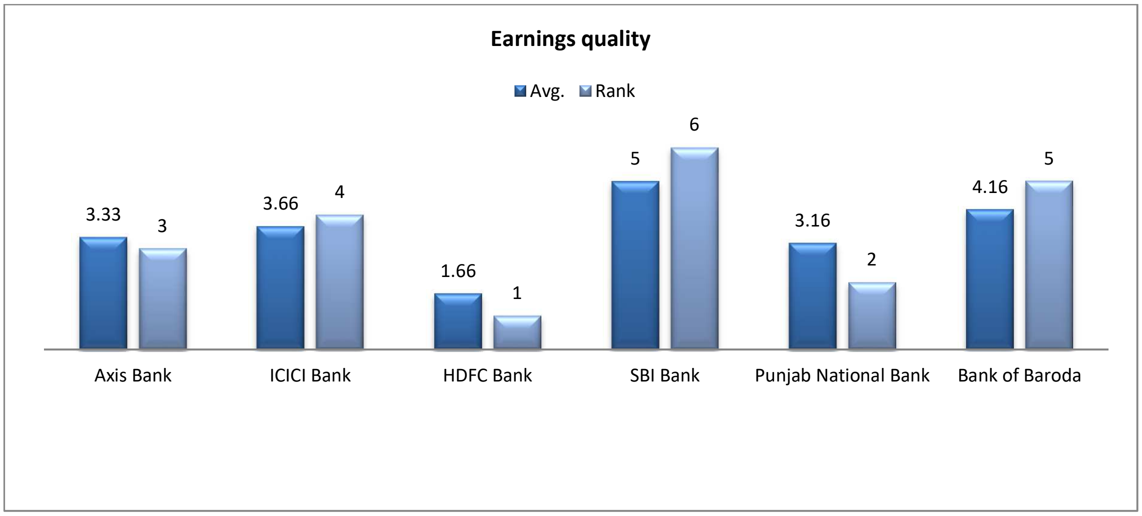
On the basis of group averages of 4 sub-parameters of Management Quality, Axis Bank is at the top position with group average of 2.25, followed by Bank of Baroda (3.25), HDFC Bank (3.25), ICICI Bank (3.75) and SBI (4.25), Punjab national bank(4.25) were at the last position due to its poor performance.

4. EARNINGS QUALITY

TABLE 4

		Axis Bank	ICICI Bank	HDFC Bank	SBI Bank	Punjab National Bank	Bank of Baroda
Return on assets	Avg.	1.73	1.63	1.85	0.77	0.94	0.94
	Rank	2	3	1	6	4.5	4.5
Operating profits to total assets	Avg.	3.15	2.75	3.28	2.05	2.37	1.88
	Rank	2	3	1	5	4	6
Interest income to total income	Avg.	79.27	57.88	83.01	81.59	89.65	88.29
	Rank	6	5	3	4	1	2
Group	Avg.	3.33	3.66	1.66	5	3.16	4.16
	Rank	3	4	1	6	2	5

FIG. 4



INTERPRETATION

The viability of a Credit union depends on returns on its assets, remain competitive, and increase capital. In evaluating earnings, it is not enough to review present and past performance alone. Future performance is of greater value, including performance under various economic conditions. Evaluating "core" earnings: the long-run earnings ability and the interrelationships with other risk areas such as Credit and interest rate. Key factors to consider when assessing the Credit union's earnings are: growth trends, stability of earnings, return on assets, Quality and composition of earnings, Adequacy of budgeting systems, Future earnings under a variety of economic conditions, Net non-operating income and losses.

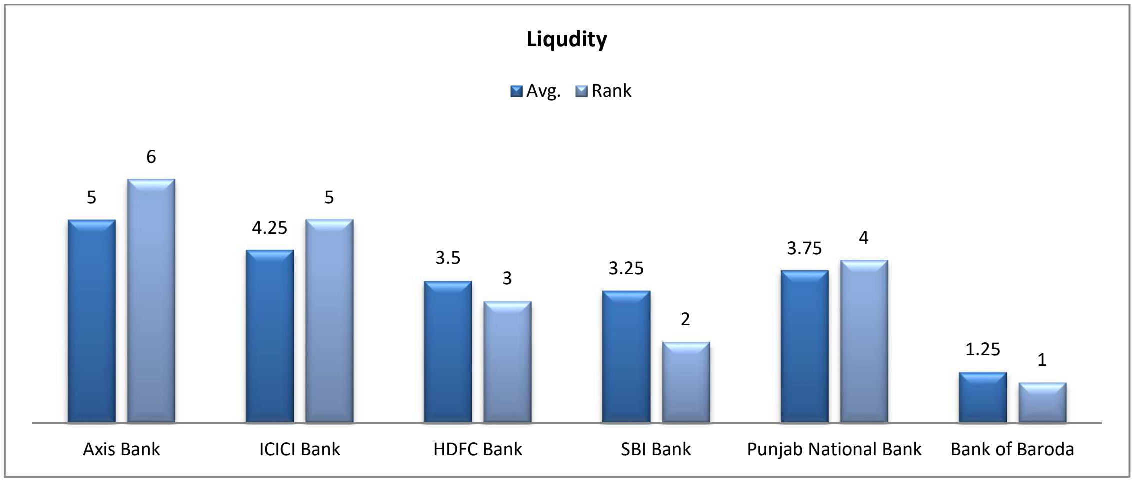
On the basis of group averages of 3 sub-parameters of Earnings Quality, HDFC Bank (1.66) is at the top followed by Punjab National Bank(3.16), Axis Bank(3.33), ICICI Bank(3.66), Bank of Baroda(4.16) and SBI(5.00) is at the last position due to poor performance.

5. LIQUIDITY

TABLE 5

		Axis Bank	ICICI Bank	HDFC Bank	SBI Bank	Punjab National Bank	Bank of Baroda
Liquid assets to total assets	Avg.	6.97	7.43	7.57	8.11	7.47	16.89
	Rank	6	5	3	2	4	1
Govt. securities to total assets	Avg.	19.12	13.15	20.21	13.43	15.60	20.48
	Rank	3	6	2	5	4	1
Liquid assets to total deposits	Avg.	9.39	13.52	10.14	10.51	9.03	19.64
	Rank	5	2	4	3	6	1
Liquid assets to demand deposits	Avg.	51.44	99.04	55.17	110.33	244.28	122.56
	Rank	6	4	5	3	1	2
Group	Avg.	5.0	4.25	3.5	3.25	3.75	1.25
	Rank	6	5	3	2	4	1

FIG. 5



INTERPRETATION

Liquidity is also referred as Asset/liability management (ALM), which is the process of evaluating, controlling and monitoring balance sheet risk (interest rate risk and liquidity risk). A sound ALM process integrates profitability, strategic, and net worth planning with risk management. It reviews

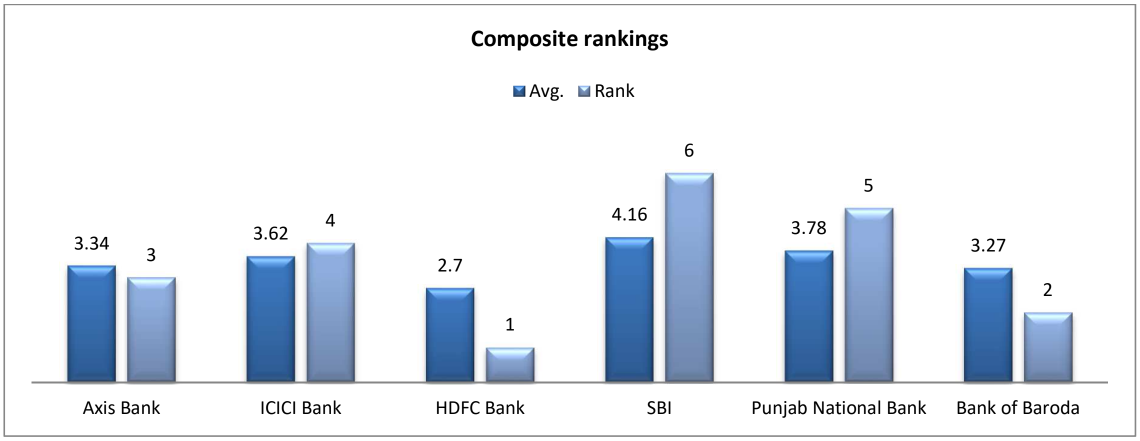
1. Interest rate risk sensitivity and exposure.
2. Depends on volatile sources of funds.
3. Availability of Current assets.
4. Technical competence relative to ALM, including the management of cash flow, liquidity and interest rate risk. ALM includes liquidity risks, interest rate risks, reputation and strategic risks.

On the basis of group averages of 4 sub-parameters of Liquidity, Bank of Baroda (1.25) is at the top followed by SBI Bank (3.25), HDFC Bank(3.50), Punjab national bank(3.75), ICICI Bank(4.25) and Axis Bank is at the last position.

TABLE 6: COMPOSITE RANKING (OVERALL PERFORMANCE):

Bank	C	A	M	E	L	Avg.	Rank
Axis Bank	3.40	2.75	2.25	3.33	5.00	3.34	3
ICICI Bank	3.20	3.25	3.75	3.66	4.25	3.62	4
HDFC Bank	3.00	2.25	3.25	1.66	3.50	2.70	1
SBI	3.80	4.50	4.25	5.00	3.25	4.16	6
PNB	3.00	4.75	4.25	3.16	3.75	3.78	5
Bank of Baroda	4.20	3.50	3.25	4.16	1.25	3.27	2

FIG. 6



In order to assess the overall performance of top banks in India, the composite rating has been calculated from the group ranking of the public and private sector banks in India for the period of 2011-2015and results are presented in the above table. On the basis of CAMEL model analysis, HDFC bank is ranked at top position with composite average of 2.70, followed by Bank Of Baroda (3.27), Axis Bank (3.34), ICICI Bank (3.62), Punjab National Bank(3.78) and SBI (4.16) were at the bottom most position.

FINDINGS AND SUGGESTIONS

In the process of evaluation of performance of various banks, I found that, different banks have obtained different performances with respect to CAMEL ratios. I suggested the following:

- The HDFC Bank stood at top position by showing good performance in terms of capital adequacy, Asset quality and earning quality, but it needs to improve Management efficiency and Liquidity.
- The Bank of Baroda stood at second position by showing good performance in terms of Liquidity and Management Efficiency, but it needs to improve Earnings quality and Capital adequacy.
- The AXIS Bank stood at third position by showing good performance in terms of Management Efficiency and Asset quality but it needs to improve Liquidity and Capital adequacy.
- The ICICI Bank stood at fourth position by showing good performance in terms of capital adequacy and Asset quality but it needs to improve Management efficiency Earning quality and Liquidity.
- The Punjab National Bank stood at fifth position by showing good performance in terms of capital adequacy and earning quality but it needs to improve Management efficiency Asset quality and Liquidity.
- The SBI Bank stood at last position by showing good performance in terms of Liquidity. But it needs to improve Management efficiency, Asset quality, capital adequacy and earning quality.

Most of these banks, including HDFC, ICICI, Axis, and Bank of Baroda lie in a similar rank region. However, these banks' assets etc. vary a great deal and they cannot be judged solely based on the absolute values of the CAMEL ratios. Looking at the trend, we can say that private banks are growing at a faster pace than public sector banks.

CONCLUSION

In the process of evaluation of performance of various banks, our study concluded that, different banks have obtained different performances with respect to CAMEL ratios. The HDFC Bank and Punjab national Bank stood at top position in terms of capital adequacy. In terms of asset quality, the HDFC Bank was at top most position. In context of management quality, Axis Bank positioned at first. In terms of earnings quality, HDFC Bank, Punjab national Bank obtained the top position. The Bank of Baroda is ranked top in liquidity Criterion. The overall performance table shows that, HDFC Bank is ranked first followed by Bank of Baroda and Axis Bank. Most of these banks, including HDFC, ICICI, Axis and Bank of Baroda lie in a similar rank region. However, these banks' assets etc. vary a great deal and they cannot be judged solely based on the absolute values of the CAMEL ratios. Looking at the trend, we can say that private banks are growing at a faster pace than public sector banks.

REFERENCES

1. Arora, S and Kaur, S (2008), “Diversification by Banks in India: What are the Internal Determinants?” The Indian Banker, Vol. III (7): pg. 37-41.
2. Dr. K. Sri Harsha Reddy (2012): “Relative performance of commercial banks in India using CAMEL approach”, International journal of multidisciplinary research, Volume 2, Issue 3, March 2012, ISSN2231-5780.
3. Dr. P. Nirajan Reddy & Rekha Rao Subraveti (2015): “An Analysis of the Performance of Selected Public Sector Banks Using CAMEL Approach” Volume 4, Issue 10, Abhinav National Monthly Referred Journal of Research in Commerce and Management, October 2015, ISSN No:2277-1166.
4. Fentje Salhuteru & Fransina Wattimena: “Bank Performance with CAMEL Ratios Towards Earnings Management Practices in Banks and Private Banks”, Advances in Social Sciences Research Journal, Volume 2, Number 3, 2015
5. Malihe Rostami (2015): “Camels Analysis in Banking Industry”, Global Journal of Engineering Science and Research Management, November 2015, ISSN 2349-4506.
6. Mishra Aswini kumar, G. Sri Harsha, Shivi Anand and Neil Rajesh Dhruva (2012): “Analyzing soundness in Indian banking: A CAMEL approach”, Research journal of management sciences, Volume 1(3), 9-14, October 2012, ISSN 2319-1171.
7. Parvesh Kumar Aspal & Sanjeev Dhawan (2014): “Financial Performance Assessment of Banking Sector in India: A Case Study of Old Private Sector Banks”, TheBusness& Management Review, Volume 5, Number 3, November 2014.

WEBSITES

8. http://www.axisbank.com/
9. http://www.bankofbaroda.co.in/
10. http://www.capitaline.com/
11. http://www.hdfcbank.com/
12. http://www.icicibank.com/
13. http://www.moneycontrol.com/
14. http://www.pnbindia.in/
15. http://www.sbi.co.in/

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals