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PRODUCTIVITY AND PROFITABILITY OF STATE BANK OF INDIA & ITS ASSOCIATES

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Abstract: Since the process of liberalization and reforms in the financial sector were introduced in 1991, banking sector has undergone major transformation. The underlying objectives of the reform were to make the banking system more competitive, productive and profitable. The key to success in the competitive environment is increased productivity and profitability. Indian banks especially State bank of India and its associates and the public sector banks are lagging far behind their competitors in terms of both productivity and profitability. Hence, this research has analyzed the profitability and productivity of SBI and its Associate banks in India during 2007-08 to 2011-12. In order to measure bank profitability and productivity, it has utilized the ratio analysis and CAGR. The paper is an attempt to make comparison within SBI and its subsidiaries in terms of profitability and productivity.

State Bank of India (SBI)

SBI is a multinational banking and financial services company based in India. It is a state-owned corporation with its headquarters in Mumbai, Maharashtra. As at December 2012, it had assets of US\$501 billion and 14316 branches, including 157 foreign offices making it the largest banking and financial services company in India by assets. The Government of India nationalized the Imperial Bank of India in 1955, SBI has been ranked 285th in the Fortune Global 500 rankings of the world's biggest corporations for the year 2012. SBI provides a range of banking products through its network of branches in India and overseas, including products aimed at non-resident Indians (NRIs).

SBI and its Associates:

SBI has five associate banks; all use the State Bank of India logo, which is a blue circle, and all use the "State Bank of" name, followed by the regional headquarters' name:

- State Bank of Bikaner & Jaipur
- State Bank of Hyderabad
- State Bank of Mysore

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- State Bank of Patiala
- State Bank of Travancore

State Bank of Bikaner & Jaipur (SBBJ) is an associate bank of State Bank of India. Currently, SBBJ has 1000 branches, mostly located in the state of Rajasthan, India. Its branch network out of Rajasthan covers all the major business centers of India. In 1997, the Bank entered in the capital market with an Initial Public Offering of 13, 60,000 shares at a premium of Rs 440 per share. It came into existence on 1963 when two banks, namely, State Bank of Bikaner (established in 1944) and State Bank of Jaipur (established in 1943), were merged. Both these banks were subsidiaries of the State Bank of India under the State Bank of India (Subsidiary Bank) Act, 1959. On April 25, 1966 SBBJ took over Govind Bank, Mathura.

State Bank of Hyderabad (SBH) is an associate bank of State Bank of India (SBI), and is one of the scheduled banks in India. The Bank's Head Office is situated in Hyderabad, India. SBH has over 1,500 branches and is the largest Associate Bank of State Bank of India. SBH has 963 branches in Andhra Pradesh alone, giving it the third largest branch network in the state and about 12,800 employees. The bank originated as the central bank of the *Hyderabad State Bank*. It was established on 8 August 1941 under the Hyderabad State Bank Act, 1941. After Partition, on 17 September 1948 the Indian Army conducted Operation Polo, a "police action" that annexed Hyderabad to India. In 1953, the bank absorbed, by merger, the **Mercantile Bank of Hyderabad**, which Raja Pannalal Pitti had founded in 1935. In 1956 the Reserve Bank of India took over the bank as its first subsidiary and renamed it State Bank of Hyderabad. The Subsidiary Banks Act was passed in 1959, so on 1 October 1959 it and the other banks of the princely states became subsidiaries of SBI.

State Bank of Mysore is a nationalised bank in India, with headquarters at Bangalore. It is one of the five associate banks of State Bank of India. State Bank of Mysore was established in the year 1913 as The Bank of Mysore Ltd. During 1953, "Mysore Bank" was appointed as an agent of Reserve Bank of India to undertake Government business and treasury operations, and in March 1960, it became a subsidiary of the State Bank of India under the State Bank of India (subsidiary Banks) Act 1959.

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State Bank of Patiala is an associate bank of State Bank of India. State Bank of Patiala (SBP), originally named *Patiala State Bank*, and currently an associate bank of the State Bank of India, was founded on 17 November 1917. SBP was founded by Maharaja Bhupinder Singh, Maharaja of the princely state of Patiala of Undivided India, and the functions of the Bank included the normal functions of commercial banks, as also some functions similar to functions of a central bank for the princely state of Patiala. After India's independence, the Bank was made a wholly owned subsidiary of the Government of Punjab. On 1 April 1960, SBP was accorded the status of an Associate bank of the State Bank Group. Presently, the State Bank of Patiala has a network of 1035 service outlets, including 1111 branches, in all major cities of India, but most of the branches are located in the Indian states of Punjab, Haryana, Himachal Pradesh, Rajasthan, Madhya Pradesh, Jammu & Kashmir, Delhi and Gujarat.

State Bank of Travancore (SBT), is a subsidiary of the State Bank Group and also has private share-holders. It is the premier bank of Kerala, India, where it has 676 branches. Overall, SBT has a network of over 879 branches spread over 16 Indian states. For the year ended 31 March 2011, P Nandha Kumaran, Managing Director of State Bank of Travancore, reported growth of 21% in operating profit at Rs. 1,176 crore against Rs. 972 crore in the previous year, driven by growth of 21% in Net Interest Income at Rs. 1,696 crore against Rs. 1,400 crore last year.

Review of literature: **Amandeep(1991)**, has studies that the PSBs have become an instrument to meet effectively the needs of the development of the economy to affect the total socio-economic transformation, so the profitability of the bank operations has been affected adversely. According to her study, the profitability of a bank is determined and affected mainly by two factors: spread and burden. She concluded that priority sector lending was not a drag on bank's profitability. **C.R. Kothari(1991)**, in his book entitled, *Social Banking and Productivity*, analyzed the productivity, profitability and social objectives in public sector banks and stressed the need for better profitability in banks to ensure the bank's role in the development of an economy. **Rao,Nageshwar,Tiwari, Shefali (2008)**, conducted study on —Study of Factors Affecting Efficiency of Public Sector Banks. This study has evaluated the

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factors affecting the efficiency of public sector banks using twenty-three variables, employing product moment correlation. **Sanjay Kaushik(1995)**, has discussed the effect of social objective/obligations on the profits and profitability of the Indian commercial banking industry. The study concluded that the social obligation was not a major drag on profitability of banks. **Durgadas Roy(1986)**, in the article entitled bank profitability social role is no barrier, studied that the productivity and profitability of scheduled commercial banks in India and revealed that during 1970-80, profitability and productivity ratios of foreign banks were the highest. **Jagwant Singh (1990)**, has discussed the trends and changes in the productivity; in the Indian banking Industry he used 17 indicators to analyze productivity trends. Banking being service industry, greater attention has been paid to employee productivity. **Kewaljeet Singh(1999)**, analyze the profitability performance of the State Bank of Patiala keeping in mind the changing economic reward.

Research Methodology:

Problem Statement: - The Title of the problem selected for this study is “**Productivity and Profitability Analysis of SBI and Its Associates: A study of five years (2007-08 to 2011-12)**”.

Sample: In this study we select the following banks to analyze their productivity and profitability.

1. State Bank of India.
2. State Bank of Bikaner & Jaipur
3. State Bank of Patiala.
4. State Bank of Hyderabad.
5. State Bank of Mysore
6. State Bank of Travancore

The Period of the Study: The study is covered for five years from the year 2007 to 2012.

Scope of the Study: This study is based on sample of State Bank of India and its associates and it covers the evaluation of financial performance in terms of profitability and productivity of banks.

Objectives of the study:

- 1) To study and analyze the broad behavior of the profitability.
- 2) To study and analyze the broad behavior of the productivity .
- 3) To make a comparison of profitability among State Bank and its associates.
- 4) To make a comparison of productivity among State Bank its associates.

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Data Collection: - This study is based on Secondary data collected from the various volumes of banking statistics published by Reserve Bank of India (RBI) and Indian Banking Association (IBA). The variables of the study are interest paid, interest earned, total deposits and advances, non operating income and expenses, number of employees, number of branches, establishment expenses etc. The data on total staff and number of branches was collected from IBA Bulletin.

Data Analysis Tools: This study uses Ratio analysis to compare Productivity and Profitability of the Indian Banks. In financial analysis ratios are generally used as benchmarks for evaluating a firm's position or performance.

The ratios used for measuring Productivity are:

1. Deposits per Employee = Total deposits/ No of employees.
2. Advances per Employee = Total Advances/ No of employees.
3. Business Volume per Employee = Total Business Volume/ No of Employee.
4. Deposits per Branch = Total Deposits/ No of Branches.
5. Advance per Branch = Total Advances / No of Branches.
6. Business volume per Branch = Total Business Volume/ No of Branches.

The ratios used for measuring the profitability of the banks are as:

1. Interest Earned Ratio = Total Interest Earned / Volume of Business $\times 100$
2. Interest Paid Ratio = Total Interest Paid / Volume of Business $\times 100$
3. Non-interest income ratio = Non-interest income/ Volume of Business $\times 100$
4. Other Operating Expenses Ratio = Other Operating Expenses (Total expenses – Interest Expenses) / Volume of Business $\times 100$

The following equations are derived from the above ratios:

1. Spread ratio (s) = Interest earned ratio – Interest paid ratio
2. Burden ratio (b) = Other operating expenses ratio – Non–interest Income
3. Profitability ratio = Spread ratio – Burden ratio

Compounded Annual Growth Rate (CAGR):-

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Compounded Annual Growth rate (CAGR) is a business and investing specific term for the smoothed annualized gain of an investment over a given time period. CAGR is not an accounting term, but remains widely used, particularly in growth industries or to compare the growth rates of two investments because CAGR dampens the effect of volatility of periodic returns that can render arithmetic means irrelevant. CAGR is often used to describe the growth over a period of time of some element of the business, for example revenue, units delivered, registered users, etc. In the present study CAGR is used to find the yearly growth in productivity and profitability of the public and private sector banks. Following formula has been used to calculate the CAGR.

$$\text{CAGR} = \left(\frac{\text{Ending Value}}{\text{Beginning Value}} \right)^{\left(\frac{1}{\# \text{ of years}} \right)} - 1$$

Analysis of Productivity: Productivity is defined as the goods and services produced per unit of labour, capital or both. The ratio of output to labour and capital is a total productivity measure. In simple words, productivity is the output per unit of input employed.

Total Productivity: Total Output/ Input

Table 1. Deposits per Employee (in Rs. Million)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	29.99	29.86	43.46	39.11	28.25	30.95	33.60
2008-09	22.93	34.29	52.80	49.65	34.04	36.99	38.45
2009-10	40.18	39.61	52.02	53.67	38.45	41.75	44.28
2010-11	41.89	47.06	54.20	59.97	59.97	49.56	52.11
2011-12	48.43	49.72	58.51	60.13	60.13	52.82	54.96
AVERAGE	36.68	40.11	52.20	52.51	44.17	43.61	44.88
CAGR	0.13	0.14	0.08	0.11	0.21	0.14	0.13

Sources: Data compiled from website of RBI

Table 1 explains the deposits per employee in SBI and its group for study period. The average of deposits per employee ranging between Rs. 33.60 millions to Rs. 54.96 millions

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from 2007-08 to 2011-12. The study reveals that deposits per employee in terms of average has been found at highest level during 2011-12 with average of Rs.54.96 millions, while in 2007-08 it was at lowest level with average of Rs. 33.60 millions. In remaining financial years (2008-11) average reported Rs. 38.45 millions, Rs.44.28 millions, Rs. 52.11 millions respectively. On the basis of particular bank table describes that SBH has greater average in terms of deposits per employee than other banks in group. It is reported Rs. 52.51 millions and it is followed by SBP (52.20), SBM (44.17), SBT (43.61), SBB&J (40.11) and SBI (36.68) respectively. SBI performed poorly among the group banks. The growth rate ranges from 0.08 to 0.21 in all the banks of SBI group. It has been found that SBM reported the highest growth rate of deposits per employee during study period alongwith 0.21%, while it is followed by SBB&J and SBT with 0.14% each and SBI with 0.13% respectively. But SBH which is having the highest average of deposit per employee in group showing growth rate 0.11% which is at fourth rank. SBP showing 0.08% growth rate which is the lowest during the study period. Hence it can be said that year 2010-11 and 2011-12 reporting highest deposits in term of employee, while SBH and SBP are reported highest average of deposits per employee. Moreover high growth rate reported by SBM and SBB&J and SBT. While largest bank SBI could not reported satisfactory growth rate and average deposits per employee besides having highest no. employees and network base in group.

Table 2 Advances per Employee (In Rs. Million)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	23.26	21.95	32.30	27.98	21.63	24.63	25.29
2008-09	26.35	26.09	38.35	35.73	26.49	28.69	30.28
2009-10	31.55	30.25	37.35	38.85	29.21	31.55	33.13
2010-11	33.94	36.01	40.95	43.80	34.28	39.24	38.04
2011-12	46.37	39.77	46.37	46.93	38.87	45.55	43.98
AVERAGE	31.07	30.81	39.06	38.66	30.10	33.93	33.94
CAGR	0.19	0.16	0.09	0.14	0.16	0.17	0.15

Sources: Data compiled from website of RBI

Table2: explains the advances per employees in SBI and its group for study period. The average of business per employees ranging between Rs. 25.29 millions to Rs. 43.98 millions

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from 2007-08 to 2011-12. The study reveals that advances per employee in terms of average has been found at highest level during 2011-12 with average of Rs.43.98 millions, while in 2007-08 it was at lowest level with average of Rs. 25.29 millions. In remaining financial years (2008-11) average reported Rs. 30.28 millions, Rs.33.13 millions, Rs. 38.04 millions respectively. On the basis of particular bank table describes that SBP has greater average in terms of business per employee than other banks in group. It is reported Rs. 39.06 millions and it is followed by SBH (38.66), SBT (33.93),SBI (31.07), SBB&J (30.81), and SBM(30.10) respectively. SBM performed poorly among the group banks. The growth rate ranges from 0.17 to 0.19 in all the banks of SBI group. It has been found that SBI reported the highest growth rate of advances per employee during study period alongwith 0.19%, while it is followed by SBT with 0.17% , SBB&J and SBM with 0.16% each.. SBP showing lowest 0.05% growth rate during the study period. Hence it can be said that year 2011-12 reporting highest advances in term of employee, while SBH and SBP are reporting highest average of advances per employee. Moreover high growth rate reported by SBI and SBT. Despite having the highest average of deposits per employee SBP wasn't able to grow its deposits per employee growth.

Table: 3. Businesses per Employee (In Rs. Millions)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	53.24	51.82	76.04	67.09	49.89	55.58	58.94
2008-09	62.39	60.39	91.15	84.38	60.52	65.68	70.75
2009-10	71.69	69.86	89.37	92.52	67.66	73.28	77.40
2010-11	75.84	83.06	95.15	103.77	77.83	88.8	87.41
2011-12	88.7	89.49	104.88	107.05	87.83	104.37	97.05
AVERAGE	70.37	70.92	91.32	90.96	68.75	77.54	78.31
CAGR	0.14	0.15	0.08	0.12	0.15	0.17	0.13

Sources: Data compiled from website of RBI

Table3: explains the business per employees in SBI and its group for study period. The average of business per employees ranging between Rs.58.94 millions to Rs. 97.05 millions from 2007-08 to 2011-12. The study reveals that business per employee in terms of average

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has been found at highest level during 2011-12 with average of Rs.97.05 millions, while in 2007-08 it was at lowest level with average of Rs. 58.94 millions. In remaining financial years (2008-11) average reported Rs. 70.75 millions, Rs.77.40 millions, Rs. 87.41 millions respectively. On the basis of particular bank table describes that SBP has greater average in terms of business per employee than other banks in group. It is reported Rs. 91.32 millions and it is followed by SBH (90.96), SBT (77.54), SBB&J (70.92), SBI (70.37), and SBM (68.75) respectively. SBM performed poorly among the group banks. The growth rate ranges from 0.08 to 0.17 in all the banks of SBI group. It has been found that SBT reported the highest growth rate of business per employee during study period alongwith 0.17%, while it is followed by SBB&J and SBM with same rate of 0.15% and SBI with 0.14% respectively. But SBP showing growth rate of 0.8% which is at last rank in group during the study period. Hence it can be said that year 2011-12 reporting highest business in term of employee, while SBP and SBH are reported highest average of business per employee. Moreover high growth rate reported by SBT and SBB&J and SBM. While SBP and SBH could not reported satisfactory growth rate besides having highest business per employee in terms of average and individually too among the group.

Table 4. Profit per Employee (In Rupees million)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	0.37	0.27	0.37	0.44	0.33	0.34	0.35
2008-09	0.47	0.36	0.47	0.49	0.35	0.50	0.44
2009-10	0.45	0.40	0.45	0.56	0.44	0.66	0.48
2010-11	0.39	0.50	0.52	0.79	0.50	0.80	0.58
2011-12	0.53	0.50	0.59	0.86	0.40	0.42	0.55
AVERAGE	0.44	0.41	0.48	0.63	0.40	0.53	0.48
CAGR	0.09	0.17	0.12	0.18	0.05	0.05	0.12

Sources: Data compiled from website of RBI

Table4: explains the business per employees in SBI and its group for study period. The average of profit per employee ranging between Rs. 0.35 millions to Rs. 0.58 millions from 2007-08 to 2011-12. The study reveals that profit per employee in terms of average has been

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found at highest level during 2010-11 with average of Rs.0.58 millions, while in 2007-08 it was at lowest level with average of Rs. 0.35 millions. In remaining financial years (2008-10 to 2011-12) average reported Rs.0.44 millions, Rs.0.48 millions, Rs. 0.55 millions respectively. On the basis of particular bank table describes that SBH has greater average in terms of profit per employee than other banks in group. It is reported Rs.0.63 millions and it is followed by SBT (0.53), SBP (0.48), SBI (0.44), SBB&J (0.44) and SBM (0.40) respectively. SBM performed poorly among the group banks. The growth rate ranges from 0.05 to 0.18 in all the banks of SBI group. It has been found that SBH reported the highest growth rate of profit per employee during study period alongwith 0.18%, while it is followed by SBB&J with 0.17% and SBP with 0.12% respectively. But SBI which is largest bank in group showing growth rate 0.9% which is at fourth rank. SBT and SBM both showing 0.05% growth rate during the study period. Hence it can be said that year 2010-11 and 2011-12 reporting highest profit in terms of employee, while SBH and SBT are reported highest average of profit per employee. Moreover high growth rate reported by SBH and SBB&J. While largest bank SBI could not reported satisfactory growth rate besides having highest infrastructure and network base in group.

Table 5 Deposits per branch (In Rs. Millions)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	503.04	375.23	578.23	487.43	399.74	449.22	465.48
2008-09	616.65	422.68	678.99	588.03	457.80	556.83	553.50
2009-10	614.11	483.30	688.92	624.21	528.98	652.35	598.65
2010-11	664.91	540.14	640.32	711.30	574.04	705.80	639.42
2011-12	729.01	594.32	714.82	735.16	735.16	799.44	717.99
AVERAGE	625.54	483.13	660.25	629.23	539.14	632.73	595.00
CAGR	0.10	0.12	0.05	0.11	0.16	0.15	0.11

Sources: Data compiled from website of RBI

Table: 5 explain the Deposits per Branch in SBI and its group for study period. The average of deposits per branch ranging between Rs.465.48 millions to Rs. 717.99 millions from 2007-08 to 2011-12. The study reveals that deposits per branch in terms of average has been found at highest level during 2011-12 with average of Rs.717.99 millions, while in 2007-08 it was at

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lowest level with average of Rs. 465.48 millions. In remaining financial years (2008-11) average reported Rs. 553.50 millions, Rs.598.65 millions, Rs. 639.42 millions respectively. On the basis of particular bank table describes that SBP has greater average in terms of deposits per employee than other banks in group. It is reported Rs. 660.25 millions and it is followed by SBT (632.73), SBB&J (629.23), SBI (625.54), SBM (539.14) and SBB&J (483.13) respectively. SBB&J performed poorly among the group banks. The growth rate ranges from 0.05 to 0.16 in all the banks of SBI group. It has been found that SBM reported the highest growth rate of deposits per branch during study period alongwith 0.16%, while it is followed by SBT with 0.15% and SBB&J with 0.12%, SBH with 0.11% respectively. But SBI which is largest bank in group showing growth rate 0.10% which is at fifth rank. SBP showing the lowest growth rate of 0.05% during the study period. Hence it can be said that year 2010-11 and 2011-12 reporting highest deposits in term of employee, while SBP and SBT are reported highest average of deposits per branch. Moreover high growth rate reported by SBM and SBT. While largest bank SBI could not reported satisfactory growth rate besides having highest infrastructure and network base in group.

Table 6 Advances per Branch (In Rs. Millions)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	390.12	413.31	433.33	348.72	306.07	387.02	379.76
2008-09	450.80	369.11	490.29	411.29	356.27	431.81	418.26
2009-10	482.60	321.67	494.63	451.88	401.85	493.09	440.95
2010-11	538.74	275.86	483.85	519.42	451.88	588.79	476.42
2011-12	606.02	475.33	566.47	573.73	519.42	619.08	560.01
AVERAGE	493.66	371.06	493.71	461.01	407.10	503.96	455.08
CAGR	0.12	0.04	0.07	0.13	0.14	0.12	0.10

Sources: Data compiled from website of RBI

Table6: explains the advances per branch in SBI and its group for study period. The average of advances per branch ranging between Rs. 379.76 millions to Rs. 560.01 millions from 2007-08 to 2011-12. The study reveals that advances per branch in terms of average has been found at highest level during 2011-12 with average of Rs.569.01 millions, while in 2007-08 it was at lowest level with average of Rs. 379.76 millions. In remaining financial years (2008-11) average reported Rs. 418.26 millions, Rs. 440.95 millions, Rs. 476.42 millions respectively. On the basis of particular bank table describes that SBT has greater average in

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terms of advances per branch than other banks in group. It is reported Rs. 503.96 millions and it is followed by SBP (493.71),SBI (493.66), SBH (461.01), SBM (407.10), and SBB&J (371.06) respectively. SBB&J performed poorly among the group banks. The growth rate ranges from 0.04 to 0.14 in all the banks of SBI group. IT has been found that SBM reported the highest growth rate of advances per branch during study period alongwith 0.14%, while it is followed by SBH with 0.13% and SBT and SBI both with 0.12% each, SBP with 0.07%.But SBB&J showing poorest growth rate of 0.04% during the study period. Hence it can be said that year 2011-12 reporting highest advances in term of branch, while SBT and SBP are reported highest average of advances.Moreover high growth rate reported by SBM and SBH.

Table 7 Business per Branch (In Rs. Millions)

YEAR's	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	893.17	651.09	1011.55	836.16	705.81	873.32	828.52
2008-09	1067.46	744.34	1165.28	999.32	814.07	988.64	963.19
2009-10	1096.71	852.42	1183.55	1076.09	930.83	1145.44	1047.51
2010-11	1203.65	953.45	1124.17	1230.72	1025.97	1246.59	1130.76
2011-12	1335.03	1069.66	1281.29	1308.90	1146.77	1418.52	1260.03
AVERAGE	1119.20	854.19	1153.17	1090.24	924.69	1134.50	1046.00
CAGR	0.11	0.13	0.06	0.12	0.13	0.13	0.11

Sources: Data compiled from website of RBI

Table 7: explains the business per branch in SBI and its group for study period. The average of business per branch ranging between Rs. 828.52 millions to Rs. 1260.03 millions from 2007-08 to 2011-12. The study reveals that business per branch in terms of average has been found at highest level during 2011-12 with average of Rs.1260.03 millions, while in 2007-08 it was at lowest level with average of Rs. 828.52 millions. In remaining financial years (2008-11) average reported Rs. 963.19 millions, Rs.1047.51 millions, Rs. 1130.76 millions respectively. On the basis of particular bank table describes that SBP has greater average in terms of business per branch than other banks in group. It is reported Rs. 1153.17 millions and it is followed by SBT (1134.50), SBI (1119.20), SBH (1090.24), SBM (924.69) and SBB&J (854.19) respectively. SBB&J performed poorly among the group banks. The growth rate ranges from 0.06 to 0.13 in all the banks of SBI group. It has been found that SBT,SBB&J and SBM all three reported the highest growth rate of business per branch during study period

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alongwith 0.13%, while it is followed by SBH with 0.12% and SBI with 0.11% respectively. But SBP which is having largest average of business per branch among group showing growth rate 0.6% which is the poorest among the banks during the study period. Hence it can be said that year 2011-12 reporting highest business in term of branch, while SBP and SBT are reported highest average of business per branch. Moreover high growth rate reported by SBT, SBM and SBB&J. (While bank SBI could not reported satisfactory growth rate besides having highest infrastructure and network base in group.

Table 8 Profit per Branch (In Rs. Millions)

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	6.21	3.39	4.92	5.48	4.67	5.34	5.00
2008-09	8.04	4.44	6.01	5.80	4.71	7.53	6.09
2009-10	6.88	4.88	5.96	6.51	6.05	9.38	6.61
2010-11	6.19	5.74	6.14	9.37	6.59	11.39	7.57
2011-12	7.98	5.98	7.21	10.51	5.22	5.71	7.10
AVERAGE	7.06	4.89	6.05	7.73	5.45	7.87	6.51
CAGR	0.06	0.15	0.10	0.18	0.03	0.02	0.09

Sources: Data compiled from website of RBI

Table: 8 explain the profit per branch in SBI and its group for study period. The average of profit per branch ranging between Rs. 5.00 millions to Rs. 7.57 millions from 2007-08 to 2011-12. The study reveals that profit per branch in terms of average has been found at highest level during 2010-11 with average of Rs.7.57 millions, while in 2007-08 it was at lowest level with average of Rs. 5.00 millions. In remaining financial years (2008-10 and 2011-12) average reported Rs. 6.09 millions, Rs.6.61 millions, Rs. 7.10 millions respectively. On the basis of particular bank table describes that SBT has greater average in terms of profit per branch than other banks in group. It is reported Rs. 7.87 millions and it is followed by SBH (7.73), SBI (7.06), SBP (6.05), SBM (5.45) and SBB&J (4.89) respectively. SBB&J performed poorly among the group banks. The growth rate ranges from 0.02 to 0.18 in all the banks of SBI group. It has been found that SBH reported the highest growth rate of profit per branch during study period alongwith 0.18%, while it is followed by SBB&J with 0.15% and SBP with 0.10% , SBI with which is largest bank in group showing growth rate 0.06% which is at fourth rank. SBM and SBT both showing 0.03% and 0.02% growth rate during the study period. So SBT perform poorly among the other banks in group in terms of CAGR. Hence it can be said that year 2010-11 reporting highest profit in term of branch, while SBH and SBT are reported highest average of profit per branch. Moreover high growth rate reported by

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SBH and SBB&J. While largest bank SBI could not reported satisfactory growth rate besides having highest infrastructure and network base in group.

Analysis of Profitability: Table 9. Interest Earned Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	5.13	5.16	5.07	5.12	5.14	5.40	5.17
2008-09	4.97	5.52	5.60	4.54	5.55	5.52	5.28
2009-10	4.94	4.89	5.39	5.03	5.20	4.90	5.06
2010-11	4.81	5.46	5.42	5.12	5.28	5.02	5.19
2011-12	5.73	5.65	5.70	6.06	5.64	5.38	5.69
AVERAGE	5.12	5.34	5.44	5.17	5.36	5.24	5.28
CAGR	0.03	0.02	0.03	0.04	0.02	0.00	0.02

Sources: Data compiled from website of RBI

Table: 9 explain the interest earned ratio in SBI and its group for study period. The average of interest earned ratio ranging from 5.06 to 5.69 during 2007-08 to 2011-12. The study reveals that interest earned ratio in terms of average has been found at highest level during 2011-12 with average of 5.69, while in 2009-10 it was at lowest level with average of 5.06. In remaining financial years (2007-09 and 2010-11) average reported 5.17, 5.28, and 5.19 respectively. On the basis of particular bank table describes that SBP has greater average in terms of interest earned ratio than other banks in group. It is reported 5.44 and it is followed by SBM (5.36), SBB&J (5.34), SBT (5.24), SBH (5.17) and SBI (5.12) respectively. SBI performed poorly among the group banks. The growth rate ranges from 0.00 to 0.04 in all the banks of SBI group. It has been found that SBH reported the highest growth rate of interest earned during study period alongwith 0.04%, while it is followed by SBP and SBI with 0.03% each and SBM and SBB&J with 0.02% each. SBT showing 0.00% growth rate during the study period. So SBT perform poorly among the other banks in group in terms of CAGR. Hence it can be said that year 2011-12 reporting highest interest earned , while SBP and SBM are reported highest average of interest earned ratio.

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Table 10. Interest paid Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	3.35	3.57	4.02	3.83	3.57	3.90	3.71
2008-09	3.34	3.92	4.51	4.00	4.12	3.80	3.95
2009-10	3.29	3.40	4.00	3.55	3.39	3.33	3.49
2010-11	2.90	3.18	3.47	3.26	3.16	3.39	3.23
2011-12	3.31	3.67	4.06	4.14	3.88	3.94	3.83
AVERAGE	3.24	3.55	4.01	3.76	3.62	3.67	3.64
CAGR	0.00	0.01	0.00	0.02	0.02	0.00	0.01

Sources: Data compiled from website of RBI

Table: 10 explain the interest paid ratio in SBI and its group for study period. The average of interest paid ratio ranging from 3.23 to 3.95 during 2007-08 to 2011-12. The study reveals that interest earned ratio in terms of average has been found at highest level during 2008-09 with average of 3.95, while in 2010-11 it was at lowest level with average of 3.23. In remaining financial years (2007-08, 2009-10 and 2011-12) average reported 3.71, 3.49, and 3.83 respectively. On the basis of particular bank table describes that SBP has greater average in terms of interest paid ratio than other banks in group. It is reported 4.01 and it is followed by SBH (3.76), SBT (3.67), SBM (3.62), SBB&J (3.55) and SBI (3.24) respectively. SBI performed poorly among the group banks. The growth rate ranges from 0.00 to 0.02 during the study period. SBH and SBM both reported highest growth rate of interest paid ratio. While SBI and SBT shows the no growth rate of interest paid ratio. So it means that the interest rate remains stable in these two banks (SBI & SBT) while it increases in other banks of the group. Hence it can be said that 2010-11 and 2009-10 are best years for group in terms of profitability. While, SBI and SBB&J perform well in terms of average of interest paid ratio among group. Moreover SBI and SBT perform best in terms of stable growth rate of interest paid ratio among the other banks in the group.

Table 11 Non Interest Income Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
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2007-08	0.91	0.80	0.70	0.79	0.87	0.69	0.79
2008-09	0.99	0.83	0.61	0.72	0.82	0.77	0.79
2009-10	1.04	0.72	0.61	0.67	0.62	0.59	0.71
2010-11	0.94	0.67	0.63	0.64	0.59	0.56	0.67
2011-12	0.75	0.54	0.53	0.58	0.97	0.51	0.65
AVERAGE	0.93	0.71	0.62	0.68	0.77	0.62	0.72
CAGR	-0.05	-0.09	-0.07	-0.07	0.03	-0.07	-0.05

Sources: Data compiled from website of RBI

Table: 11 explain the non interest income ratio in SBI and its group for study period. The average of non interest income ratio ranging from 0.65 to 0.79 during 2007-08 to 2011-12. The study reveals that non interest income ratio in terms of average has been found at highest level during 2007-19 with average of 0.79; while in 2011-12 it was at lowest level with average of 0.65. In remaining financial years (2009-11) average reported 0.71, and 0.67 respectively. On the basis of particular bank table describes that SBI has greater average in terms of non interest income ratio than other banks in group. It is reported 0.93 and it is followed by SBM (0.77), SBB&J (0.71), SBH (0.68), SBP (0.62) and SBT (0.62) respectively. SBP and SBT performed poorly among the group banks. The growth rate ranges from -0.09 to 0.03 in all the banks of SBI group. It has been found that SBM reported the highest growth rate of non interest income ratio during study period alongwith 0.03%, while all other banks have been reported negative growth rate. Hence it can be said that year 2011-12 reporting highest non interest income ratio, while SBM and SBI are reported highest average of non interest income. Moreover high growth rate reported by SBM.

Table 12. Operating Expense Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	1.32	1.27	0.83	0.93	1.27	1.08	1.12
2008-09	1.22	1.14	0.76	0.89	1.14	1.07	1.04
2009-10	1.41	1.09	0.81	0.78	1.06	1.07	1.04

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2010-11	1.36	1.33	1.11	0.99	1.19	1.06	1.17
2011-12	1.36	1.20	0.94	0.99	1.16	0.97	1.10
AVERAGE	1.33	1.21	0.89	0.92	1.16	1.05	1.09
CAGR	0.01	-0.01	0.03	0.02	-0.02	-0.03	0.00

Sources: Data compiled from website of RBI

Table: 12 explain the operating expense ratio in SBI and its group for study period. The average of operating expense ratio ranging from 1.04 to 1.17 during 2007-08 to 2011-12. The study reveals that operating expense ratio in terms of average has been found at highest level during 2010-11 with average of 1.17; while in 2008-10 it was at lowest level with average of 1.04. In remaining financial years (2007-08 and 2011-12) average reported 1.12, and 1.10 respectively. On the basis of particular bank table describes that SBI has greater average in terms of operating expense ratio than other banks in group. It is reported 1.33 and it is followed by SBB&J (1.21), SBM (1.16), SBT (1.05), SBH (0.92) and SBP (0.89) respectively. SBP performed poorly among the group banks. The growth rate ranges from -0.03 to 0.03 during the study period. SBP reported highest growth rate of operating expense ratio. While SBT shows the lowest growth rate of operating expense ratio which shows highest profitability growth rate among group. Hence it can be said that 2008-09 and 2009-10 are best years for group in terms of profitability. While, SBP and SBH perform well in terms of average operating expense ratio. Moreover SBT perform best in terms of Growth rate among the other banks in the group.

Table 13 Spread Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	1.78	1.59	1.05	1.29	1.57	1.50	1.46
2008-09	1.63	1.60	1.09	0.54	1.43	1.72	1.34
2009-10	1.65	1.49	1.39	1.48	1.81	1.57	1.57
2010-11	1.91	2.28	1.95	1.86	2.12	1.63	1.96
2011-12	2.42	2.01	1.64	1.92	1.76	1.44	1.87
AVERAGE	1.88	1.79	1.42	1.42	1.74	1.57	1.64

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CAGR	0.08	0.06	0.12	0.10	0.03	-0.01	0.06
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Sources: Data compiled from website of RBI

Table: 13 explain the spread ratio in SBI and its group for study period. The average of operating expense ratio ranging from 1.34 to 1.96 during 2007-08 to 2011-12. The study reveals that spread ratio in terms of average has been found at highest level during 2010-11 with average of 1.96; while in 2008-09 it was at lowest level with average of 1.34. In remaining financial years (2007-08,2008-09-2011-2012) average reported 1.46, 1.57 and 1.87 respectively. On the basis of particular bank table describes that SBI has greater average in terms of spread ratio than other banks in group. It is reported 1.88 and it is followed by SBB&J (1.79), SBM (1.74), SBT (1.57), SBP (1.42) and SBH (1.42) respectively. SBP and SBH performed poorly among the group banks. The growth rate ranges from -0.01 to 0.12 in all the banks of SBI group. It has been found that SBP reported the highest growth rate of spread ratio during study period alongwith 0.12%, while it is followed by SBH with 0.10% and SBI with 0.08% , SBB&J with 0.06% , SBM with 0.03% and SBT reported negative growth rate with -0.01% . So SBT perform poorly among the other banks in group in terms of CAGR. Hence it can be said that year 2010-11 reporting highest profitability in terms of burden , while SBI and SBB&J are reported highest average of burden ratio. Moreover high growth rate reported by SBP.

Table 14. Burden Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	0.41	0.47	0.13	0.14	0.40	0.39	0.32
2008-09	0.23	0.31	0.15	0.17	0.32	0.30	0.25
2009-10	0.37	0.37	0.20	0.11	0.44	0.48	0.33
2010-11	0.42	0.66	0.48	0.35	0.60	0.50	0.50
2011-12	0.61	0.66	0.41	0.41	0.59	0.46	0.52
AVERAGE	0.41	0.49	0.27	0.24	0.47	0.43	0.38
CAGR	0.10	0.09	0.33	0.31	0.10	0.04	0.13

Sources: Data compiled from website of RBI

Table: 14 explain the burden ratio in SBI and its group for study period. The average of burden ratio ranging from 0.25 to 0.52 during 2007-08 to 2011-12. The study reveals that burden ratio in terms of average has been found at highest level during 2011-12 with average of 0.52; while in 2008-09 it was at lowest level with average of 0.25. In remaining financial

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years (2007-08, 2009-11) average reported 0.32, 0.33 and 0.50 respectively. On the basis of particular bank table describes that SBB&J has greater average in terms of burden ratio than other banks in group. It is reported 0.49 and it is followed by SBM (0.47), SBT (0.43), SBI (0.41), SBP (0.27) and SBH (0.24) respectively. SBH performed poorly among the group banks. The growth rate ranges from 0.04 to 0.33 during the study period. SBP reported highest growth rate of burden ratio. While SBT shows the lowest growth rate of burden ratio which shows highest profitability growth rate among group. Hence it can be said that 2008-09 is the best year for group in terms of profitability. While, SBP and SBH perform well in terms of average burden ratio. Moreover SBT perform best in terms of Growth rate among the other banks in the group.

Table 15. Profitability Ratio

YEAR	SBI	SBB&J	SBP	SBH	SBM	SBT	AVERAGE
2007-08	1.37	1.12	0.92	1.15	1.17	1.11	1.14
2008-09	1.40	1.29	0.94	0.37	1.11	1.42	1.09
2009-10	1.28	1.12	1.19	1.37	1.37	1.09	1.24
2010-11	1.49	1.62	1.47	1.51	1.52	1.13	1.46
2011-12	1.81	1.35	1.23	1.51	1.17	0.98	1.34
AVERAGE	1.47	1.30	1.15	1.18	1.27	1.15	1.25
CAGR	0.07	0.05	0.08	0.07	0.00	-0.03	0.04

Sources: Data compiled from website of RBI

Table: 15 explain the profitability ratio in SBI and its group for study period. The average of profitability ratio ranging from 1.09 to 1.46 during 2007-08 to 2011-12. The study reveals that profitability ratio in terms of average has been found at highest level during 2010-11 with average of 1.46; while in 2008-09 it was at lowest level with average of 1.09. In remaining financial years (2007-08, 2009-10 & 2011-12) average reported 1.14, 1.24 and 1.34 respectively. On the basis of particular bank table describes that SBI has greater average in terms of profitability ratio than other banks in group. It is reported 1.47 and it is followed by SBB&J (1.30), SBM (1.27), SBH (1.18), SBP (1.15) and SBT (1.15) respectively. SBP and SBT performed poorly among the group banks. The growth rate ranges from -0.03 to 0.08 in all the banks of SBI group. It has been found that SBP reported the highest growth rate of profitability ratio during study period alongwith 0.08%, while it is followed by SBH and SBI with 0.07% each and SBB&J with 0.05%. But SBT with -0.03% growth rate during the

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study period, so SBT perform poorly among the other banks in group in terms of CAGR. Hence it can be said that year 2010-11 and 2011-12 reporting highest profitability, while SBP and SBB&J are reported highest average of profitability ratio. Moreover high growth rate reported by SBP and SBI.

Conclusion: SBI and group generate deposits per employee at highest during 2011-12 and 2010-11. While in 2007-08 it couldn't generate enough deposits per employee. On the other hand, at individual level SBP and SBH have been found at top level to generate satisfactory level of deposits per employee. But in context of growth it was SBM which improves its performance from Rs. 28.25 millions to Rs. 60.13 millions in five years. Another ratio which is calculated to know the productivity position of SBI and its associate banks is advance per employee. SBI and group generate advances per employee at highest level during 2011-12. While in 2007-08 it couldn't generate enough advances per employee. On the other hand, at individual level SBP and SBH have been found at top level to generate satisfactory advances per employee. But in context of growth it was SBI which improves its performance from Rs. 23.26 millions to Rs. 46.37 millions in five years. After analyzing the Business Volume per Employee of SBI and its associate banks the study found that business per employee at highest during 2011-12 and 2010-11, while in 2007-08 it could not generate enough business per employee. On the other hand, at individual level SBP and SBH have been found at top level to generate satisfactory business per employee. But in context of growth it was SBT which improved its performance from Rs.55.58 millions to Rs 104.37 millions in five years. In the calculation of productivity of SBI and its associate banks the researcher has also calculated profit per Employee ratio of all the banks. SBI and group generate profits per employee at highest during 2011-12 and 2010-11. While in 2007-08 it couldn't generate enough profit per employee. On the other hand, at individual level SBT and SBH have been found at top level to generate satisfactory deposits per employee. But in context of growth it was SBH which improves its performance from Rs. 0.44 millions to Rs. 0.63 millions in five years. First four ratios of productivity is calculated to know the efficiency of the employees of the both categories of the bank. The researcher also calculates four ratios to know the efficiency of the branches. Hence, Deposits per Branch ratio is calculated to know the

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efficiency of the branches of all the banks. From this ratio researcher find out that SBI and group generates Deposit per branch at highest level during 2011-12 and 2010-11. While in 2007-08 it could not generate enough deposit per branch. On the other hand at individual level SBP has been found at top level to generate satisfactory deposits per branch. But in context of growth it was SBM which improved its performance from Rs.399.74 millions to Rs. 735.16 millions in five years. Another ratio which is calculated to know the branch efficiency is Advance per Branch. Higher the advances per branch, better the advance policies and hence the productivity. From this ratio researcher find out that SBI and group generates advances per branch at highest level during 2011-12 and 2010-11. While in 2007-08 it could not generate enough advances per branch. On the other hand at individual level SBT has been found at top level to generate satisfactory advances per branch. But in context of growth it was SBM which improved its performance from Rs.306.07 millions to Rs. 519.42 millions in five years. In calculation of productivity of the SBI and group banks is Business per Branch Ratio has been calculated. From this ratio researcher find out that SBI and group generates business per branch at highest level during 2011-12 and 2010-11. While in 2007-08 it could not generate enough business per branch. On the other hand at individual level SBP has been found at top level to generate satisfactory business per branch. But in context of growth it was SBB&J, SBM and SBT which have been improved in five years with the rate of 0.13% each. The Last ratio which is calculated to know the productivity of SBI and group banks is profit per Branch. From this ratio researcher find out that SBI and group generates business per branch at highest level during 2010-11 and 2011-12. While in 2007-08 it could not generate enough profit per branch. On the other hand at individual level SBT has been found at top level to generate satisfactory profit per branch. But in context of growth it was SBH which improved its performance from Rs.5.48 millions to Rs. 10.51 millions in five years. In the calculation of profitability of SBI and group banks the researcher has calculated Interest Earned Ratio of all categories of the banks. This ratio indicates that higher the Interest earned ratio, higher the profitability of the bank. The study that year 2011-12 reporting highest interest earned , while SBP and SBM are reported highest average of interest earned ratio. Moreover high growth rate reported by SBH. After analyzing the interest paid ratio of all the

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banks the researcher find out that 2010-11 and 2009-10 are best years for group in terms of profitability. While, SBI and SBB&J perform well in terms of average of interest paid ratio among group. Moreover SBI and SBT perform best in terms of stable growth rate of interest paid ratio among the other banks in the group. Another ratio which is calculated to find the profitability of the SBI and Associates banks is Non-interest income ratio. From this ratio researcher find out that that year 2011-12 reporting highest non interest income ratio, while SBM and SBI are reported highest average of non interest income. Moreover high growth rate reported by SBM. Other operating expenses ratio is calculated to find the profitability of SBI and Associates banks. From this ratio researcher find out that that 2008-09 and 2009-10 are best years for group in terms of profitability. While, SBP and SBH performed well in terms of average operating expense ratio. Moreover SBT perform best in terms of Growth rate among the other banks in the group. Spread is the difference between the interest earned on loans and advances and interest paid on deposits and borrowings by the banks. Higher spread is beneficial for the banks. After analyzing the spread of the group banks that year 2010-11 reporting highest profitability in terms of burden , while SBI and SBB&J are reported highest average of burden ratio. Moreover high growth rate reported by SBP. Burden is a difference between non-interest expenditure and non interest income of banks. Lower burden ratio shows the better profitability position of the bank. It has been found after analyzing the burden ratio of the group banks that 2008-09 is the best year for group in terms of profitability. While, SBP and SBH perform well in terms of average burden ratio. Moreover SBT perform best in terms of Growth rate among the other banks in the group. After calculating all the above ratios profitability ratio is calculated. Profitability ratio is the difference between the spread and the burden. After analyzing the profitability ratio of SBI and Associate banks researcher find out that year 2010-11 and 2011-12 reporting highest profitability , while SBP and SBB&J are reported highest average of profitability ratio. Moreover high growth rate reported by SBP and SBI.

For improving the working of the SBI and its Associate banks following suggestions emerge for consideration: The SBI and Associate banks should adopt more aggressive marketing strategies in line with the new private sector banks to add to the business volumes both in

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terms of deposits as well as advances. With numerous technological features coming into day to day banking resulting in diminishing reliance on men than the machines, the excess staff should be used for marketing bank's products thereby increasing volumes in terms of credit as well as deposits. The bank should close down the unviable bank branches by selling out the existing business to some other bank which has been able to maintain a sustainable growth rate. The banks should strive for better deposit mix there by reducing the cost of deposit and improve profitability. Control and restrict the advances to those sectors where the banks experience has not been satisfactory. Appropriate use of technology for improvement in the quality of customer service and ensuring efficiency in operations is crucial for the effective functioning of banks in emerging competitive environment. Success lies in aligning technology with the business strategy and redefining processes to get maximum advantage. The attitude of bankers will have to be more customers oriented than procedure oriented. Banks also should provide customer services during extended business hours and also provide ATM facilities covering residential areas to facilitate customers in with drawing cash at any time of the day and night as per their convenience. The present business environment for banking is highly volatile and uncertain. It is highly competitive and every bank is finding difficult to service grow, stabilize and excel in banking business. The proper and timely strategies are to be adopted to improve efficiency of the whole organization. Competition is faced from public, private, foreign and cooperative banks. They have adopted the strategy for effective workings. For further improvement special focus should be given on selection, training, motivate career opportunities of employees etc. Management of banks is interested for productivity improvement. A big gap is found between actual position and expectations. Top level management involvement and support can boost the efforts in right direction.

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Annexure

State Bank of India Profile Statement of RBI

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[Amount in Rs. Millions]

Items	2007-08	2008-09	2009-10	2010-11	2011-12
No. of offices	10683	12034	13094	14046	14316
No. of employees	179205	205896	200299	222933	215481
Business per employee	53.24	62.39	71.69	75.84	88.70
Profit per employee	0.37	0.47	0.45	0.39	0.53
Capital and Reserves & Surplus	490327	579477	659492	649860	839512
Deposits	5374039	7420731	8041162	9339328	10436474
Investments	1895013	2759540	2957852	2956006	3121976
Advances	4167682	5425032	6319142	7567194	8675789
Interest income	489503	637884	709939	813944	1065215
Other income	86949	126908	149682	158246	143514
Interest expended	319291	429153	473225	488680	632304
Operating expenses	126086	156487	203187	230154	260690
Cost of Funds (CoF)	5.64	5.72	5.14	4.67	5.35
Return on advances adjusted to CoF	3.70	3.95	3.48	3.97	4.63
Wages as % to total expenses	17.48	16.64	18.86	21.16	19.01
Return on Assets	1.01	1.04	0.88	0.71	0.88
CRAR	13.54	14.25	13.39	11.98	13.86
Net NPA ratio	1.78	1.79	1.72	1.63	1.82

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**State Bank of Bikaner & Jaipur Profile Statement of RBI
[Amount in Rs. Millions]**

Items	2007-08	2008-09	2009-10	2010-11	2011-12
No. of offices	909	928	953	997	1036
No. of employees	11421	11439	11629	11444	12383
Business per employee	51.82	60.39	69.86	83.06	89.49
Profit per employee	0.27	0.36	0.40	0.50	0.50
Capital and Reserves & Surplus	17132	20465	24174	28508	41649
Deposits	341084	392244	460588	538523	615721
Investments	104984	109988	136005	135207	166695
Advances	250759	298507	351764	412067	492443
Interest income	30520	38103	39772	47965	62914
Other income	4717	5771	5827	6397	5990
Interest expended	21130	27071	27657	30268	40700
Operating expenses	7495	7874	8905	12692	13308
Cost of Funds (CoF)	6.17	6.66	5.77	5.44	6.46
Return on advances adjusted to CoF	3.96	4.22	3.81	4.44	4.77
Wages as % to total expenses	15.61	13.19	13.73	19.25	15.18
Return on Assets	0.87	0.92	0.93	0.96	0.99
CRAR	12.51	14.52	13.30	11.68	13.76
Net NPA ratio	0.83	0.85	0.78	0.83	1.92

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**State Bank of Hyderabad Profile Statement of RBI
[Amount in Rs. Millions]**

Items	2007-08	2008-09	2009-10	2010-11	2011-12
No. of offices	1028	1062	1169	1246	1343
No. of employees	12813	12577	13597	14778	16420
Business per employee	67.09	84.38	92.52	103.77	107.05
Profit per employee	0.44	0.49	0.56	0.79	0.86
Capital and Reserves & Surplus	26941	32083	42645	53152	64977
Deposits	501083	624489	729707	886279	987319
Investments	160271	209817	240085	284467	292418
Advances	358488	436792	528248	647203	770523
Interest income	44032	57095	63341	78513	106467
Other income	6771	7693	8413	9838	10243
Interest expended	32902	42427	44709	50028	72822
Operating expenses	7989	9331	9838	15128	17358
Cost of	6.85	6.75	5.76	5.43	6.92

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Funds (CoF)					
Return on advances adjusted to CoF	2.98	3.82	3.97	4.58	4.62
Wages as % to total expenses	11.47	10.67	11.05	15.95	12.77
Return on Assets	1.00	0.91	1.03	1.22	1.15
CRAR	11.97	11.53	14.90	14.25	13.56
Net NPA ratio	0.16	0.38	0.55	0.87	1.30

State Bank of Mysore Profile Statement of RBI

[Amount in Rs. Millions]

Items	2007-08	2008-09	2009-10	2010-11	2011-12
No. of offices	687	719	735	753	785
No. of employees	9720	9671	10111	9926	10249
Business per employee	49.89	60.52	67.66	77.83	87.83
Profit per employee	0.33	0.35	0.44	0.50	0.40
Capital and Reserves & Surplus	13778	22710	26653	36833	39885
Deposits	274624	329158	388800	432255	501863
Investments	84028	113780	114944	129271	147327
Advances	210271	256161	295359	340298	398353
Interest	24944	32473	35589	40791	50784

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income					
Other	4221	4804	4257	4552	5164
income					
Interest	17321	24090	23224	24431	34941
expended					
Operating	6169	6651	7249	9174	10411
expenses					
Cost of	6.09	6.39	5.65	5.29	6.66
Funds					
(CoF)					
Return on	4.07	4.45	4.35	4.78	4.34
advances					
adjusted to					
CoF					
Wages as %	14.37	12.51	13.73	16.32	13.68
to total					
expenses					
Return on	1.08	0.91	1.06	1.03	0.67
Assets					
CRAR	11.73	12.99	12.42	13.76	12.55
Net NPA	0.43	0.50	1.02	1.38	1.93
ratio					

State Bank of Patiala Profile Statement of RBI

[Amount in

Rs. Millions]

Items	2007-08	2008-09	2009-10	2010-11	2011-12
No. of offices	840	889	937	1063	1111
No. of employees	11175	11365	12409	12559	13573
Business per employee	76.04	91.15	89.37	95.15	104.88
Profit per	0.37	0.47	0.45	0.52	0.59

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employee					
Capital and Reserves & Surplus	27086	31337	37471	40953	47810
Deposits	485705	600062	645519	680661	794166
Investments	143748	170292	181651	172746	220429
Advances	364000	435872	463472	514332	629345
Interest income	43102	58041	59753	64781	81211
Other income	5958	6316	6744	7555	7510
Interest expended	34196	46763	44410	41446	57762
Operating expenses	7070	7939	9009	13298	13331
Cost of Funds (CoF)	6.88	7.65	6.36	5.44	6.54
Return on advances adjusted to CoF	3.31	3.61	3.89	4.87	4.71
Wages as % to total expenses	9.32	8.12	9.37	16.09	11.67
Return on Assets	0.83	0.83	0.79	0.88	0.93
CRAR	13.56	12.60	13.26	13.41	12.30
Net NPA ratio	0.60	0.60	1.04	1.21	1.35

**State Bank of Travancore Profile Statement of RBI
[Amount in Rs. Millions]**

Items	2007-08	2008-09	2009-10	2010-11	2011-12
No. of	727	755	780	824	894

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offices					
No. of employees	11423	11365	12192	11735	12150
Business per employee	55.58	65.68	73.28	88.80	104.37
Profit per employee	0.34	0.50	0.60	0.80	0.42
Capital and Reserves & Surplus	17181	22499	28406	34635	38662
Deposits	353539	420411	508834	581579	714698
Investments	113530	132317	158444	179270	224376
Advances	281366	326014	384613	460442	553460
Interest income	34341	41232	43781	52288	68288
Other income	4388	5731	5280	5812	6483
Interest expended	24768	28406	29779	35327	49984
Operating expenses	6869	7994	9559	11013	12299
Cost of Funds (CoF)	6.11	6.08	5.58	5.40	6.20
Return on advances adjusted to CoF	3.73	4.37	3.88	4.14	4.25
Wages as % to total expenses	13.14	13.40	15.64	15.11	12.65
Return on Assets	0.89	1.30	1.26	1.12	0.65
CRAR	13.53	14.03	13.74	12.54	13.55
Net NPA ratio	0.94	0.58	0.91	0.98	