



COMPARATIVE ANALYSIS OF INDIAN PUBLIC SECTOR BANKS FOR THE FINANCIAL YEAR 2021-22 & 2022-23

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ABSTRACT:

Indian Public sector banks have played an important role in the economic growth and development of the country since independence. Public sector Banks still hold a significant market share in India, hence it is important to study the financial performance of the Public sector Banks. Public sector banks in India Cumulatively surpassed the profit of Rs. 1 lakh crore (Rs. 1 trillion) during the financial year 2022-23.

Post amalgamation, presently there are 13 Nationalized banks in India of which 12 Banks are having Govt of India as the majority stakeholder and 1 bank namely IDBI Bank where the majority of stakes is controlled by a Life insurance corporation (LIC) which is owned by Govt. of India.

There have been several notable improvements in the performance of public sector banks (PSBs) in India in recent years. While individual banks' performances may vary, some common trends and improvements across the sector include Reduction in Non-Performing Assets (NPAs), Capital Infusion by the Govt. of India, Merger and Consolidation, Embracement of Technology, Focus on Financial Inclusion, Improved Governance and Risk Management, Profitability and Return on Assets (ROA), Emphasis on Retail and SME Lending, and Enhanced Customer Service.

Financial performance for the Indian public sector banks for the Financial Year 2021-22 & 2022-23 reveals some interesting details such as

- ✓ State Bank of India is the largest Public sector bank in India in terms of overall business in value terms
- ✓ Overall CASA % & NIM % in Public sector banks are declining which shows tight liquidity in an economy
- ✓ Public sector Banks are showing continuous improvement in business practices and hence the steady growth in profits
- ✓ Bank of Maharashtra is doing extremely well on almost all the fronts such as Business growth, advances growth, deposit growth, and reduction of NPAs it has become one of the top-performing public sector banks
- ✓ Bank of Baroda has become the 2nd largest public sector bank in FY 23 by showing an extremely good set of business performance
- ✓ State Bank of India despite being the largest is continuing its momentum with constant growth in the business
- ✓ Non-performing assets (NPA) are significantly reduced by Public sector banks through continuous improvement



It's important to note that while there have been positive developments, challenges still remain, and continuous efforts are required to sustain and further improve the performance of public sector banks in India

KEYWORDS : *Public Sector Banks in India, Nationalized Banks in India, Financial Performance of Public Sector Banks, Profitability in Public Sector Banks.*

I. INTRODUCTION

Indian Public sector banks have played an important role in the economic growth and development of the country since independence. Public sector Banks still hold a significant market share in India, hence it is important to study the financial performance of the Public sector Banks. Public sector banks in India Cumulatively surpassed the profit of Rs. 1 lakh crore (Rs. 1 trillion) during the financial year 2022-23.

Post amalgamation, presently there are 13 Nationalized banks in India of which 12 Banks are having Govt of India as the majority stakeholder and 1 bank namely IDBI Bank where the majority of stakes is controlled by a Life insurance corporation (LIC) which is owned by Govt. of India.

There have been several notable improvements in the performance of public sector banks (PSBs) in India in recent years. While individual banks' performances may vary, some common trends and improvements across the sector include Reduction in Non-Performing Assets (NPAs), Capital Infusion by the Govt. of India, Merger and Consolidation, Embracement of Technology, Focus on Financial Inclusion, Improved Governance and Risk Management, Profitability and Return on Assets (ROA), Emphasis on Retail and SME Lending, and Enhanced Customer Service

It's important to note that while there have been positive developments, challenges still remain, and continuous efforts are required to sustain and further improve the performance of public sector banks in India

Research Gaps

Indian Public sector banks have made significant improvements in their financial performance due Reduction in Non-Performing Assets (NPAs), Capital Infusion by the Govt. of India, Merger and Consolidation, Embracement of Technology, Focus on Financial Inclusion, Improved Governance and Risk Management, Profitability and Return on Assets (ROA), Emphasis on Retail and SME Lending, and improved Customer Service. A detailed analysis of Indian public sector Bank's Financial performance in recent years was not much discussed by researchers Hence, an effort was undertaken to analyze the Financial performance of Indian Public sector Banks for the Financial Years 2021-22 & 2022-23

Scope of the Research

The Research was focused on analyzing the financial performance of Indian Public sector banks for the Financial year 2021-22 & 2022-23 with special emphasis on parameters such as Total Business, Total Advances, Total Deposits, Net Profit, CASA %, Net Interest Margin %, Net Interest Income, Non-Interest Income, Retail advances, MSME Advances, Agricultural advances, Gross NPA%, Net NPA%.

Research Methodology

The study is analytical in nature and based on secondary data collected from reliable sources i.e. Reserve Bank of India reports, Financial disclosures made by various Banks & Financial Institutions in India, Articles published by individual researchers and renowned consulting firms, and various reports from renowned financial magazines & newspapers. The collected data was processed as per the objectives of the study and with simple statistical tools and techniques.

Research Objectives

To compare the Financial performance of the Nationalized banks in India during the Financial year 2021-22 & 2022-23 on the following key parameters:

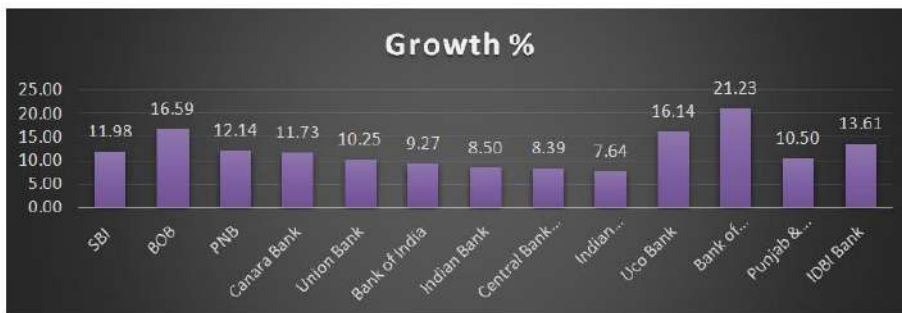
- Total Business
- Total Advances
- Total Deposits
- Net Profit
- CASA %
- Net Interest Margin %
- Net Interest Income
- Non-Interest Income
- Retail advances
- MSME Advances
- Agricultural advances
- Gross NPA%
- Net NPA%

RESULTS & FINDINGS

1. Total Business

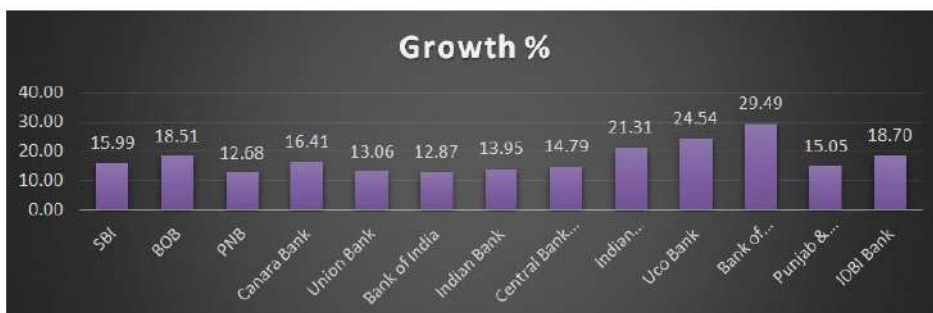
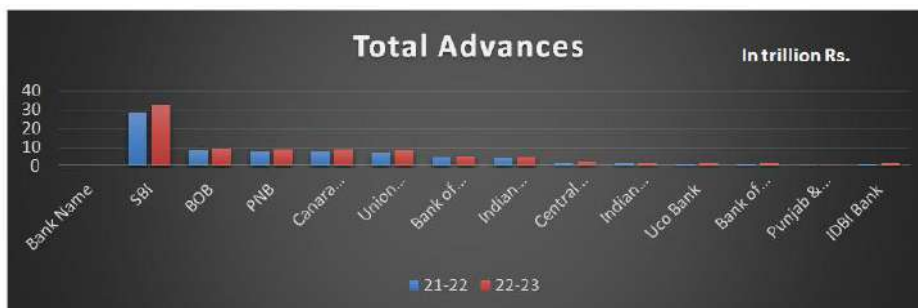
| | | | In Trillion Rs. |
|-----------------------|----------|----------|-----------------|
| Bank Name | FY 21-22 | FY 22-23 | Growth % |
| State Bank of India | 68.70 | 76.93 | 11.98 |
| Bank of Baroda | 18.64 | 21.73 | 16.59 |
| Punjab National Bank | 19.31 | 21.66 | 12.14 |
| Canara Bank | 18.28 | 20.42 | 11.73 |
| Union Bank of India | 17.49 | 19.28 | 10.25 |
| Bank of India | 10.85 | 11.85 | 9.27 |
| Indian Bank | 10.09 | 10.95 | 8.50 |
| Central Bank of India | 5.32 | 5.77 | 8.39 |
| Indian Overseas Bank | 4.18 | 4.50 | 7.64 |
| Uco Bank | 3.54 | 4.11 | 16.14 |
| Bank of Maharashtra | 3.38 | 4.09 | 21.23 |
| Punjab & Sindh Bank | 1.73 | 1.91 | 10.50 |
| IDBI Bank | 3.68 | 4.18 | 13.61 |





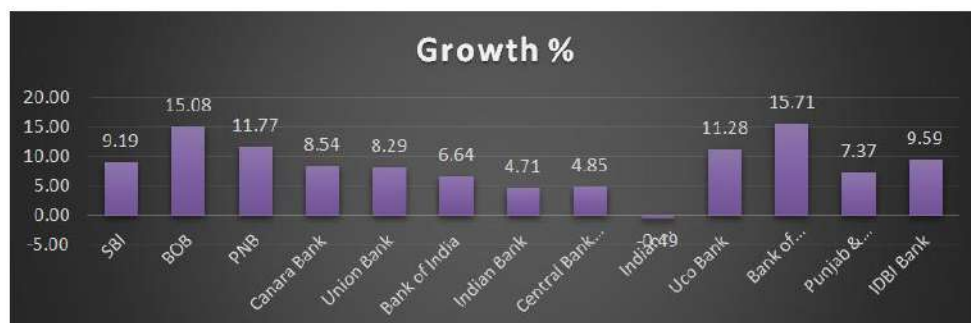
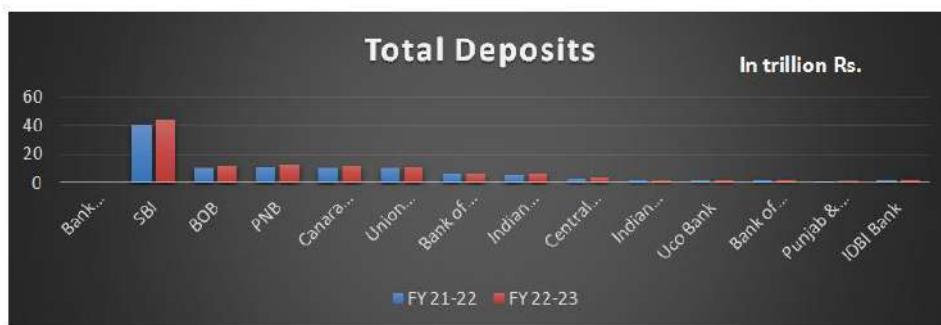
2. Total Advances

| Bank Name | FY 21-22 | FY 22-23 | in Trillion Rs. Growth % |
|-----------------------|----------|----------|--------------------------|
| State Bank of India | 28.19 | 32.69 | 15.99 |
| Bank of Baroda | 8.18 | 9.70 | 18.51 |
| Punjab National Bank | 7.85 | 8.85 | 12.68 |
| Canara Bank | 7.41 | 8.63 | 16.41 |
| Union Bank of India | 7.16 | 8.10 | 13.06 |
| Bank of India | 4.57 | 5.16 | 12.87 |
| Indian Bank | 4.16 | 4.74 | 13.95 |
| Central Bank of India | 1.90 | 2.18 | 14.79 |
| Indian Overseas Bank | 1.56 | 1.89 | 21.31 |
| Uco Bank | 1.30 | 1.62 | 24.54 |
| Bank of Maharashtra | 1.35 | 1.75 | 29.49 |
| Punjab & Sindh Bank | 0.70 | 0.81 | 15.05 |
| IDBI Bank | 1.37 | 1.63 | 18.70 |



3. Total Deposits

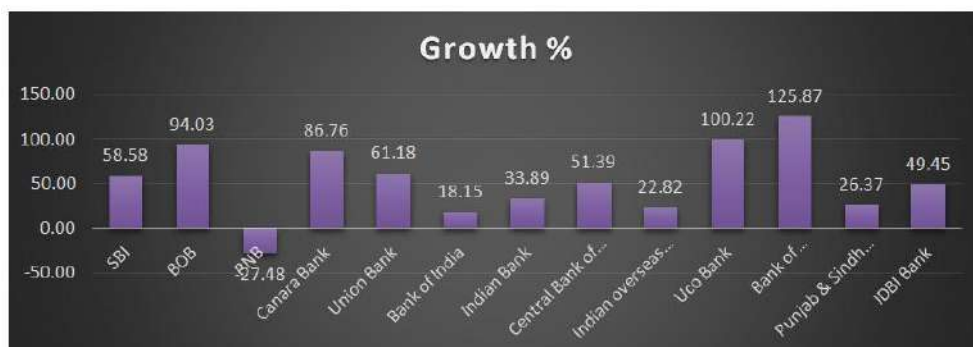
| Bank Name | FY 21-22 | FY 22-23 | Growth % |
|-----------------------|----------|----------|----------|
| State Bank of India | 40.52 | 44.24 | 9.19 |
| Bank of Baroda | 10.46 | 12.04 | 15.08 |
| Punjab National Bank | 11.46 | 12.81 | 11.77 |
| Canara Bank | 10.86 | 11.79 | 8.54 |
| Union Bank of India | 10.32 | 11.18 | 8.29 |
| Bank of India | 6.28 | 6.70 | 6.64 |
| Indian Bank | 5.94 | 6.22 | 4.71 |
| Central Bank of India | 3.43 | 3.59 | 4.85 |
| Indian Overseas Bank | 2.62 | 2.61 | -0.49 |
| Uco Bank | 2.24 | 2.49 | 11.28 |
| Bank of Maharashtra | 2.02 | 2.34 | 15.71 |
| Punjab & Sindh Bank | 1.02 | 1.10 | 7.37 |
| IDBI Bank | 2.33 | 2.55 | 9.59 |



4. Net Profit

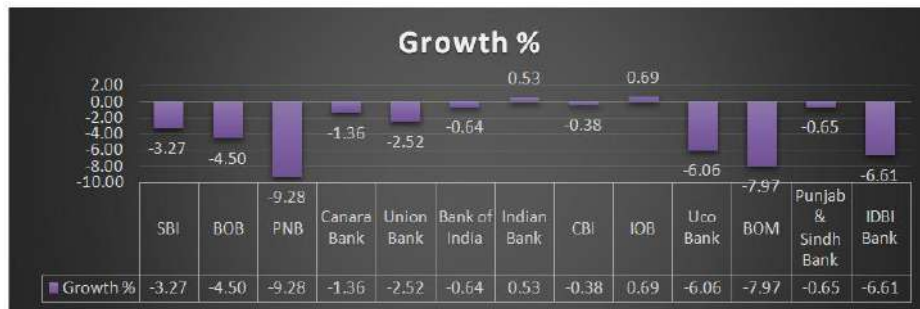
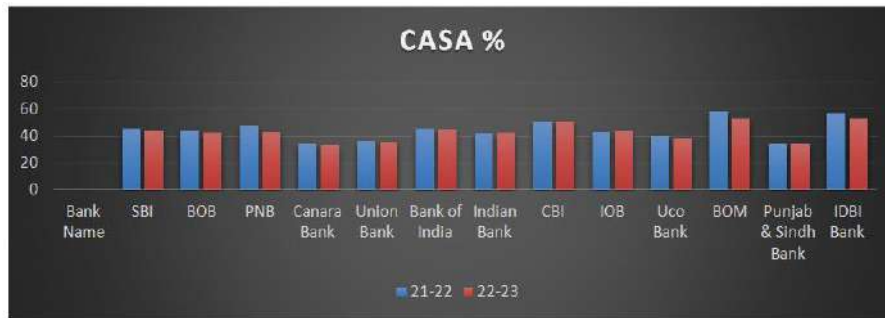
| Bank Name | FY 21-22 | FY 22-23 | Growth % |
|-----------------------|----------|----------|----------|
| State Bank of India | 31676 | 50232 | 58.58 |
| Bank of Baroda | 7272 | 14110 | 94.03 |
| Punjab National Bank | 3457 | 2507 | -27.48 |
| Canara Bank | 5678 | 10604 | 86.76 |
| Union Bank of India | 5232 | 8433 | 61.18 |
| Bank of India | 3405 | 4023 | 18.15 |
| Indian Bank | 3945 | 5282 | 33.89 |
| Central Bank of India | 1045 | 1582 | 51.39 |

| | | | |
|--------------------------------|-------------|-------------|---------------|
| Indian Overseas Bank | 1709 | 2099 | 22.82 |
| Uco Bank | 930 | 1862 | 100.22 |
| Bank of Maharashtra | 1152 | 2602 | 125.87 |
| Punjab & Sindh Bank | 1039 | 1313 | 26.37 |
| IDBI Bank | 2439 | 3645 | 49.45 |



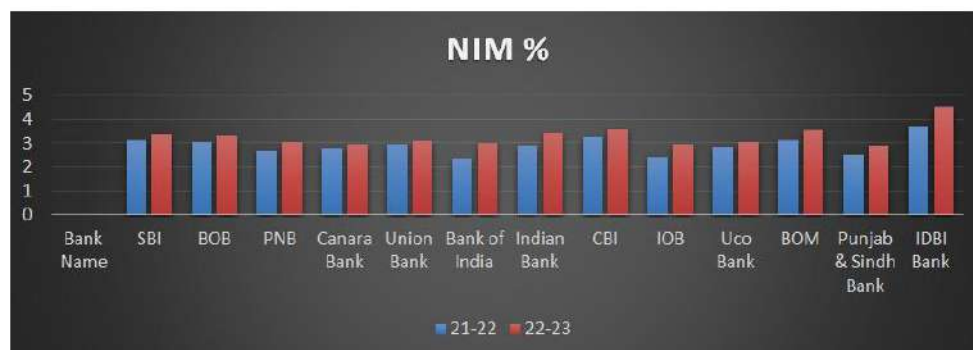
5. CASA %

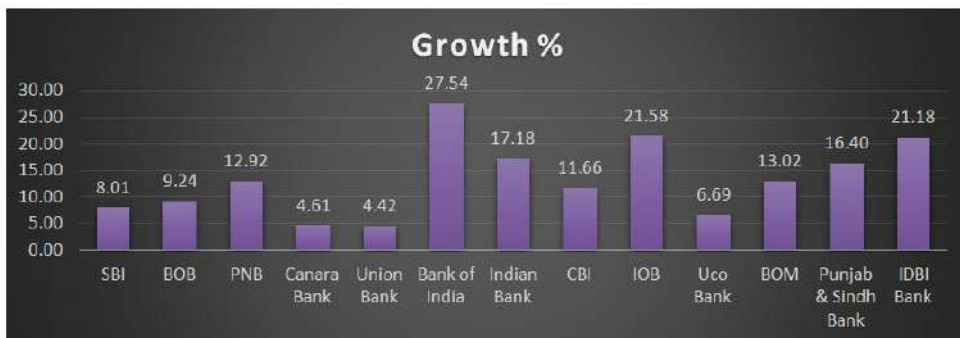
| Bank Name | FY 21-22 | FY 22-23 | in percentage Growth % |
|-----------------------|----------|----------|------------------------|
| State Bank of India | 45.28 | 43.8 | -3.27 |
| Bank of Baroda | 44.24 | 42.25 | -4.50 |
| Punjab National Bank | 47.4 | 43 | -9.28 |
| Canara Bank | 33.94 | 33.48 | -1.36 |
| Union Bank of India | 36.54 | 35.62 | -2.52 |
| Bank of India | 45.02 | 44.73 | -0.64 |
| Indian Bank | 41.77 | 41.99 | 0.53 |
| Central Bank of India | 50.58 | 50.39 | -0.38 |
| Indian overseas Bank | 43.44 | 43.74 | 0.69 |
| Uco Bank | 40.26 | 37.82 | -6.06 |
| Bank of Maharashtra | 58 | 53.38 | -7.97 |
| Punjab & Sindh Bank | 33.81 | 33.59 | -0.65 |
| IDBI Bank | 56.77 | 53.02 | -6.61 |



6. Net Interest Margin % (NIM)

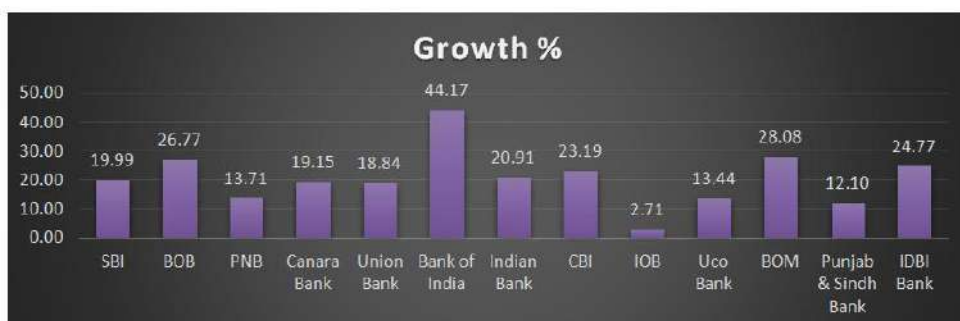
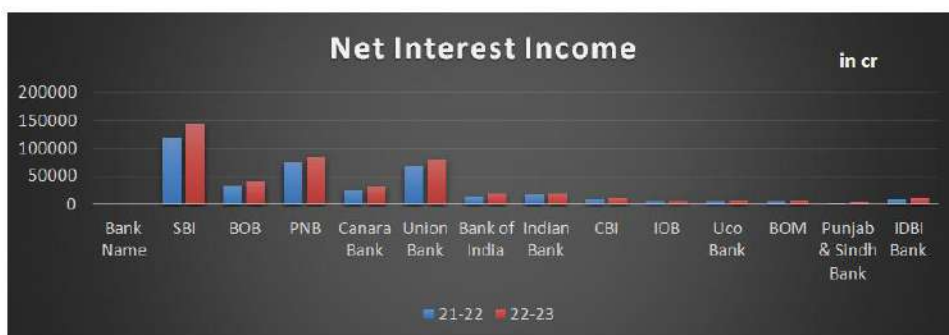
| Bank Name | FY 21-22 | FY 22-23 | in percentage Growth % |
|-----------------------|----------|----------|------------------------|
| State Bank of India | 3.12 | 3.37 | 8.01 |
| Bank of Baroda | 3.03 | 3.31 | 9.24 |
| Punjab National Bank | 2.71 | 3.06 | 12.92 |
| Canara Bank | 2.82 | 2.95 | 4.61 |
| Union Bank of India | 2.94 | 3.07 | 4.42 |
| Bank of India | 2.36 | 3.01 | 27.54 |
| Indian Bank | 2.91 | 3.41 | 17.18 |
| Central Bank of India | 3.26 | 3.64 | 11.66 |
| Indian Overseas Bank | 2.41 | 2.93 | 21.58 |
| Uco Bank | 2.84 | 3.03 | 6.69 |
| Bank of Maharashtra | 3.15 | 3.56 | 13.02 |
| Punjab & Sindh Bank | 2.5 | 2.91 | 16.40 |
| IDBI Bank | 3.73 | 4.52 | 21.18 |





7. Net Interest Income (in Cr)

| Bank Name | FY 21-22 | FY 22-23 | Growth % |
|-----------------------|----------|----------|----------|
| State Bank of India | 120708 | 144841 | 19.99 |
| Bank of Baroda | 32622 | 41355 | 26.77 |
| Punjab National Bank | 74880 | 85144 | 13.71 |
| Canara Bank | 26384 | 31436 | 19.15 |
| Union Bank of India | 67944 | 80743 | 18.84 |
| Bank of India | 14063 | 20275 | 44.17 |
| Indian Bank | 16728 | 20225 | 20.91 |
| Central Bank of India | 9487 | 11687 | 23.19 |
| Indian Overseas Bank | 5055 | 5192 | 2.71 |
| Uco Bank | 6473 | 7343 | 13.44 |
| Bank of Maharashtra | 6044 | 7741 | 28.08 |
| Punjab & Sindh Bank | 2652 | 2973 | 12.10 |
| IDBI Bank | 9162 | 11431 | 24.77 |



8. Non-Interest income (in cr)

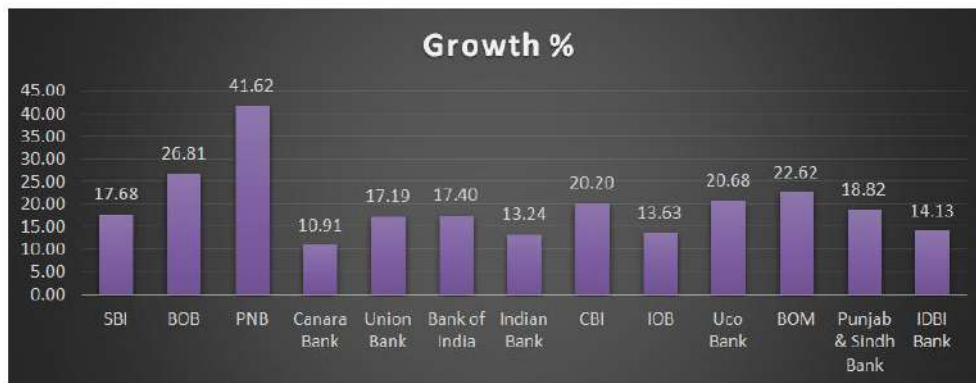
| | | | in cr |
|-----------------------|----------|----------|----------|
| Bank Name | FY 21-22 | FY 22-23 | Growth % |
| State Bank of India | 40564 | 36616 | -9.73 |
| Bank of Baroda | 11484 | 10026 | -12.70 |
| Punjab National Bank | 12320 | 12143 | -1.44 |
| Canara Bank | 16497 | 18762 | 13.73 |
| Union Bank of India | 12525 | 14633 | 16.83 |
| Bank of India | 7879 | 7100 | -9.89 |
| Indian Bank | 6915 | 7143 | 3.30 |
| Central Bank of India | 2968 | 4084 | 37.60 |
| Indian Overseas Bank | 4903 | 4109 | -16.19 |
| Uco Bank | 3101 | 2508 | -19.12 |
| Bank of Maharashtra | 2652 | 2280 | -14.03 |
| Punjab & Sindh Bank | 959 | 940 | -1.98 |
| IDBI Bank | 4690 | 4372 | -6.78 |



9. Retail Advances (in cr)

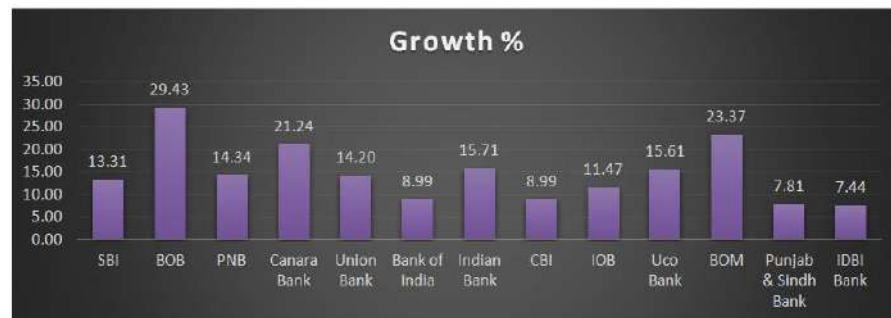
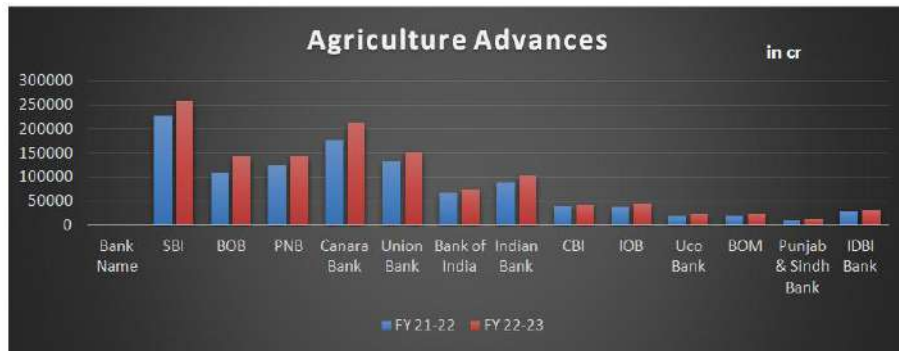
| | | | in cr |
|----------------------|----------|----------|----------|
| Bank Name | FY 21-22 | FY 22-23 | Growth % |
| State Bank of India | 1002003 | 1179152 | 17.68 |
| Bank of Baroda | 140399 | 178037 | 26.81 |
| Punjab National Bank | 139594 | 197698 | 41.62 |
| Canara Bank | 126277 | 140051 | 10.91 |
| Union Bank of India | 136273 | 159702 | 17.19 |
| Bank of India | 80675 | 94716 | 17.40 |
| Indian Bank | 80433 | 91086 | 13.24 |

| | | | |
|--------------------------------|--------------|--------------|--------------|
| Central Bank of India | 52226 | 62776 | 20.20 |
| Indian overseas Bank | 36961 | 42000 | 13.63 |
| Uco Bank | 29035 | 35039 | 20.68 |
| Bank of Maharashtra | 35422 | 43433 | 22.62 |
| Punjab & Sindh Bank | 11737 | 13946 | 18.82 |
| IDBI Bank | 64437 | 73545 | 14.13 |



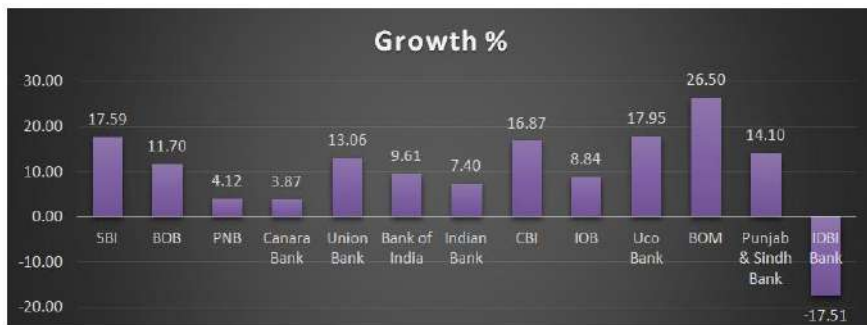
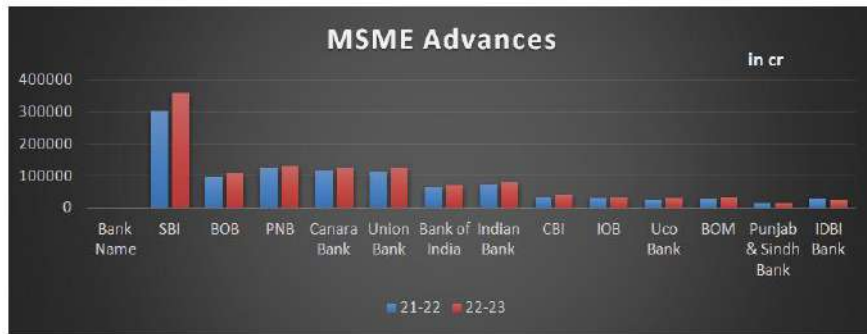
10. Agriculture Advances (in cr)

| Bank Name | FY 21-22 | FY 22-23 | Growth % |
|-----------------------|----------|----------|----------|
| State Bank of India | 228229 | 258612 | 13.31 |
| Bank of Baroda | 109796 | 142105 | 29.43 |
| Punjab National Bank | 124286 | 142105 | 14.34 |
| Canara Bank | 175955 | 213327 | 21.24 |
| Union Bank of India | 133092 | 151993 | 14.20 |
| Bank of India | 66418 | 72391 | 8.99 |
| Indian Bank | 88100 | 101937 | 15.71 |
| Central Bank of India | 38635 | 42110 | 8.99 |
| Indian overseas Bank | 38577 | 43000 | 11.47 |
| Uco Bank | 18835 | 21775 | 15.61 |
| Bank of Maharashtra | 18968 | 23400 | 23.37 |
| Punjab & Sindh Bank | 10934 | 11788 | 7.81 |
| IDBI Bank | 29731 | 31944 | 7.44 |



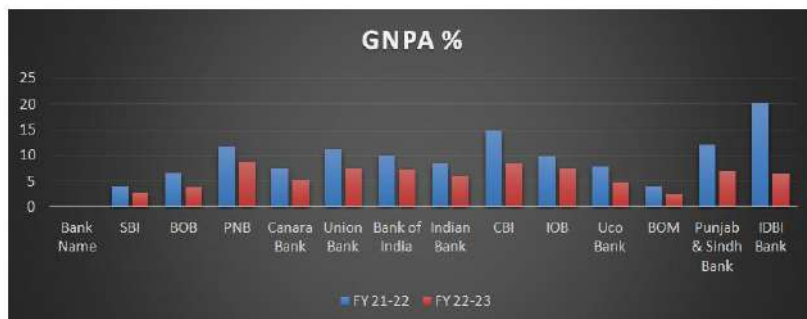
11. MSME Advances (in cr)

| Bank Name | FY 21-22 | FY 22-23 | Growth % |
|-----------------------|----------|----------|----------|
| State Bank of India | 305517 | 359270 | 17.59 |
| Bank of Baroda | 96863 | 108196 | 11.70 |
| Punjab National Bank | 125032 | 130178 | 4.12 |
| Canara Bank | 119026 | 123627 | 3.87 |
| Union Bank of India | 110577 | 125022 | 13.06 |
| Bank of India | 64570 | 70777 | 9.61 |
| Indian Bank | 74167 | 79656 | 7.40 |
| Central Bank of India | 34139 | 39899 | 16.87 |
| Indian overseas Bank | 29494 | 32100 | 8.84 |
| Uco Bank | 24430 | 28815 | 17.95 |
| Bank of Maharashtra | 26279 | 33244 | 26.50 |
| Punjab & Sindh Bank | 13021 | 14857 | 14.10 |
| IDBI Bank | 26958 | 22237 | -17.51 |



12. Gross NPA %

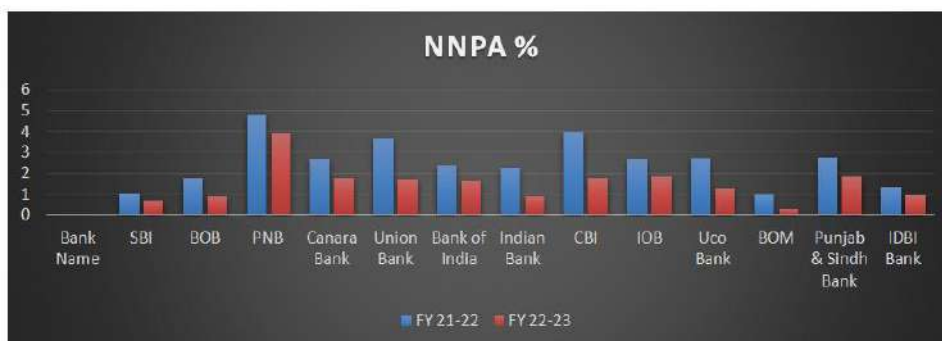
| Bank Name | FY 21-22 | FY 22-23 | in percentage Growth % |
|-----------------------|----------|----------|------------------------|
| State Bank of India | 3.97 | 2.78 | -29.97 |
| Bank of Baroda | 6.61 | 3.79 | -42.66 |
| Punjab National Bank | 11.78 | 8.74 | -25.81 |
| Canara Bank | 7.51 | 5.35 | -28.76 |
| Union Bank of India | 11.11 | 7.53 | -32.22 |
| Bank of India | 9.98 | 7.31 | -26.75 |
| Indian Bank | 8.47 | 5.95 | -29.75 |
| Central Bank of India | 14.84 | 8.44 | -43.13 |
| Indian overseas Bank | 9.82 | 7.44 | -24.24 |
| Uco Bank | 7.89 | 4.78 | -39.42 |
| Bank of Maharashtra | 3.94 | 2.47 | -37.31 |
| Punjab & Sindh Bank | 12.17 | 6.97 | -42.73 |
| IDBI Bank | 20.16 | 6.38 | -68.35 |





13. Net NPA %

| Bank Name | FY 21-22 | FY 22-23 | in percentage Growth % |
|-----------------------|----------|----------|------------------------|
| State Bank of India | 1.02 | 0.67 | -34.31 |
| Bank of Baroda | 1.72 | 0.89 | -48.26 |
| Punjab National Bank | 4.8 | 3.94 | -17.92 |
| Canara Bank | 2.65 | 1.73 | -34.72 |
| Union Bank of India | 3.68 | 1.7 | -53.80 |
| Bank of India | 2.34 | 1.66 | -29.06 |
| Indian Bank | 2.27 | 0.9 | -60.35 |
| Central Bank of India | 3.97 | 1.77 | -55.42 |
| Indian Overseas Bank | 2.65 | 1.83 | -30.94 |
| Uco Bank | 2.7 | 1.29 | -52.22 |
| Bank of Maharashtra | 0.97 | 0.25 | -74.23 |
| Punjab & Sindh Bank | 2.74 | 1.84 | -32.85 |
| IDBI Bank | 1.36 | 0.92 | -32.35 |



OBSERVATIONS & CONCLUSION

- State Bank of India is the largest Public sector bank in India in terms of overall business in value terms
- Overall CASA % & NIM % in Public sector banks are declining which shows tight liquidity in an economy
- Public sector Banks are showing continuous improvement in business practices and hence the steady growth in profits
- Bank of Maharashtra is doing extremely well on almost all the fronts such as Business growth, advances growth, deposit growth, and reduction of NPAs it has become one of the top-performing public sector banks
- Bank of Baroda has become the 2nd largest public sector bank in FY 23 by showing an extremely good set of business performance
- State Bank of India despite being the largest is continuing its momentum with constant growth in the business
- Non-performing assets (NPA) are significantly reduced by Public sector banks through continuous improvement
- It's important to note that while there have been positive developments, challenges still remain, and continuous efforts are required to sustain and further improve the performance of public sector banks in India

DISCLAIMER

Every effort has been made to compile the correct data from the official disclosures made by the financial institutions which are part of this report. However, in case of any discrepancies, the reader may refer to the financial disclosures released by the respective financial institutions.

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