The banking sector is the lifeline of any modern economy. It is one of the important financial pillars of the financial system which plays a vital role in the success/failure of an economy. Banks are one of the oldest financial intermediaries in the financial system. They play an important role in the mobilization of deposits and disbursement of credit to various sectors of the economy. The banking system is the fuel injection system which spurs economic efficiency by mobilizing savings and allocating them to high return investment.

Banks play a central role in the economy. They keep the savings of the public and finance the development of business and trade. Banks have played a critical role in the economic development of countries such as Japan and Germany and most of the emerging economies including India. Banks today are important not just from the point of view of economic growth, but also financial stability. In emerging economies, banks are special for three important reasons. First, they take a leading role in developing other financial intermediaries and markets. Second, due to the absence of well-developed equity and bond markets, the corporate sector depends heavily on banks to meet its financing needs. Finally, in emerging markets such as India, banks cater to the needs of a vast number of savers from the household sector, which prefers assured income and liquidity and safety of funds, because of their inadequate capacity to manage financial risks.

So under this research work, I have tried to analysis of financial performance with the help of various ratios and statistical tool F test. Financial Performance Analysis is defined as being the process of identifying financial strength and weakness of a business by establishing relationship between the elements of balance sheet and income statement. The analysis of financial statements is a process of evaluating the
relationship between component parts of financial statements to obtain a better understanding of the firm’s position and performance. The information pertaining to the financial statements is of great importance through which interpretation and analysis is made. It is through the process of financial analysis that the key performance indicators, such as, liquidity solvency, profitability as well as the efficiency of operations of a business entity may be ascertained, while short term and long term prospects of a business may be evaluated. Thus, identifying the weakness, the intent is to arrive at recommendations as well as forecasts for the future of a business entity. The common assumption, which underpins much of the financial performance research and discussions, is that increasing financial performance will lead to improved functions and activities of the banks. So measurement the performance of banks is an interesting area for the researcher.