PREFACE

Financial intermediaries are going through significant changes all over the world under the impact of deregulation, technological upgradation and financial innovations. The traditional and conservative face of Indian banking has undergone a metamorphosis due to the effect of liberalization, reorganization and consolidation. In the deregulated environment, a series of reformative measures were undertaken to improve the working of Indian banks in line with the international banking practices. The emergence of new private sector banks as well as the entry of new foreign banks in this era has thrown tremendous challenges in the form of tough competition among Indian banks. Only banks with high level of financial performance would survive and grow for a long period of time. In this backdrop, an attempt is made in this study to examine the comparative performance of selected public and private sector banks in India during the period of 1994 – 2004 from different parameters. For this purpose five leading Indian banks from each of the public and private sectors has been taken into consideration.

The study is divided into nine chapters. Chapter 1 is the introductory part containing the importance, data base & methodology and objectives of the study. Chapter 2 contains review of existing literature relating to this topic. While brief history of banking in India prior to 1969 is presented in chapter 3, chapter 4 contains reasons behind nationalization of banks and their progress after nationalization. Chapter 5 focuses on Banking Sector Reforms in India and growth of New Private Sector Banks. Chapter 6 and chapter 7 empirically examine the performance of selected public sector and private sector banks respectively from different parameters. Chapter 8 highlights comparative analysis of performance between selected public sector banks and private sector banks and summary of the findings of this study with conclusion are presented in chapter 9.

In spite of some limitations, the present study is expected to be useful for both academicians and bankers to get some idea about the financial performance of Indian banks in the post liberalization period and for conducting further study relating to this matter.

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