Chapter No. 5
Sample Profile

- Overview of Selected Banks
- Analysis of performing and Non-performing Asset of Selected Banks
- Analysis of Various components of Non-performing Asset of Selected Banks
Bank of Baroda:

Bank of Baroda is one of the most prominent banks in India, having its total assets as Rs. 1,43,146 Crores as on 31st March 2007. The bank was founded by Maharaja Sayajirao Gaekwad III (also known as Shrimant Gopalrao Gaekwad), the then Maharaja of Baroda on 20th of July 1908 with a paid capital of Rs. 10 Lacs. From its introduction in a small building of Baroda, the bank has come a long way to achieve its current position as one of the most important banks in India. On 19th of July 1969, Bank of Baroda was nationalized by the Government of India along with 13 other commercial banks.

As of March 2007, the bank had total deposits worth Rs. 1,24,915 Crores while it had a total number of 2956 branches located worldwide as on April 2009, out of which 626 were located in Metro cities, 524 in Urban areas, 642 in semi Urban locations, 1092, in Rural areas and 72 were located out side India. The bank has 10 zonal offices and 43 Regional offices which help it control its operations nationally.

Based on 2012 data it is ranked 715 on Forbes Global 2000 list. BOB has total assets in excess of Rs. 3.58 trillion or Rs. 3,583 billion, a network of 4261 branches (out of which 4168 branches are in India) and offices, and over 2000 ATMs.

Analysis of Performing Assets and Non – Performing Assets of BOB

Figure 5.1

![The average proportion of PA and NPA of BOB](image)

The pie chart shows the proportion of performing and Non –performing assets of BOB. It indicates a very low percentage of NPA (1.47%) as against a high
percentage (98.53%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of BOB seems very satisfactory.

**Analysis of Various components of NPA of BOB**

Figure 5.2

The average proportion of various components of Non-performing assets of BOB is shown in the above chart No. 5.2. It depicts 40.9 % sub standard assets, 38.57% doubtful assets and 20.53 % of loss assets. As far as sub standard assets over doubtful assets are concerned it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. Bank should make such efforts to recover advances from the default, even by making some compromise, that the proportion of gross NPA gets reduced. The increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPAs.

**Bank of India:**

Bank of India was founded on 7th September, 1906 by a group of eminent businessmen from Mumbai. The Bank was under private ownership and control till July 1969 when it was nationalised along with 13 other banks.
Beginning with one office in Mumbai, with a paid-up capital of Rs.50 lakh and 50 employees, the Bank has made a rapid growth over the years and blossomed into a mighty institution with a strong national presence and sizable international operations. In business volume, the Bank occupies a premier position among the nationalised banks.

The Bank has 4038 branches in India spread over all states/union territories including specialized branches. These branches are controlled through 50 Zonal Offices. There are 29 branches/offices (including five representative offices) and 3 Subsidiaries and 1 joint venture abroad.

Analysis of Performing Assets and Non–Performing Assets of BOI

The above pie chart shows the proportion of performing and Non–performing assets of BOI. It indicates a very low percentage of NPA (2.16%) as against a high percentage (97.84%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of BOI seems very satisfactory.
Analysis of Various components of NPA of BOI

Figure 5.4

Average proportion of Various components of Non - Performing Assets of BOI

The average proportion of various components of Non-performing assets of BOI is shown in the above chart No. 5.4. It depicts 53.58 % sub standard assets, 35.95 % doubtful assets and 10.77 % of loss assets. As far as sub standard assets over doubtful assets are concerned it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. The increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPA.

Andhra Bank

Andhra Bank” was founded by the eminent freedom fighter and a multifaceted genius, Dr. Bhogaraju Pattabhi Sitaramayya. The Bank was registered on 20th November 1923 and commenced business on 28th November 1923 with a paid up capital of Rs 1.00 lakh and an authorised capital of Rs 10.00 lakh.

Dr Bhogaraju Pattabhi Sitaramayya was born on 24th November 1880 in Gundugolantu village, West Godavari District in Andhra Pradesh. He was a renowned Freedom Fighter and a very illustrious personality.
To become a significant player, providing full range of banking services through innovative customer centric products and to maximize stakeholders’ value.

To work together towards delivering excellent customer service by leveraging on technology and human resources to attain world class performance standards.

**Analysis of Performing Assets and Non – Performing Assets of Andhra Bank**

![Pie Chart]

The above pie chart shows the proportion of performing and Non–performing assets of Andhra Bank. It indicates a very low percentage of NPA (1.25%) as against a high percentage (98.75%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of Andhra Bank seems very satisfactory.
Analysis of Various components of NPA of Andhra Bank

Figure 5.6

Average proportion of Various components of Non-Performing Assets of Andhra Bank

The average proportion of various components of Non-performing assets of Andhra Bank is shown in the above chart No. 5.6. It depicts 54.24% sub standard assets, 44.12% doubtful assets and 1.64% of loss assets. As far as sub standard assets over doubtful assets are concerned it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. The increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPAs.

Indian Overseas Bank:

Indian Overseas Bank (IOB) was founded on February 10th 1937, by Shri.M.Ct.M. Chidambaram Chettyar, a pioneer in many fields - Banking a pioneer in many fields.

Shri.M.Ct.M. Chidambaram Chettyar establishes the Indian Overseas Bank (IOB) to encourage overseas banking and foreign exchange operations. IOB started up simultaneously at three branches, one each in Karaikudi, Madras (Chennai) and Rangoon (Yangon). It then quickly opened a branch in Penang and another in Singapore. The bank served the Nattukottai Chettiars, who were a mercantile class
that at the time had spread from Chettinad in Tamil Nadu state to Ceylon (Sri Lanka), Burma (Myanmar), Malaya, Singapore, Java, Sumatra, and Saigon. As a result, from the beginning IOB specialized in foreign exchange and overseas banking.

M.Ct.M. Chidambaram Chettyar was born to Muthiah Chettiar and his wife Deivanai Achi, on August 2, 1908. With a strict father, MCt was all along much closer to his mother. He went to Madras Christian College High School in Madras, but did not complete graduation. The family training, an instinctive feel for numbers and a shrewdness and wisdom inherited from his mother gave him an education that no institution could.

MCt was in his teens when he married Valliammai Achi. They had two sons, Muthiah and Pethachi. Though he himself never felt the need for formal education, he provided the best education for his sons in India and abroad.

It was a pioneering journey of great promise that the 21-year-old M.Ct.M. Chidambaram Chettyar started on when his father, Sir. M.Ct. Muthiah Chettiar, passed away young, leaving his son with family wealth, a small insurance company and a grief-stricken brother. But tragedy struck this Chettyar family once again. It was a fine, clear afternoon in Singapore on March 13, 1954 when 31 passengers perished in an air crash. Regretfully, one of them was M. Ct. M. Chidambaram Chettyar.

Analysis of Performing Assets and Non – Performing Assets of IOB

Figure 5.7
The above pie chart shows the proportion of performing and Non–performing assets of Indian Overseas Bank. It indicates a very low percentage of NPA (2.82%) as against a high percentage (97.18%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of Indian Overseas Bank seems to be quite satisfactory.

**Analysis of Various components of NPA of Indian Overseas Bank**

**Figure 5.8**

The average proportion of various components of Non-performing assets of Indian overseas Bank is shown in the above figure. It depicts 42.69% sub standard assets, 54.83% doubtful assets, and 2.49% loss assets. As far as doubtful assets over sub standard assets are concerned, it can be said that a high doubtful assets over sub standard assets may not signify a satisfactory and safe position as the prospect of recovery of advances is bright. Though the increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPAS.
Corporation Bank:

Corporation Bank, the oldest banking Institution in the erstwhile undivided Dakshina Kannada(Mangalore) District of Karnataka and one of the oldest banks in India, was founded in 12 March 1906 in the Temple Town of Udupi, by a small group of philanthropists led by Khan Bahadur Haji Abdulla Haji Kasim Saheb Bahadur. The need to start this bank was felt because there was no such facility at Udupi, an important trading centre next to Mangalore in D.K. District. The indigenous banking was largely in the hands of a few rich private individuals and something had to be done to provide relief to the common man from the clutches of the money lenders who held full sway. The first branch of a modern bank established in the district was the Bank of Madras, one of the three Presidency Banks, which set up its office in Mangalore in 1868 largely to cater to the business needs of a few British firms dealing in export of plantation products. Its agent used to visit Udupi once a fortnight or so, to do banking. Money remittances had to be made only through postal medium.

Corporation is an India-based banking company based in Mangalore, India. The bank has pan-India presence with 6,164 functional units comprising 1500 branches, 1274 ATMs & 3390 branchless banking units as of 31.03.2012.

The total business of the bank during the financial year 2011-12 has been Rs.2,03,598 crore, as on 31.03.2011. The total deposits have grown to Rs.1,46,142 crore. Total income of the bank reached Rs.14,510.40 crore during this period. Operating profit of the bank reached Rs.2,855.97 crore and net profit reached Rs.1,506.04 crore.
Analysis of Performing Assets and Non – Performing Assets of Corporation Bank

Figure 5.9

THE AVERAGE PROPORTION OF PA AND NPA OF Corporation Bank

The above pie chart shows the proportion of performing and Non – performing assets of Corporation Bank. It indicates a very low percentage of NPA (1.16 %) as against a high percentage (98.84%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of Corporation Bank seems very satisfactory.

Analysis of Various components of NPA of Corporation Bank

Figure 5.10

Average proportion of Various components of Non - Performing Assets of Corporation Bank

Sub Standard Assets
Doubtful Assets
Loss Assets
The average proportion of various components of Non-performing assets of Corporation Bank is shown in the above chart No. 5.10. It depicts 37.03% sub standard assets, 37.25% doubtful assets and 25.72% of loss assets. As far as sub standard assets over doubtful assets are concerned it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. The increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPAs.

HDFC Bank:

HDFC Bank was incorporated in 1994 by Housing Development Finance Corporation Limited (HDFC), India's largest housing finance company. It was among the first companies to receive an 'in principle' approval from the Reserve Bank of India (RBI) to set up a bank in the private sector. The Bank started operations as a scheduled commercial bank in January 1995 under the RBI's liberalization policies.

Times Bank Limited (owned by Bennett, Coleman & Co./The Times Group) was merged with HDFC Bank Ltd., in 2000. This was the first merger of two private banks in India. Shareholders of Times Bank received 1 share of HDFC Bank for every 5.75 shares of Times Bank.

In 2008 HDFC Bank acquired Centurion Bank of Punjab taking its total branches to more than 1,000. The amalgamated bank emerged with a base of about Rs. 1,22,000 crore and net advances of about Rs.89,000 crore. The balance sheet size of the combined entity is more than Rs. 1,63,000 crore.

HDFC Bank deals with three key business segments. - Wholesale Banking Services, Retail Banking Services, Treasury. It has entered the banking consortia of over 50 corporates for providing working capital finance, trade services, corporate finance, and merchant banking. It is also providing sophisticated product structures in areas of foreign exchange and derivatives, money markets and debt trading And Equity research.
Analysis of Performing Assets and Non – Performing Assets of HDFC Bank

Figure 5.11

THE AVERAGE PROPORTION OF PA AND NPA OF HDFC Bank

The above pie chart shows the proportion of performing and Non –performing assets of HDFC Bank. It indicates a very low percentage of NPA (1.36 %) as against a high percentage (98.64%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of HDFC Bank seems very satisfactory.

Analysis of Various components of NPA of HDFC Bank

Figure 5.12

Average proportion of Various components of Non - Performing Assets of HDFC Bank

- Sub Standard Assets: 60.11
- Doubtful Assets: 21.05
- Loss Assets: 18.84

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The average proportion of various components of Non-performing assets of HDFC Bank is shown in the above figure 5.12. It depicts 60.11 % sub standard assets, 18.84 % doubtful assets and 21.05 % of loss assets. As far as sub standard assets over doubtful assets are concerned it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. The increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPA. But average portion of loss assets is more than doubtful assets which is not a good sign of recovery.

IndusInd bank:

IndusInd Bank derives its name and inspiration from the Indus Valley civilisation - a culture described by National Geographic as 'one of the greatest of the ancient world' combining a spirit of innovation with sound business and trade practices.

Mr. Srichand P. Hinduja, a leading Non-Resident Indian businessman and head of the Hinduja Group, conceived the vision of IndusInd Bank - the first of the new-generation private banks in India - and through collective contributions from the NRI community towards India's economic and social development, brought our Bank into being.

The Bank, formally inaugurated in April 1994 by Dr. Manmohan Singh, Honourable Prime Minister of India who was then the country’s Finance Minister, started with a capital base of Rs.1,000 million (USD 32 million at the prevailing exchange rate), of which Rs.600 million was raised through private placement from Indian Residents while the balance Rs.400 million (USD 13 million) was contributed by Non-Resident Indians.

IndusInd Bank, which commenced its operations in 1994, caters to the needs of both consumer and corporate customers. It has a robust technology platform supporting multi-channel delivery capabilities. IndusInd Bank has 441 branches, and 796 ATMs spread across 303 geographic locations of the country as on September 30, 2012. The Bank also has 2 Representative offices, one each in London and Dubai.

The Bank believes in driving its business through technology. It has multi-lateral tie-ups with other banks providing access to their ATMs for its customers. It
enjoys clearing bank status for both major stock exchanges - BSE and NSE - and three major commodity exchanges in the country - MCX, NCDEX, and NMCE. It also offers DP facilities for stock and commodity segments. The Bank has been bestowed with the mandate of being a Settlement Banker for six tea auction centres.

**Analysis of Performing Assets and Non – Performing Assets of Indusind Bank**

**Figure 5.13**

The above pie chart shows the proportion of performing and Non –performing assets of Indusind Bank. It indicates a very low percentage of NPA (1.23 %) as against a high percentage (98.77%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of Indusind Bank seems very satisfactory.
The average proportion of various components of Non-performing assets of Indusind Bank is shown in the above chart No. 5.14. It depicts 50.92% sub standard assets, 49.39% doubtful assets and 2.11% of loss assets. As far as sub standard assets over doubtful assets are concerned, it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. The increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPA. An average portion of loss assets is very low as compare to others.
**Axis Bank:**

**Axis Bank Limited** is an Indian financial services firm headquartered in Mumbai, Maharashtra. It had begun operations in 1994, after the Government of India allowed new private banks to be established. The Bank was promoted jointly by the Administrator of the Specified Undertaking of the Unit Trust of India (UTI-I), Life Insurance Corporation of India (LIC), General Insurance Corporation Ltd., National Insurance Company Ltd., The New India Assurance Company, The Oriental Insurance Corporation and United India Insurance Company UTI-I holds a special position in the Indian capital markets and has promoted many leading financial institutions in the country. As on the year ended 31 March 2012, Axis Bank had an operating revenue of ₹134.37 billion and a net profit of ₹42.42 billion. Axis Bank (erstwhile UTI Bank) opened its registered office in Ahmedabad and corporate office in Mumbai in December 1993. The first branch was inaugurated in April 1994 in Ahmedabad by Dr. Manmohan Singh, then the Honorable Finance Minister. The Bank, as on 31 March 2012, is capitalised to the extent of Rest. ₹4.132 billion with the public holding (other than promoters and GDRs) at 54.08%. New Zealand born Richard Chandler owns about 9.5% share through Orient Global.

The Bank’s Registered Office is situated in Ahmedabad and its Central Office is located at Mumbai. The Bank has an extensive network of more than 1600 branches (including 169 Service Branches/CPCs as on 31 March 2012). The Bank has a network of over 10000 ATMs (as on 31 March 2012) Axis Bank operates one of the world’s highest ATM sites at Thegu, Sikkim (at a height of 13,200 feet above sea level) and has the largest ATM network among private banks in India.

Axis Bank operates in four segments: treasury operation, retail banking, corporate/wholesale banking, and other banking business.
Analysis of Performing Assets and Non – Performing Assets of Axis Bank

Figure 5.15

THE AVERAGE PROPORTION OF PA AND NPA OF Axis Bank

The above pie chart shows the proportion of performing and Non – performing assets of Axis Bank. It indicates a very low percentage of NPA (1.07%) as against a high percentage (98.93%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of Axis Bank seems very satisfactory.

Analysis of Various components of NPA of Axis Bank

Figure 5.16

Average proportion of Various components of Non - Performing Assets of Axis Bank

[Graph showing the proportion of Sub Standard Assets, Doubtful Assets, and Loss Assets]
The average proportion of various components of Non-performing assets of Axis Bank is shown in the above figure. 5.16. It depicts 44.6% sub standard assets, 19.2% doubtful assets and 36.2% of loss assets. As far as sub standard assets over doubtful assets are concerned it can be said that a high sub standard assets over doubtful assets may signify a satisfactory and safe position as the prospect of recovery of advances is bright. Though the increasing sub standard assets suggest that there is a very good scope of recovery, but increasing loss assets is not a good recovery system of the bank.

ICICI Bank:

ICICI Bank was originally promoted in 1994 by ICICI Limited, an Indian financial institution, and was its wholly-owned subsidiary. ICICI's shareholding in ICICI Bank was reduced to 46% through a public offering of shares in India in fiscal 1998, an equity offering in the form of ADRs listed on the NYSE in fiscal 2000, ICICI Bank's acquisition of Bank of Madura Limited in an all-stock amalgamation in fiscal 2001, and secondary market sales by ICICI to institutional investors in fiscal 2001 and fiscal 2002. ICICI was formed in 1955 at the initiative of the World Bank, the Government of India and representatives of Indian industry. The principal objective was to create a development financial institution for providing medium-term and long-term project financing to Indian businesses.

ICICI Bank Limited is an Indian financial services company headquartered in Mumbai, Maharashtra. It is the second largest bank in India by assets and third largest by market capitalization. It offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries in the areas of investment banking, life and non-life insurance, venture capital and asset management. The Bank has a network of 2,883 branches and 10021 ATM's in India, and has a presence in 19 countries, including India.

The bank has subsidiaries in the United Kingdom, Russia, and Canada; branches in United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Qatar and Dubai International Finance Centre; and representative offices in United Arab
Emirates, China, South Africa, Bangladesh, Thailand, Malaysia and Indonesia. The company's UK subsidiary has established branches in Belgium and Germany.

ICICI Bank is one of the Big Four banks of India, along with State Bank of India, Punjab National Bank and Canara Bank.

Analysis of Performing Assets and Non – Performing Assets of ICICI Bank

Figure 5.17

THE AVERAGE PROPOTION OF PA AND NPA OF ICICI Bank

The above pie chart shows the proportion of performing and Non –performing assets of ICICI Bank. It indicates a very low percentage of NPA (3.74 %) as against a high percentage (96.26%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of ICICI Bank seems to be quite satisfactory.
Analysis of Various components of NPA of ICICI Bank

Figure 5.18

The average proportion of various components of Non-performing assets of ICICI Bank is shown in the above figure. 5.18. It depicts 42.69% sub standard assets, 50.95% doubtful assets and 7.19% of loss assets. As far as doubtful assets over sub standard assets are concerned it can be said that a high doubtful assets over sub standard assets may not signify a satisfactory and safe position as the prospect of recovery of advances is bright. Though the increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPA.
Karnataka Bank:

Karnataka Bank Limited, a leading 'A' Class Scheduled Commercial Bank in India, was incorporated on February 18th, 1924 at Mangalore, a coastal town of Dakshina Kannada district in Karnataka State. The bank took shape in the aftermath of patriotic zeal that engulfed the nation during the freedom movement of 20th Century India. Over the years the Bank grew with the merger of Sringeri Sharada Bank Ltd., Chitradurga Bank Ltd. and Bank of Karnataka.

With over 88 years experience at the forefront of providing professional banking services and quality customer service, we now have a national presence with a network of 522 branches spread across 20 states and 2 Union Territories.

Managed by a dedicated & professional management team, we have over 6,084 employees, 1,05,099 shareholders and over 6.7 million customers.

Analysis of Performing Assets and Non – Performing Assets of Karnataka Bank

Figure 5.19

THE AVERAGE PROPORTION OF PA AND NPA
OF Karnataka Bank

- Performing Assets
- Non Performing Assets

96% 4%
The above pie chart shows the proportion of performing and Non–performing assets of Karnataka Bank. It indicates a very low percentage of NPA (3.61%) as against a high percentage (96.39%) of Performing assets during the study period 2007-08 to 2011-12. The position of PA and NPA of Karnataka Bank seems to be quite satisfactory.

**Analysis of Various components of NPA of Karnataka Bank**

**Figure 5.20**

The average proportion of various components of Non-performing assets of Karnataka Bank is shown in the above figure. 5.20. It depicts 30.51% sub standard assets, 56.37% doubtful assets and 13.12% loss assets. As far as doubtful assets over sub standard assets are concerned it can be said that a high doubtful assets over sub standard assets may not signify a satisfactory and safe position as the prospect of recovery of advances is bright. Though the increasing doubtful assets suggest that there is a very good scope of recovery, as more scope is there for compromising and reducing NPA.