

Financial Performance of Private Sector Banks With Reference to ICICI Bank And Selected Private Banks.

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ABSTRACT

For the development of the economy of the country, a sound, effective and hassle-free banking system is important. A study is conducted to compare the financial performance of the ICICI bank with major selected banks in the same private sector. The objective of the study was to compare the performance of ICICI bank with major selected banks. The selected banks for the study are AXIS, HDFC and Kotak Mahindra. The ratios taken for the study are Interest spread, Net profit margin, return on net worth, Total assets turnover ratio, return on assets, Credit deposit ratio, Cash deposit ratio and Liquid assets to demand deposit. The sample for the study taken was 5 years (2012 to 2017) of financial statements. To analyze the variance of the mean among the selected banks, Variance analysis and ANOVA test has been conducted. Through analysis it is found that the ICICI bank has achieved a better position on net profit margin and debt coverage ratio with positive differences in comparison of ICICI Bank and selected private banks. On the contrary it has not fared well in terms of Return on Assets, Return on Net worth, total assets ratio. The main recommendation of the study is Merger of Axis bank and ICICI which has more potential in terms net worth and return on assets. The combination of these two banks will become the greatest private bank in India and shall be easy to expand in the world.

Key words-*Banks, Performance, Ratios, Variance Analysis, ANOVA,*

INTRODUCTION

The banking sector plays an important role in efficient functioning of the economy of the country. It plays an essential role our day to day transactions. They act as intermediaries, help us to pool and channelize the savings. From past few years Indian banks have made

achievements which are outstanding. Since a diversity of models and advance technology have been emerged among finance industries, some of the traditional banking eminences between banks, insurance companies, and securities firms have belittled. Though there are changes in the banking sector still banks maintain and perform their primary role of accepting deposits and lending funds from these deposits. In India the banks have been sported by an expectant network of branches that cater the financial needs of all walks of people. Today those who have no education or minimal literacy are keen to know the financial performance of the banks in which they deposit or make an invest. Earlier financial analysis was done through only by going through the records and files but now we use tools or techniques to make analysis. Some of them are Ratio Analysis, Comparative statement analysis, Time series analysis, Common size analysis. The selection of these tools is mere choice of the user as well as interpretation of the same depends on the need and intelligence of the user.

Literature Review

1. **Biswal, B. P., & Gopalakrishnan, R. (2014).** Here the author examines the factors and their effect on profitability in banks which is estimated by Net Interest Margin. By using secondary data, the study classifies banks operating in India under high Credit Deposit ratio and low Credit Deposit ratio.
2. **Chandran, D., & Francis, P. (2014).** Here the authors in their study have made an attempt to analyze the relationship between inflation rate and prime lending rate in India. Comparison of inflation with prime lending rates of SBI and ICICI Bank with the help of tools like correlation, regression, and ANOVA. The results showed that the lending and inflation rates are negatively correlated.
3. **D. Padma and V.Arulmathi (2013)-** The authors have conducted study to compare the efficiency and solvency position of SBI and ICICI banks. The findings of the study are both the banks are maintaining required standards and running smoothly. Further study of SBI

shows that there are significant differences on the performance of SBI and ICICI Bank in terms of Deposits, Advances, Investments, Net profit, and Total assets

4. **Jaiswal, A., Jain, C (2016)**- To study the financial performance between SBI and ICICI banks, the author has not only compared financial performance through ratio analysis but also found the market position of the both banks.
5. **Malhotra, N. (2015)**. Here the author has explained the financial soundness of the three banks SBI, ICICI and Standard Bank. The data used is secondary for the study. The study results in terming that growth of assets is more in ICICI bank. The SBI shows growth in advances and deposits whereas standard chartered bank efficiently controls expenditure as well income compared to the other banks. The study suggests that SBI has to improve its financial position to match with these two banks.
6. **Prakash P., Sundararajan, S. (2016)** The study is quantitative analytical research with fundamental and technical analysis. Here the research is based on the secondary data and the tools used for analysis are Ratio analysis, Beta Analysis (β), Relative Strength Index (RSI) and Rate of Change (ROC).
7. **Sharma, R., Goswami, A., & Kumar, P. (2014)**. The authors have made an evaluation of performance of Indian privatization. Since liberalization, the banking system in India has under gone a various reform. Current new privatization has best technology, manpower and efficiency. It is managed by professionals. Due to the new era of banking system it has attracted customers and marketed the financial products.
8. **Singh, A. K. (2015)**. The author has conducted study in analysis of profitability position of private bank in India like AXIS, ICICI, Karur Vysa bank (KVB), YesBank, and highlight the overall profitability of bank (i.e.) Interest spread, Net profit margin, return on long term fund, return on net worth & Return on assets, Adjusted cash margin.
9. **Singh, A., & Tandon, P. (2012)**. **The authors conducted** a study in financial performance: a comparative analysis of SBI and ICICI bank. The study found that the mean of Credit

Deposit Ratio and interest expenses in ICICI was higher than in SBI. The interest income in SBI was higher as compared to ICICI. This clearly indicated that people prefer ICICI to invest their savings and SBI to take loans & advances.

10. **Singh, J. P., Seth, M. (2017)-** The author has taken CAMEL approach to compare the Capital Adequacy with public and private sector banks. He has selected only one parameter from Capital Adequacy, Asset Quality, Management Quality, Earning Quality and Liquidity.

RESEARCH GAP

Though there is much studies on this sector, the researchers have not focused on comparison of Banks interms of total assets and Market Capitalization. There is no research on the study of mean differences performance among the selected private sector banks.

OBJECTIVES OF THE STUDY

1. To analyze and compare the financial performance of ICICI bank with selected private sector banks.
2. To find the variance of mean among selected private sector banks.

Hypotheses of The Study

H0₁: There is no significant difference between net profit margin among different selected private sector banks in India.

H0₂: There is no significant difference between Return on net worth among different selected private sector banks in India.

H0₃: There is no significant different between Return on assets among different selected private sector banks in India.

H0₄: There is no significant difference between interests spread among different selected private sector banks in India.

H0₅: There is no significant difference between credit deposit ratio among different selected private sector banks in India.

H0₆: There is no significant difference between cash deposit ratio among different selected private sector banks in India

H0₇: There is no significant difference between **asset turnover** ratio among different selected private sector banks in India.

H0₈: There is no significant difference between liquid assets to demand deposit among different selected private sector banks in India.

Methodology

The research design adopted for the study are experimental and Descriptive in nature. The data collected is based on secondary data. It is collected from Financial Statements published from 2012-2017, books Magazines, thesis and websites of the banks taken for the study and from Reserve Bank of India.

To analyze and interpret the collected data, the financial and statistical tools are used to find the financial performance of the ICICI bank in comparison with selected private sector banks.

The financial tools used for the study is Ratio analysis. The ratios are selected for this Study.

Interest spread, Net profit margin, return on net worth, Total assets turnover ratio Return on assets Credit deposit ratio, Cash deposit ratio and Liquid assets to demand deposit.

Statistical tools used for the study are Mean, Standard deviation, Co-efficient of variance and ANOVA.

ANALYSIS OF THE RESULTS

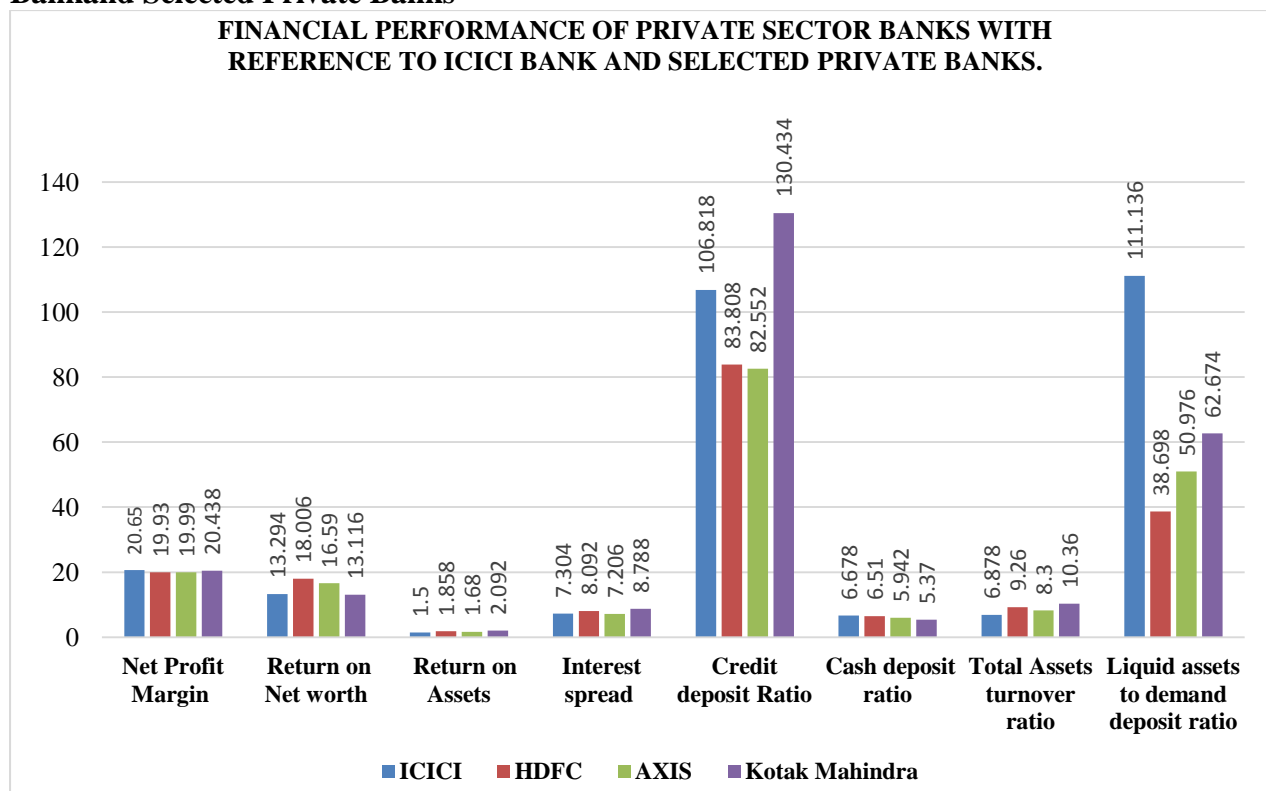
1. RATIO ANALYSIS

Table-1 Financial Performance of Private Sector Banks with Reference to ICICI Bank and Selected Private Banks

Banks	Net Profit Margin	Return on Net worth	Return on Assets	Interest spread	Credit deposit Ratio	Cash Deposit Ratio	Total Assets Turnover ratio	Liquid assets to demand deposit ratio
ICICI	20.65	13.294	1.5	7.304	106.818	6.678	6.878	111.136
HDFC	19.93	18.006	1.858	8.092	83.808	6.51	9.26	38.698
AXIS	19.99	16.59	1.68	7.206	82.552	5.942	8.3	50.976
Kotak Mahindra	20.438	13.116	2.092	8.788	130.434	5.37	10.36	62.674

Source: Annual Reports Of ICICI, HDFC, AXIS AND KOTAK MAHINDRA Banks

Graph- 1 Financial Performance of Private Sector Banks with Reference to ICICI Bank and Selected Private Banks



Interpretation: In the table we can find that the average net profit margin of ICICI bank is more than the other private banks, followed by Kotak Mahindra Bank, Axis and HDFC bank respectively. The average return on net worth of HDFC bank is the highest compare to other banks followed by Axis Bank, ICICI Bank and Kotak Mahindra Bank respectively. From

the table. it's clear that Kotak Mahindra bank has highest average return on assets compared to other banks, followed by HDFC bank, Axis Bank and ICICI bank respectively. It indicates the weak position of the ICICI bank in return on total assets. It is clear that Kotak Mahindra Bank has got highest average interest spread compared to other banks, followed by HDFC Bank, ICICI Bank and Axis Bank respectively. It indicates the weakness of ICICI bank in total interest income and expenses to average working fund.

Kotak Mahindra Bank has the average highest Credit deposit ratio compared to other banks, followed by ICICI bank, HDFC Bank and Axis Bank respectively. Though ICICI bank is second in line for Credit deposit ratio, it still shows that ICICI bank is able to generate more loans for the deposit received as compared to HDFC and AXIS banks. ICICI Bank has highest Cash deposit ratio compared to other banks, followed by HDFC Bank, Axis Bank and Kotak Mahindra Bank respectively. It indicates that ICICI Bank has more deposit compared to other banks. Kotak Mahindra Bank has highest total assets turnover ratio compared to other banks, followed by HDFC bank, Axis Bank and ICICI Bank respectively. It shows that ICICI bank is less efficient in generating revenue from their assets. The ICICI Bank has highest Liquid assets demand deposit ratio compared to Kotak Mahindra Bank, Axis Bank and HDFC Bank respectively. It shows that ICICI bank has the highest ability to meet immediately and short-term deposit by cash or online banking or ATM. But in another side the high percentage will reflect that the bank did not mobilize the cash effectively in short-term investment.

2. ANALYSIS OF VARIANCES

Table-2 Analysis of mean Standard deviation, Coefficient of Variance of Net profit margin

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	20.65	19.93	19.99	20.438
SD	2.147	1.022	0.752	2.210
CV	0.104	0.051	0.038	0.108

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

Interpretation-From the table, it has been evident that ICICI has the highest mean value of net profit margin (20.65) compare to other banks. Kotak Mahindra bank has the highest standard deviation of net profit margin (2.210) as well as co efficient of variance (0.108) compared with other banks, followed by ICICI Bank, HDFC Bank and Axis Bank respectively. ICICI Bank has highest Mean value (20.65) with moderate standard deviation (2.147) and co-efficient of variance (0.104) on Net Profit Margin.

Table -3 Analysis of mean, standard deviation, coefficient of variance of Return on net worth

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	13.294	18.006	16.59	13.116
SD	1.446	1.218	1.198	1.638
CV	10.877	6.764	7.221	12.488

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

Interpretation- As per the table it has been found that Axis Bank has highest Mean value of returns on net worth compare to other banks. The Standard Deviation and Coefficient variance of Kotak Mahindra Bank Return on Net worth is higher than other banks. ICICI Bank has moderate Mean Value(13.294) which is lesser than HDFC and AXIS Banks, moderate Standard deviation (1.446) and co-efficient variance (10.877) lesser than Kotak Mahindra bank followed by AXIS and HDFC Bank respectively on Return on Net worth.

Table-4 Analysis of Mean, Standard deviation, co-efficient of variance of Return on assets

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	1.5	1.858	1.68	2.092
CD	0.173	0.095	0.06	0.197
CV	11.556	5.083	3.572	9.424

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

InterpretationFrom the table, it has been evident that the return on assets of Axis Bank has highest mean value (2.092) of Return on assets compare to the other banks. The Standard deviation of Kotak Mahindra bank (0.197) of Return on assets is highest compare to ICICI bank, followed by HDFC and Axis Banks. ICICI Bank has the lowest mean value (1.5),

moderate standard deviation (0.173) and highest coefficient variance (11.556) compared to other banks on Return on assets.

Table 5: Analysis of Mean, Standard Deviation, Coefficient of Variance of Interests Spread

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
Mean	7.304	8.092	7.206	8.788
SD	0.322	0.528	0.650	0.643
CV	4.413	6.525	9.016	7.317

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

Interpretation-From the table, it has been evident that The Kotak Mahindra Bank has the highest interest spread (8.788) compare to other banks The Axis Bank has highest standard deviation (0.650) and co efficient of variance (9.016) of interests spread compare to other banks, followed by Kotak Mahindra Bank, HDFC Bank and ICICI Bank respectively. The ICICI Bank has moderate Mean value (7.304) with lowest standard deviation (0.322)and Co efficient Variance (4.413) compare to other banks on Interests spread.

Table 6: Analysis of Mean, standard deviation, coefficient of variance Credit deposit ratio

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	106.818	83.808	82.552	130.434
SD	4.288	3.233	6.606	13.951
CV	4.014	3.858	8.002	10.696

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

Interpretation As per Table, it has been found that Kotak Mahindra Bank has highest Mean value (130.434), Standard deviation (13.951) and Co-efficient of variance (10.696)of Credit deposit compare to other banks. ICICI Bank has the moderate mean value (106.818), Standard deviation (4.288) and Co efficient of variance (4.014) compare to other banks on credit deposit

Table 7: Analysis of Mean, standard deviation, coefficient of variance of cash to deposit

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	6.678	6.51	5.942	5.37
SD	0.638	1.338	0.316	0.658
CV	9.559	20.547	5.309	12.251

Source: Annual reports of ICICI, HDFC, AXIS, AND KOTAK MAHINDRA banks

Interpretation- As per Table it has been found that ICICI bank has the highest mean value (6.678) of cash to deposit compared to other banks. The standard deviation of the Kotak Mahindra bank (0.658) is the highest compared to others and has the highest coefficient of variance (12.251) of cash to deposit. ICICI Bank has highest mean value (6.678), Moderate Standard deviation (0.638) and lower co efficient of variance (9.559) on cash deposit

Table -8 Analysis of mean, standard deviation, coefficient of variance of Total assets turnover ratio

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	6.87	9.26	8.3	10.36
CD	0.14	0.2	0.22	0.43
CV	2.038	2.160	2.650	4.151

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

Interpretation As per the table it has been found that Kotak Mahindra bank has the highest mean value (20.36), highest standard deviation and Co efficient of variance (4.151) of total assets ratio. ICICI bank has the lowest mean value (6.87), standard deviation of Asset turnover ratio of the ICICI bank (0.14) with the coefficient of variance (2.037846) when compared to other banks

Table-9 Analysis of mean, standard deviation, coefficient of variance of liquid assets to demand deposit

PARTICULARS	ICICI	HDFC	AXIS	KOTAK MAHINDRA
MEAN	111.136	51.77	50.976	62.674
CD	12.9	8.251	12.189	11.98
CV	11.60	15.93	23.91	19.11

Source: Annual reports of ICICI, HDFC, AXIS AND KOTAK MAHINDRA banks

Interpretation From the above table it is clear that ICICI Bank (111.136) has the highest mean value, Standard deviation (1.290) and co efficient of variance (1.160) of liquid assets to demand deposit compare to the other banks. it is clear that the position of ICICI Bank is better in compassion with HDFC, AXIS, KOTAK bank because high liquid assets indicate better position to meet the immediate and short-term deposits

HYPOTHESIS TESTING

3. ANALYSIS

OF

ANOVA

H₀₁ : There is no significant difference between Net profit margin among selected private sector banks in India.

Table 10

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant)
Between Groups	1.827	3	.609	0.219	0.881
Within Groups	44.400	16	2.775		
Total	46.227	19			

Interpretation- As per the table the calculated value of F (0.219) is less than the table value (0.881). We accept Null Hypothesis and conclude that, there is no significant difference between net profit margin among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

H₀₂: There is no significant difference between Return on net worth among different selected private sector banks in India.

Table 11:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	88.855	3	29.618	15.395	.000
Within Groups	30.781	16	1.924		
Total	119.636	19			

Interpretation: As per the table, the calculated value of F test (15.395) is more than the tabulated value, hence reject null hypothesis and conclude that there is a significant difference between Return on net worth among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

H₀₃: There is no significant difference between Return on assets among selected private sector banks in India.

Table 12:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	.959	3	.320	15.701	.000
Within Groups	.326	16	.020		
Total	1.285	19			

Interpretation: As per the table, the calculated value of F test (15.701) is more than the tabulated value, hence reject null hypothesis and conclude that there is a significant difference between Return on Return on assets among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

H0₄: There is no significant difference between Interests spread among selected private sector banks in India.

Table 13:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	8.256	3	2.752	9.034	0.001
Within Groups	4.874	16	.305		
Total	13.130	19			

Interpretation:As per the table, the calculated value of F test (9.034) is more than the tabulated value, hence reject null hypothesis and conclude that there is a significant difference between Interest spread among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

H0₅: There is no significant difference between credit deposit ratio among selected private sector banks in India.

Table 14:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	7680.327	3	2560.109	38.337	.000
Within Groups	1068.461	16	66.779		
Total	8748.788	19			

Interpretation- As per the table, the calculated value of F test (38.337) is more than the tabulated value, hence reject null hypothesis and conclude that there is a significant difference between credit deposit ratio among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India

H0₆: There is no significant difference between cash deposit ratio among selected private sector banks in India.

Table 20:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	5.287	3	1.762	2.583	.089
Within Groups	10.917	16	.682		
Total	16.205	19			

Interpretation- As per the table, the calculated value of F test (2.583) is more than the tabulated value (0.089), hence reject null hypothesis and conclude that there is a significant difference between cash deposit ratio among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

H0₇: There is no significant difference between **Asset Turnover** ratio among selected private sector banks in India.

Table 21:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	32.744	3	10.915	144.869	.000
Within Groups	1.205	16	.075		
Total	33.950	19			

Interpretation-As per the table, the calculated value of F test (144.869) is more than the tabulated value (0.000), hence reject null hypothesis and conclude that there is a significant

difference between **Asset Turnover** ratio among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

H08: There is no significant difference between liquid assets to demand deposit among different selected private sector banks in India

Table 22:

Sources of variation	Sum of Squares	Degrees of freedom	Mean Square	F (calculated value)	Table value (at 5% level of significant).
Between Groups	12184.216	3	4061.405	30.849	.000
Within Groups	2106.475	16	131.655		
Total	14290.691	19			

Interpretation-As per the table, the calculated value of F test (30.849) is more than the tabulated value (0.000), hence reject null hypothesis and conclude that there is a significant difference between liquid assets to demand deposit among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India.

SUMMARY OF FINDINGS

1. Ratio Analysis

- a. The average net profit margin of ICICI bank is more than the other private banks, followed by Kotak Mahindra Bank, Axis and HDFC bank respectively.
- b. The average return on net worth of HDFC bank is the highest compare to other banks followed by Axis Bank, ICICI Bank and Kotak Mahindra Bank respectively.
- c. The Kotak Mahindra bank has highest average return on assets compared to other banks, followed by HDFC bank, Axis Bank and ICICI bank respectively. It indicates the weak position of the ICICI bank in return on total assets.
- d. The Kotak Mahindra Bank has got highest average interest spread compared to other banks, followed by HDFC Bank, ICICI Bank and Axis Bank respectively. It indicates the weakness of ICICI bank in total interest income and expenses to average working fund.
- e. Kotak Mahindra Bank has the average highest Credit deposit ratio compared to other banks, followed by ICICI bank, HDFC Bank and Axis Bank respectively. Though ICICI bank is

second in line for Credit deposit ratio, it still shows that ICICI bank is able to generate more loans for the deposit received as compared to HDFC and AXIS banks.

- f. ICICI Bank has highest Cash deposit ratio compared to other banks, followed by HDFC Bank, Axis Bank and Kotak Mahindra Bank respectively. It indicates that ICICI Bank has more deposit compared to other banks.
- g. Kotak Mahindra Bank has highest total assets turnover ratio compared to other banks, followed by HDFC bank, Axis Bank and ICICI Bank respectively. It shows that ICICI bank is less efficient in generating revenue from their assets.
- h. The ICICI Bank has highest Liquid assets demand deposit ratio compared to Kotak Mahindra Bank, Axis Bank and HDFC Bank respectively. It shows that ICICI bank has the highest ability to meet immediately and short-term deposit by cash or online banking or ATM. But in another side the high percentage will reflect that the bank did not mobilize the cash effectively in short-term investment.

2. Analysis of Variances

- a. The ICICI has the highest mean value of net profit margin (20.65) compare to other banks. Kotak Mahindra bank has the highest standard deviation of net profit margin (2.210) as well as co efficient of variance (0.108) compared with other banks, followed by ICICI Bank, HDFC Bank and Axis Bank respectively. ICICI Bank has highest Mean value (20.65) with moderate standard deviation (2.147) and co-efficient of variance (0.104) on Net Profit Margin.
- b. The Axis Bank has highest Mean value of returns on net worth compare to other banks. The Standard Deviation and Coefficient variance of Kotak Mahindra Bank of Return on Net worth is higher than other banks. ICICI Bank has moderate Mean Value (13.294) which is lesser than HDFC and AXIS Banks, moderate Standard deviation (1.446) and co-efficient variance (10.877) lesser than Kotak Mahindra bank followed by AXIS and HDFC Bank respectively on Return on Net worth.

- c. The return on assets of Axis Bank has highest mean value (2.092) of Return on assets compare to the other banks. The Standard deviation of Kotak Mahindra bank (0.197) of Return on assets is highest compare to ICICI bank, followed by HDFC and Axis Banks. ICICI Bank has the lowest mean value (1.5), moderate standard deviation (0.173) and highest coefficient variance (11.556) compared to other banks on Return on assets.
- d. The Kotak Mahindra Bank has the highest interest spread (8.788) compare to other banks The Axis Bank has highest standard deviation (0.650) and co efficient of variance (9.016) of interests spread compare to other banks, followed by Kotak Mahindra Bank, HDFC Bank and ICICI Bank respectively. The ICICI Bank has moderate Mean value (7.304) with lowest standard deviation (0.322) and Co efficient Variance (4.413) compare to other banks on Interests spread.
- e. The Kotak Mahindra Bank has highest Mean value (130.434), Standard deviation (13.951) and Co-efficient of variance (10.696) of Credit deposit compare to other banks. ICICI Bank has the moderate mean value (106.818), Standard deviation (4.288) and Co efficient of variance (4.014) compare to other banks on credit deposit
- f. The ICICI bank has the highest mean value (6.678) of cash to deposit compared to other banks. The standard deviation of the Kotak Mahindra bank (0.658) is the highest compared to others and has the highest coefficient of variance (12.251) of cash to deposit. ICICI Bank has highest mean value (6.678), Moderate Standard deviation (0.638) and lower co efficient of variance (9.559) on cash deposit
- g. The Kotak Mahindra bank has the highest mean value (20.36), highest standard deviation and Co efficient of variance (4.151) of total assets ratio. ICICI bank has the lowest mean value (6.87), standard deviation of Asset turnover ratio of the ICICI bank (0.14) with the coefficient of variance (2.037846) when compared to other banks
- h. The ICICI Bank (111.136) has the highest mean value, Standard deviation (1.290) and co efficient of variance (1.160) of liquid assets to demand deposit compare to the other banks. it

is clear that the position of ICICI Bank is better in comparison with HDFC, AXIS, KOTAK bank because high liquid assets indicate better position to meet the immediate and short-term deposits.

3. Hypothesis Testing

There is no significant difference between net profit margin among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India, Since the calculated value of F is less than the table value. We accept Null Hypothesis. The other hypothesis (H_{02} to H_{08}) there is a significant difference between Return on net worth, return on assets, Interests spread, credit deposit ratio, cash deposit ratio, Asset turnover ratio and liquid assets to demand deposit among ICICI, HDFC, AXIS and KOTAK Mahindra private sector banks in India, Since the calculated values are higher than the table value. Hence, we reject the null hypothesis (H_{02} to H_{08}) and accept the alternate hypothesis. This clearly indicates that there are positive differences in comparison of ICICI Bank and selected private banks.

SUGGESTIONS

1. ICICI Bank has to increase its net profit margin.
2. ICICI bank has to increase its return on equity percentage by buying back their stock, increasing earning, or using more debt to fund operation.
3. ICICI bank should review the managerial performance to improve the efficiency of management in the future and increase generating revenue from its assets because it has the lowest return on assets and Asset turnover ratio
4. In credit and cash deposit ratio ICICI bank has good position. So, the bank has to continue in the same policy and standard to successes.
5. It's important for ICICI bank to mobilize the cash effectively in short-term investments
6. It's important to conduct study in depth financial analysis adequacy capital of ICICI bank with its peers.

7. In depth merger of ICICI bank with AXIS bank which has more potential in terms net worth and return on assets. The combination of these two banks will become the greatest private bank in India and shall be easy to expand in the world.

CONCLUSIONS

With various techniques applied in finding the financial performance of the ICICI Bank, HDFC Bank, AXIS Bank and Kotak Mahindra Bank, we find that ICICI bank has got the highest net profit margin, Cash deposit ratio and liquid assets demand ratio with the positive differences in terms of the variances and ANOVA testing for Hypothesis. Overall ICICI bank has got satisfactory financial position irrespective of having moderate and lowest ratios in terms of return on net worth, return on assets, interest spread and assets turnover ratio. In order to achieve best financial position in all factors, it must make efforts to increase its current assets and maintain a safety margin which will provide better liquidity position. Reduce the dependence on external equities for meeting capital requirements by focusing on internal equities and other sources of internal financing. Introduce schemes for public that provides higher rate of interest and shorter maturity period. In order to bring confidence and build their image, banks need to provide finance to more projects. The banks should simplify the procedure of advances for quick disbursement.

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