

“ MARKETING IN DIGITAL AGE: AN EXPLORATORY STUDY OF HDFC BANK LTD”

KAVITA JUIKAR
RESEARCH SCHOLAR
CHHATRAPATI SHIVAJI MAHARAJ UNIVERSITY PANVEL, NAVI MUMBAI
FACULTY OF D.T.S.S COLLEGE OF COMMERCE.

DR. GEETA KOHADE
CHHATRAPATI SHIVAJI MAHARAJ UNIVERSITY PANVEL , NAVI MUMBAI

ABSTRACT

Financial performance is the most common way of estimating how successfully an organization uses its resources from essential method of business to raise incomes. The review utilized 5 years of HDFC's optional information and fundamental goal is to find out the performance ratios of the bank that can be useful in tracking down the growth aspects of the bank. The different devices like Return on resources proportion, Interest inclusion proportion, and other performance ratios were utilized for the review. The ideas uncover bank is creating adequate income and they are creating better gains however efficiency of the bank in producing benefits is restricted. At last, Bank is performing great as far as income and it is acceptable.

KEYWORDS: *Performance ratios, Growth aspects, Income efficiency*

1. INTRODUCTION

Financial performance investigation is the interaction of distinguishing the financial qualities and shortcomings of the firm by appropriately laying out the connection between the things of accounting report and benefit and misfortune account. It additionally helps in present moment and long haul anticipating and growth can be distinguished with the assistance of different financial apparatuses in financial performance investigation. Bank assumes an essential part in the advancement of Indian economy. A sound and an effective financial framework in non-industrial nations give the essential financial contributions to the economy. It additionally gauges associations entirety financial wellbeing over a specific timeframe. Financial performance of the

association manages the financial strength and shortcomings of bank precisely laying out a connection between the asset report and income explanation.

2. STATEMENT OF THE PROBLEM

It are expanding step by step to Bank Facilities what's more, the examinations and investigates directed on these confidential banks are restricted. Prior to privatization, as it were public area banks are there in the nation, later privatization, confidential area banks began to arise furthermore, a banks are bombed because of absence of exploration among their concerns and no difference in patterns and likewise on awful credits. And still, at the end of the day many banks are effectively running in the country. Financial Performance of the bank will be steady, just when banks are keeping up with appropriate Financial Statements. The HDFC Bank offers parcel of client helps that assists the Bank with drawing in clients quicker. This specific review makes sense of about financial performance examination of HDFC Bank with the reference of most recent five years financial proclamations and additionally makes sense of about the discoveries about development of bank, stores, advance loaning and credit extension for the business and others.

3. OBJECTIVE OF THE STUDY

- 📊 To measure HDFC Bank financial results.
- 📊 To analyse the financial & Performance analysis of the bank by using different ratios.
- 📊 To study and analyse the financial performance of HDFC Ltd for the period of five years from 2015-2016 to 2019-2020.
- 📊 To study the growth aspects of HDFC Bank.
- 📊 To offer suggestions that are based on the findings of the study.

4. RESEARCH METHODOLOGY

| | |
|-----------------------|----------------|
| Source of Data | Secondary data |
|-----------------------|----------------|

| | |
|------------------------------|--------------------------|
| Period of Study | 2015-2016 to 2019 – 2020 |
| Framework of analysis | Financial Statements |
| Tools and Techniques | Ratio analysis |

5. STATISTICAL TOOLS

The following statistical tools were applied to analyse the statistical data collected for calculation of financial performance analysis:

- ✚ Return on Assets Ratio (%)
- ✚ Interest Coverage Ratio (%)
- ✚ Ratio of Interest Income to Total Assets (%)
- ✚ Ratio of Non-Interest Income to Total Assets (%)
- ✚ Ratio of Operating expenses to Total assets (%)
- ✚ CASA Ratio (%)
- ✚ Net Interest Margin (%)
- ✚ Net Profit Margin (%)
- ✚ Cost-to-Income Ratio (%)

6. REVIEW OF LITERATURE

Bangaru Pushpalatha (2020), 'examined the financial assertions of State Bank of India. The targets are analyze the arrangement of resources and liabilities in SBI. Analyst restricted the review to 7 years beginning from 2011 to 2017. Analyst utilized "T" test to decide the general significance of each variable. The review revealed SBI have better overseeing and financial efficiency. It additionally detailed individuals favor SBI for advance credit plans.'

Nandhini Thakur (2020), 'The review is directed on financial explanation investigation of HDFC Manage an account with the time span of 2013-14 to 2017-18. Devices utilized in this study was proportion examination, cash and store stream examination pattern

investigation. The goal is to measure the efficiency of different properties of bank. Scientists track down that bank's financial performance was solid and recommended to giving really lodging advances to the improvement of the resident of India.'

Rajendran P (2019), 'examined the performance of HDFC Bank. Specialist made sense of about HDFC Bank's set of experiences. Current proportion, cash position proportion, Debt value proportion and exclusive proportion was great. The investigation discovers that piece of working capital of the bank was supported by long haul reserves. Analyst finished up with result as HDFC Bank was the biggest confidential area bank in India and its financial performance was solid during the period of study.'

7. TABLE

| Year | Return on Assets Ratio (%) | Interest Coverage Ratio (%) | CASA Ratio (%) | Net Interest Ratio (%) | Net Profit Ratio (%) | Cost-to-Income Ratio (%) |
|-------------|-----------------------------------|------------------------------------|-----------------------|-------------------------------|-----------------------------|---------------------------------|
| 2015-16 | 1.75 | 4.67 | 43.26 | 3.98 | 20.29 | 44.24 |
| 2016-17 | 1.71 | 4.26 | 48.04 | 3.95 | 20.86 | 43.13 |
| 2017-18 | 1.68 | 3.84 | 43.48 | 3.89 | 21.76 | 42.61 |
| 2018-19 | 1.73 | 4.15 | 42.36 | 3.98 | 21.34 | 39.34 |
| 2019-20 | 1.72 | 3.93 | 42.19 | 3.80 | 22.34 | 38.90 |

□ The Return on Assets Ratio (%) was higher during 2015-16 with the proportion of 1.75 and it is lower with the proportion of 1.68 during 2017-18. The Ratios are practically same in these years and it shows that the efficiency of the Bank is unfortunate while contrasting with past years however it isn't impacted excessively.

□ The Interest Coverage Ratio (%) was higher during 2015-16 with the proportion of 4.67 and it is lower with the proportion of 3.93 during 2019- 20. The proportion shows

that the costs are relatively low each year when it is contrasting with resources of the Bank.

□ The CASA Ratio (%) was higher during 2016-17 with the proportion of 48.04 and it is lower with the proportion of 42.19 during 2019- 20. The ratios are turning out to be low in the earlier years, it portrays stores are turning out to be low and the term stores are turning out to be high, it shows bank gets low measure of cash at lower cost.

□ The Net Interest Margin (%) was higher during 2015-16 and 2018-19 with the proportion of 3.98 and it is lower with the proportion of 3.80 during 2019-20. The borrowings of the bank are diminished and the stores are expanded.

□ The Net Profit Margin (%) was higher during 2019-20 with the proportion of 22.34 and it is lower with the proportion of 20.29 during 2015- 16. The Net Profit was expanding consistently furthermore, it is likewise expected to be expanded in the future years.

□ The Cozy-to-Income Ratio (%) was higher during 2015-16 with the proportion of 44.24 and it is lower with the proportion of 38.90 during 2019- 20. As the ratios are diminishing, it portrays productivity of the HDFC Bank is doing great.

8. SUGGESTIONS

□ The Return on Assets Ratio is becoming bring down each year. It shows that bank's the board having less productive in dealing with the accounting report in producing benefits. Thus, I propose the bank to zero in on creating benefits for the Bank.

□ The Ratio of Interest Income to Total Assets was lower in the previous years. That's what it shows Interest Income on credits are diminished when it is contrasted with the resources of the bank. I recommend the bank to zero in more on loaning advances to the clients.

□ The CASA Ratio is diminishing after 2017-18, the term stores are high in these years, also, current and Savings account stores are lower when it is contrasted with the term stores. In this way, the bank is paying more interest on the term stores, it might lessen the benefit of the worry. The HDFC Bank needs to zero in on the clients who made current and reserve funds stores on the bank.

□ The Net Profit Margin is constantly expanding consistently, I recommend the The board of HDFC Bank to go on the same way and to work on extra innovation factors which make client more easy to understand and furthermore it helps the bank to remain No.1 Bank by clients in India later on years moreover.

9. CONCLUSION

The Financial place of the worry can be dissected with the assistance of the ratios. The review utilized different key performance banking ratios. The review has been made on different aspects of the bank like interest, credits, resources, costs, stores, and so on. The Discoveries of the review uncovers that the bank has some minority issues in dealing with the stores and any remaining aspects are working out positively. The ideas connecting with addressing the minority issues is additionally given in this review. At last, The Financial Performance of HDFC Bank from 2015-16 to 2019-20 is acceptable. This review will be useful for the scientists to investigate the financial performance of HDFC Bank from now on.

10. REFERENCE

1. **Shasi K Gupta & Sharma R. K**, Management Accounting, New Delhi, Kalya Publications, 2011.
2. **Maheswari S. N**, Accounting Management and Financial Control, New Delhi, Sultan Chand and Sons, 2009.
3. **Reddy T. S. & Hari Prasad Reddy Y**, Management Accounting, Chennai, Margham Publications, 2010.

4. Bangaru Pushpalatha (2020), “**Financial Performance Analysis of SBI an Empirical Study**”, Journal of Emerging Technologies and Innovative Research, Volume 7, Issue 2, pp. no. 192-196.
5. Nandini Thakur & Shiva M (2020), “**A Study on Financial Performance Analysis of HDFC Bank**”, Mukta Shabd Journal, Volume 9, Issue 6, pp. no. 2343-2353.
6. Rajendran P & Dr. B Sudha (2019), “**A Study on Financial analysis and performance of HDFC Bank**”, Journal for the study and research, Volume 11, Issue 11, pp. no. 37-49.
7. Srilakshmi Ramu & S V Satyanarayana (2019), “**Financial Performance analysis of HDFC using Dupont Analysis**”, Inspira-Journal of Commerce, Economics & Computer Science, Volume 5 No. 2, pp. no. 46-52.
8. Dr. D Pathma Priya (2019), “**A Study on financial performance analysis of HDFC Limited**”, The research journal for social sciences, Volume 10 No. 4 pp. no. 301-311.
9. Nirmala M & Dr. K S Kavitha (2019), “**A study on Financial Performance of HDFC Bank**”, Suraj Punji Journal for Multidisciplinary Research, Volume 9, Issue 5, pp. no. 406-415.