International Journal of Management (IJM)
Volume 11, Issue 11, November 2020, pp. 3430-3443, Article ID: IJM_11_11_332
Available online at https://iaeme.com/Home/issue/IJM?Volume=11&Issue=11
ISSN Print: 0976-6502 and ISSN Online: 0976-6510
DOI: https://doi.org/10.34218/IJM.11.11.2020.332

ANALYSIS OF DEPOSITS AND ADVANCES OF SELECTED PRIVATE SECTOR COMMERCIAL BANKS CUB AND KVB – AN EMPIRICAL STUDY

K. Robert
Research Scholar, PG and Research Department of Commerce,
AVVM. Sri. Pushpam College (Autonomous), (Affiliated to Bharathidasan University),
Poondi-Thanjavur, Tamil Nadu, India.

Dr. V. Ramakrishnan
Assistant Professor & Research Advisor, PG and Research Department of Commerce,
AVVM. Sri. Pushpam College (Autonomous), (Affiliated to Bharathidasan University),
Poondi-Thanjavur, Tamil Nadu, India.

ABSTRACT

Today banking system constitutes an important link in several socio-economic activities. The present structure of commercial banks in India is portrayed by a mix of public sector banks and private sector banks. Private sector banks in India have recorded very long history in banking sector since inception of Presidency Banks (Imperial Bank) in the beginning of 19 century. The main focus of this study is to analyze the pattern of deposits and advances of two private banks particularly City Union Bank Limited and Karur Vysya Bank Limited. Data required for conducting the research is primarily extracted from secondary sources. This study used here is an empirical and analytical nature of research has used the facts already available and has analyzed them to make a critical evaluation of the material. The nature of this report is exploratory. Co- efficient and standard deviation helps in analyzing the significance of empirical study by comparing average growth rate of deposits and advances of two banks. The results of this empirical study reveal that The City Union Bank Limited remained an outperformer of the private sector banks when compare with Karur Vysya Bank.

Key words: Banking sectors, Deposits and advances of Private bank analysis, An Empirical study of Commercial banks.

Cite this Article: K. Robert and V. Ramakrishnan, Analysis of Deposits and Advances of Selected Private Sector Commercial Banks Cub and KVB – An Empirical Study, *International Journal of Management (IJM)*, 11(11), 2020, pp. 3430-3443.
https://iaeme.com/Home/issue/IJM?Volume=11&Issue=11

1. INTRODUCTION

Finance is the science of managing funds. The most common categories of financing are commercial finance, personal finance, and general finance. Financials include saving money and often lending it. The financial industry deals with the concepts of time , money and risk and how they relate to one another. It also deals with how money is spent and budgeted (Gopinath, 2017).

Funding is the basis for individuals and business organizations to deposit money in a bank. The bank lends the money to individuals or corporations for consumption or investment. It charges interest on the loans.

Loans have become increasingly resilient. This means that an investor obtains a loan directly from a bank or company. Debt securities are loans that are sold directly from companies to investors. The investor holding the loan can continue to earn interest or sell the bond in a secondary market . Private banks , mutual funds , hedge funds , and other organizations are important, although banks are the main source of financing through lending (Gopinath et al., 2019) . Investments Known as financial assets , financial risk management with careful attention to financial management are made. Securitized assets in many forms of transaction made(Kavitha & Gopinth, 2020a).. This includes loans such as bonds and shares of publicly traded companies .
Definition of Banker

Let us discuss the term banker ‘first. In general, bank or banker means a financial institution that accepts deposits and lends money to the needy people. It deals in money

The Banking Regulations Act (B R Act) 1949 does not define the term banker ‘but defines the banking is:

As per Sec.5 (b) of the B R Act ―Banking' means accepting, for the purpose of lending or investment, of deposits of money from the public repayable on demand or otherwise and withdraw able by cheque, draft, order or otherwise."

As per Sec. 3 of the Indian Negotiable Instruments Act 1881, the word banker includes any person acting as banker and any post office savings bank.

According to Sec. 2 of the Bill of Exchange Act, 1882, banker includes a body of persons, whether incorporated or not who carry on the business of banking.

Sec.5(c) of BR Act defines "banking company" as a company that transacts the business of banking in India. Since a banker or a banking company undertakes banking related activities we can derive the meaning of banker or a banking company from Sec 5(b) as a body corporate that:

(a) Accepts deposits from public.

(b) Lends or

(c) Invests the money so collected by way of deposits.

(d) Allows withdrawals of deposits on demand or by any other means.

1.1. Definition of Customer

The term customer of a bank is not defined by law. Ordinarily, a person who has an account in a bank is considered its customer. Banking experts and legal judgment in the past, however, used to qualify this statement by laying emphasis on the period for which such account had actually been maintained with the bank.

According to Sir John Paget‘s79 view ―to constitute a customer there must be some recognizable course or habit of dealing in the nature of regular banking business.”

This definition of a customer of a bank lays emphasis on the duration of the dealing between the banker and the customer and is, therefore, called the duration theory. According to this view point, a person does not become a customer of the banker on the opening of an account; he must have been accustomed to deal with the banker before he is designated as a customer (Kavitha & Gopinth, 2020b).

Primary Functions

Refer to the basic functions of commercial banks that include the following:

Accepting Deposits: Commercial banks are mainly dependent on public deposits. There are three types of deposits, which are discussed as follows:

Savings Bank Account: As the name suggests this type of account is suitable for people who have a definite income and are looking to save money. For example, the people who get salaries or the people who work as laborers. This type of account can be opened with a minimum initial deposit that varies from bank to bank. Money can be deposited at any time in this account.

Withdrawals can be made either by signing a withdrawal form or by issuing a cheque or by using an ATM card. Normally banks put some restriction on the number of withdrawal from this account (Saminathan et al., 2020a). Interest is allowed on the balance of deposit in the account. The rate of interest on savings bank account varies from bank to bank and also changes from time to time. A minimum balance has to be maintained in the account as prescribed by the bank.

Demand Deposits: Refer to kind of deposits that can be easily withdrawn by individuals without any prior notice to the bank. In other words, the owners of these deposits are allowed to withdraw money anytime by simply writing a check. These deposits are the part of money supply as they are used as a means for the payment of goods and services as well as debts. Receiving these deposits is the main function of commercial banks.

Time Deposits: Refer to deposits that are for certain period of time. Banks pay higher interest on term deposits. These deposits can be withdrawn only after a specific time period is completed by providing a written notice to the bank.

Advancing Loans: It refers to one of the important functions of commercial banks. The public deposits are used by commercial banks for the purpose of granting loans to individuals and businesses. Commercial banks grant loans in the form of overdraft, cash credit, and discounting bills of exchange.

1.2. History of Karur Vysya bank limited

'The Karur Vysya Bank Limited', popularly known as KVB was set up on 25 July 1917 by Mr M.A Venkatarama Chettiar and Mr Athi Krishna Chettiar, to capitalise on the previously unexploited market of traders and agriculturists in and around Karur, a town in Tamil Nadu.Though the bank started with a seed capital of ₹1 lakh, As with most banks, the seed capital has grown, as have the services sold (Saminathan et al., 2020b). The bank is managed and guided by the Board of Directors drawn from different fields. Realising that there is more money elsewhere, the bank expanded out of Karur and established approximately 668 branches in other States and Union Territories in order to gain a pan-India presence. Shri K.K. Balu was appointed as an Additional Director of the Bank on 27 January 2012.The Bank has celebrated its Centenary celebrations on 10 September 2016 at Chennai with President of India Shri.Pranab Mukherjee as Chief Guest. It has 779 branches and network of 1659 ATMs and around 565 cash deposit machines as on 31 March 2020. KVB has recorded a Total Business of Rs. 107,591 crore with deposits of Rs. 59,075 crore and advances of Rs. 48,516 crore.

1.3. History of City Union Bank Limited

City Union Bank Limited (CUB) is an Indian bank headquartered in Kumbakonam, Tamil Nadu. The bank was initially named Kumbakonam Bank Limited, and was incorporated on 31 October 1904. The bank preferred the role of a regional bank in the Thanjavur district of Tamil Nadu. CUB provides a gamut of technological services such as net banking, mobile banking, self-service kiosks, bulk note acceptors, and point of sales (Jaya & Gopinath, 2020). To cater to the needs of customers coming from many different walks of life, the bank also has a wide offering of savings and deposit products. It also offers many loan products to service the financial needs of small individual customers as well as large industries. In FY2016 the bank had a market capitalization of ₹12,529.92 crore (US$1.8 billion) and operated 700 branches, and 1762 ATMs.

2. REVIEW OF LITERATURE

Ashok Kumar. M. (2009) examined how the financial performance of SBI group, Nationalized banks group, private banks group and foreign banks group have been affected by the financial deregulation of the economy.

Selvakumar M. (2010) in his article, "Regional Rural Banks (RRBs): Performance Analysis", examined three regional rural banks namely Pandian Grama Bank, Adhiyaman Grama Bank and Vallalar Grama Bank. He concluded that there was no significance difference in the growth rates of deposits, advances, income expenditure and profit of RRBs operating in Tamil Nadu. Also there was no significance difference in the growth rates of deposits, advances, income expenditure and profit of RRBs in India and RRBs operating in Tamil Nadu.

M. Anbalagan and Dr. M. Selvakumar (2014) this study investigated that the resilience of the banking sector was marked by improvement in the capital base, asset quality and profitability. Even though the Public Sector Commercial Banks (PSCBs) have the maximum share of banking industry, the role of Private Sector Commercial Banks (Pvt.SCBs) is very important in the economic development of India, particularly Tamil Nadu. This study covered a period of 11 years from 2001-02 to 2011-12. In order to know the significant difference in the growth rates of deposits and advances of various TNBPvt.SCBs, Kruskal-Wallis Test is used. It is conclude that there is no significant difference among the demand deposits, savings bank deposits, term deposits, total deposits, priority sector advances, non-priority sector advances and total advances of various TNBPvt.SCBs both at 1 per cent and 5 per cent significance levels.

Mr.V.Thambignanadhayalan and Dr.R.Rajan babu (2015). The study was aimed to study profitability of selected private sector banks in India. For this purpose the researcher selected three leading private sector banks such as Axis bank, HDFC bank and ICICI bank. The study required accounting data of select banks, which were collected from balance sheet and profit and loss account extracted from annual reports of concerned banks. The study was made for a period of ten years from 2004-05 to 2013-14. The study used ratio analysis as financial tool and it also used mean, standard deviation, co-efficient of variation, compounded annual growth rate (CAGR) and correlation analysis as statistical tools (Kavitha & Gopinath, 2020). The study evidenced that growth rate of net profit, total income, working fund and total assets were found high in case of Axis bank and growth rate was high for total deposits for HDFC bank. HDFC bank performed well in terms of net profit to working fund and return on assets, Axis bank performed better in terms of net profit to total income and ICICI bank performed well in terms of net profit to total deposits. It was also evidenced that all variables such as total income, total deposits, working fund and total assets had positive and significant relationship with net profit for all selected banks over the study period.

2.1. Statement of problem

Today banking system constitutes an important link in several socio-economic activities. Therefore, the banking industry must be on a sound footing, while in India, there is stress on the social responsibility of banks are increasing to rural and backward class development and economic development (Gopinath & Poornapriya, 2020). The present structure of commercial banks in India is portrayed by a mix of public sector banks and private sector banks. Private sector banks in India have recorded very long history in banking sector since inception of Presidency Banks (Imperial Bank) in the beginning of 19 century. Public sector banks have started functioning after the nationalization of private banks in 1969 (14nos) and in the year 1980 (6nos). Banking sector reforms in India (1991) has given ways to opening of new private banks in India. The share of public sector banks was around 2% in 1960. It increased to over 80%in 1987. A reverse trend is observed in respect of private sector banking. The share of private sector banks has declined from 98% in 1960 to less than 20% in 1987. The trend implies a reduction in the private sector banks concentration of economic power in the hands of a few private individuals. It is no longer adequate for private sector banks to provide only traditional banking services. The developing countries like India, still has a huge number of people who do not have are availing banking services and their expectations are raising as the level of services are increasing due to the emergence of information technology and competition. This study has generated some research questions with its further scope as follows: How private sector banks are moving growth and achievements? And to what extent the deposits and advances of the private sector banks grow during the period of this study?

2.2. Objectives of the Study

To examine the growth of deposits and advances of selected banks.

3. RESEARCH METHODOLOGY

The main focus of this study is to analyze the pattern of deposits and advances of two private banks particularly South Indian Bank and Catholic Syrian Bank. Data required for conducting the research is primarily extracted from secondary sources to facilitate the useful information. Secondary data mainly include the data that is available in bank's publication of Annual reports. Secondary data is very useful for research with its significant advantages: time saving and rapid accessibility. Universe of this study has selected 2 private banks.

This study used here is an empirical and analytical nature of research has used the facts already available and has analyzed them to make a critical evaluation of the material. The nature of this report is exploratory. The population targeted by this research includes two Private sector banks in India. Non-probability Sampling technique is used to select the banks. The sampling used here is convenient sampling.

3.1. Period of Data Coverage

Ten years of financial statements has been analyzed for private banks taken under study for the year 2009 to 2019.

4. RESULTS AND DISCUSSION

The researcher has utilized various statistical tools in this study like Standard deviation, and Coefficient of variation which helps in analyzing the consistency, stability and overall trends in different types of deposits and advances measurements of the selected private banks.

Table 1 Growth rate of Deposits (Rupees in lakshs)

Year	DEPOSITS		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	820662	1510139	-	-	100	100
2010	1028459	1927185	207797	417046	125	128
2011	1291428	2472185	262969	545000	157	164
2012	1634075	3211159	342647	738974	199	213
2013	2030475	3865298	396400	654139	247	256
2014	2201689	4375768	171214	510470	268	290
2015	2407495	4469027	205806	93259	293	296
2016	2715813	5007890	308318	538863	331	332
2017	3011574	5369981	295761	362091	367	356
2018	3285262	5689009	273688	319028	400	377
2019	3844795	5986795	559533	297786	468	396

Source: *Manual Calculation from Secondary data*

The above table 1 represents about the analysis of average growth rate of Deposits of banks, in which there is gradual increasing percent in Deposits of banks for CUB Limited it is maintain the term loan consistently and effectively from 125 to 468 % in the year between 2010 to 2019 but in the case of KVB Limited, from 128 to 396 % in the year between 2010 to 2019.

Table 2 Analysis of Co- efficient Variation

Particulars	CUB	KVB
Average (Rs. in lakhs)	22,06,521	39,89,494
Standard Deviation (Rs. in lakhs)	9,64,367	15,33,733
Co- efficient of variation (in percentage)	43.71	38.44

Source: *Manual Calculation from Secondary data*

Table 2 reveals that the average of deposits during the period was at a higher level of Rs. 39,89,494 in KVB Limited followed by The CUB Limited is Rs.22,06,521. The consistency of deposits was higher (43.71%) in CUB Limited, evidenced by a low level (38.44%) of Co-efficient of variation followed by The KVB Limited.

Table 3 Saving banks Deposits

Year	SAVINGS BANK DEPOSITS		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	85605	180882	-	-	100	100
2010	115121	248467	29516	67585	134	137
2011	144073	325307	28952	76840	168	180
2012	176846	367333	32773	42026	207	203
2013	206927	438580	30081	71247	242	242
2014	247535	540846	40608	102266	289	299
2015	296259	631370	48724	90524	346	349
2016	361333	764732	65074	133362	422	423
2017	462974	996828	101641	232096	541	551
2018	517050	1100057	54076	103229	604	608
2019	648369	1210139	131319	110082	757	669

The above table 3 shows about the analysis of average growth rate of saving Banks Deposits, in which there is gradual increasing percent for CUB Limited it is maintain the term loan consistently and effectively from 134 to 757 % in the year between 2010 to 2019 but in the case of KVB Limited, from 137 to 669 % in the year between 2010 to 2019.

Table 4 Analysis of Co- efficient Variation for Saving banks Deposits

Particulars	CUB	KVB
Average (Rs. in lakhs)	2,96,554	6,18,595
Standard Deviation (Rs. in lakhs)	1,81,582	3,55,316
Co- efficient of variation (in percentage)	61.23	57.44

The above table 4 shows that CUB Limited has 61.23 percent of coefficient variation and co-efficient of variation followed by the KVB Limited has 57.44 percent that is consistent in managing deposits effectively.

Table 5 Analysis of growth rate of Demand Deposits

Year	DEMAND DEPOSITS		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	69511	149677	-	-	100	100
2010	109703	205053	40192	55376	158	137
2011	108762	250225	-941	45172	156	167
2012	120314	247826	11552	-2399	173	166
2013	133534	305335	13220	57509	192	204
2014	144199	358044	10665	52709	207	239
2015	166807	352847	22608	-5197	240	236
2016	191923	402720	25116	49873	276	269
2017	240921	492035	48998	89315	347	329
2018	278617	557638	37696	65603	401	373
2019	321450	581359	42833	23721	462	388

The above table 5 shows an analysis of the average growth rate of demand deposits, in which there is a gradual increasing percent for CUB Limited, which is consistently and effectively maintaining the term loan from 134 to 757 percent in the year between 2010 and 2019, but for KVB Limited, which is consistently and effectively maintaining the term loan from 137 to 669 percent in the year between 2010 and 2019.

Table 6 Analysis of Co- efficient Variation of Demand Deposits

Particulars	CUB	KVB
Average (Rs. in lakhs)	1,71,431	3,54,796
Standard Deviation (Rs. in lakhs)	78,855	1,42,458
Co- efficient of variation (in percentage)	46.00	40.15

Table 6 discloses that the average of deposits during the period 0f 2009 - 2019 was at a higher level of Rs. 3,54,796 in KVB Limited followed by The CUB Limited is Rs. 1,71,431. The consistency of deposits was higher in CUB Limited, evidenced by a low level (46.00%) of Co-efficient of variation followed by The KVB Limited.

Table 7 Growth rate Analysis of Term Deposits

Year	TERM DEPOSITS		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	665546	1179580	-	-	100	100
2010	803635	1473665	138089	294085	121	125
2011	1038594	1896653	234959	422988	156	161
2012	1336916	2596001	298322	699348	201	220
2013	1690015	3121383	353099	525382	254	265
2014	1809955	3476879	119940	355496	272	295
2015	1944429	3484809	134474	7930	292	295
2016	2162567	3840439	218138	355630	325	326
2017	2307679	3881118	145112	40679	347	329
2018	2489595	4031314	181916	150196	374	342
2019	2874976	4195297	385381	163983	432	356

The above table 7 clearly shows an analysis of the average growth rate of term deposits, in which there is a gradual increasing percent in term deposits for CUB Limited from 121 to 432 percent from 2010 to 2019, but in the case of KVB Limited, it is consistent from 125 to 356 percent from 2010 to 2019.

Table 8 Analysis of Co- efficient Variation of Term Deposits

Particulars	CUB	KVB
Average (Rs. in lakhs)	17,38,537	30,16,103
Standard Deviation (Rs. in lakhs)	7,13,143	10,71,149
Co- efficient of variation (in percentage)	41.02	35.51

The above table 8 proves that CUB Limited has 41.02 percent of coefficient variation and co-efficient of variation followed by the KVB Limited has 35.51 percent that is consistent in managing term deposits effectively.

Table 9 Growth rate Analysis of Advances

Year	ADVANCES		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	564525	1040988	-	-	100	100
2010	683346	1344700	118821	303712	121	129
2011	925546	1781446	242200	436746	164	171
2012	1213746	2394919	288200	613473	215	230
2013	1524606	2948013	310860	553094	270	283
2014	1609684	3399213	85078	451200	285	327
2015	1796550	3610894	186866	211681	318	347
2016	2105692	3908438	309142	297544	373	375
2017	2383270	4090772	277578	182334	422	393
2018	2785279	4480015	402009	389243	493	430
2019	3267334	4858081	482055	378066	579	467

The above table 9 shows very clearly about analysis of average growth rate of advances, in which there is gradual increasing percent in advances for CUB Limited from 215 to 579 % in the year between 2012 to 2019 but in the case of KVB Limited, it is maintain consistently from 230 to 467 % in the year between 2012 to 2019.

Table 10 Analysis of Co- efficient Variation of Advances

Particulars	CUB	KVB
Average (Rs. in lakhs)	17,14,507	30,77,952
Standard Deviation (Rs. in lakhs)	8,64,341	12,86,667
Co- efficient of variation (in percentage)	50.41	41.80

Table 10 exposes that the average of advances during the period was at a higher level of Rs. 30,77,952 in KVB Limited followed by The CUB Limited is Rs.17,14,507 The consistency of advances was higher (50.41%) in CUB Limited, evidenced by a low level (41.80%) of Co-efficient of variation followed by The KVB Limited.

Table 11 Analysis of Cash Credit

Year	CASH CREDIT		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	280829	606041	-	-	100	100
2010	380809	818449	99980	212408	136	135
2011	531557	1159313	150748	340864	189	191
2012	752717	1726057	221160	566744	268	285
2013	997057	2298976	244340	572919	355	379
2014	1040087	2765344	43030	466368	370	456
2015	1165849	2815033	125762	49689	415	464
2016	1367217	2944739	201368	129706	487	486
2017	1532538	3079978	165321	135239	546	508
2018	1824588	3466291	292050	386313	650	572
2019	2124080	3504316	299492	38025	756	578

The above table 11 represents about the analysis of average growth rate of cash credits, in which there is gradual increasing percent in cash credits for KVB Limited from 135 to 578 % in the year between 2010 to 2019 but in the case of CUB Limited, it is maintain consistently from 136 to 756 % in the year between 2010 to 2019.

Table 12 Analysis of Co- efficient Variation of Cash Credits

Particulars	CUB	KVB
Average (Rs. in lakhs)	10,90,666	22,89,503
Standard Deviation (Rs. in lakhs)	5,90,071	10,49,301
Co- efficient of variation (in percentage)	54.10	45.83

Table 12 describes that the average of cash credits during the period was at a higher level of Rs. 22,89,503 in KVB Limited followed by The CUB Limited is Rs.10,90,666. The consistency of cash credits was higher (54.10%) with Rs.5,90,071 standard deviation in CUB Limited, evidenced by a low level (45.83%) of Co-efficient of variation with Rs.10,49,301 standard deviation followed by The KVB Limited.

Table 13 Analysis of Bill Purchase

Year	BILL PURCHASE		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	16317	80851	-	-	100	100
2010	16524	95125	207	14274	101	118
2011	18455	94955	1931	-170	113	117
2012	32154	129101	13699	34146	197	160
2013	29437	155766	-2717	26665	180	193
2014	36244	211145	6807	55379	222	261
2015	23370	198080	-12874	-13065	143	245
2016	25947	134936	2577	-63144	159	167
2017	24254	158937	-1693	24001	149	197
2018	23913	131689	-341	-27248	147	163
2019	28390	133973	4477	2284	174	166

The above table 13 represents about the analysis of average growth rate of bill purchase of banks, in which there is gradual increasing percent in bill purchase of banks for CUB Limited from 118 to 166 % in the year between 2010 to 2019 but in the case of South Indian Bank Limited, it is maintain consistently from 101 to 174 % in the year between 2010 to 2019.

Table 14 Analysis of Co- efficient Variation of Bill Purchase

Particulars	CUB	KVB
Average (Rs. in lakhs)	25,000	1,38,596
Standard Deviation (Rs. in lakhs)	6,357	41,002
Co- efficient of variation (in percentage)	25.43	29.58

Table 14 describes that the average of bill purchase of banks during the period was at a higher level of Rs. 1,38,596 in KVB Limited followed by The CUB Limited is Rs.25,000. The consistency of bill purchase of banks was lower (25.43%) with Rs.6,357 standard deviation in CUB Limited, evidenced by a higher level (29.58%) of Co-efficient of variation with Rs.41,002 standard deviation followed by The KVB Limited.

Table 15 Analysis of Co- efficient Variation of Term Loan

Year	TERM LOAN		CUB Increase\ Decrease	KVB Increase\ Decrease	CUB % Inc\ Dec	KVB % Inc\ Dec
	CUB	KVB				
2009	266699	354095	-	-	100	100
2010	286012	436176	19313	82081	107	123
2011	375534	527179	89522	91003	141	149
2012	428875	539760	53341	12581	161	152
2013	498112	493270	69237	-46490	187	139
2014	533353	422724	35241	-70546	200	119
2015	607332	597780	73979	175056	228	169
2016	712528	828764	105196	230984	267	234
2017	826478	851858	113950	23094	310	241
2018	936778	882034	110300	30176	351	249
2019	1114865	1219793	178087	337759	418	344

The above table 15 represents about the analysis of average growth rate of Term Loan of banks, in which there is gradual increasing percent in Term Loan of banks for CUB Limited it is maintain the term loan consistently and effectively from 107to 418 % in the year between 2010 to 2019 but in the case of KVB Limited, from 123 to 344 % in the year between 2010 to 2019.

Table 16 Analysis of Co- efficient Variation of Term Loan

Particulars	CUB	KVB
Average (Rs. in lakhs)	5,98,840	6,49,853
Standard Deviation (Rs. in lakhs)	2,73,170	2,63,221
Co- efficient of variation (in percentage)	45.62	40.50

Table 16 describes that the average of Term Loan of banks during the period was at a higher level of Rs. 6,49,853 in KVB Limited followed by The CUB Limited is Rs.5,98,840. The consistency of Term Loan of banks was higher (45.62%) with Rs.2,73,170 standard deviation in CUB Limited, evidenced by a low level (40.50%) of Co-efficient of variation with Rs.2,63,221 standard deviation followed by The KVB Limited which is managing term loan effectively.

Table 17 KVB Saving Deposits linear Regression equation

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-87183.371	187260.925		-.466	.656
	KVBCC	.243	.094	.717	2.581	.036
	KUBBP	-1.420	1.547	-.164	-.918	.389
	KVBTL	.534	.285	.395	1.872	.103
a. Dependent Variable: KVBSD						

Table 17 H3 KVB Saving Deposits is significant influence by Cash Credit, Bill Purchase and Term Loan.In case of H3, KVB saving deposits is significant influence by Cash Credit alone and it is not affected by bill purchase and term loan.

Table 18 KVB Demand Deposits linear Regression equation

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	88208.012	80188.000		1.100	.308
	KVBCC	.118	.040	.866	2.920	.022
	KUBBP	-.659	.662	-.190	-.995	.353
	KVBTL	.136	.122	.252	1.118	.300
a. Dependent Variable: KVBDD						

Table 18 H2 KVB Demand Deposits is significant influence by Cash Credit, Bill Purchase and Term Loan. In case of H2, KVB demand deposits is significant influence by Cash Credit alone and it is not affected by bill purchase and term loan.

Table 19 KVB Term deposits linear Regression equation

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	548521.945	304529.489		1.801	.115
	KVBCC	.948	.153	.929	6.200	.000
	KUBBP	1.332	2.516	.051	.529	.613
	KVBTL	.173	.463	.042	.372	.721
a. Dependent Variable: KVBTD						

Table 19 H1 KVB Term deposits is significant influence by Cash Credit, Bill Purchase and Term Loan. In case of H1, KVB Term deposits are significant influence by Cash Credit alone and it is not affected by bill purchase and term loan.

Table 20 CUB Savings linear Regression equation

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-120575.971	30503.011		-3.953	.006
	CUBCC	-.125	.072	-.405	-1.741	.125
	CUBBP	-.179	.873	-.006	-.205	.843
	CUBTL	.931	.149	1.401	6.248	.000
a. Dependent Variable: CUBS						

Table 20 H6 CUB Saving Deposits is significant influence by Cash Credit, Bill Purchase and Term Loan. In case of H6, CUB demand deposits is significant influence by term loan alone and it is not affected by bill purchase and Cash Credit.

Table 21 CUB Demand Deposits linear Regression equation

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12193.796	31809.499		.383	.713
	CUBCC	-.020	.075	-.152	-.272	.793
	CUBBP	-.772	.910	-.062	-.848	.425
	CUBTL	.335	.155	1.161	2.156	.068
a. Dependent Variable: CUBDD						

Table 21 H5 CUB Demand Deposits is significant influence by Cash Credit, Bill Purchase and Term Loan In case of H5, CUB demand deposits arenot significant influence by any one of study variables such as term loan, bill purchase and Cash Credit.

Table 22 CUB Term Deposits linear Regression equation

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	536941.981	209066.707		2.568	.037
	CUBCC	1.955	.491	1.617	3.983	.005
	CUBBP	2.930	5.982	.026	.490	.639
	CUBTL	-1.676	1.021	-.642	-1.640	.145
a. Dependent Variable: CUBTD						

Table 22 H4 CUB Term Deposits is significant influence by Cash Credit, Bill Purchase and Term Loan. In case of H4, CUB term deposits is significant influence by Cash Credit alone and it is not affected by bill purchase and term loan.

5. CONCLUSION

Private bank in India are performing very well and more and more private banks are coming up with high quality standards since globalization. Globalization has given way to many foreign banks to set up their business unit in a developing country like India. Co- efficient and standard deviation helps in analyzing the significance of empirical study by comparing average growth rate of deposits and advances of two banks. The results of this empirical study reveal that The Karur Vysya Bank Limited remained an outperformer of the private sector banks when compare with City Union Bank Limited.

REFERENCES

[1] M. Anbalagan and Dr. M. Selvakumar, Analysis of Deposits and Advances of Selected Private Sector Commercial Banks, International Journal of Management and Social Sciences Research (IJMSSR) ISSN: 2319-4421 Volume 3, No. 3, March 2014.

[2] Ashok Kumar M., “Financial Performance of Scheduled Commercial Banks in India -CAMEL Analysis” Ph.D Thesis, Bharathiar University, Coimbatore, 2009.

[3] Selvakumar M., “Regional Rural Banks (RRBs): Performance Analysis”, Indian Journal of Finance, pp.3-19, August, 2010.

[4] Imazari, Ahmed Arif. (2011) Financial Performance Evaluation of Some Selected Jordanian Commercial Banks. International Research Journal of Finance and Economics. Issue 68, pp:50-63.

[5] Kemal, M. U. (2011). Post-merger profitability: a case of royal bank of Scotland (RBS). International Journal of Business and Social Science, 2(5).

[6] Knapp, M., Gart, M. and Chaudhry, M. (2006). The impact of mean reversion of bank profitability on post-merger performance in the banking industry, Journal of Banking and Finance, 30, 3503-3517.

[7] Malhotra, P. K. (2013). Performance Appraisal of Indian Public Sector Banks. World Journal of Social Sciences, 3(3).

[8] Mazhar M. I. (2003). Development and performance of domestic and foreign banks in GCC countries. Managerial Finance, 29(2), 42-71.

[9] Ongore, V.O. (2011) The relationship between ownership structure and firm performance: An empirical analysis of listed companies in Kenya. African Journal of Business Management, 5(6), 2120-2128.

[10] Priyanka and Jain, D.P. (2015). Empirical Study of Development Banks & Entrepreneurship Promotion. International Journal of Advanced Research in Management, 6(1), 1-8.

[11] Rungsomboon, S., Okuda, H. (2004). Comparative cost study of foreign and Thai Domestic Banks 1990–2002, CEI Working Paper Series, 20(19), Center for Economic

[12] Institutions.Said, R.M., Mohd, H.T. (2011) Performance and Financial Ratios of Commercial Banks in Malaysia and China.

[13] Sangmi, M., Tabassum, N. (2010). Analyzing Financial Performance of Commercial Banks in India: Application of CAMEL Model. Pakistan Journal Commercial Social Sciences.

[14] Tarawneh, M. (2006).A comparison of financial performance in the banking sector: some evidence from Omani Commercial banks. International journal of Finance and Economics,3.

[15] Tser Yieth C., and Tasl Y., (1998), A study of efficiency evaluation in Taiwan banks. International Journal of Service Industry Management, 9(5), 402-415.

[16] Mr.V.Thambignanadhayalan and Dr.R.Rajan babu, An Analysis Of Financial Performance of Select Private Sector Banks- A Special Reference To Profitability Analysis, Scholars Journal of Economics, Business and Management,ISSN: 2348-8875 (print), 2348-5302 (online), 2015.

[17] Gopinath, R., & Poornapriya, T.S. (2020). Financial Effect on the left behind elderly Parents due to Migration, International Journal of Management, 11(11), 3129-3140.

[18] Kavitha, J., & Gopinath, R. (2020). A Study on Perception of Internet Banking users Service Quality-A Structural Equation Modeling Perspective, International Journal of Management,11(8), 2204–2217.

[19] Jeya, J., & Gopinath, R. (2020). Customer Service Techniques and National Insurance Company Efficiency, International Journal of Management, 11(12), 3776-3784.

[20] Saminathan, R., Hemalatha, P., & Gopinath, R. (2020a). A Study on Performance Management in BMTC with special reference to Divisions, International Journal of Advanced Research in Engineering and Technology,11(10), 1966-1973.

[21] Saminathan, R., Hemalatha, P., & Gopinath, R. (2020b). An Analysis of Income and Expenditure with special reference to BMTC, Bangalore, International Journal of Management,11(7), 1760-1768.

[22] Kavitha, H., & Gopinath, R. (2020a). Role of Commercial Banks Financing and Explaining towards the Small-Scale Firms in Tamil Nadu: An Empirical Investigation of Entrepreneur’s Perspectives, International Journal of Management,11(10), 2172-2182.

[23] Kavitha, H., & Gopinath, R. (2020b). Effect of Service Quality on Satisfaction and Word-Of-Mouth: Small Scale Industries and their Commercial Banks in Tamil Nadu, International Journal of Management,11(11), 3034-3043.

[24] Gopinath, R., Vasan, M. & Sumathy, M. (2019). Attitude of Individual Investors towards Commodity Trading in Disruptive Technological Era, International Journal of Engineering and Advanced Technology, 8(6), 1720-1723.

[25] Gopinath, R. (2017). Personnel Management Practices in TNSTC with special reference in Pudukkottai District. Emperor International Journal of Finance and Management Research, 3(11), 221–226.