



DEPOSIT AND LENDING PERFORMANCE OF STATE BANK OF INDIA

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ABSTRACT State Bank of India is the largest bank of India in public sector bank. It is imperative to know about the financial performance of SBI from 2007- 2008 to 2016-2017. State Bank of India growth and development were based on key responsibility areas of deposit mobilization, Borrowing, NPA, profitability and productivity. Deposit mobilization is a primary function of a commercial function of a commercial bank. Banks are the service institutions, which supply lubricants in the form of loans and advances to the industry, trade, and commerce of the country for their smooth functioning. In view of this the study set out to apply Credit Deposit Ratio. The Researcher Conclude that during the period of from 2007-2008 to 2016-2017 of the State Bank Of India Covered Officers, Associates, Subordinate Staff & Others are Increased from March 2016 to March 2017. Based on the above study the growth and performance of the State Bank of India is Good Performance. The State Bank of India to avoid to penalty from public that time the deposit will be increased.

KEYWORDS : SBI, Deposit, Lending, CD Ratio,

INTRODUCTION

State Bank of India Founded in 1806, Bank of Calcutta was the first Bank established in India, and over a period of time, evolved into State Bank of India (SBI). SBI represents a sterling legacy of over 200 years. It is the oldest commercial Bank in the Indian subcontinent, strengthening the nation's trillion-dollar economy and serving the aspirations of its vast population. The Bank is India's largest commercial Bank in terms of assets, deposits, branches, number of customers and employees, enjoying the continuing faith of millions of customers across the social spectrum. SBI, headquartered at Mumbai, provides a wide range of products and services to individuals, commercial enterprises, large corporates, public bodies and institutional customers through its various branches and outlets, joint ventures, subsidiaries and associate companies1.

REVIEW OF LITERATURE

Ratnaparkhe Gajanan and Dr.A.B.Adsule(2015), in their research paper entitled " A Study on Financial Performance of Loan and Advance of Godavari Co-Operative Bank Ltd. Nanded District in Marathwada Region 2009-2010 to 2013-2014", in his result found that the bank has to required to make simple its loan procedure, recovery department should reviews the recovery performance weekly instead of monthly, bank must adopt asset liability and risk management techniques in day to day operations, better supervision of loan is needed for increasing the productivity of borrowers and last repayment installment should be small so that marginal and small borrowers can pay it easily.

Mohammed Alhaji Audu, Alexander Soloman Oghoyone, Musa Garba Gulani, (2015), in their research paper entitled, "The Impact of Target Deposit Mobilization on the Banking Industry: A Study of Selected Banks in Maiduguri Metropolis", they result found that the deposit mobilization practice of target deposit given to bank staff has several

social and financial

I SBI annual report implications for the banks and their marketers. While target deposit has resulted to increase in size of deposit of banks ad financial gain and promotion of marketers, the negative impact as exemplified in unethical practices and the health implication of marketers chasing, deposits levels much to be desired.

OBJECTIVE

- To study Deposit and Lending Performance of State Bank of India

METHODOLOGY

The present study was mainly based on secondary data. The required secondary data were collected from State Bank of India Annual reports the study covers a period of Ten years from 2007-2008 to 2016-2017.

HYPOTHESES

- There is no significant difference between the Deposits and Borrowing in the development of State Bank of India
- There is no significant difference between the Advance and Deposits of State Bank of India

DATA ANALYSIS AND INTERPRETATION

TABLE 1: TOTAL STAFF STRENGTH OF THE STATE BANK OF INDIA

Categories	AS On 31 st March 2016	As on 31st March 2017
Officers	80818	81041
Associates	88606	92979
Subordinate Staff & Others	38315	35547
Total	207739	209567

TABLE 2: DEPOSIT AND BORROWINGS OF STATE BANK OF INDIA

(Rs.In Crore)

Source: SBI Annual Report

S.NO	Years	Deposit	Borrowing	Total External Sources
1.	2007-2008	537404	51728	589132
2.	2008-2009	742073	53713	795786
3.	2009-2010	804116	103012	907128
4.	2010-2011	933933	119569	1053502
5.	2011-2012	1043647	127006	1170653
6.	2012-2013	1202740	169183	1371923
7.	2013-2014	1394409	183131	1577540
8.	2014-2015	1576793	205150	1781943
9.	2015-2016	1730722	323345	2054067
10.	2016-2017	2044751	317694	2362445
Average	1201058.8	165353.1	1366412	
S.D	480246.10	95980.89	576227	
C.G.R%	16.01%	22.35%	16.69%	

The table shows that the bank deposits have increased to Rs. 2044751 Crore during 2016-2017 from Rs 537404 Crore during 2007-2008 an increase of 3.80 times is identified. The table shows that the bank borrowings have increased to Rs. 317694 Crore during 2016-2017 from Rs 51728 Crore during 2007-2008 an increase of 6.14 times is identified. The linear and compound annual growth rates of it 16.01%

for deposit and 22.35% for borrowings.

TABLE 3: F-TEST TWO- SAMPLE FOR VARIANCE

Details	Deposits	Borrowing
Mean	1201058.8	165353.1
Variance	2.30636E+11	9212330812
Observation	10	10
DF	9	9
F	25.03560963	
P(F<=f)One-tail	2.52638E-05	
F Critical one-tail	3.18	

Table 3 reveals that the calculate F-Value is less than the f-critical value 3.18 and hence it is conclude that the framed null hypotheses 1 is accepted that there is no significant difference at 5% level of confidence between deposits and its borrowings in the development of State Bank of India.

TABLE 4: ADVANCE AND DEPOSIT OF STATE BANK OF INDIA

(Rs.In Crore)

S.NO	Years	Advances	Deposit	CD Ratio
1.	2007-2008	416768	537404	77.55
2.	2008-2009	542503	742073	73.11
3.	2009-2010	631914	804116	78.58
4.	2010-2011	756719	933933	81.02
5.	2011-2012	867579	1043647	83.13
6.	2012-2013	1045617	1202740	86.94
7.	2013-2014	1209829	1394409	86.76
8.	2014-2015	1300026	1576793	82.45
9.	2015-2016	1463700	1730722	84.57
10.	2016-2017	1571078	2044751	76.83
Average	980573.3	1201058.8		
S.D	399328.58	480246.10		
CGR%	15.89%	16.01%		

Source: Secondary Data; SBI Annual Report

The progress of State Bank of India during 2007-2017 shown in table 4. The table shows that the bank Advance have increased to Rs. 1571078 crore during 2016-2017 from Rs 416768 crore during 2007-2008 an increase of 3.77 times is identified. The table shows that the bank deposits have increased to Rs. 2044751 crore during 2016-2017 from Rs 537404 crore during 2007-2008 an increase of 3.80 times is identified. The linear and compound annual growth rates of it 15.89% for Advance and 16.01% for Deposits.

TABLE 5: T-TEST: PAIRED TWO SAMPLE FOR MEANS

Details	Deposits	Borrowing
Mean	980573.3	1201058.8
Variance	1.59463E+11	2.30636E+11
Observations	10	10
Pearson Correlation	0.990615096	
Hypothesized Mean Difference	0	
df	9	
t Stat	-6.921592056	
P(T<=t) one-tail	3.44949E-05	
t Critical one-tail	1.833112923	
P(T<=t) two-tail	6.89899E-05	
t Critical two-tail	2.26	

Table 5 reveals that the calculate F-Value is less than the f-critical value 2.26 and hence it is conclude that the framed null hypotheses 1 is accepted that there is no significant difference at 5% level of confidence between advance and deposits of State Bank of India

CONCLUSION

The researcher conclude that during the period of from 2007-2008 to 2016-2017 of the State Bank Of India Covered Officers, Associates, Subordinate Staff & Others are Increased from March 2016 to March 2017. Based on the above study the Deposit and Lending Performance of the State Bank of India is Good Performance. The State Bank of India to avoid to penalty from public. The coming year the deposit amount may be decreased manner because of heavy rules for minimum balance maintain in this own account it is not possible for all peoples but only maintain for business man and industrialist and salaried persons most of the savings account and deposit are maintain by the rural peoples and farmers and Mahatma Gandhi National Rural Employment Guarantee Scheme peoples. The rules changes in the banks that time the deposit will be increased.

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