



A STUDY ON FINANCIAL PERFORMANCE OF AXIS BANK

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ABSTRACT

Money is the expert key that gives admittance to all assembling and promoting sources. Monetary achievement is significant for the arrangement and the executives of monetary choices. The current investigation manages the examination of "A STUDY ON FINANCIAL PERFORMANCE OF AXIS BANK". The investigation utilized six years of Axis Bank auxiliary information and fundamental goal is to discover the monetary presentation of the business that can be useful in discovering the development angles. This examination was carried under the time of six years 2015-2020 of monetary record and benefit and misfortune account. Hence it is important to assess the monetary presentation to know whether the organizations remain on the lookout and how they can work on their future turn of events and monetary dependability of the organization.

KEY WORDS: Financial performance, Growth aspects, Ratio analysis.

1. INTRODUCTION

A proficient banking system is recognized as basic prerequisite for of any economy as they play crucial role in the economic development of an economy. Financial statements are prepared to satisfy external reporting obligations and also for decision purposes. They play a vital role in setting the framework of managerial decisions. Financial performance analysis includes analysis and interpretation of monetary statements in such how that it undertakes full diagnosis of the profitability and financial soundness of the business. Financial performance analysis is the process of identifying the financial strengths and weaknesses of the firm by properly establishing the relationship between the items of balance sheet and profit and loss account. These statements are the result of summarized process of accounting and are therefore the sources of data the basis of which conclusions are drawn about the profitability and therefore the financial position of the concern.

2. STATEMENT OF THE PROBLEM

In their context "Financial performance of AXIS Bank is selected for the present study. The Reserve Bank of India regulates the banking service industry. Analysis of a bank's financial statements requires a distinct approach that recognizes a bank's somewhat unique risks.

This study is guided by the following research questions:

1. What does the trend performance of AXIS bank looks like in the Six years?
2. What were the efficiency, profitability and liquidity position of banks?

3. OBJECTIVES OF THE STUDY

- ✓ To identify the financial strength and weakness of the AXIS Bank.
- ✓ To analyses the profitability, liquidity and solvency position of AXIS Bank.
- ✓ To offer suitable suggestions for improving performance of the bank.



4. RESEARCH METHODOLOGY

Source of Data	Secondary data
Period of Study	2015 to 2020
Framework of analysis	Financial Statements
Tools and Techniques	Ratio analysis

5. STATISTICAL TOOLS

A number of methods can be used for the purpose of analysis of financial statement. These are also termed as techniques or tools of financial analysis. One of these enterprises can choose those techniques which are suitable to its requirements. The principal techniques of financial analysis are:-

- a. Comparative Financial Statement.
- b. Ratio Analysis.

6. REVIEW OF LITERATURE

Priyanka Jha (2018) found that analyzing financial performance of public sector banks and private sector banks in India. Her objective was to assess and compare the financial performance of both the banks. The present study concluded that ICICI Bank has performed sounder as compare to PNB Bank.

Dr.Gagandeep Sharma and Divya Sharma (2017) discussed comparison and analysis of profitability of top three Indian private sector banks. Their objective was to study the profitability ratios of top three private sector banks i.e. HDFC Bank, ICICI Bank and AXIS Bank. The study concluded that HDFC Bank is found to be consistent on the basis of cost to income ratio and return on net worth.

Pawan and Gorav (2016) this study is related to a comparative study on financial health ICICI Bank and AXIS Bank. Their objective was to measure and compares financial performance and health of ICICI Bank and AXIS Bank. The study concluded that AXIS Bank performs well on earning per share, assets turnover and debt-equity parameters. Overall performance of AXIS Bank is good to compare ICICI Bank.

7. FINDINGS

- The current ratio of the bank was highest in the year 2019-2020 and the lowest ratio in the year 2014 – 2015.
- The liquid ratio of the bank was highest in the year 2019-2020 and the lowest value of ratio in the year.
- Absolute liquid ratio of the bank was highest in the year 2019-2020 and the lowest in the year 2018-2019.
- Debt equity ratio of the bank was highest in the year 2019-2020 and thelowest in the year

2014-2015.

- Fixed asset ratio of the bank was highest in the year 2019-2020 and the lowest in the year 2014-2015.
- Propreitory ratio of the bank was highest in the year 2019-2020 and thelowest in the year 2014-2015.
- Fixed Asset to Proprietor Fund ratio of the bank was highest in the year 2019-2020 and thelowest in the year 2014-2015.
- Current Assets To Propreitory fund ratio of the bank was highest in the year 2019-2020 and thelowest in the year 2014-2015.
- Current assets to Fixed assets ratio of the bank was highest in the year 2019-2020 and the lowest in the year 2014-2015.
- Reserves to Capital ratio of the bank was highest in the year 2019-2020 and thelowest in the year 2014-2015.

8. SUGGESTIONS

- The AXIS Bank must to take necessary measures to improve their current assets and reduce their advances and current liabilities.
- In comparison with other bank the performance of AXIS bank is quite good but no so effective than its competitors.
- The AXIS bank must concentrate to improve their fixed asset value.
- The AXIS bank must concentrate to improve their net profit value.
- The AXIS bank must improve their value of reserves.

9. CONCLUSION

A financial analyst can adopt the following tools for analysis of the financial statement. These are also termed as methods of financial analysis. The banking sector is one of the core sectors in the economic development of India. So the purpose of the study is to concentrate on financial performance of AXIS bank. This study attempted to find out whether AXIS have performed well or not. The main objective of the study is to evaluate the risk exposure of the bank in the last five years and to predict the future performance of the bank.



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