2. LITERATURE REVIEW

- Chidambram R. M and Alamelu (1994) in their study entitled, “Profitability in Banks, a matter of survival”, pointed out the problem of declining profit margins in the Indian Public Sector Banks as compared to their private sector counterparts.

- Das A. (1997) in his paper on “Technical allocation and Scale Efficiency of the Public Sector Banks in India” The study found that there is decline in overall efficiency due to fall in technical efficiency which was not offset by an improvement in allocative efficiency
• Deb and Kalpada (1998) in their study entitled, “Indian Banking since Independence”, studied the growth of banking in India covering the period from 1966-1987. The analysis revealed that the structure of the banking system changed considerably over the years. It was further pointed out that the quantitative growth of the public sector banks was no doubt significant in some of the areas, but qualitative improvement, by and large lacked in desired standards. In spite of substantial increase in deposit mobilization, their share in national income continued to be very low.

• S. and Verma, S. (1999) determined the factors influencing the profitability of public sector banks in India by making use of ratio of net profits as percentage of working funds. They concluded that spread and burden play a major role in determining the profitability of commercial banks.

• Chandan, C.L. and Rajput, P.K. (2002) measured the performance of bank on basis on the basis of profitability analysis.

• Sangami M. (2002) in his study has suggested that the position of operating cost can be improved with the introduction of high level technology as well as by improvement the per employee productivity.

• Qamar, F (2003) in his paper examined commercial banks in terms of endowment factors, risk factors, revenue diversification, profitability and efficiency parameters.


• Uppal, R.K. and Kaur, R. (2007) emphasized that cost should be properly managed to improve the profitability of banks because the net profits were affected by the increase or decrease in operating cost.

• Chowdari Prasad and K.S. Srinivasa Rao (2004) in their paper, “Private Sector Banking in India- A SWOT Analysis” studied the performance of all private sector banks. As per the criteria selected like efficiency, financial strength, profitability and size of scale, it is revealed that the private sector
banks are in position to offer cost-effective, efficient products and services to their customers using technology, best utilization of human resources along with professional management and corporate governance principles.

- **Prashanta Athma (2000)**, in his Ph D research submitted at Usmania University Hyderabad, "Performance of Public Sector Banks – A Case Study of State Bank of Hyderabad, made an attempt to evaluate the performance of Public Sector Commercial Banks with special emphasis on State Bank of Hyderabad. The period of the study for evaluation of performance is from 1980 to 1993-94, a little more than a decade. In this study, Athma outlined the Growth and Progress of Commercial Banking in India and analyzed the trends in deposits, various components of profits of SBH, examined the trends in Asset structure, evaluated the level of customer satisfaction and compared the performance of SBH with other PSBs, Associate Banks of SBI and SBI. Statistical techniques like Ratios, Percentages, Compound Annual rate of growth and averages are computed for the purpose of meaningful comparison and analysis.