ABSTRACT

The Indian banking sector has been the backbone of the Indian economy over the past few decades. Banking sector is one of the fastest growing sectors in India. Today’s banking sector becoming more complex. Foreign banks have been operating in India since decades. The presence of foreign banks in India has benefitted the financial system by enhancing competition, transfer of technology and specialized skills resulting higher efficiency and greater customer satisfaction. “CAMEL” is a more popular, internationally accepted, and ratio based model of performance evaluation of banks. This model incorporates within itself the information which representative of Capital adequacy (C), Asset quality (A), Management efficiency (M), Earnings quality (E) and Liquidity (L). These components are sin-quo-non for healthy banking practices. The present study aims to evaluate performance of foreign banks in India through the application of CAMEL model. For this study four foreign banks operating in India viz. Standard Chartered Bank, Bank of America, DBS, Deutsche Bank. The banks have been evaluated in terms of five components of CAMEL Model for the period of 2008-2009 to 2012-2013. Overall performance shows that, Bank of America is ranked first followed by Deutsche Bank and Standard Chartered Bank. DBS Bank is on the last position.


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