INDIAN BANKING INDUSTRY – RANK ANALYSIS

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ABSTRACT

Shareholder value creation is the most important segment for an organisation for their survival in the present business environment. Profit of a company is the yardstick of financial performance, but it is essential to check whether the company has created value to their shareholders as many companies concentrate more on profit earnings rather than shareholder value. It is clear that for the growth and existence of any corporate business, shareholders support is a must and their investments should fetch adequate returns. Therefore, the present business trend has forced the management of the corporates to give equal importance to both the aspects viz., profit and shareholder wealth. High market value of the shares of the company proves that the company earns more profit and has high impact on shareholder return. The study is an effort to compare financial soundness and shareholder value in the select public and private sector banks in India.

KEYWORDS: Banks, Bankometer, Refined Economic Value Added.

Reference