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Analyzing The Impact of Financial Performance Dynamics in The Indian Banking Sector: Evidence from SBI And HDFC Bank

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***Abstract*—This study focuses on evaluating the financial performance dynamics of State Bank of India and HDFC Bank, representing the public and private banking sector in India. The main focus of the study is to calculate and compare how key financial factors such as profitability, growth, asset, risk management, efficiency, and financial stability impact the overall performance of these banks. The secondary data has been collected from the annual reports of both banks. Also, primary data has been collected through a structured questionnaire to evaluate customer perception regarding financial strength, stability, and overall performance. This study identifies profitability growth, risk efficiency, and stability as independent variables impacting the overall financial performance, which is considered the dependent variable. On the other hand, HDFC bank shows better performance in terms of operational efficiency, lower NPAs, and regular profitability showing effective management practices. This study concluded that while both banks are financially sound, there is a clear variation in their performance dynamics. These findings are useful for investors, customers, and policymakers in understanding and knowing the details strengths of public and private sector banks and informing financial decisions.**

***Index Terms*—Financial Performance, Banking Sector, State Bank of India, HDFC Bank**

I. INTRODUCTION

The banking sector is one of the most important components of a country's economy and financial growth. It helps people to store their money in a safe way, which can be later used in the investment function. Financial institutions like banks help in accepting deposits, granting loans, and providing all the banking services. It also helps in facilitating trade and commerce, and provides overall development of the economy. In India, considered a developing nation, it acts not only as a financial institution but also plays an important role in the financial growth and stability. In the past years, the Indian Banking System has faced various changes, especially after the economic liberalization reform of 1991. These changes in the banking system increased the competition, reduced the restrictions, and allowed the entry of the private banks. These reforms helped the banking system become more efficient. It makes the bank customer -oriented and helped in accepting the advanced technology. Now, the Indian Banking sector includes various banks such as public sector banks, private sector banks, and foreign banks, each contributing to the development of the economy.

The evolution of the Indian Banking sector has been described by several phases in the banking system, each of them is contributing towards the changes in the financial performance.

- Pre – Liberalization Period

Before 1991, the banking sector in India was hugely dominated by the public sector banks. In this pre-liberalization period, the focus was mostly on growing the banking services and achieving social objectives rather than profitability and efficiency. As a result, the main focus was just to expand the banking services, not on efficiency; financial performance was weak, with issues such as low productivity and high management costs.

- Post-Liberalization Period

The liberalization changes introduced market competition in the banking system, allowing private banks to enter in the industry, as there was a lot of control and participation by the public sector banks. This initiative led to improved efficiency, better risk management, and more profitability. Private sector banks entered in the market, and these banks adopted modern technology and innovative practices, which importantly improved the performance.

From this phase, the recent developments which are seen by the banking sector are:

- Digital transformation (online banking, mobile banking)
- Improved regulatory framework

SBI stands for State Bank of India, which is the largest public sector bank in India. It is majorly owned by government of India. It was started in the year 1955. The headquarters was in Mumbai. State Bank of India plays an important role in providing services such as banking services, especially to the rural and semi-urban areas of India. It has a lot of branches and a huge size. In India, it is one of the biggest banks, and it also has various branches, including in rural areas.

The banking system is divided into two sectors such as public and private sector banks. The private sector bank contributes to the advancement of financial stability due to its loyal customers and wider reach. The main function of these banks is to provide loans to the needy, accept the deposits, and help with investment decisions. One of the biggest and top private sector banks is HDFC Bank. The following banking sector change that allows private sector banks to function in the country, the HDFC Bank was established in the year 1994.

Financial performance in banking explains how a bank is functioning, how it is earning profit and maintaining stability, and the effectiveness of the banking operation. It shows the overall growth and health of a bank. There are financial ratios that help to determine the financial performance in a broader way. Efficiency is used to evaluate how properly a bank is using its resources. Asset quality tells how good the bank loans are; if many borrowers fail to pay loans, it leads to NPA, which is negative for the bank.

This research will include these financial indicators to evaluate the financial performance of the State Bank of India and HDFC Bank. It will include indicators such as profitability, liquidity, and efficiency to know the performance of the two banks, and will help in understanding which one is better on the basis of technology, functioning, management, customer reach, and stability in the banking system. Because of this, financial performance analysis becomes very important in banking research, as it allows us to estimate how well banks are performing and managing their financial resources. It plays a significant role in determining the success and growth of the banks over time.

II. LITERATURE REVIEW

1. Narasimham (1991)

The Narasimham Committee Report played an important role in changing the Indian banking sector by introducing important financial changes. It also marked the need for better risk management practice. These changes give an introduction to the improvement of the financial performance dynamics in the Indian Banking System.

2. Bhattacharyya et.al (1997)

Examined the impact of banking sector liberalization on the productive efficiency of Indian commercial banks. The study applied Data Envelopment Analysis (DEA) to evaluate the technical efficiency of banks before and after the reform period. The authors concluded that continuous reforms and modernization were necessary to strengthen the Indian banking system.

3. Saha & Ravisankar (2000)

Developed a framework for evaluating the performance of Indian commercial banks using Data Envelopment Analysis (DEA). The objective was to rank banks according to their technical efficiency and identify the factors affecting banking performance However, the study did not focus on a comparative financial analysis of SBI and HDFC Bank, leaving scope for further research.

4. Kumbhakar & Sarkar (2003)

Performed a study to calculate the working and productivity of Indian banks during the post-reform period. The main objective of the study was to know how successfully banks use and utilize their resources in a competitive banking sector environment. The study also focused that technological advancement plays a key role in improving bank performance. Overall, the study summarized that improving efficiency is necessary for long-term growth and competitiveness in the banking sector.

5. Sathye (2005)
Conducted a study to evaluate the efficiency and financial performance of public and private sector banks in India. The study aimed to measure banking efficiency through financial ratios and efficiency indicators. The study emphasized that technological innovation and managerial efficiency are essential for improving banking performance. However, the study did not specifically compare SBI and HDFC Bank, which creates a research gap addressed by the present study.

6. Das & Ghosh (2006)
Investigated the major determinants of financial performance in Indian banks. The primary objective was to analyse how capital adequacy, asset quality, management efficiency, and operational performance influence bank profitability. The study concluded that internal financial factors play a significant role in determining bank performance. However, it did not compare the financial performance of SBI and HDFC Bank, creating scope for the present research.

7. Mohan (2006)
Discusses the relationship between financial deepening, economic growth, and financial inclusion in India. The study explains how a stronger banking system supports long-term economic development. It highlights the role of banks in expanding credit access to rural and underserved areas. Overall, it provides a macroeconomic foundation for understanding banking sector performance.

8. Mishkin (2007)
Explains the fundamental role of banking and financial markets in supporting economic growth and stability. The study emphasizes how efficient banking systems improve capital allocation in the economy. The book also connects banking performance with macroeconomic factors like inflation and GDP growth. Overall, it provides a strong theoretical base for analysing banking performance, including banks like SBI and HDFC.

9. Pasiouras (2008)
Provides an international analysis of bank performance and efficiency across different banking systems. The study evaluates how regulatory frameworks influence banking profitability and operational efficiency. Overall, the research provides a global benchmark for analysing banks like SBI and HDFC.

10. Das (2009)
Conducted a study to examine the relationship between asset quality and the financial performance of Indian banks. The primary objective was to analyse how Non-Performing Assets (NPAS) influence profitability and financial stability. The study emphasized the importance of sound credit appraisal, effective loan monitoring, and strong asset management practices. However, the study did not compare the financial performance of SBI and HDFC Bank, which creates a research gap addressed by the present study.

11. De Young (2012)
Examined the role of technological innovation in improving banking performance. The objective of the study was to analyse the impact of digital transformation and technological advancement on operational efficiency and profitability. The findings indicated that banks adopting modern banking technologies experienced lower operating costs, improved service quality, and greater customer satisfaction. The research concluded that technology has become one of the most important drivers of banking success.

12. Maheshwari & Agarwal (2013)
Evaluate the financial performance of State Bank of India using ratio analysis techniques. The study focuses on profitability ratios such as ROA, ROE, and net profit margin. It also examines liquidity and efficiency ratios to assess overall performance. The findings indicate that SBI maintains a stable financial position over the study period. Overall, the research concludes that SBI shows stable but improvement-needed performance.

13. Koley (2019)
Conducted a study to assess the financial performance of banks, including both sector banks, such as public and private banks. The observation revealed that

private sector banks perform better in functioning, managing, and earning profit due to better management and the use of technology. However, the study does not specifically focus on a comparative analysis of individual banks like SBI and HDFC bank.

14. Khatter et.al (2019)
Conducted a comparative analysis of SBI and HDFC bank using financial ratios and ANOVA. The findings revealed that HDFC bank achieved better profitability and operational efficiency, while SBI remained financially stable due to its extensive customer base and government ownership.
However, the study was confined to selected financial indicators and suggested further research using additional variables.

15. Arora & Kaur (2020)
Examines the impact of digital transformation on the Indian banking sector. The study highlights how internet banking, mobile banking, and fintech adoption have changed banking operations. It shows that digitalization has improved customer convenience and service delivery speed. Overall, the study concludes that digital transformation significantly improves banking performance and competitiveness.

16. Pandit & Gandhi (2021)
Compared the financial performance of SBI and HDFC bank using the camel model. The study evaluated capital adequacy, asset quality, management efficiency, earnings quality, and liquidity. Both banks demonstrated similar earnings quality. The researchers concluded that efficient management and stronger asset quality significantly improve banking performance.
The study recommended continuous monitoring of camel indicators to maintain long-term financial stability.

17. Verma (2021)
Analyzes SBI's financial performance using various ratio techniques. The study evaluates liquidity, profitability, and solvency positions of the bank. It finds that SBI maintains strong liquidity but moderate profitability levels. The research highlights the impact of NPAS on overall financial stability. It also compares SBI's performance across different financial years. The findings indicate gradual improvement in operational efficiency.

18. Gupta (2021)
Performed a study to know how digital banking affects the financial performance of the Indian banking system. The main goal was to calculate efficiency, profitability, and customer satisfaction on the basis of how it adopts digital technologies. This research underlined that digital banking enhances delivery service, speed, and customer experience. The study was completed and concluded that digital transformation plays an important role in increasing the financial performance dynamics.

19. Srivastava, a. (2022)
Focused on the financial performance of banks using different financial indicators and their proper analysis. The research showed that financial ratios such as profitability, liquidity, asset quality, and management are important tools for the performance evaluation. This study does not focus on specific sector banks such as the state bank of India and HDFC bank, which creates a research gap in this study to be, fulfilled it in future research.

20. Lalitha &Sunaina (2023)
Evaluated the financial performance of SBI and HDFC bank using the camel framework for the period 2018–2022. The study analysed capital adequacy, asset quality, management efficiency, earnings, and liquidity through ratio analysis. The findings showed that HDFC Bank performed better in profitability, capital adequacy, and management efficiency, whereas SBI maintained comparatively stronger liquidity.

III. RESEARCH GAP

Many researchers have studied the financial performance of the Indian banking sector. Several studies have focused on individual banks such as State Bank of India and HDFC Bank, while some studies have compared public sector and private sector banks in general. Most of these studies used financial ratios like profitability, liquidity, and efficiency to evaluate bank performance. These studies have helped in understanding how banks perform financially and how they contribute to the banking system. However, many of the earlier studies mainly focused on overall financial performance and did not consider the dynamic nature of financial performance, meaning how it changes over time due to factors like economic conditions, competition, and technological advancements.

They also fail to clearly show the actual impact of these changes on the banking sector.

Therefore, a clear research gap exists in terms of a detailed, time-based, and comparative analysis of selected banks. In addition, there are only a few studies that provide a detailed analysis specifically between SBI and HDFC Bank.

Therefore, there is a need for a study that closely examines the financial performance dynamics of these two major banks and compares their performance in a more systematic and updated way.

IV. RESEARCH QUESTIONS

1. What is the financial performance of State Bank of India and HDFC Bank in India?
2. How do financial indicators such as profitability, liquidity, and efficiency affect the performance of these banks?
3. What are the major differences in the financial performance of SBI and HDFC Bank?

V. OBJECTIVES OF THE STUDY

1. To assess the financial performance of State Bank of India and HDFC Bank in India.
2. To look at key financial signs like how well the banks are doing, if they have enough money to meet their needs, and how well they use their resources.
3. To compare the financial performance of SBI and HDFC Bank over a specific period of time.

VI. HYPOTHESIS

H_{01} (Null Hypothesis)

There is no significant difference in the profitability of State Bank of India and HDFC Bank in terms of Net Profit, ROA and ROE.

H_{11} (Alternative Hypothesis)

There is a significant difference in the profitability of SBI and HDFC Bank in terms of Net Profit, ROA and ROE.

VII. RESEARCH METHODOLOGY

7.1. Research Design

The present study adopts both descriptive and analytical research designs. The descriptive research design is used to describe and compare the financial performance of State Bank of India (SBI) and HDFC Bank during the study period. The analytical research design is applied to examine the relationship between selected financial indicators and the overall financial performance of the banks through statistical analysis.

7.2. Research Approach

The study follows a quantitative research approach based mainly on secondary financial data. A small portion of primary data has also been collected to understand customers' perceptions regarding the financial performance, stability, and service quality of the selected banks.

7.3. Data Sources

The study is based on both primary and secondary data.

- Primary Data: Collected through a structured questionnaire from bank customers.
- Secondary Data: Collected from the Annual Reports of SBI and HDFC Bank, official bank websites, RBI publications, journals, books, research articles, and other reliable online sources.

7.4. Sampling Technique and Sample Size

A Convenience Sampling Technique was adopted for collecting primary data because respondents were selected based on their availability and willingness to participate. The sample consists of 52 respondents, including customers of SBI and HDFC Bank.

7.5. Data Collection Method

Primary data were collected using a structured questionnaire containing close-ended questions based on a five-point Likert Scale. Secondary data were collected from published financial statements, annual reports, and other authentic sources for the financial years 2018–19 to 2024–25.

7.6. Period of the Study

The study covers a period of seven financial years, from 2018–19 to 2024–25.

7.7. Variables of the Study
Dependent Variable
- Financial Performance

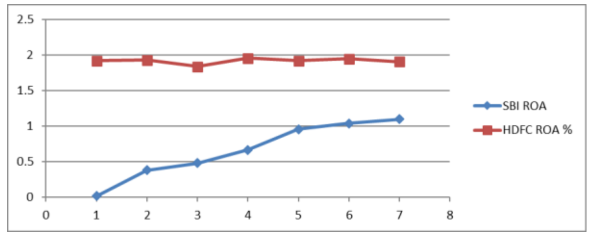
Independent Variables
- Net Profit
- Deposits
- Advances
- Gross NPA
- Net NPA

7.8. Statistical Tools and Software Used
The collected data were analysed using both descriptive and inferential statistical techniques.
The following tools and software were used:
- Tables
- Bar Charts
- Pie Charts
- Microsoft Excel

VIII. DATA ANALYSIS AND HYPOTHESIS TESTING

8.1. Summary of Descriptive Analysis
The present study analysed and compared the financial performance of State Bank of India (SBI) and HDFC Bank during the period 2018–19 to 2024–25 using both secondary and primary data. Secondary data were collected from annual reports, financial statements, and official bank websites, while primary data were collected from 52 respondents through a structured questionnaire.
The comparative financial analysis showed that both SBI and HDFC Bank achieved continuous growth in major financial indicators during the study period. SBI recorded remarkable improvement in net profit, increasing from ₹862 crore in 2018–19 to ₹70,901 crore in 2024–25. HDFC Bank also showed consistent profit growth from ₹21,078 crore to ₹67,347 crore during the same period. Although HDFC maintained higher profitability in the initial years, SBI experienced faster growth in later years.

YEAR	SBI	HDFC
2018-19	0.02	1.92
2019-20	0.38	1.93
2020-21	0.48	1.84
2021-22	0.67	1.96
2022-23	0.96	1.92
2023-24	1.04	1.95
2024-25	1.1	1.91



The deposit analysis indicated continuous growth for both banks. SBI maintained a much larger deposit base because of its extensive branch network, public confidence, and strong presence in rural and semi-urban areas. HDFC Bank also achieved significant growth through digital banking services and customer-focused products.
Similarly, advances increased steadily for both banks, indicating expansion in lending activities. SBI maintained higher advances due to its wider customer base and larger lending operations, whereas HDFC demonstrated rapid growth supported by efficient credit management. The Cost-to-Income Ratio showed that HDFC Bank consistently maintained lower operating costs than SBI, indicating better operational efficiency. Although SBI's ratio improved gradually, its larger branch network contributed to comparatively higher operating expenses.
Capital Adequacy Ratio (CAR) remained above the regulatory requirement for both banks throughout the study period. HDFC Bank consistently maintained a higher CAR, reflecting stronger capital strength and better risk management, while SBI also demonstrated gradual improvement.
Return on Assets (ROA) and Return on Equity (ROE) showed different performance patterns. SBI displayed significant improvement over the years, whereas HDFC Bank maintained consistently higher and more stable profitability ratios. Furthermore, both Gross and Net NPA ratios declined over time, indicating better asset quality and loan recovery. HDFC Bank maintained comparatively lower NPAs throughout the study period.
Primary data analysis revealed positive customer perceptions regarding both banks. Most respondents believed that their banks generated consistent profits, maintained financial stability, efficiently utilized resources, and continuously expanded their services. Although financial ratio analysis showed HDFC 's superior efficiency, a majority of respondents perceived SBI as having stronger overall financial

performance and stability due to its larger customer base and government ownership.

8.2. Statistical Test

To examine the financial performance differences between SBI and HDFC Bank, a Paired Sample t-test was conducted using MS Excel at a 5% level of significance ($\alpha = 0.05$). Three important profitability indicators—Net Profit, Return on Assets (ROA), and Return on Equity (ROE)—were selected for hypothesis testing.

The Net Profit analysis produced a p-value of 0.178156, which is greater than the significance level of 0.05. Therefore, no statistically significant difference exists between the net profits of SBI and HDFC Bank. Although HDFC recorded a slightly higher average profit, both banks followed similar profit growth trends throughout the study period.

The ROE analysis generated a p-value of 0.003815, which is less than 0.05. This indicates a statistically significant difference between the two banks. HDFC Bank demonstrated superior efficiency in generating returns on shareholders' equity and maintained greater consistency than SBI.

Similarly, the ROA analysis resulted in a p-value of 0.000147, which is also below the significance level of 0.05. This confirms a statistically significant difference in asset utilization between the two banks. HDFC Bank achieved consistently higher ROA values, reflecting better utilization of total assets for generating profits.

Overall, the statistical analysis confirms that while both banks earned comparable profits, HDFC Bank significantly outperformed SBI in terms of profitability efficiency measured through ROA and ROE.

8.3. Hypothesis Result

Null Hypothesis (H_0):

There is no significant difference in the financial performance of SBI and HDFC Bank in terms of Net Profit, ROA, and ROE.

Alternative Hypothesis (H_1):

There is a significant difference in the financial performance of SBI and HDFC Bank in terms of Net Profit, ROA, and ROE.

The hypothesis testing produced mixed results. For Net Profit, the null hypothesis was accepted because the p-value exceeded 0.05, indicating no significant difference. However, for ROA and ROE, the null hypothesis was rejected because both p-values were below 0.05, indicating statistically significant differences between the banks.

Since two of the three financial indicators showed significant differences, the overall findings support the alternative hypothesis. Therefore, it is concluded that a significant difference exists in the financial performance of SBI and HDFC Bank.

Variable	P-Value	Decision	Interpretation
Net Profit	0.178156	Accept H_0	No significant difference
ROE	0.003815	Reject H_0	Significant difference exists
ROA	0.000147	Reject H_0	Significant difference exists

8.4. Interpretation of Results

The findings suggest that both SBI and HDFC Bank have maintained strong financial performance and achieved continuous growth during the study period. SBI demonstrated substantial improvement in profitability, deposits, lending activities, and asset quality, reflecting successful operational reforms and business expansion.

However, HDFC Bank consistently performed better in profitability ratios, operational efficiency, and capital management. Its lower Cost-to-Income Ratio, higher Return on Assets, higher Return on Equity, and lower Net NPA indicate superior financial management and effective utilization of resources.

The primary survey also revealed high levels of customer satisfaction, awareness, and trust towards both banks. Interestingly, although statistical analysis favoured HDFC Bank on profitability and efficiency measures, many respondents perceived SBI as more financially stable because of its strong government backing, extensive branch network, and long-standing public trust.

Overall, the study highlights that HDFC Bank demonstrates better financial efficiency, whereas SBI possesses greater market reach, customer confidence, and continuous financial improvement.

8.5. Overall Summary

The study successfully evaluated the financial performance dynamics of SBI and HDFC Bank using both financial statement analysis and customer perception analysis. Descriptive analysis revealed continuous improvement in the financial performance of both banks across all major indicators. Statistical testing confirmed that no significant difference exists in net profit, while significant differences were found in Return on Assets and Return on Equity.

The research concludes that HDFC Bank demonstrates stronger profitability, operational efficiency, and resource utilization, whereas SBI excels in customer reach, deposit mobilization, and public confidence. Both banks remain financially stable and continue to contribute significantly to the Indian banking sector. The objectives of the study were successfully achieved, and the findings provide useful insights for researchers, banking professionals, policymakers, and investors interested in evaluating the financial performance of public and private sector banks.

IX. OBJECTIVE-WISE ACHIEVEMENT OF OBJECTIVES

Objective 1: To assess the financial performance of State Bank of India and HDFC Bank in India.

The first objective was successfully achieved through a detailed analysis of the financial statements of SBI and HDFC Bank for the period 2018–19 to 2024–25. Key financial indicators such as Net Profit, Deposits, Advances, Return on Assets (ROA), Return on Equity (ROE), Capital Adequacy Ratio (CAR), Gross NPA, Net NPA, and Cost-to-Income Ratio were analysed. The findings revealed that both banks maintained strong financial performance, while HDFC Bank showed better operational efficiency and profitability.

Objective 2: To examine key financial indicators such as profitability, liquidity, and efficiency of the selected banks.

The second objective was achieved through a comparative analysis of major financial indicators. Profitability was evaluated using Net Profit, ROA, and ROE, while efficiency was assessed through the Cost-to-Income Ratio. Asset quality was analysed using Gross NPA and Net NPA, and financial stability was examined through the Capital Adequacy Ratio (CAR). The analysis indicated that HDFC Bank consistently maintained better profitability, efficiency, and asset quality, whereas SBI showed continuous improvement during the study period.

Objective 3: To compare the financial performance of SBI and HDFC Bank over a specific period of time.

The third objective was successfully achieved through descriptive analysis, comparative financial ratio analysis, and a Paired Sample t-test. The statistical results indicated no significant difference in Net Profit, whereas significant differences were found in ROA and ROE. Overall, HDFC Bank demonstrated stronger financial efficiency, while SBI maintained a larger customer base, higher deposits, and greater public confidence.

X. FINDINGS, CONCLUSION AND SUGGESTIONS

10.1.FINDINGS

1. The study found that there is a clear difference in the financial performance of SBI and HDFC Bank during the period 2018 to 2024.
2. HDFC Bank shows comparatively higher profitability compared to SBI across most financial ratios.
3. SBI shows fluctuating performance trends, especially in profitability and efficiency.
4. The level of NPA is comparatively higher in State Bank of India, showing higher credit risk than HDFC Bank.
5. HDFC Bank maintains better asset quality and management of risk during the study.
6. Both the banks show growth in deposit and credit but HDFC Bank shows more stability and controlling in the growth patterns.
7. SBI is a private sector bank shows low profitability margin compared to the private sector HDFC.
8. The overall financial performance suggests that private sector banking performance is stronger comparing to public sector banking.

10.2.CONCLUSION

This study titled “ANALYSING THE IMPACT OF FINANCIAL PERFORMANCE DYNAMICS IN THE INDIAN BANKING SECTOR EVIDENCE FROM SBI AND HDFC BANK” provide a detailed analysis of two major banks in India using key financial ratio. This study is based on the secondary data analysis and a small portion of primary data to know the customer's perception. It can be concluded that there is a difference in the financial performance of SBI and HDFC Bank over the study. 2018 to 2024. HDFC Bank shows stronger performance in terms of profit, asset quality, and operational efficiency compared to SBI.

The analysis shows that private sector banks, represented by HDFC Bank, has better in managing risk and maintaining financial stability compared to public sector banks like SBI. Also, SBI still plays an important role in Indian banking system due to its large customer base and government backing. This study also suggested that financial performance ratio significantly impacts the overall profitability of banks and this relationship can be further chosen using statistical tools like SPSS in future research.

10.3.SUGGESTIONS

1. SBI should continue improving operational efficiency by reducing operating costs and strengthening risk management practices.
2. HDFC Bank should continue maintaining its strong profitability and asset quality while expanding its reach in rural and semi-urban areas.
3. Both banks should focus on digital innovation, customer service, and effective management of Non-Performing Assets (NPAs).
4. Regular monitoring of key financial indicators should be carried out to improve long-term financial performance.

XI. FUTURE SCOPE

This present study concentrates on evaluating the financial performance dynamics of SBI and HDFC Bank using selected financial ratio for the period 2018-2024. Also, there is important scope for further research in this area. Future studies can expand the scope by including large number of banks such as ICICI Bank, Axis Bank, Bank of Baroda which will help in knowing a more detailed comparison of Indian banking industry. Also, the time period of the study can be extended to include more recent financial years. This will allow researcher to calculate long term trends and calculate the impact of recent economic changes, policy reforms, and fintech adoption on bank performance. Future research can also be more advanced and by the use of statistical tools such as panel data analysis, time series forecast, and machine learning technique to improve the accuracy and detail of financial performance calculation. Also, macroeconomic variables like GDP growth inflation and interest rate can also provide a clear understanding of factors influencing banking performance.

Also, this study can be improved by taking a larger primary data set from customer's employees and banking professionals to understand the perception regarding service quality, efficiency, and financial stability. This would help in proper view by combining both quantitative.

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