

PROJECT REPORT ON
“A COMPARATIVE ANALYSIS OF THE PERFORMANCE OF BANK OF BARODA AND
INDUS INDIA BANK THROUGH THE CAMELS RATING SYSTEM”

Submitted by
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Submitted to
VISVESVARAYA TECHNOLOGICAL UNIVERSITY
IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE
DEGREE OF
MASTER OF BUSINESS ADMINISTRATION



Under the guidance of

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COMPANY CERTIFICATE



REF: VJNIDD/CORRES/12/2024-25/

Dt: 09-09-2024

To whomsoever it may concern


This is to certify that **Mr. Chethan**, bearing USN No. **4AL22BA015**, pursuing an MBA degree at Alva's Institute of Engineering and Technology, Mijar, has completed his project titled **"A COMPARATIVE ANALYSIS OF THE PERFORMANCE OF BANK OF BARODA AND INDUS INDIA BANK THROUGH THE CAMELS RATING SYSTEM"** at Bank of Baroda Niddodi, Mangalore, during the period from 23/04/2024 to 06/06/2024.

We found the student dedicated and committed to his work. We wish him every success in his future endeavours.

Thank you.

With regards,

For BANK OF BARODA

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For BANK OF BARODA

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ನಿಡ್ಡೋಡಿ ಶಾಖೆ, ಕಲ್ಲಮುಂಡಕೂರು, ಮುಖ್ಯ ರಸ್ತೆ, ನಿಡ್ಡೋಡಿ ಮೂಡಬಿದ್ರಿ ತಾಲ್ಲೂಕು- ೫೭೪೨೨೭

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Accredited by NBA (CSE & ECE)

Date: 09/09/2024

CERTIFICATE

This is to certify that **Chethan** bearing **USN 4AL22BA015**, is a bonafide student of Master of Business Administration course of Alva's Institute of Engineering and Technology, Moodbidri, for the batch 2022-2024, affiliated to Visvesvaraya Technological University, Belagavi. The Project report on "**A Comparative Analysis of the Performance of Bank of Baroda and Indus India Bank through the Camels Rating System**", is prepared by him under the guidance of Dr. Catherine Nirmala, Professor, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi Karnataka.


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DECLARATION

DECLARATION

I Chethan, hereby declare that this project report entitled "A COMPARATIVE ANALYSIS OF THE PERFORMANCE OF BANK OF BARODA AND INDUS INDIA BANK THROUGH THE CAMELS RATING SYSTEM" prepared by me under the guidance of Dr Catherine Nirmala David Professor of M.B.A Department, Alva's Institute of Technology and Engineering, Mijar and external assistance by Mr. Arvind Chetty, Branch Manager, Bank of Baroda Niddodi.

I also declare that this project report is towards the partial of the university regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi.

I have undergone a summer project for a period of 6 weeks. I further declare that this project report is based on the original study undertaken by me and not been submitted for the award of any degree from any other University/Institution.

Place: Mijar

Date: 9/9/2024


Signature of the Student

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Any successful project is backed by the efforts of many people, directly as well as indirectly in the form of silent encouragement. This report wouldn't be complete without expressing gratitude to every one of those people.

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EXECUTIVE SUMMARY

This report presents a comparative analysis of the performance of BOB and IndusInd Bank using the CAMELS Rating System. Conducted as part of a Master of Business Administration degree requirement from Visvesvaraya Technological University, the study spans the financial years 2020 to 2023, evaluating key financial indicators and operational efficiency of the two banks

The report is structured into five main chapters:

Chapter 1: Introduction - This chapter sets the stage by highlighting the critical role of banks in economic development and the importance of performance evaluation. It provides an overview of the banking industry, the need for effective financial management, and introduces the significance of using the CAMELS Rating System to assess bank performance.

Chapter 2: Literature Review - A review of previous studies related to the CAMELS Rating System is provided, demonstrating its widespread use in evaluating bank performance. It includes studies by researchers such as Cole et al. (1995), Kwan and Eisenbeis (1997), and Godlewski (2003), which discuss various aspects of bank performance, including asset quality, capital adequacy, and management efficiency.

Chapter 3: Research Design and Methodology - This chapter outlines the research approach, objectives, and methodology used in the study. A descriptive research design was employed, focusing on the comparative analysis of BOB and IndusInd Bank over four years. Data was collected from both primary sources, such as interviews, and secondary sources, including annual reports, journals, and other relevant publications.

Chapter 4: Data Analysis and Interpretation - The analysis is conducted using the CAMELS Rating System, which examines six critical parameters: Capital Adequacy, Asset Quality, Management Capability, Earnings, Liquidity, and Sensitivity to Market Risk. The chapter provides detailed insights into each bank's performance based on various financial ratios, such as the Capital Adequacy Ratio, Non-Performing Assets (NPA), Return on Assets, and Liquidity Ratios. This analysis identifies strengths and weaknesses in the banks' financial health and operational practices.

Chapter 5: Findings, Suggestions, and Conclusion - This chapter summarizes the key findings of the comparative analysis, highlighting areas where each bank excels and where improvements are necessary. Recommendations are provided for both banks, focusing on

enhancing financial stability, improving asset quality, and optimizing management practices. The study emphasizes the need for continuous performance evaluation using the CAMELS framework to safeguard against financial risks and support sustainable growth.