 ISSN: 2278-4632
Vol-11 Issue-01 2021

A STUDY ON PERFORMANCE ANALYSIS OF YES BANK

[1]S.Sudheer, [2]T. Ananth Raghava, [3]P.L.L. Narasimha Rao
[1]Assistant Professor, Department of Management Studies, VFSTR Deemed to be university, Guntur (DT) AP
[2]II MBA, Department of Management Studies, VFSTR Deemed to be University, Guntur (DT) AP.
[3]II MBA, Department of Management Studies, Vignan's Foundation for Science, Technology & Research, Vadlamudi, Guntur (DT) AP

ABSTRACT
In private banking sector top performing banks has YES bank is one of the major one This study conducted research on YES bank performance analysis during the period from 2016 – 2020. This study based on secondary data collect from official yes bank website and other sources. This study conducting research on YES bank performance analysis using CAMEL analysis and some key indicators analysis during the study period. CAMEL analysis can be used to analyze Capital adequacy, Asset quality, Management, Earnings, Liquidity performances also analyze some key indicators like Deposits, CASA, Net Interest Income, Cost to income ratio, Advances, Total assets and Net profit performance. This study reveals reasons behind YES bank failure on 2020 is NPA and Advances are drastically increased, Net Interest Income and Net Interest Margin are drastically decreasing that affect impacts on all key indicator's performance., This results bank gone to losses. The performance of YES bank during the study period is bad.

KEY WORDS
CAMEL analysis, Capital adequacy, Asset quality, Management, Earnings, Liquidity, Deposits, CASA, Net Interest Income, Cost to income ratio, Advances, Total assets, Net profit.

INTRODUCTION

Banking sector plays major role in economic development. Banks receiving deposits from customers and providing loans to industries, farmers and other needed people. Provide various saving schemes like savings deposits, fixed deposits and recurring deposits with less interest rate to customers. For encouraging Small scale Industries, businessman and farmers provide credit with subsidies and cheap interest rates. Introduced various schemes for financial assistance and development of Small-scale Industries, businessman and farmers. Banks providing their services. Banks providing their services to all people from all regions throughout India by contributing their part for countries development.

Banks are classified into 2 types of public sector banks and private sector banks. Private banks also playing major role for developing bank sector. In private banking sector top performing banks has YES bank is one of the major one. But from previous year performance of YES bank is rapidly decreased also gone near to bankruptcy. Due to interference of SBI came out from that stage. This study conducting research on YES bank performance analysis using CAMEL analysis and some key indicators analysis. Performance analysis measures the company growth, performance, income, debt of a company during the period. CAMEL analysis can be used to analyze Capital adequacy, Asset quality, Management, Earnings, Liquidity performances also analyze some key indicators performance. CAMEL analysis can be used to analyze the capability of maintaining risk assets and solvency capacity, Quality and performance capacity of assets, Management performance efficiency, Earnings capacity and liquidity position of a company. key indicators performance like banks deposits growth rate because deposits are increasing means banks capital is increasing also indicates customers trust towards the bank, CASA(Current account and Savings Account) growth rate because it is the cheapest source of debt to bank, Net Interest Income growth rate because it is the major income to the bank through providing loans to customers, Cost to income ratio because it indicates costs from bank's income, Advances(Loan) growth rate because bank earn major income through loans, Totalassets growth rate because through assets can be used to pay bank debts, Netprofit growth rate indicates banks

OBJECTIVES

- To find out reasons behind YES bank failure in 2020.
- To analyze CAMEL elements and other key indicators performance.
- To analyze financial performance of YES bank by using CAMEL analysis and other key indicators analysis.

LIMITATIONS

- By using secondary data conducted this study so accuracy is depending onobtained data.
- This study is based on 2016 – 2020 five years data only. It reveals onlyperformance of the bank during that period only.

REVIEW OF LITERATURE

P. Rajendran and B. Sudha (2019) This article aims to research the financial analysis and performance of HDFC Bank. This study is based on the secondary data. Bank performance can be measured by using Current ratio, Cash Position Ratio, Fixed Asset Ratio and Debt Equity Ratio. This study reveals the performance of HDFC Bank is satisfactory during the research period.

C. Balakrishnan (2019) This article aims to research the performance analysis of ICICI Bank. This study is based on the secondary data. By using CAMEL analysis measured the bank performance in this study. In CAMEL each component can beanalyzed through ratios. This study reveals the ICICI Bank was in growing trend during the period of research.

P. Rajendran and B. Sudha (2019) This article aims to research the financial analysis and performance of Mahindra Bank. This study is based on the secondary data. By using Ratio Analysis to calculate liquidity ratios, Profitability Ratios, Fixed Assets Ratio, Debt Equity ratio and Proprietary Ratio analyze the bank performance. This study reveals ability to meet the short-term liabilities are satisfactory, Liquidity position is good but fixed assets position was in downward trend.

N. Narayan and K.P. Veena (2018) This article aims to analyze the financial of State Bank of India. This study is based on the secondary data. By using R tool to calculate the Mean, Standard Deviation, Covariance, P-Value, DF, Hypothesis, Lower correlation to analyze the bank performance. This study reveals that there is no significant difference between Deposits, Investments, Advances, borrowings, Net profit. The market position of SBI is better also it reveals the declining profitability of banking system because of unsecured loans not because of SBI performance.

Veena K.P and Pragathi K.M. (2018) This article aims a Comparative Study of Financial Performance of Canara Bank and Union Bank of India This study is based on the secondary

ISSN: 2278-4632
Vol-11 Issue-01 2021

data. By using descriptive statistical analysis such as mean, co-efficient of variation and standard deviation. analyzed the performance of bank. This study reveals that Union Bank of India face the problem to generate profitability compared to the Canara Bank during the period of research.

Dinesh Gabba (2014) This article aims to analyze the profitability and efficiency comparison of both HDFC and ICICI. This study is based on the secondary data. By calculating Total income, Total expenses, Net profit, Operating profit analyze the performance of both banks. This study reveals the HDFC bank performance is better than ICICI during the study.

Deepak Kumar Adhana and Neelam Gulati (2019) This article aims to analyze the financial performance comparison of both ICICI and Axis bank. This study is based on the secondary data. By using Net profit, return on equity, Capital adequacy, total income to capital employed and total debt to owner's fund ratio. This study reveals the ICICI bank is performing well in Net profit than Axis bank but in terms of Return to equity Axis Bank has better managing efficiency than ICICI Bank.

Gagandeep Sharma and Divya Sharma (2017) This article aims a Comparison and Analysis of Profitability of Top Three Indian Private Sector Banks. In this study researcher took HDFC, ICICI and AXIS Bank. This study is based on secondary data. By calculating Net profit margin, Cost to income ratio, return on net worth, return on assets, analyzes the performance of banks and ANOVA used for comparison purpose. This study reveals not much difference between these three private sector banks during the study.

Anshuja Tiwari and Rakhi Tiwari (2019) This article aims to analyze a comparative financial performance analysis of both HDFC and ICICI. This study is based on the secondary data. By using Asset quality ratios, Earnings ratios and Management efficient ratios analyzing the performance of bank. This study reveals Axis bank a private sector bank is highly management efficient compared to0 Bank of Baroda but in terms of asset quality and Earnings ratios Bank of Baroda has better position compared to axis bank.

Narsi Reddy, P.V.N. Nataraj and A. Adi Sesha Reddy (2020) This article aims to analyze the financial performance of ICICI Bank. This study is based on the secondary data. By using Trends, Productivity, Profitability ratios and various statistical tools like Mean, standard deviation, Coefficient of variation and Compound annual growth rate to analyze the bank performance. This study reveals banks utilizing funds very well, Non-Interest expenditure total assets causes more burden to bank and suggested to decrease the cost for increase the profit is the best alternative for financial performance.

RESEARCH DESIGNMETHODOLOGY

This study conducted research on YES bank performance analysis during the period from 2016 – 2020. This study is conducted based on financial statements of YES bank. This study based on secondary data collect from official YES bank website and other sources. This study analyzes the YES bank performance also analyzes reason behind bank failure in 2020.

ANALYSIS TOOLS

CAMEL ANALYSIS: CAMEL is International recognized rating system. This rating can be given by bank higher authorities. They provide rating according to 5 factors. They are Capital adequacy, Asset quality, Management, Earnings, Liquidity. Overall CAMEL score ranges from 1 to 5. This rating is less than 2 means good institution. Greater than 3 means less than satisfactory institution.

KEY PERFORMANCE INDICATORS: Deposits, CASA, Net Interest Income, Cost to income ratio, Advances, Total assets, Net profit.

DATA ANALYSIS AND INTERPRETATION

CAPITAL ADEQUACY RATIOS

In CAMEL Analysis C means Capital adequacy. It means Examiners firstly assess institutions adequate capital maintaining ability, Risk controlling ability, loans and investment concentrations performances are taken into consideration provide rating to institutions. Below ratios can be used to analyze institutions Capital adequacy.

1. **Capital adequacy ratio:**

   It explains the relation between Bank capital and its Risk weighted assets.Standard capital adequacy percentage is 8%.

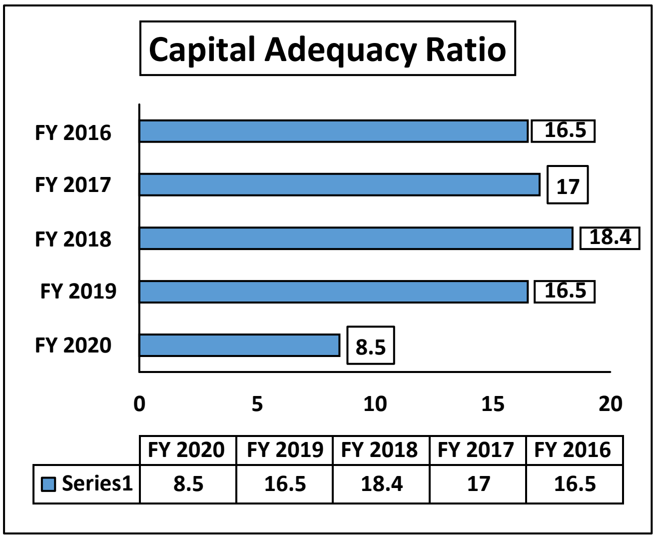
CAR = (Tier 1+Tier 2+Tier 3) (capital funds)

Risk weighted Assets

From 2016 to 20 CAR is 16.5%, 17%, 18.4%, 16.5%, 8.5%.

In 2018 CAR is High with 18.4% and 2020 CAR is Low with 8.5 %.

Present 2020 CAR is 8.5%, decreased highly compared to past 4 years.



2. **Debt Equity Ratio:**

   It explains the relation between Total liabilities and Shareholder equity. It indicates the debt and equity component in the capital structure of institute. Standard Debt to Equity is 15% or lower is good, more than 20% is bad.

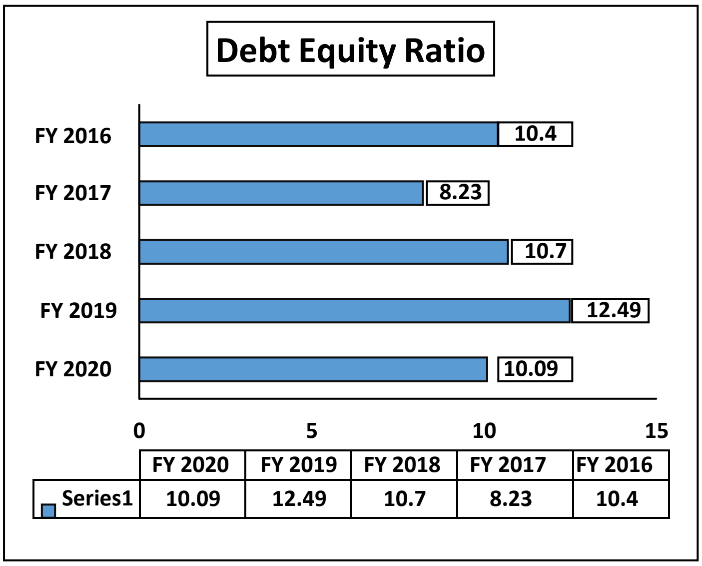
D/E = Total liabilities

Shareholder equity

From 2016 to 20 D/E Ratio is 10.4%, 8.23%, 10.7%, 12.49%, 10.09%.

In 2019 D/E Ratio is High with 12.49% and 2020 D/E Ratio is Low with 8.23%.

Present 2020 D/E Ratio is 10.09%, decreased compared to previous year.



ISSN: 2278-4632
Vol-11 Issue-01 2021

3. Advances to Total assets:

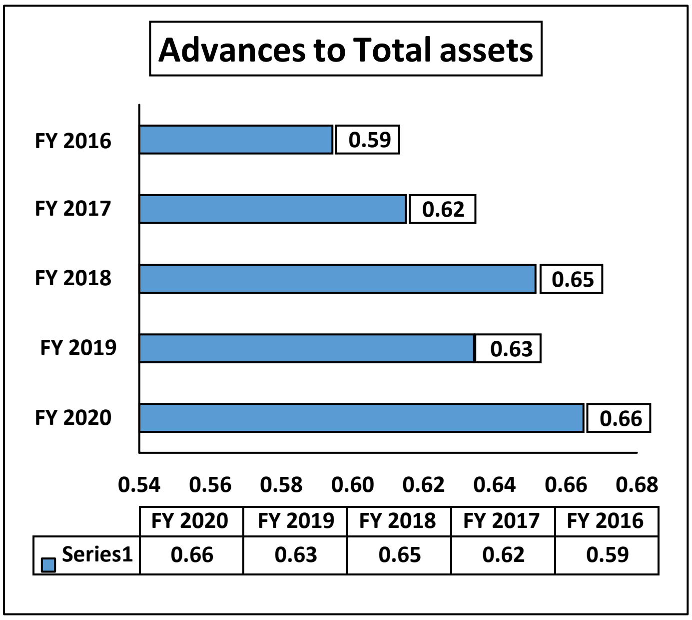
It calculates the relation between Advances to Total assets. Good Advances to Total assets ratio between 0.3 to 0.6. Advances to Total assets 0.4 is lower and better and 0.6 is high it leads problem to the bank will not have enough money to spent for further proceedings.

$$\text{Advances to Total assets} = \frac{\text{Advances}}{\text{Total assets}}$$

From 2016 to 2020 Advances to Total assets is 0.59, 0.62, 0.65, 0.63, 0.66.

In 2020 Advances to Total assets is High with 0.66 and 2016 Advances to Total assets is Low with 0.59.

Present 2020 Advances to Total assets is 0.66, high compared to previous years.



ASSETS QUALITY RATIOS

In CAMEL Analysis A means Asset Quality. It means Examiners secondly assess institutions Assets quality. It covers institutions loans quality. Asset quality of institution reflected the efficiency of an institutions investment policies and practices. Examiners Asset quality is taken into consideration provide rating to the institutions. Below ratios can be used to analyze institutions Asset quality.

1. **Gross NPA:**

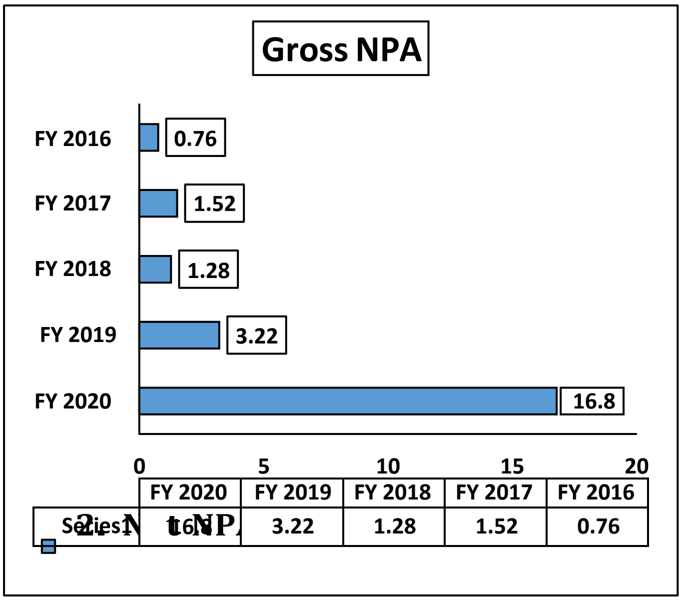
Loans interest not received from customers for 3 months turn into NPA.High Gross NPA means banks asset quality is in very poor shape.

It alerts the institutions dangerof NPA is not being rapid.

From 2016 to 20 Gross NPA is 0.76%, 1.52%, 1.28%, 3.22%, 16.8%.

In 2020 Gross NPA is High with 16.8% and 2016 Gross NPA is Low with 0.76%.

Present 2020 Gross NPAis 16.8%, very high compared to previous year.



ISSN: 2278-4632
Vol-11 Issue-01 2021

It explains the relation between Gross NPA and Total advances. Banks provided loans will go bad debts. The Net NPA is portion of bad loans that are not recorded in the books. Net NPA is a better health indicator to the bank.

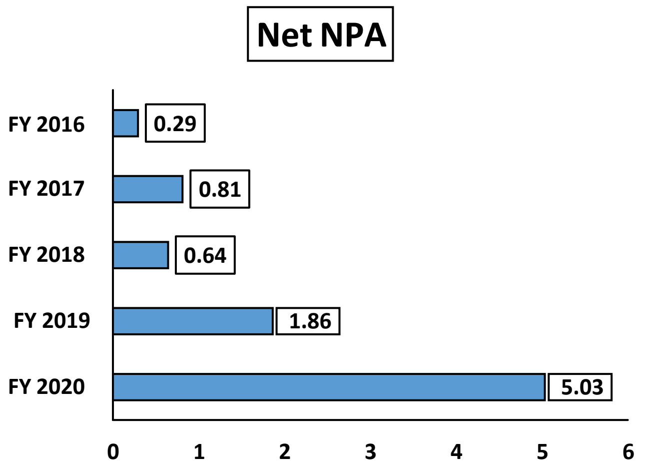
NPA = Gross NPA

Total Advances

From 2016 to 20 Net NPA is 0.29%, 0.81%, 0.64%, 1.86%, 5.03%.

In 2020 Gross NPA is High with 5.03% and 2016 Net NPA is Low with 0.29%.

Present 2020 Net NPA is 5.03%, very high compared to previous year.



	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Series1	5.03	1.86	0.64	0.81	0.29

MANAGEMENT QUALITY RATIOS

In CAMEL Analysis M means Management Quality. It means Examiners thirdly assess institutions capacity to handle the stress, Management ability to operate the institute safely, Management capability to point out, look after, Measure and control risks of the institution's daily activities are taken into consideration provide rating to the institutes. Below ratios can be used to analyze institutions Management quality.

1. Return on Equity

It explains the relation between Total liabilities and Shareholder equity. ROE greater than 15% is good.

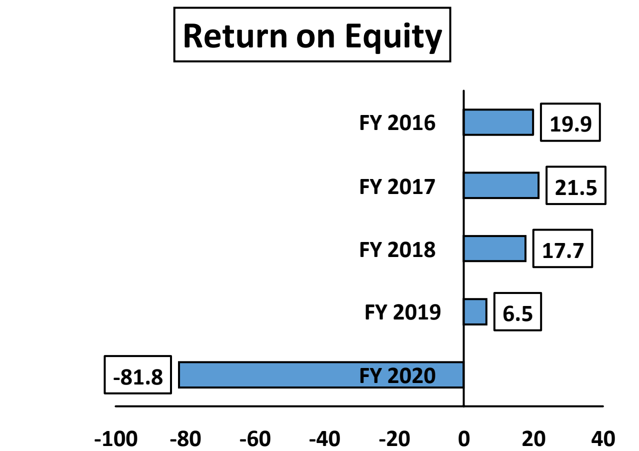
ROE = Net Income

Share-holders Equity

From 2016 to 20 Net NPA is 19.9%, 21.5%, 17.7%, 6.5%, -81.8%.

In 2017 ROE is High with21.5% and 2020 ROE is Low with -81.8%.

Present 2020 ROE is -81.8%, very Low compared to previous year.



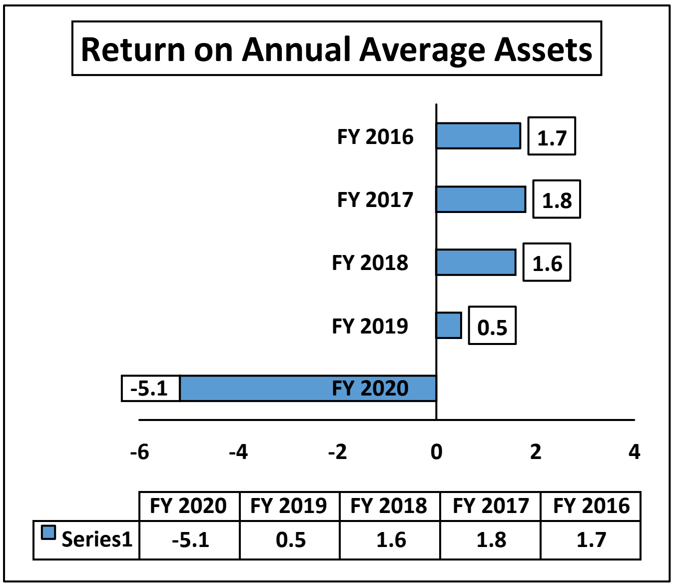
	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Series1	-81.8	6.5	17.7	21.5	19.9

ISSN: 2278-4632
Vol-11 Issue-01 2021

2. Return on Annual Average Assets

It explains the relation between Net profit and Total Assets. Return onAnnual Average Assets greater than 5% is good.

$$ROA = \frac{\text{Net Profit}}{\text{Total Assets}}$$



From 2016 to 20 Net NPA is 1.7%, 1.8%, 1.6%, 0.5%, -5.1 %.

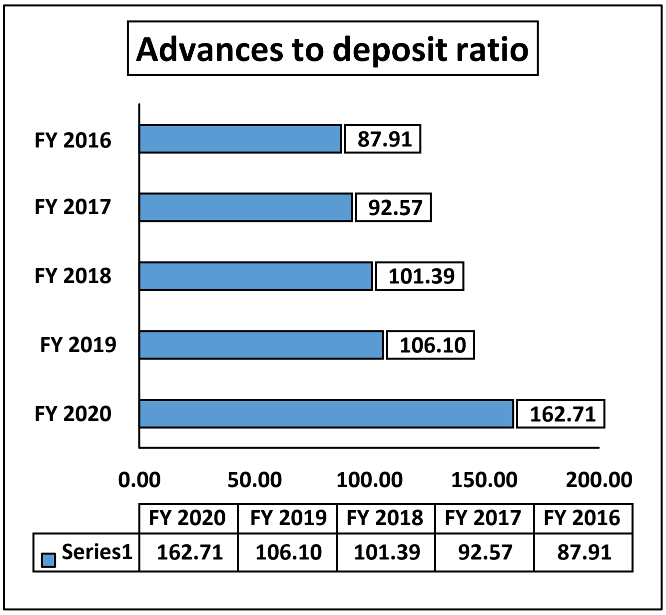
In 2017 ROA is High with 1.8% and 2020 ROA is Low with -5.1%.

Present 2020 ROA is -5.1%, very Low compared to previous year.

3. Advances to deposit ratio

It explains the relation between advances(loans) and deposits. This indicates how much percentage banks given loans to customers from its deposits. Good Advances to Deposits is 80 % to 90 %.

$$\text{Advances to Deposits} = \frac{\text{Advances}}{\text{Total Deposits}}$$



From 2016 to 20 Advances to Deposits is 87.91%, 92.57%, 101.39%, 106.10%, 162.71%.

In 2020 Advances to Deposits ratio is High with 162.71% and 2020 Advances to Deposits is Low with -5.1%.

Present 2020 Advancesto Deposits ratio is 162.71%, very high compared to previous years.

Earnings Ratios

ISSN: 2278-4632
Vol-11 Issue-01 2021

In CAMEL Analysis E means Earnings. It means Examiners fourthly assess institutions Earnings, Earnings growth, stability, Net margin, Net worth level are Examiners taken into consideration provide rating to the institutions. Below ratios can be used to analyze institutions Earnings.

1. Net profit margin

It explains the relation between Net income and Revenue. It indicates how much profit gain from revenue after deducting all expenses. Good NPM is greater than 20%, 10% is Average, 5% is Low.

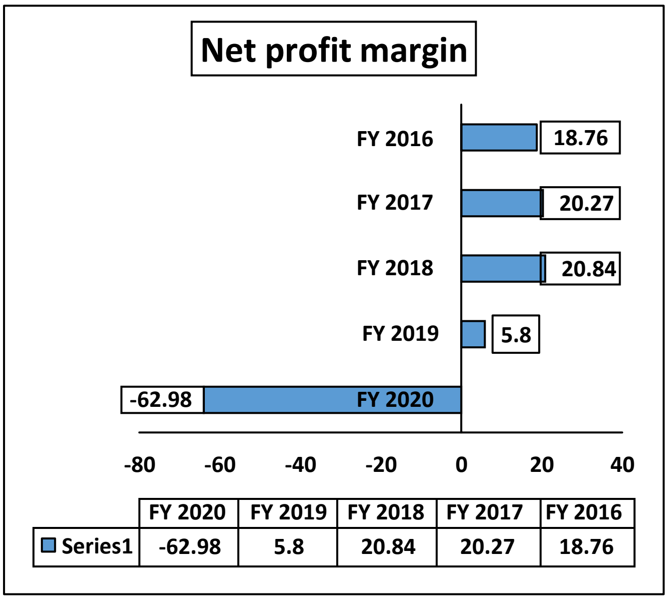
Net profit Margin = Net income / Revenue

$$\text{Net profit Margin} = \frac{\text{Net income}}{\text{Revenue}}$$

From 2016 to 20 Net profit margin is 18.76%, 20.27%, 20.84%, 5.8%, -62.98%.

In 2016 Net profit margin is High with 20.84% and 2020 Net profit margin is Low with -62.98%.

Present 2020 Net profit margin is -62.98%, very Low compared to previous years.



2. Net Interest Margin

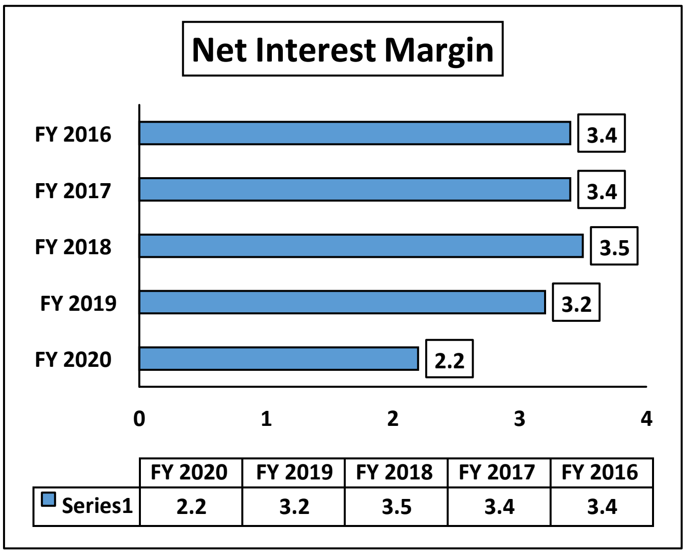
It explains the relation between Investment returns after interest expenses and Average assets earnings. Interests are major incomes of the bank so positive and high NIIM is good for institutions.

$$\text{NIM} = \frac{\text{Investment returns} - \text{interest expenses}}{\text{Average assets earnings}}$$

From 2016 to 20 Net profit margin is 3.4%, 3.4%, 3.5%, 3.2%, 2.2%.

In 2018 Net interest margin is High with 3.5% and 2020 Net profit margin is Low with 2.2%.

Present 2020 Net profit margin is 2.2%, very Low compared to previous years.



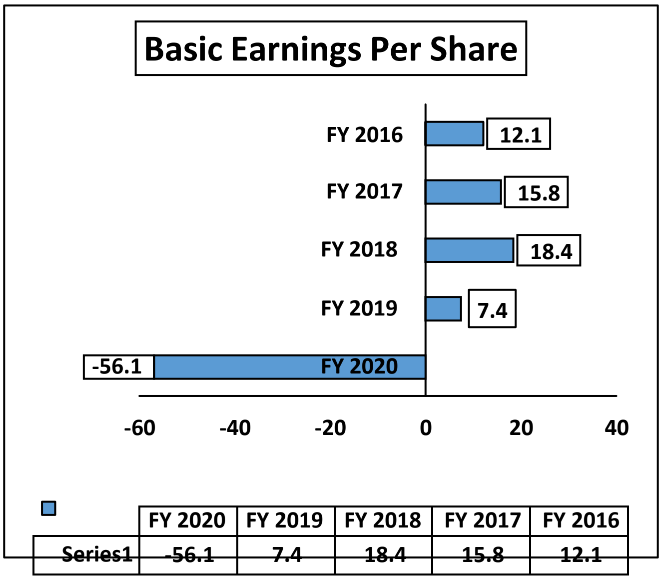
ISSN: 2278-4632
Vol-11 Issue-01 2021

3. Basic Earnings per Share

It indicates how much income earn per each share. It indicates thecompanies earning capacity of a company.

EPS = Net income — Preferred dividends

Weighted Average of common shares



From 2016 to 20 EPS is 12.1%, 15.8%, 18.4%, 7.4%, -56.1%.

In 2018 EPS is High with 18.4% and 2020 EPS is Low with -5.61%.

Present 2020 Net profit margin is -56.1%, very Low compared to previous years.

LIQUIDITY RATIOS

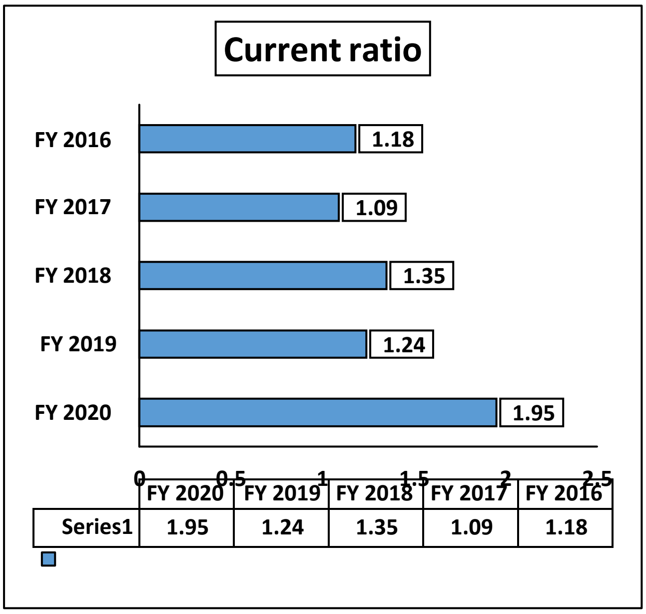
In CAMEL Analysis L means Liquidity. It means Examiners fifthly assess institutions Assets quality. It covers institutions liquidity position, Capacity of available assets converting into cash, Availability of short-term assets these all things taken into consider provide rating to the institutions. Below ratios can be used to analyze institutions

1. Current ratio

It explains the relation between Current Assets and Current Liabilities. It indicates the Bank liquidity position. Standard current ratio is 2:1.

Current Ratio = Current Assets

Current Liabilities



From 2016 to 20 Current ratio is 1.18, 1.09, 1.35, 1.24, 1.95.

In 2020 Current ratio is High with 1.95 and 2017 Current ratio is Low with 1.09

Present 2020 Current ratio is 1.95, very Low compared to previous years.

ISSN: 2278-4632
Vol-11 Issue-01 2021

2. Quick ratio

ISSN: 2278-4632
Vol-11 Issue-01 2021

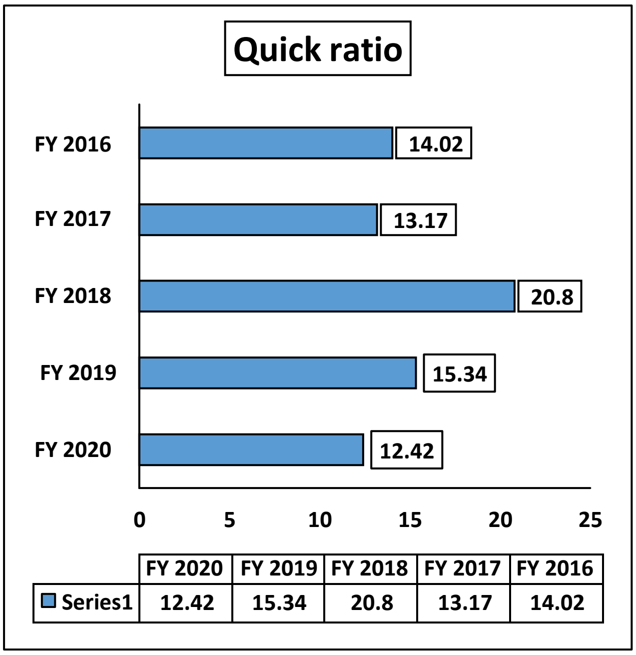
It explains the relation between Quick Assets and Current Liabilities. Quick assets are cash and cash equivalents, current receivables, short-term investments. Quick assets are more liquid than current assets these are easily convertible than current assets. This ratio is also called as Acid test ratio.

Quick Ratio= Cash and Cash equivalents +Current receivables +Short-term investment
----
Current Liabilities

From 2016 to 2020 Quick Ratio is 14.02%, 13.17%, 20.8%, 15.34%, 12.42%.

In 2018 Quick Ratio is High with 20.8% and 2020 Quick Ratio is Low with 12.42%.

Present 2020 Quick Ratio is 12.42%, very Low compared to previous years.



OTHER KEY INDICATORS

Here few other key indicators are used to analyzing the bank performance. Thoseindicators are explained in the following.

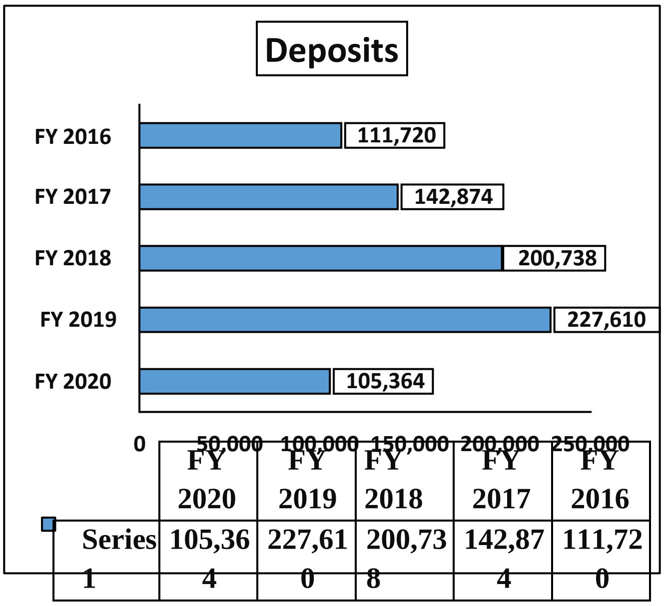
1. **Deposits**

   Deposits are key income source to the bank. Performance of deposits effectsbanks growth. Increasing of deposits is good indication to the bank.

From 2016 to 2020 Deposits is 111,720, 142,874, 200,738, 227,610, 105,364.

In 2018 Deposits is High with 227,610 and 2020 Deposits is Low with 105,364.

Present 2020 Deposits is 105,364, very Low compared to previous years.



ISSN: 2278-4632
Vol-11 Issue-01 2021

2. CASA Ratio

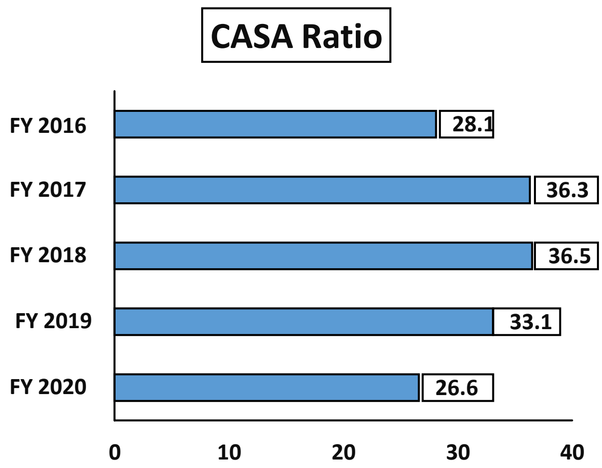
CASA means Current account and savings account. It explains the relation between Deposits of current account and savings account and total deposits. It is the cheapest way of deposits to bank.

CASA Ratio = Current Account And Savings Account / Total deposits

From 2016 to 2020 CASA Ratio is 28.1, 36.3, 36.5, 33.1, 26.6.

In 2018 CASA Ratio is High with 36.5 and 2020 CASA Ratiois Low with 26.6.

Present 2020 CASA Ratio is 26.6, very Low compared to previous years.



	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Series1	26.6	33.1	36.5	36.3	28.1

3. Net Interest Income

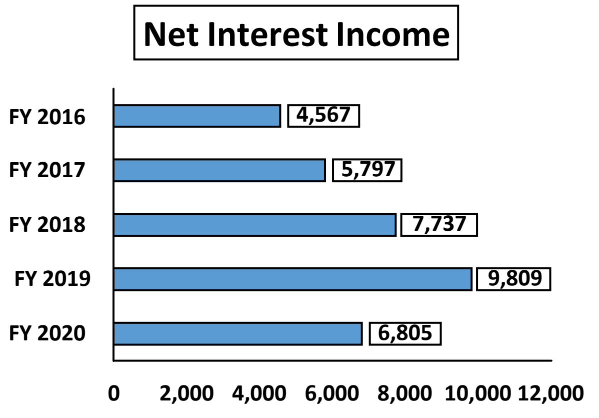
Interest is one of the major revenues to the bank. Interest payments deducted from interest income from deposits is called Net interest income. Below graph indicates how much interest coming after deducting interest payments. Increasing of NII is good indicator to the bank.

NII = Interest Income from Deposits − Interest payments

From 2016 to 2020 NII is 4,567, 5,797, 7,737, 9,809, 6,805.

In 2019 NII is High with 9,809 and 2020 NII is Low with 4,567.

Present 2020 NII is 4,567, very Low compared to previous years.



	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Series1	6,805	9,809	7,737	5,797	4,567

ISSN: 2278-4632
Vol-11 Issue-01 2021

4. Cost to Income Ratio

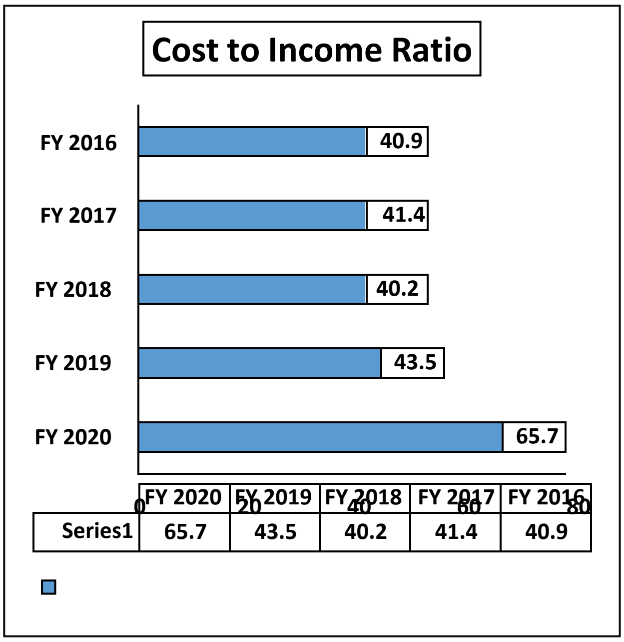
It explains the relation between operating Cost (not bad debts that are written off) and operating Income. This ratio indicates how much banks are efficiently running.

$$\text{Cost to Income Ratio} = \frac{\text{operating Cost}}{\text{Operating Income}}$$

From 2016 to 2020 Cost to Income Ratio is 40.9%, 41.4%, 40.2%, 43.5%, 65.7%.

In 2020 Cost to IncomeRatio is High with 65.7% and 2016 Cost to Income Ratio is Low with 40.9%.

Present 2020 Cost to Income Ratio is 65.7%, very high compared to previous years.



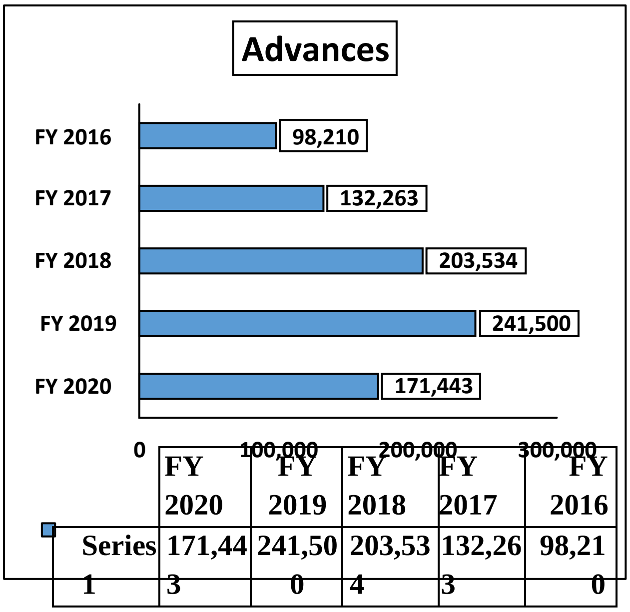
5. Advances

Advances is also called loans. Below graph indicates the bank Loans growth rate. Loans are major incomes to the bank. Increasing of loans is a good indicator to the bank.

From 2016 to 2020 Advances is 98,210, 132,263, 203,534, 241,500, 171,443.

In 2018 Advances is High with 203,534 and 2016 Advances is Low with 98,210.

Present 2020 Advances is 171,443, very Low compared to previous 2 years.



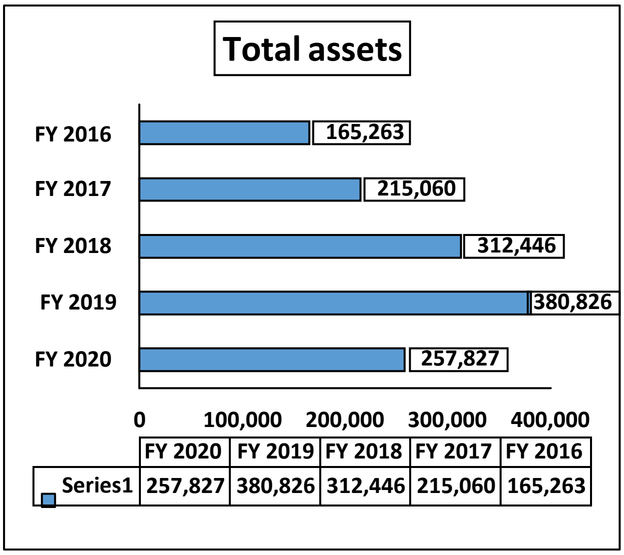
6. Total assets

Loans, Securities, reserves are the assets of the bank. Assets growth rate is important for developing bank. Below graph indicates the Assets growth rate.

From 2016 to 2020 Total Assets is 165,263, 215,060, 312,446, 380,826, 257,827.

In 2019 Total Assets is High with 380,826 and 2016 Total Assets is Low with 165,263.

Present 2020 Total Assets is 257,827, very Low compared to previous 2 years.



7. Net Profit

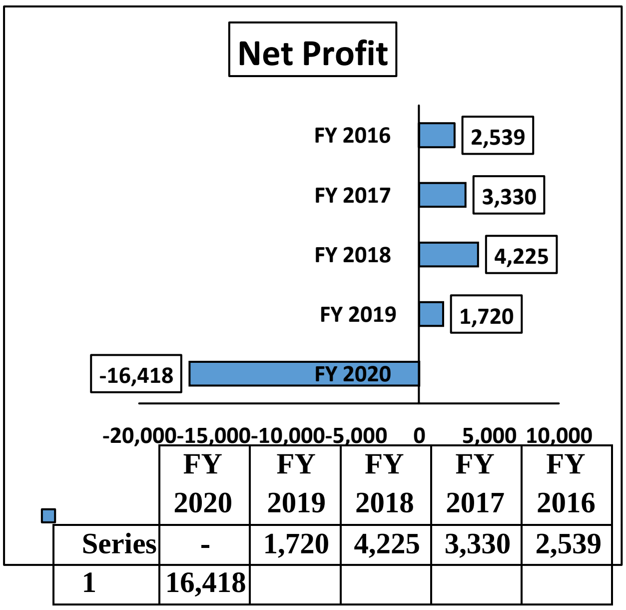
Net profit indicates Banks soundness. Net profit growth rate is important forbank development.

Continues increasing net profit means financial soundness of the bank isgood. Below graph indicates Net Profit growth rate.

From 2016 to 2020 Net profit is 2,539, 3,330, 4,225, 1,720, -16418.

In 2018 Net profit is High with 4,225 and 2020 Net profit is Low with -16,418.

Present 2020 Net profit is -16,418, very Low compared to previous years.



ISSN: 2278-4632
Vol-11 Issue-01 2021

FINDINGS

1. Capital Adequacy of YES bank during this study is good in first 4 years butlast year it is bad. It can be explained in the following
   - Capital adequacy ratio is good increasing first 3 years later it isdecreasing but in 2020 it is bad, decreasing drastically.
   - Debt to Equity ratio is fluctuating but overall performance during thestudy period is good.
   - Advances to assets is increasing except 2019. Excessive increasing thisratio causes liquidity problems.
2. Asset quality of YES bank during this study is good in first 3 years but in 2last years it is bad. It can be explained in the following.
   - Both Gross NPA and Net NPA is fluctuating first 3 years but in good position. Last 2 years Gross NPA is bad increasing drastically. It leads to decrease the asset quality of the bank.
3. Management quality of YES bank during this study is decreasing trend butin last year it is bad. It can be explained in the following.
   - Both ROAA and ROE are bad, decreasing throughout the study period.But in 2020 it decreased drastically.
   - Advance to deposit is increasing continuously than the standard during the study period.
4. Earnings of YES bank during the study period is decreasing trend but in last year it is bad. It can be explained in the following.
   - Net profit margin is decreasing trend during the study period except 2018 but in 2020 it decreased drastically gone to losses stage. Decreasing Net profit margin is bad indication to the bank.
   - Net interest margin first two years constant, next year little bit increased but last two years it is in decreasing trend. Decreasing Net interest margin is bad indication to the bank.
   - Basic earnings per share is decreasing trend during the study period except 2018 but in 2020 it decreased drastically gone to losses stage. Decreasing Basic earnings per share is bad indication to the bank.
5. Liquidity of YES bank during this study period is satisfactory. It can be explained in the following.
   - Current ratio is fluctuating but in 2020 it is increasing but did not reach the standard liquidity position.
   - Quick ratio is decreasing trend during the study period except 2018. Satisfactory during the study period.
6. Other key indicators performance can be explained in the following.
   - Deposits are increasing first 4 years but in 2020 it is drastically decreasing. Decreasing deposits is bad indicator to bank.
   - CASA is increasing first 2 years later it is decreasing. Decreasing deposits is bad indicator to the bank.
   - Net Interest Income is increasing first 4 years but in 2020 it is in decreasing trend. Decreasing Net Interest Income is bad indicator to the bank.

- Cost to income ratio is fluctuating first 4 years but in 2020 it increased drastically. Increasing Net Interest Income is bad indicator to the bank.

- Advances is increasing first 4 years but in 2020 it is in decreasing trend. Decreasing Advances is bad indicator to the bank.
- Total assets are increasing first 4 years but in 2020 it is in decreasing trend. Decreasing total assets is bad indicator to the bank.
- Net profit first three years increasing, last two years it is in decreasing trend but in 2020 it decreased drastically gone to losses stage. Decreasing Net profit is bad indicator to the bank.

SUGGESTIONS

1. YES bank, need to improve capital adequacy.
   - Capital adequacy ratio need to improve more otherwise banks will facecapital problems.
   - Debt equity ratio is good and Advances to assets ratio is very high needto maintain optimum manner.
2. YES bank, need to focus more on Asset quality.
   - Both Gross NPA and Net NPA are drastically increasing, need to control NPV's.
3. YES bank, need to focus more on Management quality.
   - Both ROAA and ROE are decreasing it leads to losses, need to improve both.
   - Advances to deposits increasing gradually more than limit, need to control. Loans are increased more bank do not have money available for unexpected contingencies.
4. YES bank, need to focus more on earnings.
   - Net profit Margin is worst. It is in losses, need to improve.
   - Net Interest Margin need to improve. It is decreasing from last 2 years.
   - Basic Earnings Per Share is worst need to improve.
5. YES bank, Liquidity position is needs to improve little bit. Because both current and quick ratios are average.
6. Deposits, CASA, Net Interest Income, Cost to income ratio, Advances, Total assets, Net profit all these indicators decreased drastically in 2020 compared to previous years need to improve these key indicators otherwise bank will go to bankruptcy.

CONCLUSION

In private banking sector top performing banks has YES bank is one of the major one. This study conducted research on YES bank performance analysis during the period from 2016 – 2020. It is found that CAMEL components are Capital adequacy, Asset quality, Management quality, Earnings, Liquidity, and other key indicators are performed very well in first 3 years but in last 2 years performing indownward trend. In 2021 performance of YES bank is rapidly decreased also gone near to bankruptcy. This study reveals reasons behind YES bank failure on 2020is NPA and Advances are drastically increased, Net Interest Income and Net Interest Margin are drastically decreasing that affect impacts on all key indicator's performance bank gone to losses.

ISSN: 2278-4632
Vol-11 Issue-01 2021

REFERENCES

1. P. Rajendran and B. Sudha. 2019. A study on financial analysis and performance of HDFC Bank. Studia Rosenthaliana (Journal for the Study of Research), ISSN NO: 0039-3347.

2. C. Balakrishnan. 2019. A STUDY ON FINANCIAL PERFORMANCE OF ICICI BANK. CIKITUSI JOURNAL FOR MULTIDISCIPLINARY RESEARCH, ISSN NO: 0975-6876.

3. P. Rajendran and B. Sudha. 2019. A Study on Financial Analysis and Performance of Kotak Mahindra Bank, Universal Review, ISSN NO: 2277-2723.

4. N. Narayan and K.P. Veena. 2018. A STUDY ON FINANCIAL PERFORMANCE OF STATE BANK OF INDIA, INTERNATIONAL JOURNAL OF CURRENT RESEARCH,ISSN: 0975-833X.

5. Veena K.P and Pragathi K.M. 2018. A Comparative Study of Financial Performance of Canara Bank and Union Bank of India, IJEMR, Vol 8 Issue 06 – Online, ISSN 2249–2585 Print - ISSN 2249-8672.

6. Dinesh Gabba. 2014. Analysis of Profitability and Efficiency: A Comparison of HDFC and ICICI. PARIPEX - INDIAN JOURNAL OF RESEARCH, ISSN - 2250-1991.

7. Deepak Kumar Adhana and Neelam Gulati. 2019. Financial Performance Analysis: A Comparative Study of AXIS Bank and ICICI Bank, Journal of Information and Computational Science, ISSN: 1548-7741

8. Gagandeep Sharma and Divya Sharma. 2017. Comparison and Analysis of Profitability of Top Three Indian Private Sector Banks, International Journal of Engineering Technology Science and Research IJETSR, ISSN 2394 – 3386 Volume 4, Issue 6 June 2017

9. Anshuja Tiwari and Rakhi Tiwari. 2019. Financial Performance Analysis- A Comparative Study of Bank of Baroda and Axis Bank, International Journal of Advanced Scientific Research and Management, Volume 4 Issue 6, June 2019, ISSN 2455-6378

10. V.V. Narsi Reddy, P.V.N. Nataraj and A. Adi Sesha Reddy. 2020. Financial Performance Analysis - A Case study with special Reference to ICICI bank, International Journal of Innovation and Technology Management.

11. YES BANK.COM

12. Money. rediff. com