



# ANALYSING THE FINANCIAL PERFORMANCE AND SUSTAINABILITY OF INDUSTRIAL DEVELOPMENT BANK OF INDIA

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**Abstract:** The Industrial Development Bank of India (IDBI) is a public sector bank in India, primarily engaged in providing banking and financial services to industrial and corporate clients. This research evaluates the financial performance and sustainability of IDBI by analyzing the financial statements from the past five years, spanning from 2020 to 2024. The bank's income has increased over this period, and it has maintained a strong profitability position. The research focuses on assessing IDBI Bank's profitability to determine its financial situation, measuring its liquidity position, and analyzing its solvency. This provides a clear insight into the bank's financial journey. The study offers a comprehensive assessment of the financial health of IDBI.

**Key Words:** IDBI, Financial Analysis, Comparative Financial Statements, Ratio Analysis and, Common Size Statements

## Introduction

Reviewing a bank's financial records is crucial for understanding its financial well-being. It aids investors, lenders, and managers in making informed decisions. This analysis reveals trends, facilitates comparison with industry peers, and identifies potential risks. Regular scrutiny ensures compliance with regulations, fosters transparency, and nurtures trust among stakeholders. Furthermore, it pinpoints areas for operational enhancement, leading to increased profitability.

IDBI, founded in 1964, has emerged as a key player in India's financial sector. Originally focused on funding industrial projects, IDBI has expanded its services to become a universal bank. In 2019, IDBI Bank became a subsidiary of the Life Insurance Corporation of India (LIC), further solidifying its position in the industry. With a widespread network of branches, IDBI caters to diverse clientele, including retail customers, corporates, and SMEs. Renowned for its innovative solutions and customer-centric approach, IDBI continues to contribute significantly to the growth and development of India's banking sector.

Examining IDBI's financial statements is essential for stakeholders such as investors, creditors, and regulators to gain valuable insights for decision-making. These documents shed light on IDBI's profitability, liquidity, solvency, and operational effectiveness. Over time, tracking financial metrics unveils patterns and unveils both strengths and weaknesses. Moreover, this scrutiny ensures adherence to regulatory requirements and evaluates the efficacy of IDBI's risk management strategies. Ultimately, delving into IDBI's financial statements provides a holistic view of its financial status and operational performance, enabling stakeholders to make informed decisions confidently.

## Review of literature

V. Jain (2019) this article examines how NPAs affect the profitability and overall financial health of public and private sector banks in India. It highlights that public sector banks like PNB and SBI have higher NPAs compared to private banks, impacting their profitability. K. Suresh Babu and N. Ravichandran (2019) This study compares financial metrics such as net profit margin, return on assets (ROA), and capital adequacy ratio (CAR) of selected public (SBI, PNB) and private sector banks (HDFC, ICICI). Findings reveal that private sector banks generally outperform public sector banks in profitability and efficiency. M. Patel (2020) Uses DuPont analysis to decompose the ROE of public and private sector banks, including SBI, PNB, and HDFC. The study finds that private banks achieve higher ROE through better asset utilization and profit margins. T. Narayana (2020) compares the financial performance of public sector banks like SBI, PNB, and BOB. The study uses financial ratios and finds that while SBI leads in overall performance, PNB and BOB also show strong financial metrics in certain areas. R. Mehra (2020) analyzes the financial statements of SBI and HDFC Bank over five years, using ratios like ROE, net interest margin, and non-performing assets (NPA). The study concludes that HDFC Bank shows better performance in asset quality and profitability. A. Kumar (2021) focuses on the financial performance of Bank of Baroda, highlighting key financial ratios and metrics. The study finds that while the bank has shown improvement in certain areas, it faces challenges related to high NPAs and lower profitability compared to its private counterparts. S. Ghosh (2021) Focuses on the financial performance of RRBs compared to major public sector banks. The study finds that while RRBs have improved in terms of outreach and financial inclusion, they lag behind in profitability and efficiency metrics. S. Reddy (2022) utilizes the CAMEL model to assess the financial health of various public and private sector banks, including SBI, PNB, and ICICI. The study indicates that private banks tend to have better capital adequacy and asset quality than public sector banks. P. Sharma (2023) examines the performance of major Indian banks using soundness indicators such as capital adequacy, asset quality, management efficiency, earnings quality, and liquidity (CAMEL). The study shows that private sector banks generally outperform public sector banks in most metrics.

## Research Gap

While substantial research has been conducted on financial statement analysis and financial performance evaluation, there's a noticeable gap in empirical studies specifically addressing the Industrial Development Bank of India, indicating limited exploration of this particular topic despite extensive analysis of other banks and financial institutions.

## Objectives of the study

- ❖ To assess the profitability of Industrial Development Bank of India.
- ❖ To determine the financial position of IDBI.
- ❖ To measure the liquidity position and analyze the solvency of Industrial Development Bank of India.

## Research Methodology

For this study, an exploratory research design has been adopted. Exploratory research is one which largely interprets, and already available information and it analyze particular emphasis on analysis and interpretation of the existing and available information.

**Sample:** The sample for the study was consists of Industrial Development Bank of India only, IDBI represents a government-owned financial service bank, formerly known as Industrial Development Bank of India. While it operates like a private sector bank, it's classified as a public sector bank due to majority ownership by the government. The sample was chosen through the convenience sampling method.

**Source of data:** Research is based on secondary data. Data has been collected through annual reports of IDBI, websites, and other information gathered from various online sources. This study is based on IDBI balance sheet, profit, and loss account etc.

**Period for the study:** The data consist of IDBI five consecutive years 2020 and 2024 annual financial statements. The analysis is based on liquidity, profitability, solvency ratio which are calculated with the help of data from financial statements of the Industrial Development Bank of India. The methodology followed here is the financial data is compared over a consecutive reporting period of 5 years.

**Tool used for analysis:** The study used comparative financial statements, Ratio analysis and common size statements. The results are presented using tables and graphs along with their interpretations.

## RESULTS AND DISSCUSSIONS

### Financial Performance Analysis

#### Consolidated comparative balance sheet of IDBI bank from 2020 to 2024

Table -01

Rs in Crores

BALANCE SHEET OF IDBI BANK (in Rs. Cr.)	MAR 24	MAR 23	MAR 22	MAR 21	MAR 20
<b>EQUITIES AND LIABILITIES</b>					
<b>SHAREHOLDER'S FUNDS</b>					
Equity Share Capital	10,752.40	10,752.40	10,752.40	10,752.40	10,380.59
<b>TOTAL SHARE CAPITAL</b>	<b>10,752.40</b>	<b>10,752.40</b>	<b>10,752.40</b>	<b>10,752.40</b>	<b>10,380.59</b>
Revaluation Reserve	0.00	8,200.98	8,467.76	6,281.45	6,503.37
Reserves and Surplus	10,752.40	10,752.40	10,752.40	10,752.40	10,380.59
<b>TOTAL RESERVES AND SURPLUS</b>	<b>40,320.66</b>	<b>35,566.84</b>	<b>31,819.31</b>	<b>26,875.64</b>	<b>24,455.13</b>
<b>TOTAL SHAREHOLDERS FUNDS</b>	<b>40,320.66</b>	<b>27,365.87</b>	<b>23,351.54</b>	<b>20,594.19</b>	<b>17,951.76</b>
Minority Interest	0.00	138.48	128.19	112.98	103.58
Borrowings	17,082.70	12,637.75	14,344.98	15,908.05	36,748.86

Other Liabilities and Provision	18,750.23	17,080.07	12,461.80	14,296.96	14,296.96
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>364,271.50</b>	<b>331,497.71</b>	<b>302,356.26</b>	<b>298,652.84</b>	<b>300,713.33</b>
<b>ASSETS</b>					
Cash and Balances with Reserve Bank of India	13,991.00	16,639.28	10,752.40	13,013.13	10,539.17
Balances with Banks Money at Call and Short Notice	12,018.48	12,712.67	10,752.40	22,294.99	19,955.79
Investments	115,718.60	100,408.68	8,467.76	81,470.88	81,995.83
Advances	188,575.62	162,545.85	10,752.40	128,152.39	129,845.38
Fixed Assets	9,542.30	9,780.40	31,819.31	7,872.73	8,206.76
Other Assets	24,425.50	29,410.83	36,318.42	45,848.71	50,170.40
<b>TOTAL ASSETS</b>	<b>364,271.50</b>	<b>331,497.71</b>	<b>302,356.26</b>	<b>298,652.84</b>	<b>300,713.33</b>
<b>CONTINGENT LIABILITIES, COMMITMENTS</b>					
Bills for Collection	0.00	11,310.73	10,706.96	9,648.34	9,870.73
Contingent Liabilities	0.00	176,929.13	332,226.71	220,742.82	117,160.22

**Consolidated profit and loss account of IDBI From 2020 to2024**

**TABLE -02**

Rs in Crores

<b>PARTICULARS</b>	<b>MAR 24</b>	<b>MAR 23</b>	<b>MAR 22</b>	<b>MAR 21</b>	<b>MAR 20</b>
<b>INCOME</b>					
Interest/Discount on advances/Bills	17,967.81	13,336.16	12,031.98	11,821.17	13,101.51
Income from Investments	7,755.06	5,958.67	4,631.39	5,160.90	5,788.12
Interest on Balance with RBI and Other Inter-Bank funds	334.88	565.79	673.08	648.74	454.00
Others	387.91	730.91	982.74	2,324.71	1,510.59
Total Interest Earned	26,445.66	20,591.53	18,319.18	19,955.52	20,854.22
Other Income	3,924.76	4,575.38	4,919.23	4,848.11	4,631.23
Total Income	30,370.42	25,166.90	23,238.41	24,803.63	25,485.44
<b>EXPENDITURE</b>					
Interest Expended	12,226.36	9,130.45	9,124.93	11,407.51	13,841.12

Payments to and Provisions for Employees	4,438.24	3,691.39	3,261.49	3,223.47	3,363.71
Depreciation	0.00	499.21	417.26	396.85	394.38
Depreciation on leased assets	0.00	0.00	0.00	0.00	0.00
Operating Expenses (excludes Employee Cost & Depreciation)	0.00	3,041.96	2,824.31	396.85	2,689.08
<b>Total operating expenses</b>	<b>3,932.15</b>	<b>7,232.57</b>	<b>6,503.06</b>	<b>6,175.99</b>	<b>6,447.17</b>
Provision Towards Income Tax	8,370.39	0.00	0.00	0.00	0.00
Provision Towards Deferred Tax	2,604.05	0.00	0.00	0.00	0.00
Other Provisions and Contingencies	0.00	5,117.05	5,092.67	5,771.46	18,044.56
<b>TOTAL PROVISIONS AND CONTINGENCIES</b>	<b>1,406.21</b>	<b>5,117.05</b>	<b>5,092.67</b>	<b>5,771.46</b>	<b>18,044.56</b>
<b>TOTAL EXPENDITURE</b>	<b>4,010.26</b>	<b>21,480.06</b>	<b>20,720.67</b>	<b>23,354.96</b>	<b>38,332.85</b>
NET PROFIT / LOSS FOR THE YEAR	24,607.01	3,686.84	2,517.74	1,448.67	-12,847.40
NET PROFIT / LOSS AFTER EI & PRIOR YEAR ITEMS	5,763.41	3,686.84	2,517.74	1,448.67	-12,847.40
Minority Interest	-25.99	-21.91	-23.40	-18.16	-15.94
Share Of Profit/Loss of Associates	50.69	41.13	39.33	83.46	28.10
CONSOLIDATED PROFIT/LOSS AFTER MI AND ASSOCIATES	5,788.11	3,706.06	2,533.67	1,513.97	-12,835.24
Profit / Loss Brought Forward	0.00	-43,395.80	-45,159.42	-45,409.99	-32,371.67
<b>TOTAL PROFIT / LOSS AVAILABLE FOR APPROPRIATIONS</b>	<b>0.00</b>	<b>-39,689.74</b>	<b>-42,625.75</b>	<b>-43,896.02</b>	<b>-45,206.91</b>
<b>APPROPRIATIONS</b>					
Transfer To / From Statutory Reserve	0.00	911.27	609.82	339.87	0.00
Transfer To / From Revenue And Other Reserves	0.00	-45,396.18	0.00	0.00	0.00
Equity Share Dividend	0.00	0.00	0.00	0.00	0.00
Tax On Dividend	0.00	0.00	0.00	0.00	13.65
Balance Carried Over To Balance Sheet	0.00	4,577.92	-43,395.80	-45,067.69	-45,409.99

<b>TOTAL APPROPRIATIONS</b>	<b>0.00</b>	<b>-39,689.74</b>	<b>-42,625.75</b>	<b>-43,896.02</b>	<b>-45,206.91</b>
<b>OTHER ADDITIONAL INFORMATION</b>					
<b>EARNINGS PER SHARE</b>					
Basic EPS (Rs.)	5.00	3.00	2.00	1.00	-12.00
Diluted EPS (Rs.)	5.00	3.00	2.00	1.00	-12.00

## Statement Analysis

## Comparative Balance Sheet of IDBI from 2020 to 2024

Table-03

Rs in Crores

Particulars	2020-21		2021-22		2022-23		2023-24	
	Absolute change	% of Absolute change	Absolute change	% of Absolute change	Absolute change	% of Absolute change	Absolute change	% of Absolute change
<b>EQUITIES AND LIABILITIES</b>								
<b>SHAREHOLDER'S FUNDS</b>								
Equity Share Capital	371.81	3.581	0	0	0	0	0	0
<b>TOTAL SHARE CAPITAL</b>	<b>371.81</b>	<b>3.581</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Revaluation reserve	-221.92	-3.41	2186.31	34.80	-266.78	-3.15	-8200.98	-100
Reserve and surplus	371.81	3.48	0	0	0	0	0	0
Total reserve and surplus	2420.51	9.89	4943.67	18.39	3747.53	10.53	4753.82	13.36
Total shareholders funds	2642.43	14.71	2757.35	13.38	4014.33	17.19	12954.79	47.33
Minority Interest	9.4	9.0	15.21	13.46	10.29	8.02	-138.48	-100
Deposits	8492.96	3.82	2142.78	0.92	22472.57	9.65	22043.35	8.63
Borrowings	-20840.89	-56.71	-1563.07	-9.8	-1707.23	-11.90	4444.95	35.17

Other liabilities and provision	0	0	-1835.16	-12.83	4618.27	37.05	1670.16	9.77
<b>Total Capital and liability</b>	<b>-2060.49</b>	<b>-0.68</b>	<b>3703.42</b>	<b>1.24</b>	<b>29141.15</b>	<b>9.63</b>	<b>32773.79</b>	<b>9.88</b>
<b>ASSETS</b>								
Cash and Balances with Reserve Bank Of India	2473.96	23.47	-2260.73	-17.37	5884.88	54.73	-2648.28	-15.91
Balances with Bank money of call and short notice	2339.2	11.72	-11542.5	-51.77	1960.27	18.23	-694.19	-5.4
Investments	-524.95	-0.64	-73003.1	-89.60	91940.92	1085.77	15309.92	15.24
Advances	-1692.99	-1.30	-117400	-91.60	151793.4	1411.71	1726029.77	1061.87
Fixed assets	-334.03	-8110.10	23946.58	7468.55	-22038.9	-69.26	-238.1	-2.43
Other asset	-4321.69	-8.61	-9530.29	-20.78	-6907.59	-19.01	-4985.33	-16.95
<b>TOTAL ASSETS</b>	<b>-2060.1</b>	<b>-0.68</b>	<b>3703.42</b>	<b>298551.5</b>	<b>29141.45</b>	<b>0.09</b>	<b>32773.79</b>	<b>331387.74</b>
<b>CONTINGENT LIABILITIES, COMMITMENTS</b>								
Bills for collections	-222.39	-2.25	1058.62	10.972	603.77	10601.32	-11310.73	-100
Contingent Liabilities	103582.6	88.411	111483.8	50.50	-155297.5	-46.74	-176929.1	-100

### Interpretation:

1. The bank's total capital for 2020-21 was -0.68%, and for the year 2021-22, it increased to 298551.59%. But in the year 2022-23 it decreased to 0.09% and in the current year 2023-24 it increased to 331387.74%, this shows that the bank has a good amount of capital, and the liabilities of the bank are also stabilized.

2. The bank's total assets for the year 2020-21 were -0.68%, i.e., -2060.49, and for the year 2021-22, it increased to 298551.59%, i.e. 3703.42, But in the year 2022-23, it reduced to 0.09%, i.e., 29141.45 and in the current year 2023-24, it increased to 331387.74%, i.e., 32773.79, this shows that the bank has maintained its assets as well as its liabilities.

## Comparative Profit and loss account of IDBI bank from 2020 to 2024

TABLE- 04

Rs in Crores

Particulars	2020-21		2021-22		2022-23		2023-24	
	Absolute change	% of Absolute change	Absolute change	% of Absolute change	Absolute change	% of Absolute change	Absolute change	% of Absolute change
<b>INCOME</b>								
Interest/Discount on advances /Bills	-1280.34	-9.772	210.81	1.78	1304.18	10.839	4631.65	34.73
Income from Investments	-627.22	-10.83	-529.51	-10.26	1327.28	28.65	1796.39	30.14
Interest on Balance with RBI and Other Inter-Bank funds	194.74	42.89	24.34	3.75	-107.29	-15.94	-230.91	-40.81
Others	814.12	53.89	-1341.97	-57.72	-251.83	-25.62	-343	-46.92
Total Interest Earned	-898.7	-4.30	-1636.34	-8.19	2272.35	12.40	5854.13	28.42
Other Income	216.88	4.68	71.12	1.46	-343.85	-6.98	-650.62	-14.22
<b>Total Income</b>	<b>-681.81</b>	<b>-2.67</b>	<b>-1565.22</b>	<b>-6.31</b>	<b>1928.49</b>	<b>8.29</b>	<b>5203.52</b>	<b>20.67</b>
<b>EXPENDITURE</b>								
Interest Expended	-2433.61	-17.58	-2282.58	-20.00	5.52	0.06	3095.91	33.90
Payments to and Provisions for Employees	-140.24	-4.16	38.02	1.17	429.9	13.18	746.85	20.23
Depreciation	-2.47	-0.6	20.41	5.14	81.95	19.64	-499.21	-100
Depreciation on Leased Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses (excludes Employee Cost & Depreciation)	-2292.23	-85.24	2427.46	611.68	217.65	7.70	-3041.96	-100
<b>Total operating expenses</b>	<b>-271.18</b>	<b>-4.20</b>	<b>327.07</b>	<b>5.29</b>	<b>729.51</b>	<b>11.21</b>	<b>1137.82</b>	<b>15.73</b>
Provision Towards Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	-2604.05	-100
Provision Towards Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Provisions	-1227.31	-68.01	-678.79	-11.76	24.38	0.47	-3710.84	-72.51

and Contingencies								
TOTAL PROVISIONS AND CONTINGENCIES	-1227.31	-68.01	-678.79	-11.76	24.38	0.47	-1106.79	-21.62
<b>TOTAL EXPENDITURE</b>	<b>-14977.8</b>	<b>-39.07</b>	<b>-2634.29</b>	<b>-11.27</b>	<b>759.39</b>	<b>3.66</b>	<b>3126.95</b>	<b>14.55</b>
NET PROFIT / LOSS FOR THE YEAR	-11398.7	-88.72	1069.07	73.79	1169.1	46.43	2076.57	56.32
NET PROFIT / LOSS AFTER EI & PRIOR YEAR ITEMS	-11398.7	-88.72	1069.07	73.79	1169.1	46.43	2076.57	56.32
MINORITY INTEREST	2.22	13.92	5.24	28.8	-1.49	-6.36	4.08	18.62
Share Of Profit/Loss of Associates	55.36	197.0	-44.1	-52.8	1.8	4.5	9.56	23.2
CONSOLIDATED PROFIT/LOSS AFTER MI AND ASSOCIATES	-11321.2	-88.2	1019.7	67.35	1172.3	46.2	2082.05	56.1
Profit / Loss Brought Forward	13038.32	40.27	250.57	0.55	1763.62	3.90	-43395.8	-100
TOTAL PROFIT / LOSS AVAILABLE FOR APPROPRIATIONS	-1310.89	-2.89	-1270.27	-2.89	-2936.01	-6.88	-39689.7	-100
<b>APPROPRIATIONS</b>								
Transfer To / From Statutory Reserve	339.87	-	269.95	79.42	301.45	49.43	911.27	100
Transfer To / From Revenue And Other Reserves	0	0	0	0	-45396.1	0	-45396.1	-100
Dividend and Dividend Tax for The Previous Year	0	0	0	0	0	0	0	0
Equity Share Dividend	0	0	0	0	0	0	0	0
Tax On Dividend	-13.65	-100	0	0	0	0	0	0
Balance Carried	-342.3	-0.75	43350.12	96.18	-38817.8	-89.45	-4577.92	-100

Over To Balance Sheet								
<b>TOTAL APPROPRIATIONS</b>	<b>-1310.89</b>	<b>-2.899</b>	<b>-1270.27</b>	<b>-2.89</b>	<b>-2936.01</b>	<b>-6.88</b>	<b>-39689.7</b>	<b>-100</b>
<b>OTHER ADDITIONAL INFORMATION</b>								
<b>EARNINGS PER SHARE</b>								
Basic EPS (Rs.)	-11	-91.66	1	100	1	100	2	100
Diluted EPS (Rs.)	-11	-91.66	1	100	1	100	2	100

## Interpretation

1. The bank's total income for 2020-21 was -2.07 %, i.e., -681.81, and 2021-22 was -6.31%, i.e.,-1565.22. In the year 2022-23, it increased to 8.29%, i.e., 1928.49, and the following year, 2023-24, it comes up to 20.67%, i.e., 5203.52, means that the income was increasing for the banks in the year 2023-24.

2. The bank's total expenses for the year 2020-21 were -39.07%, i.e.,-1497.77, but in 2021-22, the expenses of the bank were reduced to -11.27%, i.e., -2634.29. For the year 2022-23, the bank's expenses again came up to 3.66%, i.e.,759.39, and in the year 2023-24, the expenses declined to-81.33%, i.e.,-17469.8, which means the expenses of the bank were decreased then increased and currently reduced.

## Ratio Analysis

### 1. Current Ratios

Year	2020	2021	2022	2023	2024
<b>Current Ratios</b>	<b>0.86</b>	<b>0.86</b>	<b>0.89</b>	<b>0.90</b>	<b>0.94</b>

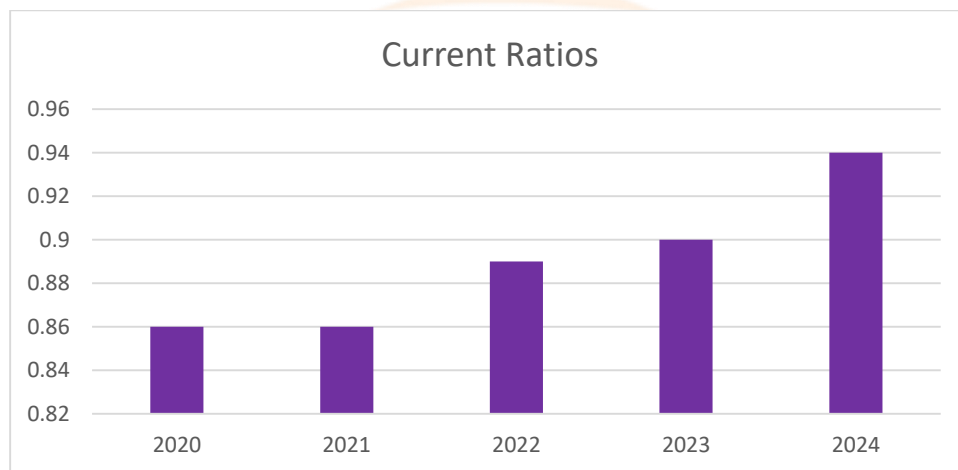


Figure 1

## 2. Quick Ratios

Year	2020	2021	2022	2023	2024
Quick Ratios	0.13	0.15	0.11	0.11	0.09

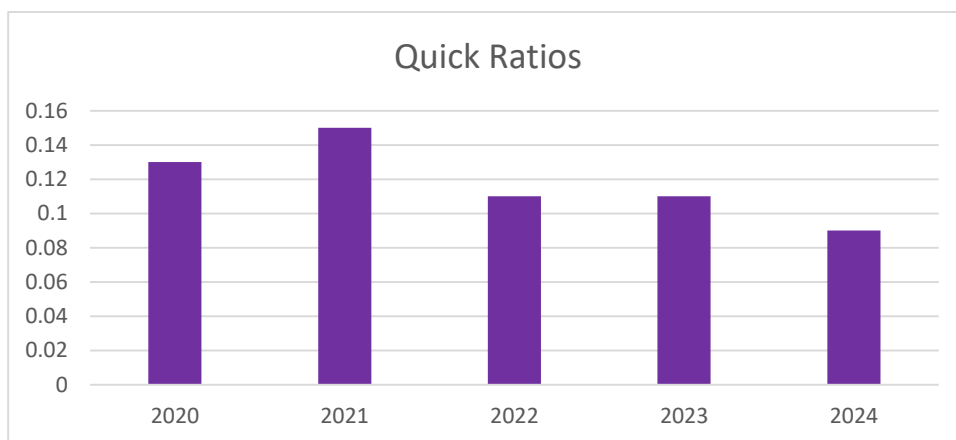


Figure 2

## 3. Debt Equity Ratios

Year	2020	2021	2022	2023	2024
Debt Equity Ratios	15.17	12.47	10.12	10.72	7.76

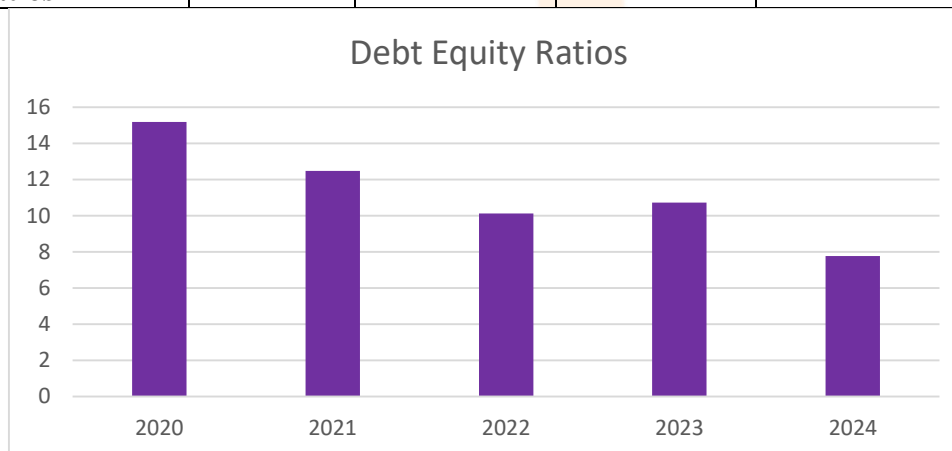


Figure 3

## 4. Total Asset Debt Ratios

Year	2020	2021	2022	2023	2024
Total Asset Debt Ratios	0.90	0.89	0.78	0.88	0.85



Figure 4

### 5. Proprietary Ratio

Year	2020	2021	2022	2023	2024
Proprietary Ratios	0.11	0.12	0.11	0.09	0.08

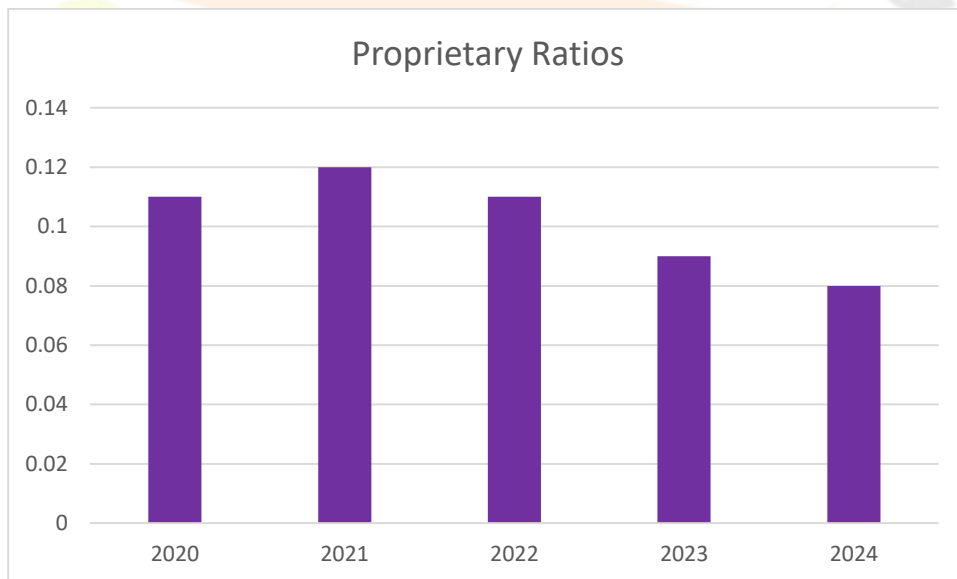


Figure 5

### Interpretation:

1. The IDBI bank quick ratio for 2023-24 is 0.09 indicating a very low level of liquidity, while the current ratio is 0.86 stands at, suggesting a healthier liquidity position.
2. A debt-equity ratio of 7.76 indicates that the bank has a significantly high level of debt compared to its equity. While it's positive that the bank has control over its debts, such a high ratio may suggest potential

financial risk or leverage concerns. It's essential for the bank to carefully manage its debt levels to ensure long-term financial stability.

3. A total assets to debt ratio of 0.85 means the bank assets are much higher than its debts. This suggests the bank has significant investment value and manageable debt. However, it's important to consider other financial aspects for a complete picture.

4. The IDBI bank proprietary ratio of 80.08 in 2023-24 shows it relies mostly on its own funds, indicating a strong financial position and ability to cover debts.

### Common Size Balance Sheet of IDBI bank from 2020 to 2024

TABLE- 05

Rs in Crores

Particulars	2020-21		2021-22		2022-23		2023-24	
	Absolute change	% of Absolute change	Absolute change	% of Absolute change	Absolute change	% of Absolute change	Absolute change	% of Absolute change
<b>EQUITIES AND LIABILITIES</b>								
<b>SHAREHOLDER'S FUNDS</b>								
Equity Share Capital	371.81	3.581	0	0	0	0	0	0
TOTAL SHARE CAPITAL	371.81	3.581	0	0	0	0	0	0
Revaluation reserve	-221.92	-3.41	2186.31	34.80	-266.78	-3.15	-8200.98	-100
Reserve and surplus	371.81	3.48	0	0	0	0	0	0
Total reserve and surplus	2420.51	9.89	4943.67	18.39	3747.53	10.53	4753.82	13.36
Total shareholders' funds	2642.43	14.71	2757.35	13.38	4014.33	17.19	12954.79	47.33
Minority Interest	9.4	9.0	15.21	13.46	10.29	8.02	-138.48	-100
Deposits	8492.96	3.82	2142.78	0.92	22472.57	9.65	22043.35	8.63
Borrowings	-20840.89	-56.71	-1563.07	-9.8	-1707.23	-11.90	4444.95	35.17
Other liabilities and provision	0	0	-1835.16	-12.83	4618.27	37.05	1670.16	9.77
<b>Total Capital and liability</b>	<b>-2060.49</b>	<b>-0.68</b>	<b>3703.42</b>	<b>1.24</b>	<b>29141.15</b>	<b>9.63</b>	<b>32773.79</b>	<b>9.88</b>

<b>ASSETS</b>								
Cash and Balances with Reserve Bank Of India	2473.96	23.47	-2260.73	-17.37	5884.88	54.73	-2648.28	-15.91
Balances with Bank money of call and short notice	2339.2	11.72	-11542.5	-51.77	1960.27	18.23	-694.19	-5.4
Investments	-524.95	-0.64	-73003.1	-89.60	91940.92	1085.77	15309.92	15.24
Advances	-1692.99	-1.30	-117400	-91.60	151793.4	1411.71	1726029.77	1061.87
Fixed assets	-334.03	-8110.10	23946.58	7468.55	-22038.9	-69.26	-238.1	-2.43
Other asset	-4321.69	-8.61	-9530.29	-20.78	-6907.59	-19.01	-4985.33	-16.95
<b>TOTAL ASSETS</b>	<b>-2060.1</b>	<b>-0.68</b>	<b>3703.42</b>	<b>298551.5</b>	<b>29141.45</b>	<b>0.09</b>	<b>32773.79</b>	<b>331387.74</b>
<b>CONTINGENT LIABILITIES, COMMITMENTS</b>								
Bills for collections	-222.39	-2.25	1058.62	10.972	603.77	10601.32	-11310.73	-100
Contingent Liabilities	103582.6	88.411	111483.8	50.50	-155297.5	-46.74	-176929.1	-100

### Interpretation:

1. The bank's total capital for 2020-21 was -0.68%, and for the year 2021-22, it increased to 298551.59%. But in the year 2022-23 it decreased to 0.09% and in the current year 2023-24 it increased to 331387.74%, this shows that the bank has a good amount of capital, and the liabilities of the bank are also stabilized.

2. The bank's total assets for the year 2020-21 were -0.68%, i.e., -2060.49, and for the year 2021-22, it increased to 298551.59%, i.e. 3703.42, But in the year 2022-23, it reduced to 0.09%, i.e., 29141.45 and in the current year 2023-24, it increased to 331387.74%, i.e., 32773.79, this shows that the bank has maintained its assets as well as its liabilities.

### Common Size Statement of Profit & Loss A/c of IDBI bank from 2020 to 2024

Table -06

( Rs in crores)

Particulars	MAR 24	MAR 23	MAR 22	MAR 21	MAR 20	MAR 24	MAR 23	MAR 22	MAR 21	MAR 20
<b>INCOME</b>										
Interest/Discount on advances/Bills	17,967.81	13,336.16	12,031.98	11,821.17	13,101.51	67.94	64.76	65.67	59.23	62.86

Income from Investments	7,755.06	5,958.67	4,631.39	5,160.90	5,788.12	2.85	28.93	25.28	25.86	27.75
Interest on Balance with RBI and Other Inter-Bank funds	334.88	565.79	673.08	648.74	454.00	1.26	2.74	3.67	3.25	2.17
Others	387.91	730.91	982.74	2,324.71	1,510.59	1.46	3.54	5.36	11.64	7.24
Total Interest Earned	26,445.66	20,591.53	18,319.18	19,955.52	20,854.22	100	100	100	100	100
Other Income	3,924.76	4,575.38	4,919.23	4,848.11	4,631.23	14.84	22.21	26.86	24.29	22.20
<b>Total Income</b>	<b>30,370.42</b>	<b>25,166.90</b>	<b>23,238.41</b>	<b>24,803.63</b>	<b>25,485.44</b>	<b>114.84</b>	<b>122.21</b>	<b>126.85</b>	<b>124.29</b>	<b>122.20</b>
<b>EXPENDITURE</b>										
Interest Expended	12,226.36	9,130.45	9,124.93	11,407.51	13,841.12	46.23	44.34	49.81	57.16	66.37
Payments to and Provisions for Employees	4,438.24	3,691.39	3,261.49	3,223.47	3,363.71	16.78	17.92	17.80	16.15	161.29
Depreciation	0.00	499.21	417.26	396.85	394.38	0.00	2.42	2.27	1.98	1.89
Depreciation on leased assets	0.00	0.00	0.00	0.00	0.00	0.00	14.77	15.41	1.98	12.89
Operating Expenses (excludes Employee Cost & Depreciation)	0.00	3,041.96	2,824.31	396.85	2,689.08	14.86	35.12	35.49	30.94	30.91
Total operating expenses	3,932.15	7,232.57	6,503.06	6,175.99	6,447.17	31.65	0.00	0.00	0.00	0.00
Provision Towards Income Tax	8,370.39	0.00	0.00	0.00	0.00	9.84	0.00	0.00	0.00	0.00
Provision Towards Deferred Tax	2,604.05	0.00	0.00	0.00	0.00	0.00	24.85	27.79	28.92	86.52
Other Provisions and Contingencies	0.00	5,117.05	5,092.67	5,771.46	18,044.56	5.31	24.85	27.79	28.92	86.52
TOTAL PROVISIONS AND CONTINGENCIES	1,406.21	5,117.05	5,092.67	5,771.46	18,044.56	15.16	104.31	113.10	117.03	183.81
<b>TOTAL EXPENDITURE</b>	<b>4,010.26</b>	<b>21,480.06</b>	<b>20,720.67</b>	<b>23,354.96</b>	<b>38,332.85</b>	<b>93.04</b>	<b>17.90</b>	<b>13.74</b>	<b>7.25</b>	<b>-61.60</b>
NET PROFIT / LOSS FOR THE	24,607.01	3,686.84	2,517.74	1,448.67	-12,847.	21.79	17.90	-0.12	7.25	-61.60

YEAR					40					
NET PROFIT / LOSS AFTER EI & PRIOR YEAR ITEMS	5,763. 41	3,686 .84	2,517.7 4	1,448. 67	- 12,847. 40	-0.09	- 0.106	0.2	-0.92	-0.07
Minority Interest	-25.99	- 21.91	-23.40	-18.16	-15.94	0.19	0.19	13.83	0.41	0.13
Share Of Profit/Loss of Associates	50.69	41.13	39.33	83.46	28.10	21.88	17.99	- 246.5 1	7.58	-61.54
CONSOLIDATE D PROFIT/LOSS AFTER MI AND ASSOCIATES	5,788. 11	3,706 .06	2,533.6 7	1,513. 97	- 12,835. 24	0.00	- 210.7 4	- 232.6 8	- 227.5 5	- 155.22
Profit / Loss Brought Forward	0.00	- 43,39 5.80	- 45,159. 42	- 45,409 .99	- 32,371. 67	0.00	- 192.7 4	3.32	- 219.9 6	- 216.77
TOTAL PROFIT / LOSS AVAILABLE FOR APPROPRIATIO NS	0.00	- 39,68 9.74	- 42,625. 75	- 43,896 .02	- 45,206. 91	0.00	4.42	0.00	1.70	0.00
<b>APPROPRIATIONS</b>										
Transfer To / From Statutory Reserve	0.00	911.2 7	609.82	339.87	0.00	0.00	- 220.4 6	0.00	0.00	0.00
Transfer To / From Revenue And Other Reserves	0.00	- 45,39 6.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity Share Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tax On Dividend	0.00	0.00	0.00	0.00	13.65	0.00	0.00	0.00	0.00	0.06
Balance Carried Over To Balance Sheet	0.00	4,577 .92	- 43,395. 80	- 45,067 .69	- 45,409. 99	0.00	22.23	- 236.8 8	- 225.8 4	- 217.74
<b>TOTAL APPROPRIATI ONS</b>	<b>0.00</b>	<b>- 39,68 9.74</b>	<b>- 42,625. 75</b>	<b>- 43,896 .02</b>	<b>- 45,206. 91</b>	<b>0.00</b>	<b>- 192.7 4</b>	<b>- 232.3 8</b>	<b>- 219.9 6</b>	<b>- 216.77</b>
<b>OTHER ADDITIONAL INFORMATION</b>										
<b>EARNINGS PER SHARE</b>										
Basic EPS (Rs.)	- 222.39	-2.25	1058.6 2	10.972	603.77	0.018	0.01	0.01	0.00	-0.05
Diluted EPS (Rs.)	10358 2.6	88.41 1	111483 .89	50.50	- 155297	0.018	0.01	0.01	0.00	-0.05

.58

## Interpretation

1. The bank's total income for the year 2020 was 122.20, i.e.,25,485.44, and for the year 2021 was 124.29%, i.e.,24,803.63, and for 2022 was 126.85%, i.e.,23,238.41, In the year 2023, it is reduced to 122.21%, i.e.,25,166.90, and the following year 2024 it comes up to 114.84%, i.e.,30,370.42, which means that the income was increasing for the bank.
2. The bank's total expenses for the year 2020 were-61.60%, i.e.,38,332.85 and 2021 were 7.25%, i.e.23,354.96, but in the year 2022, the costs of the bank reduced to 13.74%, i.e.20,720.67, And for the year 2023, the bank's expenses again came up to 17.90%, i.e.21,480.06, and in the year 2024, the costs came up to 93.04%, i.e.4,010.26, which means the prices of the bank were increasing.

## Findings

The bank's total capital for 2020-21 was -0.68%, and for the year 2021-22, it increased to 298,551.59%. However, in the year 2022-23, it decreased to 0.09%, and in the current year 2023-24, it increased to 331,387.74%. This indicates that the bank has a significant amount of capital and that its liabilities are also stabilized. The bank total assets for the year 2020-21 were -0.68%, or -2,060.49. For the year 2021-22, they increased to 298,551.59%, or 3,703.42. However, in the year 2022-23, they reduced to 0.09%, or 29,141.45. In the current year 2023-24, they increased to 331,387.74%, or 32,773.79. This shows that the bank has maintained its assets and liabilities effectively. The bank's total income for 2020-21 was -2.07%, or -681.81, and in 2021-22 it was -6.31%, or -1,565.22. In the year 2022-23, it increased to 8.29%, or 1,928.49. In the following year, 2023-24, it rose to 20.67%, or 5,203.52, indicating that the bank's income was increasing in 2023-24. The bank's total expenses for the year 2020-21 were -39.07%, or -1,497.77. In 2021-22, the expenses were reduced to -11.27%, or -2,634.29. For the year 2022-23, the expenses increased to 3.66%, or 759.39. In 2023-24, the expenses declined to -81.33%, or -17,469.8, indicating that the expenses first decreased, then increased, and currently have reduced. The IDBI bank's quick ratio for 2023-24 is 0.09, indicating a very low level of liquidity, while the current ratio is 0.86, suggesting a healthier liquidity position. A debt-equity ratio of 7.76 indicates that the bank has a significantly high level of debt compared to its equity. While it's positive that the bank has control over its debts, such a high ratio may suggest potential financial risk or leverage concerns. It's essential for the bank to carefully manage its debt levels to ensure long-term financial stability. A total asset to debt ratio of 0.85 means the bank assets are higher than its debts. This suggests the bank has significant investment value and manageable debt. However, it's important to consider other financial aspects for a complete picture. The IDBI bank's proprietary ratio of 80.08 in 2023-24 shows it relies mostly on its own funds, indicating a strong financial position and ability to cover debts.

## Suggestions

To bolster its financial health, IDBI Bank should focus on targeted improvements across key areas. Firstly, diversifying revenue streams beyond traditional banking activities is crucial. With interest income dominating its revenue composition, IDBI should aim to increase fee-based income through services like wealth management and advisory. Secondly, addressing asset quality and risk management is paramount. With a high non-performing assets (NPA) ratio, IDBI should set targets to reduce NPAs and improve provisioning to mitigate credit risks. Thirdly, enhancing operational efficiency is essential. IDBI's cost-to-income ratio is relatively high, indicating inefficiencies. Setting targets to streamline processes and optimize costs will improve profitability. Lastly, prioritizing digitalization to enhance customer experience is vital. IDBI should invest in technology to offer convenient digital banking services and improve customer engagement. By implementing

these recommendations, IDBI can strengthen its financial position and competitiveness in the banking industry, driving sustainable growth and profitability.

## Conclusion

The analysis of IDBI Bank's financial statements conducted in this research study provides valuable insights into the bank's current financial standing and areas for improvement. By examining key metrics such as revenue diversification, asset quality, operational efficiency, and digitalization, actionable recommendations have been identified to enhance IDBI's financial health and operational effectiveness. The research underscores the importance of diversifying revenue streams, addressing asset quality issues, optimizing operational efficiency, and prioritizing digitalization to enhance customer experience. Through the implementation of these recommendations, IDBI can navigate challenges, strengthen its financial position, and remain competitive in the banking industry. This research study serves as a roadmap for IDBI's strategic decision-making, guiding the bank towards achieving its financial objectives and delivering value to stakeholders. By leveraging the insights gained from this analysis, IDBI can position itself for sustainable growth and success in the dynamic banking landscape.

## Conflict of interest

The author defines there is no conflict of interest in this study.

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