APPLICATION OF MOORA APPROACH TO ANALYSE THE FINANCIAL PERFORMANCE OF SELECTED BANKS IN INDIA

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ABSTRACT

Banking sector contributes more to economic growth and development of economy. This paper attempts to measure the financial performance of the selected banks based on a multi criteria decision-making (MCDM) method called Multi Objective Optimization using Ratio Analysis (MOORA). Totally ten banks out of which five public sector and five private sector banks were selected as sample for the study. The objective of the study is to measure the sustainability of the financial performance of banks using MOORA approach. In the past studies financial ratios or indicators are used individually to analyse the financial performance of any industry, whereas the attempt to club the financial ratios and measuring the overall financial performance was not done. This study aims at taking six financial indicators namely, total assets, total income, profit or loss after tax, gross NPA, overall capital adequacy ratio and return on assets are taken and clubbed together to understand the financial performance of the selected banks. Secondary data for five years from 2015 to 2019 for the selected banks were taken from PROWESS and analysed using MOORA approach. The result shows that private sector banks are having stable financial performance than the public sector banks.

KEYWORDS: MOORA, financial Indicators, Financial Performance and Banks.

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