

Technical and Forecast Analysis of Indian Private Sector Banks

Dr. Ambily AS¹, Dr. Nivetha S²

^{1,2}Associate Professor
School of Business and Economics
Chinmaya Vishwa Vidyapeeth

Abstract

The Indian banking sector has undergone transformative changes over the past few decades, with private sector banks emerging as key players due to their technological adoption, customer-centric strategies, and financial innovations. This study aims to evaluate the financial performance of selected private sector banks—HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Federal Bank, and IndusInd Bank—by analyzing their Net Profit, Earnings Per Share (EPS), Operating Profit Margin (OPM), and Net Profit Margin (NPM) over the period 2020 to 2024. Employing fundamental analysis and forecasting techniques using Microsoft Excel the study further projects financial trends for the next five years (2025–2030). The research highlights not only the historical growth trajectory of these banks but also identifies patterns in profitability and operational efficiency. While most banks show consistent growth in EPS and Net Profit, fluctuations in OPM and NPM signal challenges in maintaining cost efficiency and profitability. The findings of this study are valuable for investors, policymakers, and financial analysts as they offer insights into long-term profitability trends and help in making informed investment decisions. Overall, the research bridges the gap between historical performance analysis and future forecasting in the evolving landscape of India's private banking sector.

Key Words: Net Profit, Earnings Per Share, Operating Profit Margin, Net Profit Margin, technical analysis and forecast analysis.

1. Introduction

The rapid growth of private sector banks is because of their cutting-edge technology, new financial instruments and innovations. In India, private sector banks are divided into old private sector banks which existed at the time of nationalisation and new private sector banks. RBI issued guidelines for establishing new private sector banks in India in 1993. In India currently there are 21 private sector banks.

Private sector banks are more tailored towards customers' preferences. Customers are offered quick service and all the services are tailored based on customers' financial requirements. They have a streamlined management system. The additional services offered by the banks will attract the customers very fast and persuade them to invest. Private sector banks offer more products and services than nationalised banks. They also ensure privacy and security to the customers.

As an important aspect of this process, many banks have been merged, amalgamated, or restructured. Although the process of consolidation began in the 1980s, it accelerated in the 1990s when macroeconomic pressures and banking crises forced the banking industry to alter its business strategies and the regulators to deregulate the banking sector at the national level and open financial markets to foreign competition. Globalisation and deregulation led to a decline in bank spreads and, consequently, profitability. To offset the decline in profitability, there were mergers between banks and between banks and non-banks to reap the benefit of economies of scale and scope.

The present study of technical and forecast analysis of Indian private sector banks is significant for several reasons, and conducting this research can provide valuable insights to multiple stakeholders, including investors, policymakers, and industry professionals. The main objective of the present study is to analyse the net profit and EPS of a few selected private sector banks and forecast the same to understand each bank's profitability in the next ten years. This will also help investors make an investment decision.

2. Evolution of the Topic Over Time

In the earlier stages, analyses of banks, both public and private, primarily focused on traditional financial performance metrics such as profit margins, loan-to-deposit ratios, and non-performing assets (NPAs). Private sector banks, especially the older ones, were often grouped with public banks and not studied in isolation. After India liberalized its economy in the early 1990s and the RBI issued guidelines in 1993 for setting up new private sector banks, the landscape shifted significantly. Banks like HDFC Bank, ICICI Bank, and Axis Bank emerged with innovative models, customer-centric services, and a strong technological backbone. This prompted researchers and analysts to study private sector banks separately, highlighting their distinct strategies and performance metrics.

With advancements in technology and digital banking, studies started to incorporate analysis of IT investments, innovation strategies, and customer experience as critical variables. Private sector banks' quicker adoption of core banking systems and mobile platforms gave them an edge, making them a rich area of study for fintech and operational efficiency. The global financial crisis underscored the importance of robust risk management and profitability analysis. This shifted the analytical lens toward more predictive tools like stress testing, scenario analysis, and forecasting models, especially in assessing net profit trends and EPS.

In recent years, there's been increasing use of data science and forecasting models (like ARIMA, regression analysis, and machine learning tools) to predict key financial indicators. The focus expanded from mere historical analysis to understanding future profitability, allowing investors and regulators to make more informed decisions. Historically, many studies focused on short-term performance. However, forecasting net profit and EPS over a decade, this study addresses a significant gap by offering long-term insights for investors and policymakers. Many previous studies either grouped all banks or focused on a single entity. Here, the researcher has chosen multiple private sector banks for comparing

Traditional research often treats technical analysis and forecasting as separate domains. The present study integrates both, creating a comprehensive framework for understanding both current performance and future potential. While financial analyses were traditionally aimed at regulators or internal bank strategies,

here the researcher focuses on helping investors to make better-informed decisions, bringing a practical and application-oriented dimension to the research.

The study of private sector banks in India has evolved from basic financial analysis to a complex, multi-dimensional field that integrates technology, forecasting, and strategic assessment. By addressing gaps like long-term profitability forecasting, comparative analysis, and investor relevance, the study contributes meaningfully to this evolving field.

3. Statement of the problem

The Indian banking sector has undergone a significant transformation in recent decades, especially with the emergence and rapid growth of private sector banks. These banks have leveraged technology, customer-centric strategies, and innovative financial products to enhance their market share and operational efficiency. However, despite their growing prominence, there remains a need for a systematic evaluation of their financial health and future performance. Investors, policymakers, and other stakeholders often lack clear, data-driven insights into the long-term profitability and earning potential of these banks. While numerous studies have assessed short-term financial indicators, there is a noticeable gap in research that combines technical financial analysis with predictive forecasting models to evaluate key indicators such as Net Profit and Earnings Per Share (EPS) over an extended period. Without such analysis, stakeholders are left with an incomplete understanding of the banks' true financial strength and potential risks. This study aims to address this gap by analyzing and forecasting the net profitability and EPS of selected private sector banks in India, providing valuable insights for strategic decision-making and investment planning.

4. Rationale of the Study

The private banking sector in India has emerged as a key driver of innovation, efficiency, and customer-centric service delivery in the financial services industry. Unlike public sector banks, private banks are known for their agility, advanced technology adoption, and strategic flexibility, which have significantly influenced their profitability and market growth. However, with increasing competition, economic uncertainties, and evolving regulatory norms, it has become crucial to closely examine their financial performance and long-term sustainability.

Net Profit and Earnings Per Share (EPS) are two of the most critical indicators for assessing a bank's financial health, operational efficiency, and shareholder value. A technical analysis of these metrics provides insights into the bank's current financial condition, while forecasting them enables stakeholders to make informed decisions regarding investments, policy formulations, and risk assessments.

Despite the critical importance of such an analysis, there is a lack of comprehensive research that combines both historical financial performance and future trend forecasting, particularly in the context of India's private sector banks. By addressing this gap, the present study not only helps investors make more strategic financial decisions but also assists policymakers and banking professionals in understanding long-term growth patterns and potential challenges.

Thus, this study is timely and relevant, offering meaningful contributions to the literature on financial performance analysis and forecasting in the Indian banking sector.

5. Research Objectives

To analyze the historical trends in Net Profit, Earnings Per Share (EPS), and Operating Profit Margin (OPM) of selected private sector banks in India.

To compare the financial performance, specifically Net Profit and EPS, of selected private sector banks to identify relative strengths and weaknesses.

To study the trends in Net Profit, EPS, OPM and NPM of selected banks over the next ten years using appropriate statistical and forecasting techniques.

To evaluate how the forecasted data can aid investors in making more informed and strategic investment decisions in the Indian private banking sector.

6. Significance of the Study

This study holds considerable significance for various stakeholders within the financial ecosystem. By focusing on the Net Profit, Earnings Per Share (EPS), and Operating Profit Margin (OPM) of selected private sector banks in India, the research provides valuable insights into the financial performance and growth prospects of some of the most influential players in the Indian banking industry.

For investors, the analysis and forecasts offer critical data to make informed decisions regarding long-term investments. Understanding the trends and future outlook of Net Profit and EPS helps in assessing the profitability, stability, and earning potential of these banks. For banking professionals and financial analysts, the study sheds light on the internal and external factors influencing bank performance. It aids in benchmarking practices and identifying performance gaps among competitors, enabling strategic improvements.

For regulators and policymakers, the findings can help assess the financial health and sustainability of private banks in the broader context of economic planning and policy formulation, especially as the banking sector continues to evolve with technology and global integration. For academicians and researchers, this study adds to the existing body of knowledge by combining traditional financial analysis with modern forecasting techniques. It also provides a basis for further research in areas such as risk management, financial innovation, and investor behavior in the banking sector. Overall, the study contributes to a more transparent, data-driven understanding of the Indian private banking sector's performance, future trajectory, and investment potential.

7. Literature Reviews

A considerable body of research has been dedicated to analyzing the financial performance of private sector banks in India, especially about profitability, efficiency, and shareholder returns. Gupta and Verma (2008) conducted a comparative analysis using the CAMEL model to evaluate the financial health of

private banks, emphasizing the role of capital adequacy, asset quality, and earnings in shaping performance. Similarly, Maheshwari (2012) compared public and private sector banks and found that private banks tend to outperform in profitability and operational efficiency due to their technology-driven services and agile management structures.

Ayyappan and Sakthivadivel (2013) focused on profitability metrics and observed that private banks showed consistent growth in net profit and EPS owing to their customer-centric strategies. Balaji and Kumar (2016) echoed these findings by using financial ratios to compare selected banks and concluded that private banks had stronger financial fundamentals compared to their public counterparts. Sathiya and Sangeetha (2021) also confirmed this trend, highlighting better returns on assets and higher operating profit margins among private sector banks.

In a more focused analysis, Vithalbai (2020) examined selected private banks and found that strategic investments and digitization played a significant role in sustaining profitability during challenging periods. Solanki and Aggarwal (2022) used regression analysis to explore how internal bank-specific factors—such as cost-to-income ratio, capital structure, and loan performance—impact profitability and EPS. Thaker and Mehta (2020) also found that metrics like Return on Equity (ROE) and Net Interest Margin (NIM) strongly correlate with consistent net profit growth.

A significant number of studies have emphasized the importance of forecasting in banking. Sharma (2018) and Narayan (2019) used time-series models like ARIMA and regression to predict profitability trends, showing that past financial data can effectively forecast future earnings, though external economic factors introduce variability. Choudhury (2020) suggested that banks with robust capital bases and diversified loan portfolios exhibit more stable long-term profit trends, which is critical for investor confidence.

Kumar and Reddy (2021) studied EPS trends and pointed out how private banks' earnings per share have become a decisive factor for stock market performance, further reinforcing the need for accurate forecasting. Gupta and Bansal (2017) highlighted that forecast analysis can bridge the gap between financial theory and investment decision-making, offering investors a forward-looking perspective that historical data alone cannot provide.

Finally, Verma and Das (2022) emphasized the strategic use of predictive analytics in banking to enhance profitability, customer retention, and risk management. Their study argued that incorporating both fundamental analysis and forecasting tools leads to better-informed investment and policy decisions.

8. Research Methodology

The methodological framework adopted for the present study analyzes and forecasts the financial performance—specifically Net Profit, Earnings Per Share (EPS), Operating Profit Margin (OPM) and Net Profit Margin (NPM) of selected private sector banks in India. The five private sector banks of India chosen for the study are HDFC Bank, ICICI Bank, Federal Bank, Kotak Mahindra Bank, and IndusInd Bank which belongs to “Group A” having top turnovers. Secondary data was collected from the S&P BSE Private Bank Index.

This study adopts a quantitative, longitudinal, and comparative research design. Quantitative: Because it deals with numerical data such as Net Profit, EPS, and OPM. Longitudinal: As it spans over a historical period and includes future projections from 2025 to 2030. Comparative: As it compares multiple banks' performances to highlight relative financial strengths and weaknesses. This structured design enables comprehensive financial analysis and future trend projection.

The research strategy involves financial analysis, correlation analysis, and forecast modelling. The study uses secondary data to examine financial indicators of five leading private sector banks HDFC Bank, ICICI Bank, Federal Bank, Kotak Mahindra Bank, and IndusInd Bank selected from the "Group A" category of BSE (Bombay Stock Exchange) due to their high liquidity and trading volumes.

The strategy focuses on understanding both past and future performance to offer actionable insights for investors and financial analysts. This study relies solely on secondary data, ensuring that the data is both reliable and publicly verifiable. The financial data (Net Profit, EPS, OPM, etc.) was collected from: S&P BSE Private Bank Index, Annual reports of selected banks and RBI publications.

Data covers a 10-year historical period, and forecasts extend up to 2030, offering both retrospective and predictive insights.

The following techniques were used to analyze the data:

Fundamental Analysis: To evaluate each bank's core financial indicators such as Net Profit and EPS.

Correlation Analysis: To identify the relationship between Net Profit, EPS, and OPM across the banks.

Forecast Sheet using Excel:

The **Forecast Sheet** in Excel uses Exponential Smoothing (ETS) provides solid trend-based forecasts. It projects future values based on historical trends and seasonality.

9. Data Analysis

This session covers financial performance analyses, Net profit and EPS correlation analysis and Forecast analysis using excel.

TABLE 1: FINANCIAL PERFORMANCE OF HDFC BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	60,812.27	44,108.71	36,961.33	31,116.53	26,257.32
Equity	759.69	557.97	554.55	551.28	548.33

EPS	85.83	79.25	66.8	56.6	48
OPM %	36.54	43.57	50.16	47.46	42.46
NPM%	23.54	27.30	28.93	25.75	22.87

Source: Secondary data

From 2020 to 2024, the company has demonstrated strong financial growth, with net profit more than doubling from ₹26,257 Cr to ₹60,812 Cr and EPS rising from ₹48 to ₹85.83, reflecting increasing profitability and shareholder value. Equity has grown modestly, indicating stable capital structure. However, both Operating Profit Margin (OPM) and Net Profit Margin (NPM) have shown a declining trend since peaking in 2022, suggesting rising costs or reduced operational efficiency. While the overall financial trajectory is positive, the narrowing margins warrant attention for long-term sustainability.

TABLE No.2: NET PROFIT & EPS OF HDFC BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	60,812.27	44,108.71	36,961.33	31,116.53	26,257.32
EPS	85.83	79.25	66.8	56.6	48
Correlation	0.95				

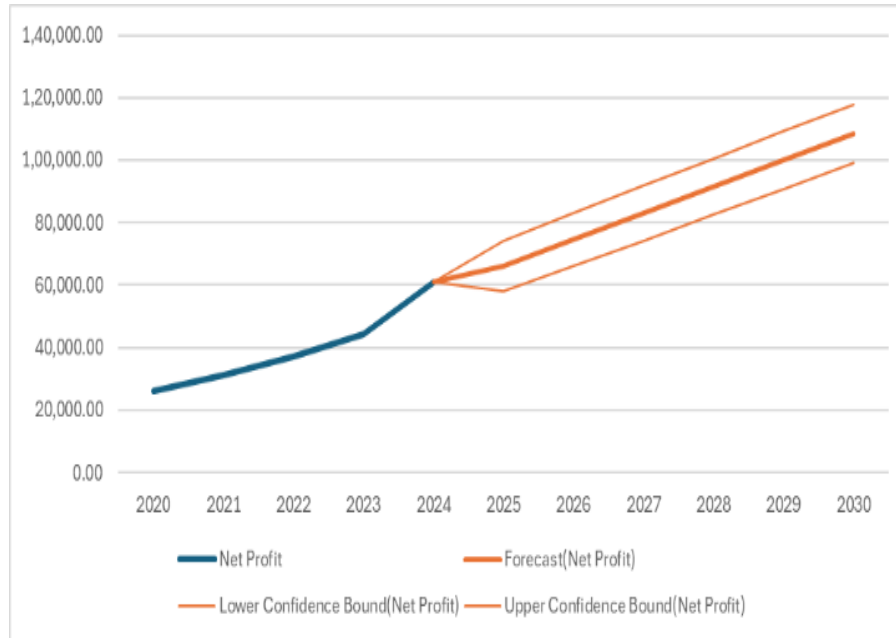
Source: Primary Data

The table shows a consistent upward trend in both Net Profit and Earnings Per Share (EPS) for HDFC Bank Ltd. from 2020 to 2024, with net profit rising from ₹26,257.32 Cr in 2020 to ₹60,812.27 Cr in 2024, and EPS increasing from ₹48 to ₹85.83 over the same period. This growth indicates strong financial performance and efficient earnings generation. The high correlation coefficient of 0.95 between Net Profit and EPS suggests a very strong positive relationship, meaning as the bank's profit increases, EPS rises almost proportionally. This also implies that the number of shares outstanding has remained relatively stable, with no major dilution affecting per-share earnings.

TABLE No.3: FORECAST ANALYSIS OF NET PROFIT

Year	Forecast (Net Profit)	Lower Confidence Bound (Net Profit)	Upper Confidence Bound (Net Profit)
2025	66,090.79	57,868.82	74,312.75
2026	74,556.34	66,079.34	83,033.35
2027	83,021.90	74,295.35	91,748.44
2028	91,487.45	82,516.41	1,00,458.49

2029	99,953.00	90,742.09	1,09,163.91
2030	1,08,418.56	98,972.04	1,17,865.07



The forecast analysis of HDFC Bank Ltd.'s net profit from 2025 to 2030 indicates a strong and steady upward trajectory, with projected net profit expected to rise from ₹66,090.79 Cr in 2025 to ₹1,08,418.56 Cr by 2030. The confidence bounds suggest a relatively high degree of certainty, with even the lower estimates reflecting consistent growth. This positive outlook builds on the sharp increase observed in 2024 and reflects continued business expansion, profitability, and strong market performance. The widening gap between the lower and upper confidence bounds over time also highlights increasing uncertainty in long-term forecasts, which is typical but still remains within a bullish range.

TABLE No.4: FORECAST ANALYSIS OF EARNINGS PER SHARE

Year	Forecast (EPS)	Lower Confidence Bound (EPS)	Upper Confidence Bound (EPS)
2025	747.7627019	610.91	884.62
2026	794.8187727	653.72	935.92
2027	841.8748436	696.62	987.13
2028	888.9309144	739.61	1038.26

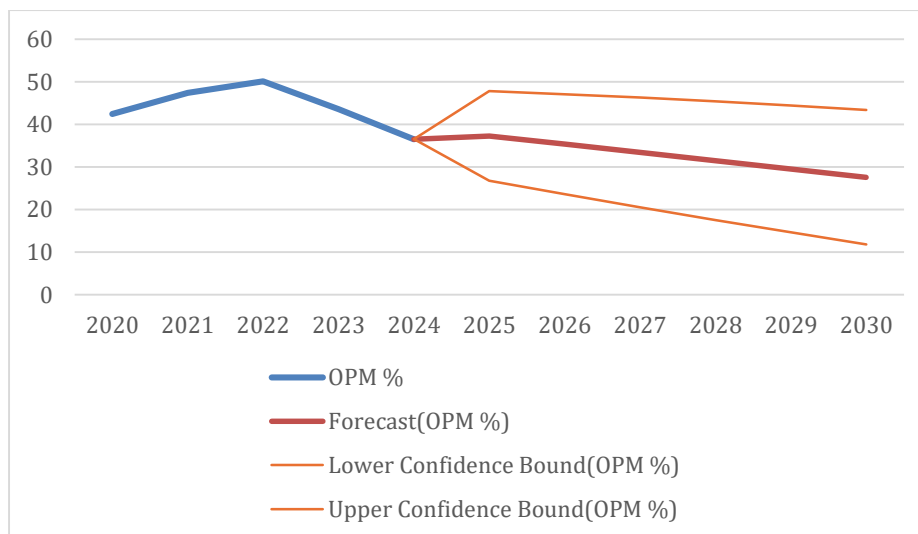
2029	935.9869852	782.67	1089.30
2030	983.0430561	825.80	1140.28

The forecast analysis of Earnings Per Share (EPS) for HDFC Bank Ltd. from 2025 to 2030 indicates a strong and steady upward trend, with projected EPS increasing from ₹747.76 in 2025 to ₹983.04 by 2030. This growth follows a sharp jump from ₹557.97 in 2023 to ₹759.69 in 2024, suggesting a significant improvement in per-share earnings performance. The confidence bounds for each year, though gradually widening over time, remain consistently high, indicating a strong degree of confidence in the bank’s ability to sustain earnings growth. This positive EPS outlook reflects expected profitability improvements and stable share capital, reinforcing investor confidence in the bank’s long-term value creation.

TABLE No.5: FORECAST OF OPERATING PROFIT MARGIN

Year	Forecast (OPM %)	Lower Confidence Bound (OPM %)	Upper Confidence Bound (OPM %)
2025	37.30097406	26.80	47.80
2026	35.36296424	23.62	47.11
2027	33.42495442	20.55	46.30
2028	31.48694459	17.57	45.41
2029	29.54893477	14.66	44.44
2030	27.61092494	11.80	43.42

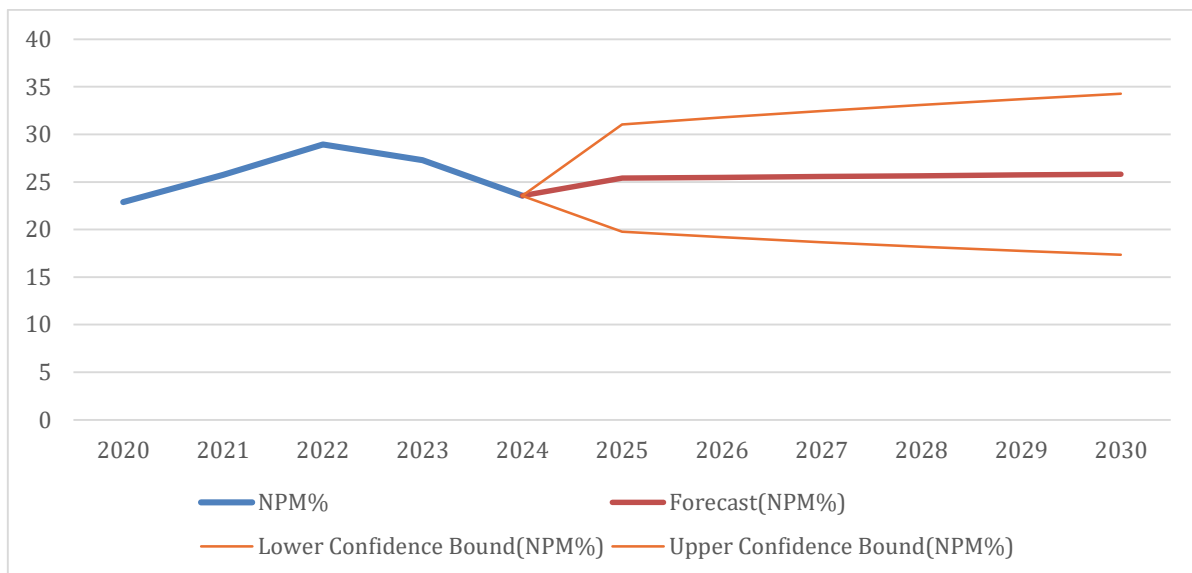
Source: Primary



The forecast analysis of Operating Profit Margin (OPM) for HDFC Bank Ltd. from 2025 to 2030 shows a consistent downward trend, with OPM expected to decline from 36.54% in 2024 to 27.61% by 2030. This decline follows a noticeable drop from its peak of 50.16% in 2022, reflecting increasing operational costs or pricing pressures. The widening confidence bounds, ranging from as low as 11.80% to as high as 47.80%, highlight growing uncertainty around future operational efficiency. This trend signals potential challenges in maintaining profitability and suggests the need for strategic focus on cost optimization, efficiency improvements, and innovation to stabilize margins in the long term.

TABLE No.6: FORECAST OF NET PROFIT MARGIN

Year	Forecast (NPM %)	Lower Confidence Bound (NPM %)	Upper Confidence Bound (NPM %)
2025	25.40734533	19.78	31.03
2026	25.48747413	19.19	31.78
2027	25.56760293	18.67	32.47
2028	25.64773174	18.19	33.10
2029	25.72786054	17.75	33.71
2030	25.80798934	17.34	34.28



The forecast analysis of Net Profit Margin (NPM) for HDFC Bank Ltd. indicates a moderate recovery after the dip to 23.54% in 2024, with projections showing a gradual rise to 25.81% by 2030. While the growth is slow, it suggests a stabilization of net profitability following recent margin pressures. The lower and upper confidence bounds, ranging from 17.34% to 34.28% by 2030, reflect moderate uncertainty but remain within a relatively healthy range. This outlook indicates that, although cost pressures have impacted margins recently, the bank is expected to manage its profitability effectively over the long term, with opportunities to enhance efficiency and improve net returns.

TABLE No. 7: FINANCIAL PERFORMANCE OF KOTAK MAHINDRA BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	10,625.68	10,939.30	8,572.69	6,964.84	5,947.18
Equity	994.09	993.28	992.33	990.92	956.52
EPS	52.73	54.89	43.02	35.17	30.88
OPM %	55.29	43.35	44.57	45.51	37.21
NPM%	24.61	31.94	31.71	25.95	22.08

Source: Secondary

The financial performance of Kotak Mahindra Bank Ltd. from 2020 to 2024 shows a steady growth in net profit, increasing from ₹5,947.18 Cr in 2020 to ₹10,625.68 Cr in 2024, reflecting the bank's strong profitability. Equity has remained relatively stable, rising slightly from ₹956.52 Cr to ₹994.09 Cr, indicating modest expansion in capital. Earnings Per Share (EPS) have consistently improved, growing from ₹30.88 in 2020 to ₹52.73 in 2024, signaling good value creation for shareholders. The bank's Operating Profit Margin (OPM) has shown significant improvement, jumping from 37.21% in 2020 to 55.29% in 2024, suggesting better cost efficiency and stronger operational performance. Net Profit Margin (NPM) has also been impressive, though it declined slightly from 31.94% in 2023 to 24.61% in 2024, likely due to rising costs or non-operating expenses. Overall, Kotak Mahindra Bank has displayed robust financial growth, with improving profitability metrics, though the slight dip in NPM warrants attention for maintaining sustainable margins.

TABLE No. 8: NET PROFIT & EPS OF KOTAK MAHINDRA BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	10,625.68	10,939.30	8,572.69	6,964.84	5,947.18
EPS	52.73	54.89	43.02	35.17	30.88
Correlation	0.9995322236				

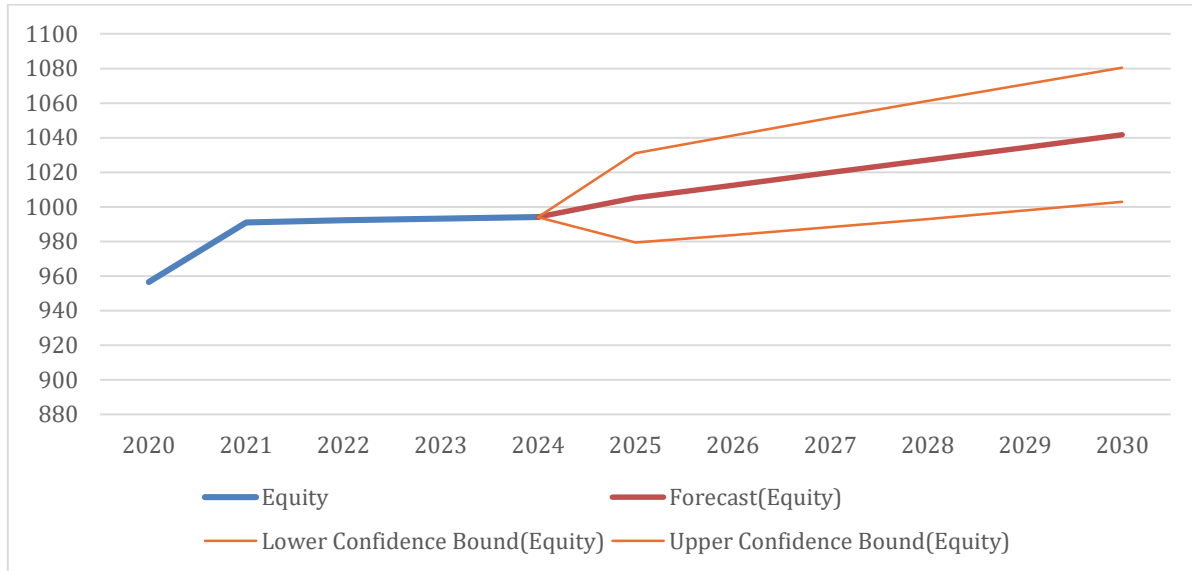
Source: Primary

The table reveals a strong and consistent growth in both net profit and Earnings Per Share (EPS) for Kotak Mahindra Bank Ltd. from 2020 to 2024, with net profit rising from ₹5,947.18 Cr in 2020 to ₹10,625.68 Cr in 2024, and EPS increasing from ₹30.88 to ₹52.73 over the same period. The exceptionally high correlation coefficient of 0.9995 indicates an almost perfect positive relationship between net profit and EPS, suggesting that the bank's earnings are translating efficiently into higher per-share profits, with minimal dilution of shares. This robust correlation also reflects the bank's ability to maintain stable capital while enhancing profitability, signaling strong value creation for shareholders.

TABLE No.9: FORECAST ANALYSIS OF NET PROFIT

(in Cr.)	Forecast(Net Profit)	Lower Confidence Bound(Net Profit)	Upper Confidence Bound(Net Profit)
2025	1005.238993	979.51	1030.97
2026	1012.522886	983.74	1041.30

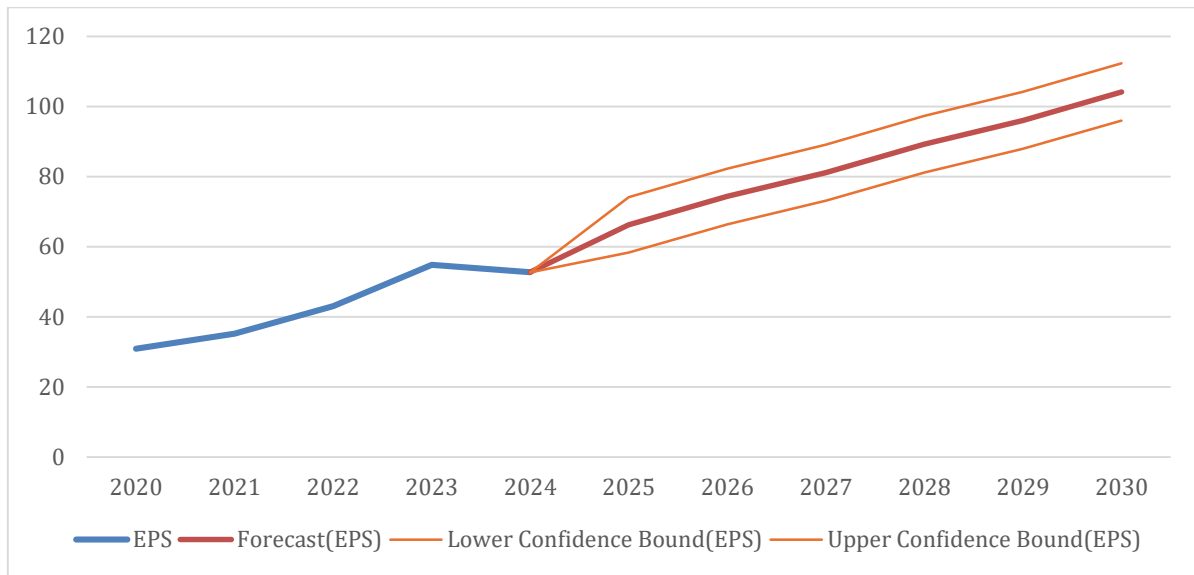
2027	1019.806779	988.26	1051.35
2028	1027.090672	992.99	1061.19
2029	1034.374565	997.89	1070.86
2030	1041.658458	1002.93	1080.38



The forecast analysis of net profit for Kotak Mahindra Bank Ltd. from 2025 to 2030 shows a steady and gradual increase in net profit, projected to grow from ₹1,005.24 Cr in 2025 to ₹1,041.66 Cr in 2030. The confidence bounds suggest a relatively narrow range, with the lower bound at around ₹979.51 Cr and the upper bound at ₹1,080.38 Cr by 2030, indicating a high level of certainty in the bank’s profitability trajectory. The consistent growth and limited variation in forecasted net profit reflect stability and effective management, signaling that the bank is expected to maintain strong financial performance over the forecast period with minimal risk of significant fluctuations.

TABLE No.10: FORECAST ANALYSIS OF EARNINGS PER SHARE

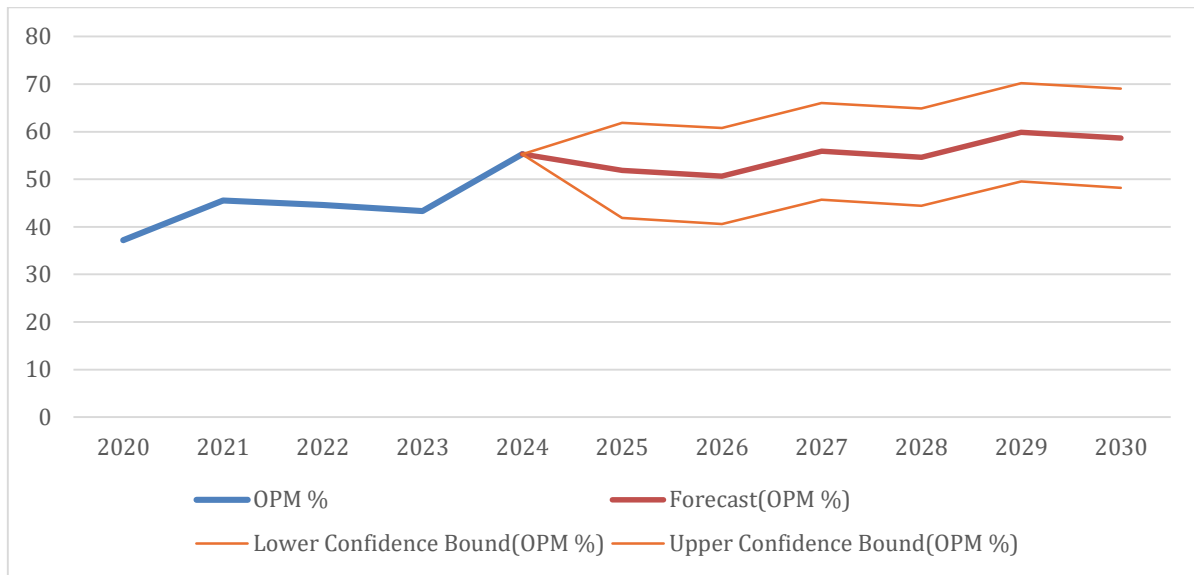
Year	Forecast(EPS)	Lower Confidence Bound(EPS)	Upper Confidence Bound(EPS)
2025	66.25732528	58.39	74.13
2026	74.37836784	66.44	82.31
2027	81.15945115	73.16	89.16
2028	89.2804937	81.22	97.34
2029	96.06157701	87.93	104.19
2030	104.1826196	95.99	112.38



The forecast analysis of Earnings Per Share (EPS) for Kotak Mahindra Bank Ltd. from 2025 to 2030 shows a positive and consistent upward trend, with EPS expected to increase from ₹66.26 in 2025 to ₹104.18 by 2030. The confidence bounds for each year reflect a moderate degree of uncertainty, with the lower bounds ranging from ₹58.39 in 2025 to ₹95.99 in 2030, and upper bounds reaching as high as ₹112.38 in 2030. This suggests that while there is potential for higher-than-expected earnings, the bank's profitability per share is projected to steadily grow, reinforcing confidence in the bank's continued value creation for shareholders. The gradual widening of the confidence intervals over time indicates some uncertainty, but the overall trend remains very positive.

TABLE No.11: FORECAST OF OPERATING PROFIT MARGIN

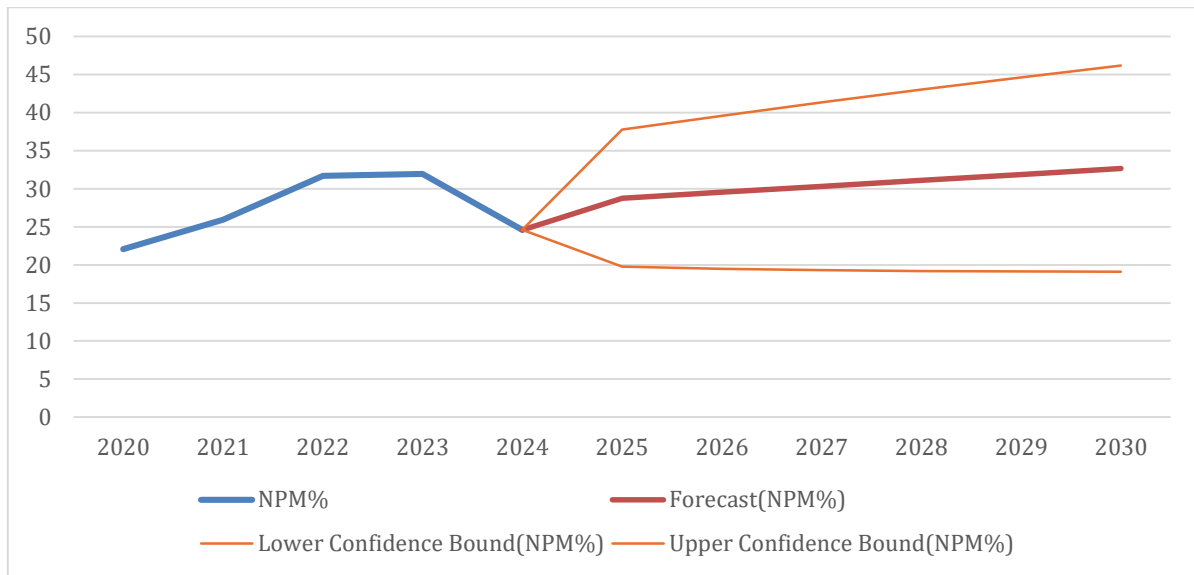
Year	Forecast(OPM %)	Lower Confidence Bound(OPM %)	Upper Confidence Bound(OPM %)
2025	51.8850915	41.88	61.89
2026	50.6708143	40.59	60.75
2027	55.8694109	45.70	66.03
2028	54.65513371	44.41	64.90
2029	59.85373031	49.52	70.18
2030	58.63945311	48.23	69.05



The forecast of Operating Profit Margin (OPM) for Kotak Mahindra Bank from 2025 to 2030 indicates a generally positive outlook, with OPM expected to range between 51.89% in 2025 and 58.64% in 2030. The forecast shows a slight fluctuation in margins, with projections for 2027 and 2029 showing the highest levels of profitability at 55.87% and 59.85%, respectively. The confidence bounds suggest moderate uncertainty, with the lower limits ranging from 40.59% to 49.52% and the upper limits reaching up to 70.18%. Despite some variation in the forecast, the overall trend points to healthy operational efficiency, suggesting that Kotak Mahindra Bank is likely to maintain strong profitability over the coming years, provided it can manage operational costs effectively.

TABLE No.12: FORECAST OF NET PROFIT MARGIN

Year	Forecast(NPM %)	Lower Confidence Bound(NPM %)	Upper Confidence Bound(NPM %)
2025	28.77	19.77	37.76
2026	29.54	19.48	39.61
2027	30.32	19.30	41.35
2028	31.10	19.18	43.02
2029	31.88	19.13	44.63
2030	32.66	19.12	46.19



The forecast of Net Profit Margin (NPM) for Kotak Mahindra Bank from 2025 to 2030 shows a steady increase in profitability, with NPM expected to rise from 28.77% in 2025 to 32.66% in 2030. The upper confidence bounds suggest potential for higher margins, with projections reaching as high as 46.19% by 2030, indicating a positive outlook for net profitability. However, the lower confidence bounds also reflect some uncertainty, ranging from 19.12% to 19.77%, which highlights the variability in future performance. Despite this, the overall trend shows that Kotak Mahindra Bank is likely to maintain solid net profit margins over the forecast period, driven by improved operational efficiency and profitability.

TABLE No.13: FINANCIAL PERFORMANCE OF ICICI BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	31,467.75	31,896.50	23,339.49	16,192.68	7,930.81
Equity	1,412.11	1,396.78	1,389.97	1,383.41	1,294.76
EPS	45.28	45.79	33.66	24.01	12.28
OPM %	48.21	44.94	45.44	46.00	37.57
NPM %	28.55	29.20	27.02	20.47	10.60

Source: Secondary

The financial performance of ICICI Bank Ltd. from 2020 to 2024 shows significant growth in both net profit and Earnings Per Share (EPS), with net profit increasing from ₹7,930.81 Cr in 2020 to ₹31,467.75 Cr in 2024, reflecting strong profitability. EPS has also improved consistently, rising from ₹12.28 in 2020 to ₹45.28 in 2024, signaling good value creation for shareholders. The bank’s Operating Profit Margin (OPM) has remained relatively stable, increasing from 37.57% in 2020 to 48.21% in 2024, indicating improved operational efficiency. Similarly, the Net Profit Margin (NPM) has also seen substantial growth, rising from 10.60% in 2020 to 28.55% in 2024, demonstrating better management of costs and non-operating expenses. Overall, ICICI Bank has shown robust financial growth, driven by improved profitability metrics and efficient cost management, highlighting its strong performance over the past few years.

TABLE No. 14: NET PROFIT & EPS OF ICICI BANK Ltd.

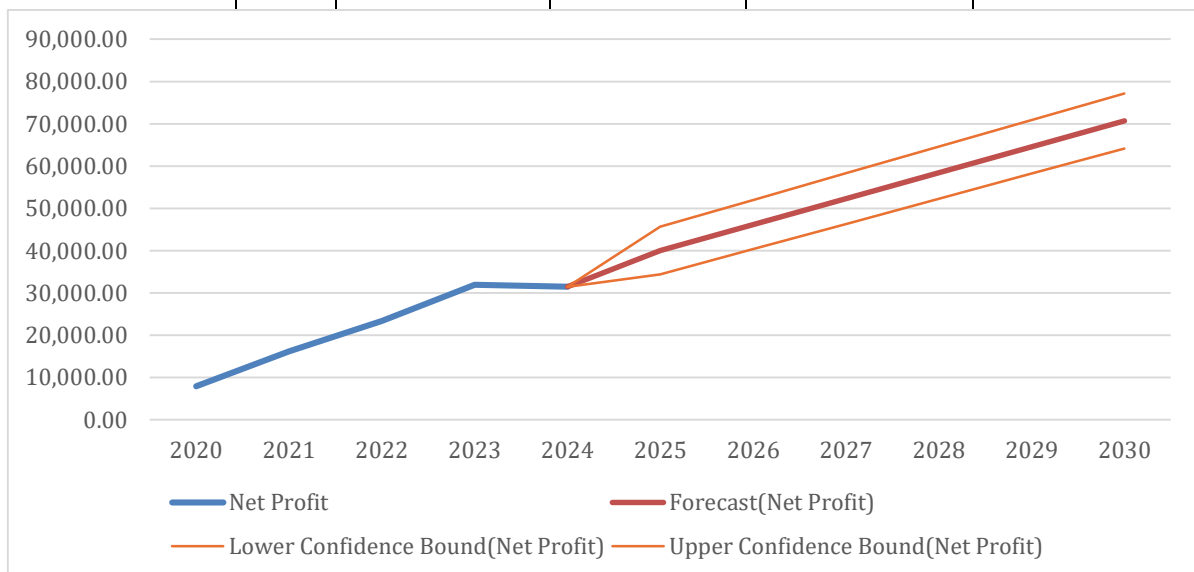
(in Cr.)	2024	2023	2022	2021	2020
Net Profit	31,467.75	31,896.50	23,339.49	16,192.68	7,930.81
EPS	45.28	45.79	33.66	24.01	12.28
Correlation	0.999960812				

Source: Primary

The table shows a very strong positive correlation of 0.99996 between net profit and Earnings Per Share (EPS) for ICICI Bank Ltd. from 2020 to 2024. This nearly perfect correlation indicates that the bank’s growth in net profit has been directly reflected in its EPS, suggesting that the increase in profitability has been efficiently translated into higher per-share earnings without significant dilution of shares. From 2020 to 2024, both net profit and EPS have seen substantial growth, with net profit increasing from ₹7,930.81 Cr to ₹31,467.75 Cr and EPS rising from ₹12.28 to ₹45.28, highlighting the bank’s strong value creation for shareholders. This alignment demonstrates effective capital management and a solid track record of enhancing shareholder returns alongside profit growth.

TABLE No.15: FORECAST ANALYSIS OF NET PROFIT

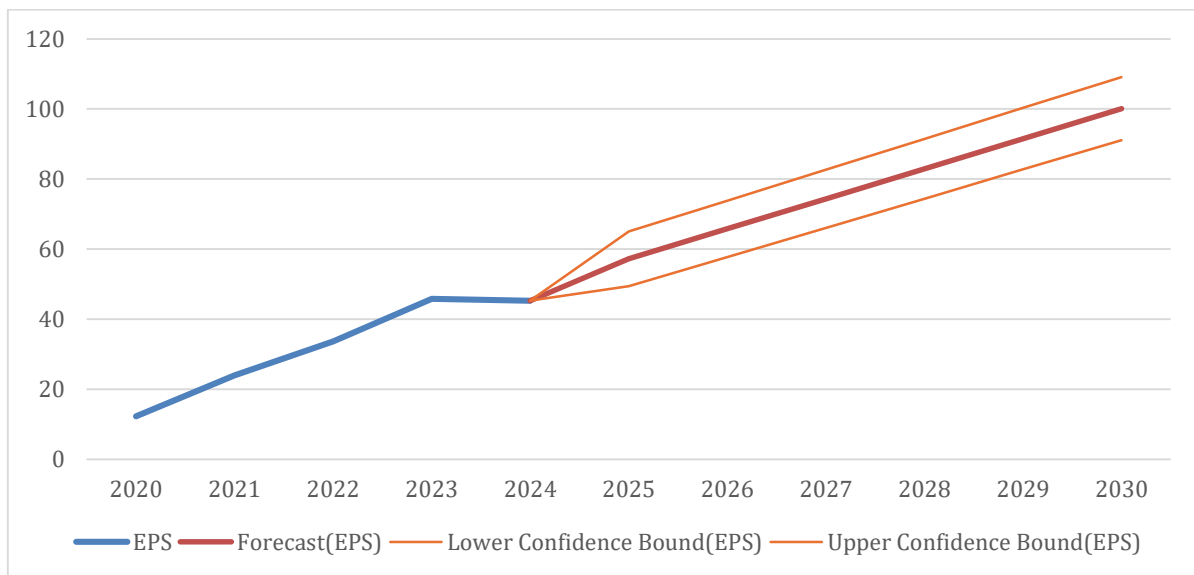
in Cr.)	Forecast(Net Profit)	Lower Confidence Bound(Net Profit)	Upper Confidence Bound(Net Profit)
2025	40,032.95	34,385.56	45,680.34
2026	46,158.53	40,335.96	51,981.10
2027	52,284.11	46,290.15	58,278.08
2028	58,409.69	52,247.79	64,571.59
2029	64,535.27	58,208.61	70,861.93
2030	70,660.85	64,172.36	77,149.34



The forecast analysis of net profit for ICICI Bank from 2025 to 2030 shows a strong growth trajectory, with net profit projected to increase from ₹40,032.95 Cr in 2025 to ₹70,660.85 Cr in 2030. The forecast also highlights a steady upward trend each year, with the lower confidence bound ranging from ₹34,385.56 Cr to ₹64,172.36 Cr and the upper confidence bound ranging from ₹45,680.34 Cr to ₹77,149.34 Cr. These projections indicate a positive outlook for the bank, with consistent growth expected over the next several years. The relatively wide confidence intervals reflect some level of uncertainty but still suggest strong profitability, with ICICI Bank well-positioned for sustained growth and financial stability in the coming years.

TABLE No.16: FORECAST ANALYSIS OF EARNINGS PER SHARE

Year	Forecast(EPS)	Lower Confidence Bound(EPS)	Upper Confidence Bound(EPS)
2025	57.21274732	49.38	65.04
2026	65.78703496	57.71	73.86
2027	74.36132261	66.05	82.67
2028	82.93561026	74.39	91.48
2029	91.50989791	82.74	100.28
2030	100.0841856	91.09	109.08



The forecast analysis of Earnings Per Share (EPS) for ICICI Bank from 2025 to 2030 indicates a strong and steady upward trend, with EPS projected to rise from ₹57.21 in 2025 to ₹100.08 by 2030. This growth reflects the bank's expected increase in profitability and its ability to continue delivering value to shareholders. The confidence bounds also show a healthy range, with lower bounds improving from ₹49.38 to ₹91.09 and upper bounds reaching up to ₹109.08 by 2030, indicating high investor confidence and positive earnings expectations. Overall, the forecast suggests that ICICI Bank is likely to maintain strong financial performance with significant per-share earnings growth over the coming years.

TABLE No.17: FORECAST OF OPERATING PROFIT MARGIN

Year	Forecast(OPM)	Lower Confidence Bound(OPM)	Upper Confidence Bound(OPM)
2025	49.65990253	43.59	55.73
2026	51.64510456	45.38	57.91
2027	53.6303066	47.18	60.08
2028	55.61550863	48.99	62.24
2029	57.60071066	50.80	64.40
2030	59.58591269	52.61	66.56

The forecast of Operating Profit Margin (OPM) for ICICI Bank from 2025 to 2030 indicates a steady improvement in operational efficiency, with OPM expected to rise from 49.66% in 2025 to 59.59% by 2030. This upward trend suggests that the bank is likely to enhance its ability to generate operating profits relative to its revenues over time. The confidence bounds, which range from 43.59% to 66.56%, reflect moderate uncertainty but remain within a strong margin range, reinforcing expectations of healthy operational performance. Overall, the projections point to ICICI Bank continuing to strengthen its core business efficiency, contributing to sustained profitability and long-term financial health.

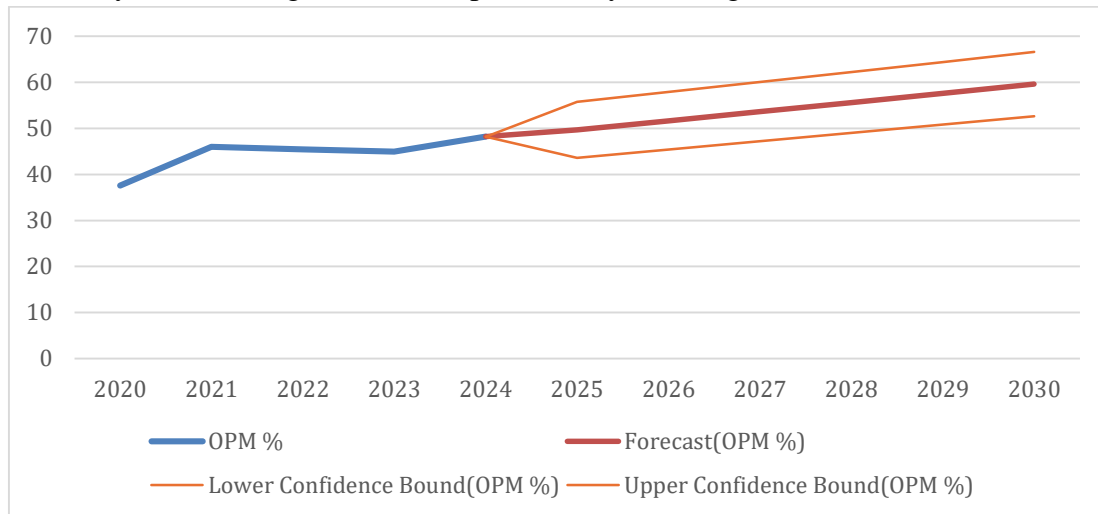
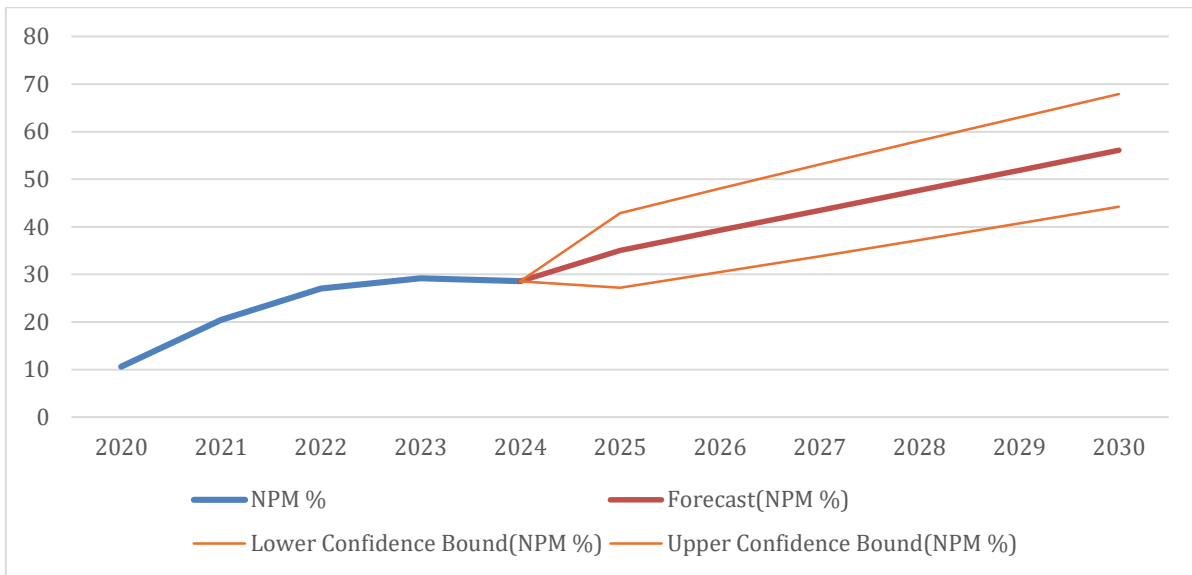


TABLE No 18: FORECAST OF NET PROFIT MARGIN

Year	Forecast(NPM)	Lower Confidence Bound(NPM)	Upper Confidence Bound(NPM)
2025	35.04562229	27.19	42.90
2026	39.25131256	30.47	48.04
2027	43.45700284	33.83	53.09
2028	47.66269312	37.25	58.07
2029	51.8683834	40.73	63.00
2030	56.07407367	44.25	67.89



The forecast of Net Profit Margin (NPM) for ICICI Bank from 2025 to 2030 indicates a strong and steady upward trend, with NPM projected to rise from 35.05% in 2025 to 56.07% in 2030. This suggests that the bank is expected to retain an increasingly higher portion of its revenue as net profit, highlighting improved profitability and effective cost management. The widening confidence bounds—from 27.19% to 67.89% over the forecast period—reflect some uncertainty but remain within a favorable range, underscoring a positive long-term outlook. Overall, these projections indicate that ICICI Bank is on a strong path to enhance its net profitability, positioning itself for sustained financial strength and shareholder value.

TABLE No. 19: FINANCIAL PERFORMANCE OF FEDERAL BANK LTD

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	2,338.82	3,010.59	1,889.82	1,590.30	1,542.78
Equity	490.90	423.24	420.51	399.23	398.53
EPS	11.28	14.27	9.13	7.97	7.76
OPM %	30.47	28.53	27.51	27.53	24.26
NPM%	14.03	17.92	13.83	11.56	11.68

Source: Secondary

The financial performance of Federal Bank Ltd. from 2020 to 2024 shows a generally positive trajectory, though with some fluctuations. Net profit rose significantly from ₹1,542.78 Cr in 2020 to ₹3,010.59 Cr in 2023, before dipping to ₹2,338.82 Cr in 2024, indicating a recent decline in profitability. Earnings Per Share (EPS) followed a similar trend, increasing from ₹7.76 in 2020 to ₹14.27 in 2023, then falling to ₹11.28 in 2024. Operating Profit Margin (OPM) has gradually improved over the years, rising from 24.26% in 2020 to 30.47% in 2024, reflecting better operational efficiency. Net Profit Margin (NPM) also saw a steady rise up to 2023 but dropped from 17.92% to 14.03% in 2024, suggesting some pressure on bottom-line profitability. Overall, while Federal Bank has made operational gains and improved its margins, the recent dip in net profit and EPS highlights the need for a renewed focus on sustaining profitability.

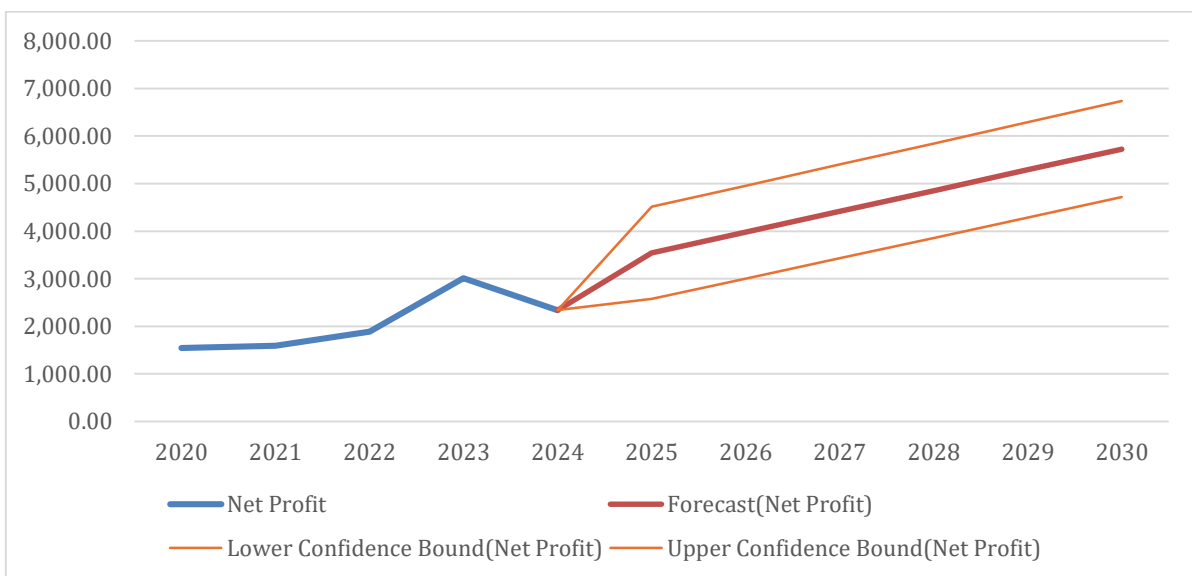
TABLE No. 20: NET PROFIT & EPS OF FEDERAL BANK LTD

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	2,338.82	3,010.59	1,889.82	1,590.30	1,542.78
EPS	11.28	14.27	9.13	7.97	7.76
Correlation	0.9996356283				

The data shows a very strong positive correlation of 0.9996 between net profit and Earnings Per Share (EPS) for Federal Bank Ltd. from 2020 to 2024, indicating that changes in the bank's profitability are closely mirrored in its EPS. This implies efficient capital management, where increases in net profit have directly translated into higher earnings per share, with minimal dilution of equity. Both net profit and EPS peaked in 2023 before experiencing a decline in 2024, reflecting a short-term dip in performance. Despite this recent drop, the near-perfect correlation underscores Federal Bank's consistent ability to convert profit growth into shareholder value over the long term.

TABLE No.21: FORECAST ANALYSIS OF NET PROFIT

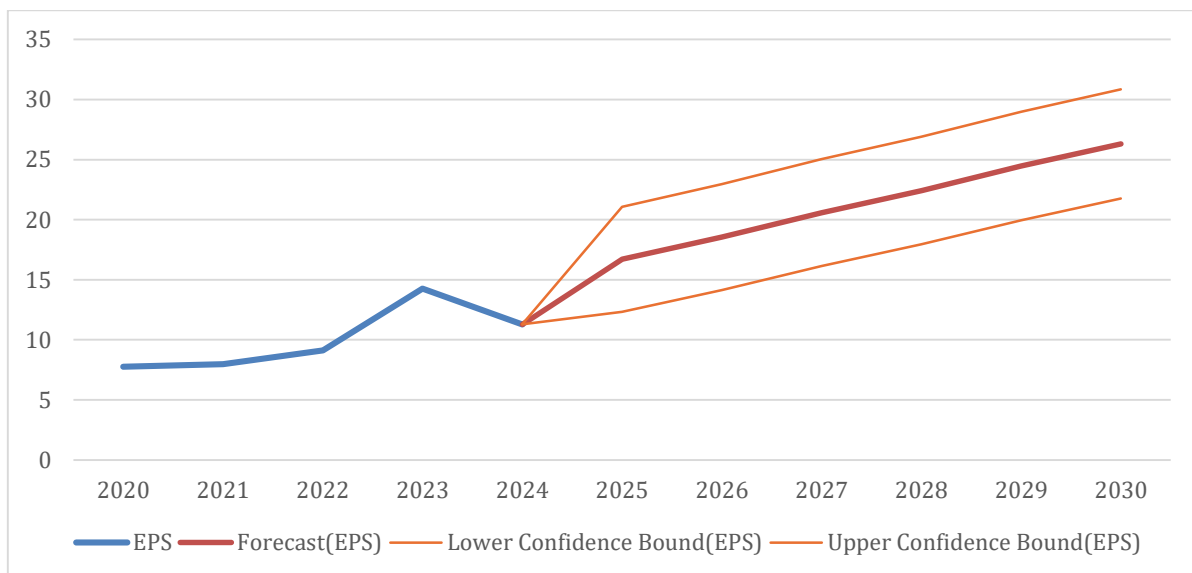
(in Cr.)	Forecast (Net Profit)	Lower Confidence Bound (Net Profit)	Upper Confidence Bound (Net Profit)
2025	3,544.53	2,575.18	4,513.88
2026	3,978.18	3,001.04	4,955.31
2027	4,417.85	3,432.74	5,402.95
2028	4,851.49	3,858.48	5,844.50
2029	5,291.16	4,290.07	6,292.25
2030	5,724.81	4,715.69	6,733.92



The forecast analysis of net profit for Federal Bank Ltd. from 2025 to 2030 indicates a strong upward trend, with net profit expected to rise from ₹3,544.53 Cr in 2025 to ₹5,724.81 Cr by 2030. This consistent growth suggests improving business performance and profitability over the forecast period. The widening confidence bounds—from ₹2,575.18 Cr to ₹6,733.92 Cr—reflect some uncertainty in the projections but remain within a favorable range, indicating strong potential for growth. Overall, the forecast reflects a positive outlook for Federal Bank, signaling that if managed effectively, the bank is well-positioned to experience substantial profit expansion in the coming years.

TABLE No.22: FORECAST ANALYSIS OF EARNINGS PER SHARE

Year	Forecast (EPS)	Lower Confidence Bound (EPS)	Upper Confidence Bound (EPS)
2025	16.70556784	12.33	21.08
2026	18.54857977	14.14	22.96
2027	20.58747878	16.15	25.03
2028	22.43049071	17.95	26.91
2029	24.46938972	19.95	28.98
2030	26.31240165	21.76	30.86

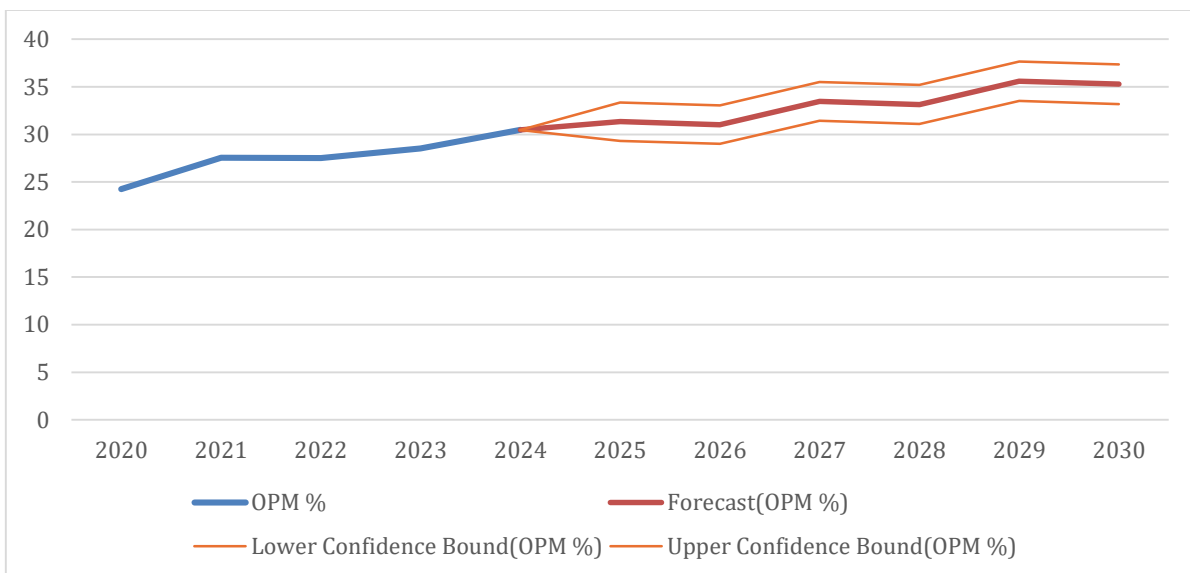


The forecast analysis of Earnings Per Share (EPS) for Federal Bank Ltd. from 2025 to 2030 projects a steady and encouraging upward trend, with EPS expected to increase from ₹16.71 in 2025 to ₹26.31 in 2030. This growth reflects the bank’s potential to enhance shareholder value through improving profitability. The confidence bounds widen gradually—from ₹12.33 to ₹30.86—indicating some variability in potential outcomes, but the consistently rising forecast suggests strong underlying

fundamentals. Overall, the projection indicates a favorable outlook for Federal Bank’s earnings potential, driven by anticipated growth in net profits and sustained operational efficiency.

TABLE No.23: FORECAST OF OPERATING PROFIT MARGIN

Year	Forecast (OPM %)	Lower Confidence Bound(OPM %)	Upper Confidence Bound(OPM %)
2025	31.33752071	29.33	33.35
2026	31.01996619	28.99	33.05
2027	33.46111017	31.42	35.51
2028	33.14355565	31.08	35.20
2029	35.58469963	33.51	37.66
2030	35.26714511	33.17	37.36

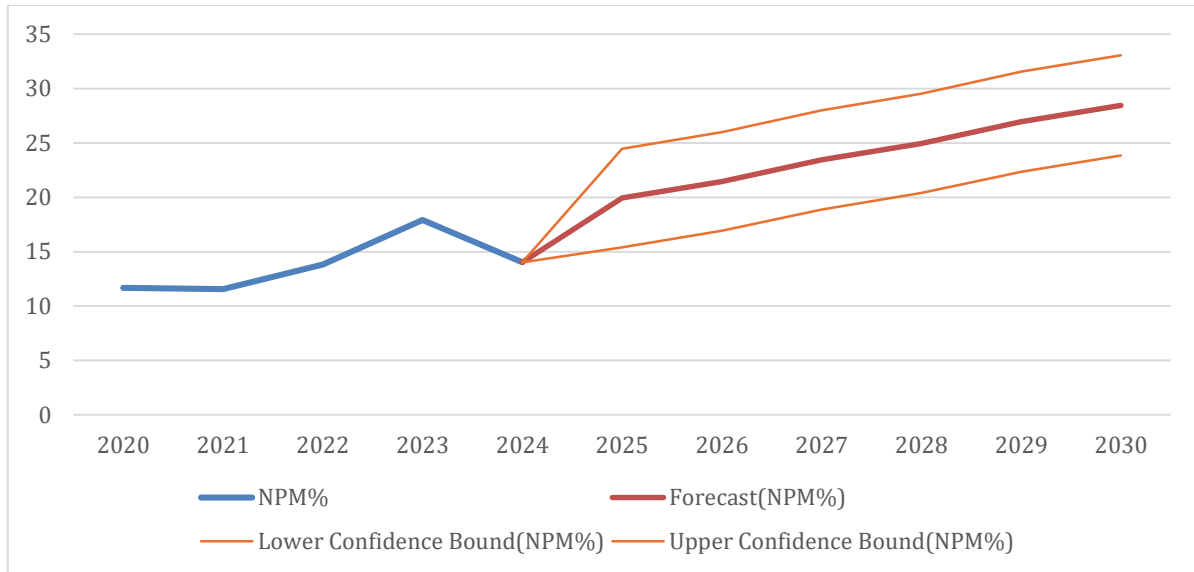


The forecast of Operating Profit Margin (OPM) for Federal Bank Ltd. from 2025 to 2030 reflects a gradually improving trend, indicating enhanced operational efficiency over time. The OPM is expected to increase from 31.34% in 2025 to 35.27% in 2030, suggesting better control over operating expenses relative to revenue. The confidence bounds remain relatively narrow, ranging from 28.99% to 37.66%, which indicates a moderate level of certainty and stability in the bank's operating performance. Overall, the projections imply that Federal Bank is likely to strengthen its profitability through improved efficiency, positioning itself for more stable and robust financial health in the coming years.

TABLE No.24: FORECAST OF NET PROFIT MARGIN

Year	Forecast (NPM %)	Lower Confidence Bound(NPM %)	Upper Confidence Bound(NPM %)
------	------------------	-------------------------------	-------------------------------

2025	19.9388256	15.41	24.47
2026	21.45889926	16.93	25.99
2027	23.44051769	18.87	28.01
2028	24.96059135	20.39	29.53
2029	26.94220978	22.34	31.55
2030	28.46228344	23.86	33.07



The forecast of Net Profit Margin (NPM) for Federal Bank Ltd. from 2025 to 2030 shows a clear upward trend, rising from 19.94% in 2025 to 28.46% in 2030. This indicates that the bank is expected to retain a larger portion of its revenue as net profit over time, reflecting enhanced profitability and better cost control. The confidence bounds, ranging from 15.41% to 33.07%, suggest a favorable but moderately variable outlook. Overall, the projections point to Federal Bank's potential for strengthening its bottom-line performance and increasing shareholder returns through improved financial efficiency and sustained earnings growth.

TABLE No. 25: FINANCIAL PERFORMANCE OF INDUSIND BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	4,109.1	7,389.72	4,611.12	2,836.39	4,417.91
Equity	779.05	775.90	774.66	773.37	693.54
EPS	42.63	95.32	59.57	38.75	63.75
OPM %	43.55	39.45	41.65	40.44	37.43
NPM%	10.95	20.32	14.96	9.78	15.35

Source: Secondary

The financial performance of IndusInd Bank Ltd. from 2020 to 2024 displays a pattern of volatility in both profitability and margins. Net profit peaked at ₹7,389.72 Cr in 2023 but dropped sharply to ₹4,109.1 Cr in 2024, indicating a significant decline in earnings. EPS mirrored this trend, falling from ₹95.32 in 2023 to ₹42.63 in 2024, suggesting reduced returns to shareholders. While Operating Profit Margin (OPM) has

shown steady improvement overall, rising from 37.43% in 2020 to 43.55% in 2024, the Net Profit Margin (NPM) has been inconsistent, dropping from 20.32% in 2023 to 10.95% in 2024. This decline in NPM despite improved OPM suggests increased non-operating costs or provisioning. Overall, the bank has demonstrated operational strength but faces challenges in maintaining consistent net profitability and shareholder returns.

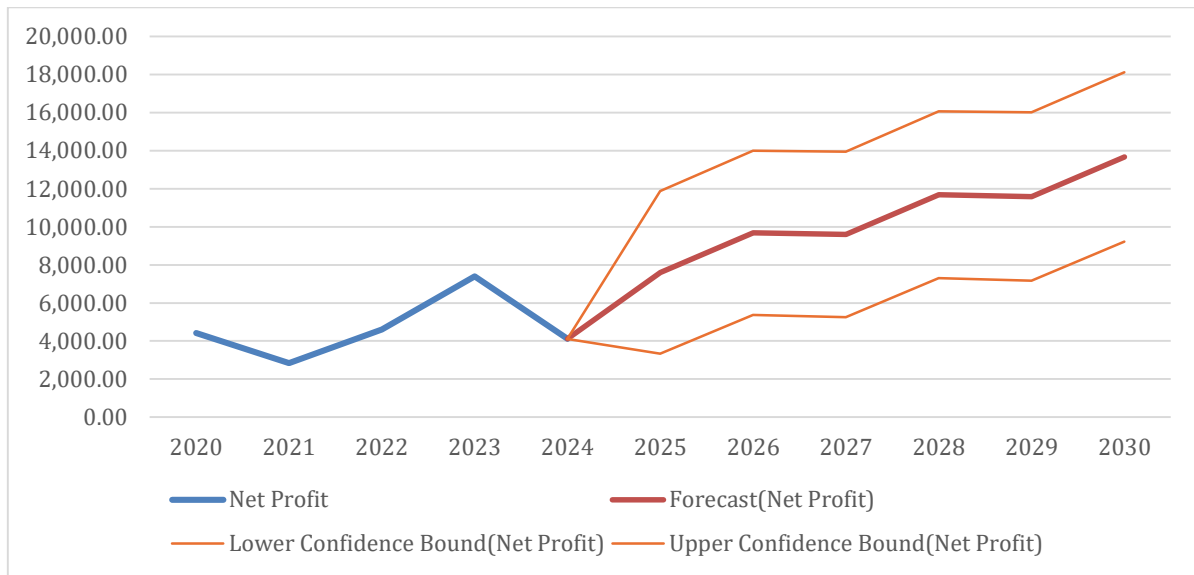
TABLE No. 26: NET PROFIT & EPS OF INDUSIND BANK Ltd.

(in Cr.)	2024	2023	2022	2021	2020
Net Profit	4,109.10	7,389.72	4,611.12	2,836.39	4,417.91
EPS	42.63	95.32	59.57	38.75	63.75
Correlation	0.9600802973				

The table shows a strong positive correlation of 0.96 between net profit and Earnings Per Share (EPS) for IndusInd Bank Ltd. from 2020 to 2024, indicating a close relationship between the bank's profitability and returns to shareholders. This means that as net profit increases, EPS tends to rise correspondingly, and vice versa. However, the fluctuations in both net profit and EPS particularly the sharp rise in 2023 followed by a steep decline in 2024 suggest some inconsistency in financial performance, potentially due to changing market conditions or internal factors such as provisioning or asset quality issues. Despite these fluctuations, the strong correlation affirms that the bank has generally maintained an efficient linkage between its profit generation and shareholder value.

TABLE No.27: FORECAST ANALYSIS OF NET PROFIT

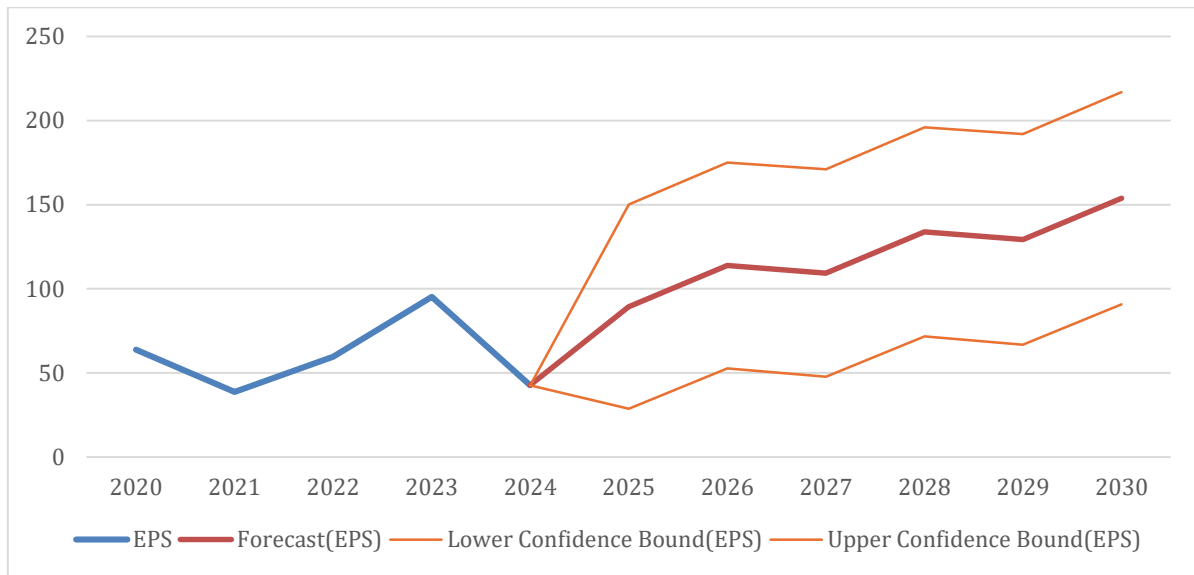
(in Cr.)	Forecast (Net Profit)	Lower Confidence Bound(Net Profit)	Upper Confidence Bound(Net Profit)
2025	7,605.19	3,327.58	11,882.80
2026	9,686.64	5,374.67	13,998.62
2027	9,600.15	5,253.01	13,947.28
2028	11,681.60	7,299.58	16,063.62
2029	11,595.10	7,177.40	16,012.81
2030	13,676.56	9,223.46	18,129.66



The forecast analysis of net profit for IndusInd Bank Ltd. from 2025 to 2030 suggests a strong recovery and growth trajectory following recent volatility. Net profit is projected to more than triple from ₹4,109.10 Cr in 2024 to ₹13,676.56 Cr by 2030, reflecting significant improvement in the bank’s profitability. The wide confidence intervals—ranging from ₹3,327.58 Cr to ₹18,129.66 Cr—indicate a degree of uncertainty, possibly due to the bank’s historical earnings fluctuations. Nevertheless, the overall trend is positive, showing optimism about the bank’s ability to stabilize and expand its profit base in the coming years, likely driven by strategic improvements and better asset quality management.

TABLE No.28: FORECAST ANALYSIS OF EARNINGS PER SHARE

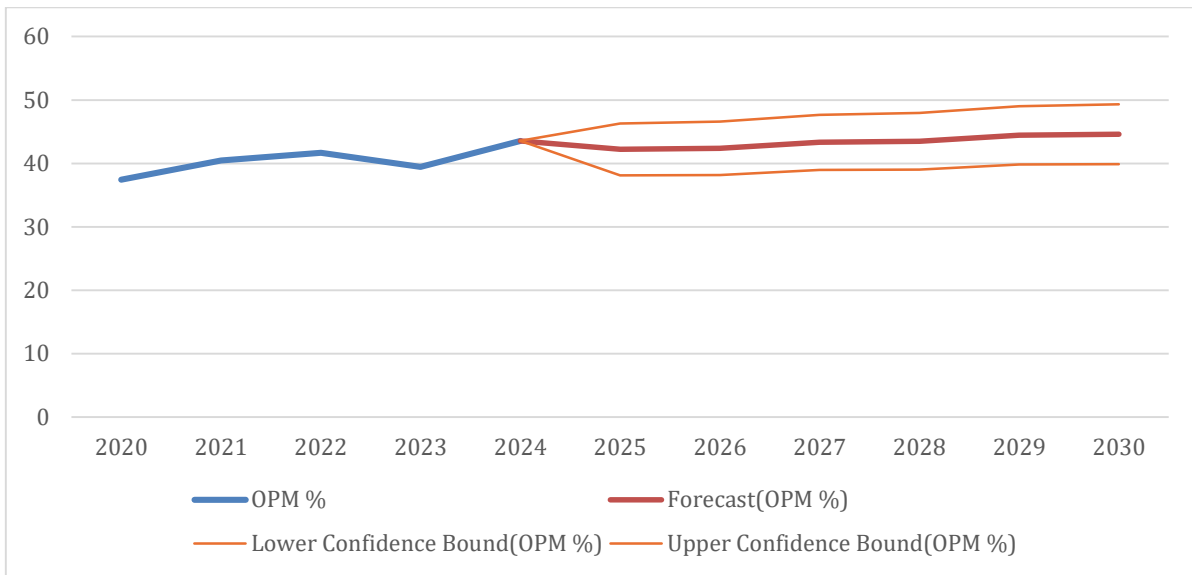
Year	Forecast(EPS)	Lower Confidence Bound(EPS)	Upper Confidence Bound(EPS)
2025	89.4085026	28.75	150.07
2026	113.8423611	52.70	174.99
2027	109.4009327	47.76	171.05
2028	133.8347911	71.70	195.97
2029	129.3933627	66.75	192.04
2030	153.8272212	90.68	216.97



The forecast analysis of Earnings Per Share (EPS) for IndusInd Bank Ltd. from 2025 to 2030 indicates a strong upward trend, with EPS expected to grow significantly from ₹89.41 in 2025 to ₹153.83 by 2030. This suggests substantial improvement in shareholder returns and reflects the bank’s projected growth in profitability. The wide confidence intervals—from ₹28.75 to ₹216.97—highlight potential volatility, possibly due to historical fluctuations in earnings. Despite this, the consistent increase in forecasted EPS reflects optimism about the bank’s financial recovery and future performance, pointing to a positive outlook if it can manage risks and maintain earnings consistency.

TABLE No.29: FORECAST OF OPERATING PROFIT MARGIN

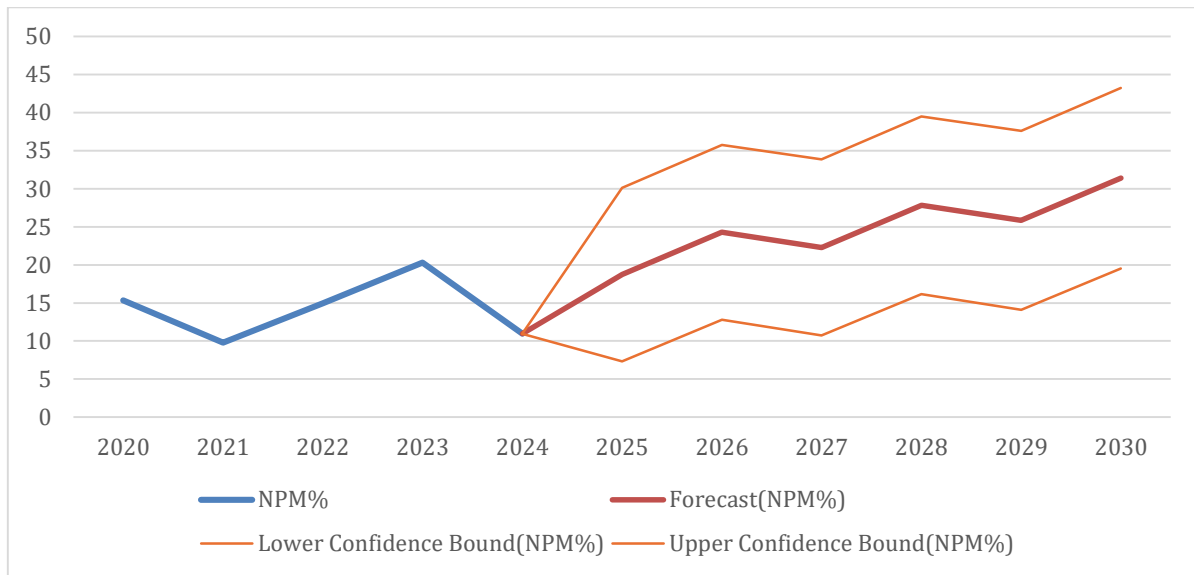
Year	Forecast(OPM)	Lower Confidence Bound(OPM)	Upper Confidence Bound(OPM)
2025	42.21799162	38.13	46.31
2026	42.38392396	38.17	46.60
2027	43.32780274	38.99	47.67
2028	43.49373508	39.03	47.96
2029	44.43761386	39.85	49.02
2030	44.60354621	39.90	49.31



The forecast of Operating Profit Margin (OPM) for IndusInd Bank Ltd. from 2025 to 2030 reflects a stable and gradually improving operational efficiency. OPM is projected to rise from 42.22% in 2025 to 44.60% in 2030, indicating consistent improvement in the bank’s ability to manage operating costs relative to revenue. The relatively narrow confidence bounds—from around 38.13% to 49.31%—suggest moderate uncertainty but overall stability in operational performance. This upward trend points to better cost control and productivity, which, if sustained, can significantly contribute to strengthening the bank’s profitability and long-term financial health.

TABLE No.30: FORECAST OF NET PROFIT MARGIN

Year	Forecast(NPM)	Lower Confidence Bound(NPM)	Upper Confidence Bound(NPM)
2025	18.73874132	7.34	30.13
2026	24.28465787	12.80	35.77
2027	22.29642022	10.72	33.88
2028	27.84233677	16.17	39.51
2029	25.85409912	14.09	37.62
2030	31.40001567	19.54	43.26



The forecast of Net Profit Margin (NPM) for IndusInd Bank Ltd. from 2025 to 2030 suggests a generally positive trajectory, with NPM expected to rise from 18.74% in 2025 to 31.40% by 2030. This indicates improved profitability, with the bank anticipated to retain a larger portion of its revenue as net income over time. However, the wide confidence intervals—from as low as 7.34% to as high as 43.26%—reflect significant uncertainty, likely due to historical fluctuations in profitability and external market risks. Despite this, the overall trend points toward strengthening financial health and better cost management, which, if achieved, could result in more stable and improved returns for stakeholders.

10. Discussion

The analysis of HDFC Bank Ltd. across the three tables reveals strong and consistent financial growth from 2020 to 2024, with net profit more than doubling and EPS rising significantly, indicating efficient earnings generation and value creation for shareholders. A high correlation of 0.95 between net profit and EPS confirms a strong linear relationship, suggesting stable share capital without major dilution. However, a declining trend in profit margins (OPM and NPM) points to rising operational costs or efficiency challenges.

The forecast analysis across the four key financial metrics—Net Profit, Earnings Per Share (EPS), Operating Profit Margin (OPM), and Net Profit Margin (NPM)—for HDFC Bank Ltd. reveals a mixed but largely positive outlook. Net profit and EPS are projected to continue growing significantly from 2025 to 2030, reflecting strong profitability and consistent value creation for shareholders. However, both OPM and NPM show signs of pressure, with declining margins over the forecast period, indicating rising operational costs and possible challenges in maintaining profitability at the same pace. While the bank’s net profit and EPS growth remain robust, the narrowing operating and net profit margins suggest that managing costs and improving operational efficiency will be key to sustaining long-term profitability. The widening confidence intervals for OPM and NPM further highlight the uncertainty around future performance, emphasizing the need for strategic focus on cost optimization and innovation.

The analysis of Kotak Mahindra Bank's financial performance and forecasts reveals a solid and consistent growth trajectory in both net profit and Earnings Per Share (EPS), with substantial increases from 2020 to 2024 and projections for continued growth through 2030. The bank has maintained strong profitability, as reflected in the high correlation between net profit and EPS, demonstrating efficient value creation for shareholders. While operating profit margin (OPM) and net profit margin (NPM) forecasts show steady improvement, they also highlight some variability and uncertainty, particularly with fluctuations in margins over time. Despite these variations, the overall financial outlook remains positive, suggesting that the bank is well positioned to sustain its growth, although managing costs and optimizing operational efficiency will be key to maintaining strong margins. The forecasted stability in net profit and EPS, along with improving margins, indicates that Kotak Mahindra Bank is on track for sustained long-term profitability.

The analysis of ICICI Bank reveals a strong financial performance with consistent growth in net profit and EPS from 2020 to 2024, supported by a near-perfect correlation (0.99996), indicating efficient distribution of earnings to shareholders. Forecasts project a robust upward trend in both net profit and EPS through 2030, with net profit expected to more than double and EPS crossing ₹100. Operating and Net Profit Margins are also projected to improve steadily, reaching 59.59% and 56.07% respectively by 2030, signaling enhanced operational efficiency and profitability. While the confidence intervals widen slightly over time, reflecting moderate uncertainty, the overall forecast points to a healthy and upward financial trajectory, positioning ICICI Bank for strong, sustainable growth.

The analysis of Federal Bank Ltd. highlights a strong potential for future growth despite a slight dip in profitability in 2024. From 2020 to 2023, the bank showed steady improvement in net profit, EPS, and margins, peaking in 2023 before experiencing a decline in 2024. However, forecasts from 2025 to 2030 indicate a robust recovery and consistent upward trajectory in net profit, EPS, Operating Profit Margin (OPM), and Net Profit Margin (NPM). Net profit is projected to more than double by 2030, while EPS is expected to rise significantly, reflecting enhanced shareholder value. Both OPM and NPM are forecasted to improve steadily, signaling greater operational efficiency and profitability. The strong correlation between net profit and EPS (0.9996) further confirms effective earnings management, positioning Federal Bank well for sustained financial performance in the long term.

IndusInd Bank Ltd. has demonstrated mixed financial performance in recent years, with a significant drop in net profit and EPS in 2024 compared to 2023, likely due to reduced operational efficiency and profitability. Despite this, the forecasted future growth for both net profit and earnings per share (EPS) is promising, indicating a potential recovery and upward trend. Forecasts suggest that the bank will experience a steady increase in both operating profit margins (OPM) and net profit margins (NPM) over the next few years, with improvements in profitability expected by 2030. The correlation between net profit and EPS is high, reflecting strong consistency in the bank's ability to translate earnings into shareholder value. However, the uncertainty shown in the forecast intervals indicates some risk and volatility in the coming years.

The forecasted data further equips investors with insights into the future performance and risks associated with each bank. This helps them make informed investment decisions by comparing the banks' past

performance with future expectations, identifying trends, and assessing the sustainability of growth. Additionally, the study highlights areas of strength and potential challenges for each bank, allowing investors to weigh the risk-reward profile of their investments. Overall, the study provides valuable data to guide investment strategies and portfolio diversification in the banking sector.

11. Conclusion

In conclusion, the study of HDFC Bank, Kotak Mahindra Bank, Federal Bank, ICICI Bank, and IndusInd Bank highlights key insights into their financial performance and forecasts. All five banks have demonstrated strong growth trajectories in recent years, particularly in terms of net profit, earnings per share (EPS), and operational efficiency, although with variations in their performance metrics. HDFC Bank and ICICI Bank exhibit robust financial health with high profitability and operational efficiency, supported by strong forecasted growth. Kotak Mahindra Bank has also shown consistent profitability, while Federal Bank and IndusInd Bank are projected to experience growth, but with more variability in their forecasts. While all banks face challenges, particularly in maintaining profit margins and addressing fluctuations in earnings, their future projections indicate growth prospects. The banks' strategies should focus on enhancing operational efficiency, expanding digital capabilities, managing costs, and improving customer engagement to sustain this growth. Each bank's ability to adapt to changing market conditions, leverage technology, and manage risks effectively will be critical for their long-term success.

12. Recommendations

To sustain its strong growth trajectory and address emerging challenges, HDFC Bank Ltd. should focus on improving operational efficiency and implementing robust cost control measures to counter the recent decline in profit margins. Diversifying revenue streams through expansion into high-margin areas like wealth management or fintech, while maintaining asset quality and prudent risk management, will support long-term profitability. Additionally, leveraging digital banking and automation can enhance customer experience, reduce costs, and drive scale.

To sustain the positive growth in net profit and EPS while addressing the pressures on operating and net profit margins, HDFC Bank should focus on enhancing operational efficiency and cost management strategies. Streamlining operations, leveraging technology for automation, and exploring digital banking solutions can help reduce costs and improve scalability. Additionally, the bank should diversify its revenue streams, such as expanding into high-margin segments like wealth management or financial products, to offset margin compression. Maintaining a focus on asset quality and prudent risk management will also be critical for long-term stability. Given the forecasted uncertainty in margins, it is essential for the bank to stay agile, adapt to changing market conditions, and continuously innovate to protect and improve profitability.

Based on the analysis, Kotak Mahindra Bank should focus on optimizing operational efficiency to sustain its strong profitability and improve margins, particularly as some fluctuations in operating and net profit margins are forecasted. Leveraging technology to automate processes and reduce costs could help enhance operational scalability and reduce uncertainty in margin performance. Additionally, the bank should

continue diversifying its revenue streams by exploring high-margin segments such as wealth management, digital banking services, and financial products, which can buffer against margin compression. With growth projected for net profit and EPS, strategic investments in innovation and maintaining a robust risk management framework will be crucial in securing long-term stability and shareholder value.

Based on the analysis, ICICI Bank should continue leveraging its strong growth momentum by investing in digital transformation and operational optimization to further enhance efficiency and maintain rising profit margins. As forecasts show significant gains in net profit and EPS, the bank should ensure this growth is sustainable by strengthening its risk management framework and maintaining asset quality. With widening confidence intervals indicating moderate uncertainty, diversifying income streams and focusing on cost control will be essential to protect margins. Additionally, continued innovation in customer-centric financial products and expansion into underpenetrated markets could further boost profitability and reinforce its competitive edge in the evolving banking landscape.

Based on the analysis, Federal Bank Ltd. should focus on sustaining its long-term growth trajectory by strengthening its core operations and improving cost efficiency to maintain the upward trend in profit margins. Given the recent dip in net profit and EPS in 2024, the bank must closely monitor asset quality and credit risk to avoid setbacks in profitability. Investing in digital transformation and expanding into underserved markets can drive new revenue streams and operational scalability. Additionally, maintaining disciplined financial management and leveraging data-driven strategies will be key to realizing the projected growth in EPS and margins, ultimately enhancing shareholder value and market competitiveness.

IndusInd Bank should focus on stabilizing its current performance by addressing the factors contributing to the decline in net profit and EPS in 2024. The bank should work towards improving its operational efficiency to enhance its profitability margins, particularly focusing on controlling costs and optimizing revenue-generating activities. With promising growth forecasts for the next several years, it is essential for IndusInd Bank to invest in innovation, technology, and digital transformation to stay competitive and better manage market volatility. Additionally, enhancing customer experience and expanding its loan book can support growth in earnings, while closely monitoring macroeconomic factors that may impact its future performance. Maintaining a solid capital position and risk management framework will be crucial in sustaining long-term growth and profitability.

References:

1. Ayyappan, S. and Sakthivadivel, M., 2013. Profitability analysis of selected public and private sector banks in India. *Asian Journal of Managerial Science*, 2(1), pp.34–42.
2. Balaji, C. and Kumar, G.P., 2016. A comparative study on financial performance of selected public and private sector banks in India. *Journal of Commerce and Trade*, 11(2), pp.35–42.
3. Choudhury, T., 2020. Financial performance forecasting of Indian banks: A study of private sector banks. *International Journal of Banking, Risk and Insurance*, 8(1), pp.23–32.
4. Gupta, S. and Bansal, R., 2017. Forecast analysis of profitability indicators in Indian banks. *International Journal of Financial Management*, 7(3), pp.1–8.

5. Gupta, S. and Verma, R., 2008. Comparative analysis of financial performance of private sector banks in India: Application of CAMEL model. *Journal of Global Economy*, 4(3), pp.173–188.
6. Kumar, P. and Reddy, M., 2021. Earnings per share and shareholder value creation in Indian private banks. *Journal of Accounting and Finance*, 35(2), pp.21–29.
7. Maheshwari, P., 2012. Performance evaluation of public and private sector banks in India: A comparative study. *Journal of Commerce and Trade*, 7(2), pp.18–25.
8. Narayan, A., 2019. Forecasting profitability in Indian banking sector using time series analysis. *Journal of Economics and Business*, 5(4), pp.101–110.
9. Sathiya, N. and Sangeetha, S., 2021. Financial performance of selected public and private sector banks in India. *ICTACT Journal on Management Studies*, 7(4), pp.1420–1425.
10. Sharma, M., 2018. Predictive analytics in banking: A study of earnings forecast in Indian private banks. *Journal of Financial Research and Analysis*, 9(1), pp.55–63.
11. Solanki, H.K. and Aggarwal, J., 2022. Impact of bank-specific variables on financial performance of private sector banks in India. *RESEARCH REVIEW International Journal of Multidisciplinary*, 7(2), pp.45–52.
12. Thaker, M.M. and Mehta, A.S., 2020. A study on the profitability analysis of selected private sector banks of India. *International Educational Journal of Science and Engineering*, 6(2), pp.60–67.
13. Verma, R. and Das, P., 2022. The role of predictive analytics in improving private sector bank performance in India. *Asian Journal of Banking and Finance*, 4(1), pp.75–84.
14. Vithalbai, V.S., 2020. Financial performance of banks in India: A study of selected private sector banks. *Journal of Advanced Research in Economics and Administrative Sciences*, 1(1), pp.1–10.
15. Gupta, S. & Bansal, R., 2017. Forecast analysis of profitability indicators in Indian banks. *International Journal of Financial Management*, 7(3), pp.1–8.
16. Gupta, S. & Verma, R., 2008. Comparative analysis of financial performance of private sector banks in India: Application of CAMEL model. *Journal of Global Economy*, 4(3), pp.173–188.