



A comparative analysis on Financial Performance of Public and Private Sector Commercial Banks in Andhra Pradesh and Telangana states with special reference to customer perceptions

Murali Puja¹, Dr. Shanmukha Rao Padala^{2*}

¹Research Scholar, Government College (A), Rajahmundry of Adikavi Nannaya University Rajahmahendravaram East Godavari & Associate Professor, Department of Commerce, TSR & ERR Government Degree College, Pamarru, Krishna, Andhra Pradesh, India.

^{2*}Associate Professor, Department of Commerce, Government College(A), Rajahmahendravaram, Andhra Pradesh, India.

*Corresponding author.

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Abstract: The financial performance of banks in India is a crucial indicator of their ability to generate profits and remain sustainable in the long run. This research paper aims to analyze the comparative analysis on financial performance of banks in India between public and private sectors and Andhra Pradesh and Telangana states. For this purpose the study used reliability, assurance, tangibility, empathy and responsibility indicators of the banks. The study utilizes primary data from the bank customers of both public and private sector, and Andhra Pradesh and Telangana states. In conclusion, the findings demonstrate that both public and private sector banks play an important role in providing reliable and satisfactory banking services, but their strengths differ across various dimensions of financial performance. Public sector banks have an advantage in reliability, assurance, and tangible facilities, which contributes to greater customer confidence and a sense of security. In contrast, private sector banks perform better in empathy, customer relationships, prompt service delivery, and technological support. The study also reveals clear regional differences, with Telangana banks generally receiving more favourable customer perceptions in assurance, tangible facilities, and empathy, while Andhra Pradesh banks show better performance in certain aspects of responsibility and customer support. Since significant differences are observed across the five dimensions, the findings confirm that customers perceive meaningful differences between public and private sector banks. Overall, the results emphasize that banks can improve customer satisfaction and loyalty by strengthening service quality, adopting customer-oriented practices, investing in modern technology and infrastructure, and providing personalized and efficient banking services.

Keywords: financial performance, public and private sectors, Andhra Pradesh and Telangana.

1. Introduction

Studying the financial performance of banks is essential for evaluating profitability, liquidity, solvency, and operational efficiency, which are critical for ensuring stability and supporting economic growth. It enables stakeholders (investors, managers, regulators) to make informed decisions, manage risks (e.g., credit, operational), ensure regulatory

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compliance, and compare performance against. The financial performance analysis of Indian banks holds significant importance in the realm of financial management and regulatory oversight. (Sheetal, 2023) This study aims to explore the various dimensions and implications of analyzing the financial performance of public and private sector banks operating in Andhra Pradesh and Telangana states. The research highlights the critical role played by financial performance analysis in fostering reliability, assurance, tangibility, empathy and responsibility of banks. It examines how this analysis facilitates the evaluation of financial performance aspects, thereby influencing customer satisfaction and decision-making in selection of banks for financial transactions. Through an extensive review of existing literature and empirical data, the research identifies the benefits of benchmarking Indian banks against their peers and how it helps in identifying areas for improvement through their financial performance. Furthermore, the study underlines the long-term sustainability and viability implications that arise from informed financial performance analysis. Thus, the present research paper is an attempt to evaluate financial performance of public and private sector banks to identify the customer satisfaction with reference to reliability, assurance, tangibility, empathy and responsibility aspects. This study gives an idea about ups and downs of financial performance of selected public and private sector banks. Since, financial performance gives a path to other banking institutions, nut shell, this study throws a light on financial environment of public and private sector Banks.

2. Literature Review

Kinjal and Preeti (2026) studied on financial performance of Indian Banks in both public and private sectors to examine and compare the financial performance of selected banks namely State Bank of India and Punjab National Bank from public sector and two private sector banks, ICICI Bank Ltd. and HDFC Bank Ltd. The findings reveal that private sector banks exhibit superior profitability and operational efficiency, whereas public sector banks demonstrate relatively stable but lower financial performance. Ganesh and Sreeramulu (2024) studied on evaluation of the financial performance of public and private sector banks. The main aim of this study is to compare the performance of private and public sector banks based on CAMELS parameters. The results show that HDFC Bank, a private sector bank, ranked first overall, followed by ICICI Bank and SBI in second and third place, respectively, with Union Bank ranking last. Madhavi Latha (2023) has done a comparative study on financial performance of public and private sector bank in India. In this study SBI has taken from public sector and ICICI Bank has taken from private sector. The results show that ICICI bank has more ability to meet its obligations related to risk as compare to SBI. Tamilarasu and Srinivasan (2022) studied on financial performance of selected public and private sector banks. The study attempts to derive a comparison between the financial performance of the public and private sectors concerning internal and external factors that influence the overall performance of the banking industry. Mubarak (2021) studied on assessment of financial stability of select public and private sector banks. The study found certain private sector banks are more financially stable than public sector banks, where leading bank is HDFC, followed by Karnataka Bank, State Bank of India, ICICI bank, CSB bank, and AXIS bank. Sarkar & Rakshit (2021) studied on factors influencing the performance of commercial banks to examine the elements that influence commercial banks' performance in India. T is found that external factors have a considerable effect on performance of commercial banks in India. Alam et al. (2021) investigated the long-run relationship between bank performance and economic growth using data from 20 Indian public sector banks during 2009–2019. Using cointegration tests, VECM, FMOLS, and DOLS, the study found a positive relationship between interest margin, ROA, and economic growth. However, lending capacity and investment activities showed a weak relationship with economic growth. Khan et al. (2021) examined systemic risk and the size effect in the Indian banking sector using six banks and data from 2007–2020, applying quantile-CoVaR and TENET methods. The study found that market volatility and global risks negatively affected bank profitability, while liquidity risk was significant for private banks. HDFC Bank and SBI contributed substantially to systemic risk, with private banks' role increasing after 2015. Demirgüç-Kunt et al. (2021) examined the impact of the COVID-19 crisis and financial-sector policy measures on global bank stock performance. The study found that bank stocks underperformed their domestic markets, although liquidity support, borrower assistance, and monetary easing helped reduce the crisis impact. However, policy measures placed additional pressure on undercapitalized banks and institutions in fiscally constrained countries.

3. Research Gap

The earlier studies on financial performance of Indian banks in both the public and private sectors, evaluation of the financial performance of public and private sector banks with CAMEL principles, comparative analysis on financial performance of public and private sector bank in India, financial performance of selected public and private sector banks, assessment of financial stability of select public and private sector banks, and factors influencing the performance of commercial banks and many other studies of various authors have reviewed in this study. But it is found research gap the area of comparative analysis on financial performance of public and private sector commercial banks in Andhra Pradesh and Telangana states with special reference to customer perceptions. Thus, this research paper intended to perform a comparative analysis on financial performance of public and private sector commercial banks in Andhra Pradesh and Telangana states with the following objectives.

4. Objectives

1. To study the perceptions of customers on financial performance of public and private sector commercial banks in Andhra Pradesh and Telangana states.
2. To distinguish the financial performance of commercial banks between public and private sectors with reference to customer perceptions.

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3. To distinguish the difference in the financial performance of commercial banks in Andhra Pradesh and Telangana states.

5. Hypothesis

1. There is no significant difference in the consumer satisfaction with reference to financial performance of public and private commercial banks.
2. There is no significant difference in the consumer satisfaction with reference to financial performance of commercial banks in Andhra Pradesh and Telangana states.

6. Methodology

Since, the main aim of this research is to study the performance of public sector and private sector banks in India with special reference to Andhra Pradesh and Telangana states, the leading public sector banks in Andhra Pradesh and Telangana are State Bank of India, Union Bank of India, Punjab National Bank, Bank of Baroda, Canara Bank, Indian Bank, UCO Bank, and Central Bank of India. Among these the top three public sector banks are State Bank of India, Union Bank of India and Punjab National Bank. In the private sector banks HDFC Bank, ICICI Bank, Axis Bank, IDFC First Bank, IDBI Bank, Kotak Mahindra Bank and Indusind Bank are the leading banks in Andhra Pradesh. Among these HDFC Bank, ICICI Bank and Axis Bank are the top three banks. Therefore, from the public sector banks State Bank of India, Union Bank of India and Punjab National Bank and from the private sector HDFC Bank, ICICI Bank and Axis Bank are selected for study their performance and perform a comparative analysis on public and private sector banks with reference to their growth, performance, financial services and customer satisfaction through both secondary as well as primary data. Since, the aim of this study is examine the financial performance of banks the primarily data was gathered from customers of selected banks in the study area through Personal Interview Method. The respondents are requested to fill the data in the questionnaire which are included with objective type statements / questions. For analysis, the data was tabulated in accordance with the outline laid out to justify the study purpose framed throughout the design's development. This questionnaire was developed by structured questions with a Likert Scale of 1 to 5 rating method. Since, the study is confined to Andhra Pradesh and Telangana states, SBI, Union Bank and Punjab National Bank from public sector and HDFC, ICICI and AXIS banks in private sector were considered for this study. Hence, the sample customers were selected from all the branches of study units for this study. The total sample size identified for this study is 960 respondents Andhra Pradesh and Telangana (480 each from public and private sectors).

7. Data Analysis

The perceptions of the bank customers on financial performance of public and private sectors banks ace been presented in the following tables, where a comparative analysis between customers of public and private sector banks and Andhra Pradesh and Telangana states has done.

Sector	Banks	Andhra Pradesh	Telangana	Total
Public sector	State Bank of India (SBI)	80 (16.7)	80 (16.7)	160 (16.7)
	Punjab National Bank (PNB)	80 (16.7)	80 (16.7)	160 (16.7)
	Union Bank of India (UNB)	80 (16.7)	80 (16.7)	160 (16.7)
Private sector	HDFC Bank	80 (16.7)	80 (16.7)	160 (16.7)
	ICICI Bank	80 (16.7)	80 (16.7)	160 (16.7)
	Axis Bank	80 (16.7)	80 (16.7)	160 (16.7)
	Total	480 (100.0)	480 (100.0)	960 (100.0)

Source: Survey data.

Table-1: Distribution of bank-wise customers across Andhra Pradesh and Telangana

The above Table-1 delineates the distribution of banking customers across six distinct banks within the geographical regions of Andhra Pradesh and Telangana. This analysis is based on a comprehensive sample of 960 banking customers, with an equal representation of 480 customers from Andhra Pradesh and 480 customers from Telangana. The banks under consideration include State Bank of India (SBI), Punjab National Bank (PNB), Union Bank of India (UNB), HDFC Bank, ICICI Bank, and Axis Bank. This granular breakdown of customer distribution by specific banking institutions and geographical location is crucial for understanding the foundational demographic and institutional landscape of the study, providing a clear context for subsequent analyses concerning customer perceptions or banking behaviors within these specified entities. The data presented offers an initial insight into the sampling strategy employed, indicating a balanced approach to ensure equitable representation across the chosen banking institutions Table-2: Comparative analysis of customers' perceptions towards bank reliability aspects in Public Sector and Private sector

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S.No	Reliability of banks	Public Sector				Private Sector				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Financial transactions of the banks	205 (42.7)	70 (14.6)	205 (42.7)	480 (100.0)	241 (50.2)	59 (12.3)	180 (37.5)	480 (100.0)	5.47 (0.065)
ii)	Issuing all types of loan to the customers	288 (60.0)	52 (10.8)	140 (29.2)	480 (100.0)	287 (59.8)	50 (10.4)	143 (29.8)	480 (100.0)	0.07 (0.964)
iii)	Loan sanction and disbursement process of the bank	236 (49.2)	84 (17.5)	160 (33.3)	480 (100.0)	233 (48.5)	58 (12.1)	189 (39.4)	480 (100.0)	17.19* (0.027)
iv)	Bank retain customer relationship through their services	208 (43.3)	74 (15.4)	198 (41.3)	480 (100.0)	227 (47.3)	76 (15.8)	177 (36.9)	480 (100.0)	2.03 (0.362)
v)	Easy accessibility of the bank services to the customers	239 (49.8)	80 (16.7)	161 (33.5)	480 (100.0)	168 (35.0)	75 (15.6)	237 (49.4)	480 (100.0)	27.06** (0.000)
vi)	Responsiveness of the bank staff towards customer transactions and teller services	322 (67.1)	50 (10.4)	108 (22.5)	480 (100.0)	299 (62.3)	55 (11.5)	126 (26.3)	480 (100.0)	2.47 (0.290)
vii)	Customer happiness level with bank services in various transaction operations	278 (57.9)	40 (8.3)	162 (33.8)	480 (100.0)	209 (43.5)	54 (11.3)	217 (45.2)	480 (100.0)	19.84** (1.000)
viii)	Staff skill and competence level in satisfying the customers through services	257 (53.5)	90 (18.8)	133 (27.7)	480 (100.0)	210 (43.8)	112 (23.3)	158 (32.9)	480 (100.0)	9.27* (0.010)
ix)	Staff behaviour while attending the customers is up to mark satisfaction	253 (52.7)	74 (15.4)	153 (31.9)	480 (100.0)	259 (54.0)	83 (17.3)	138 (28.8)	480 (100.0)	1.36 (0.507)
x)	Reliability of the banks in recovery and repayment of loans from the customers	257 (53.5)	64 (13.3)	159 (33.1)	480 (100.0)	277 (57.7)	72 (15.0)	131 (27.3)	480 (100.0)	3.92 (0.141)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-2: Comparative analysis of customers' perceptions towards bank reliability aspects in Public Sector and Private sector

Table 2 presents a comparative analysis of customers' perceptions regarding the reliability of public and private sector banks. The results indicate that customers of both banking sectors have a favourable opinion towards the reliability of banking services. Public sector banks recorded higher satisfaction with financial transactions (42.7%), staff responsiveness (67.1%), customer happiness (57.9%), and staff competence (53.5%). In contrast, private sector banks showed relatively higher satisfaction in customer relationship management (47.3%), accessibility of banking services (49.4%), staff behaviour (54.0%), and loan recovery and repayment (57.7%). Loan facilities, including issuing loans, received almost identical satisfaction levels in both sectors, indicating similar customer confidence in loan services.

The Chi-square analysis reveals that significant differences exist in only a few reliability dimensions. Loan sanction and disbursement ($\chi^2 = 17.19$, $p = 0.027$), accessibility of banking services ($\chi^2 = 27.06$, $p = 0.000$), customer happiness ($\chi^2 = 19.84$), and staff skill and competence ($\chi^2 = 9.27$, $p = 0.010$) are statistically significant, indicating that customer perceptions differ between public and private sector banks for these variables. However, financial transactions, loan availability, customer relationship, staff responsiveness, staff behaviour, and loan recovery do not show significant differences, suggesting similar customer opinions across both sectors. Overall, the findings indicate that both public and private sector banks are considered reliable by customers, although each sector demonstrates strengths in different aspects of banking services.

S.No	Reliability of banks	Andhra Pradesh				Telangana				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Financial transactions of the banks	226 (47.1)	53 (11.0)	201 (41.9)	480 (100.0)	220 (45.8)	76 (15.8)	184 (38.3)	480 (100.0)	4.93 (0.085)

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S.No	Reliability of banks	Andhra Pradesh				Telangana				Chi-Sqr
ii)	Issuing all types of loan to the customers	260 (54.2)	44 (9.2)	176 (36.6)	480 (100.0)	315 (65.6)	58 (12.1)	107 (22.3)	480 (100.0)	24.01** (0.000)
iii)	Loan sanction and disbursement process of the bank	217 (45.2)	76 (15.8)	187 (39.0)	480 (100.0)	252 (52.4)	66 (13.8)	162 (33.8)	480 (100.0)	5.11 (0.078)
iv)	Bank retain customer relationship through their services	201 (41.9)	78 (16.2)	201 (41.9)	480 (100.0)	234 (48.8)	72 (15.0)	174 (36.3)	480 (100.0)	4.69 (0.096)
v)	Easy accessibility of the bank services to the customers	120 (25.0)	96 (20.0)	264 (55.0)	480 (100.0)	287 (59.8)	59 (12.3)	134 (27.9)	480 (100.0)	119.82** (0.000)
vi)	Responsiveness of the bank staff towards customer transactions and teller services	238 (49.6)	59 (12.3)	183 (38.1)	480 (100.0)	383 (79.8)	46 (9.6)	51 (10.6)	480 (100.0)	109.93** (0.000)
vii)	Customer happiness level with bank services in various transaction operations	176 (36.7)	59 (12.3)	245 (51.0)	480 (100.0)	311 (64.8)	35 (7.3)	134 (27.9)	480 (100.0)	76.06** (0.000)
viii)	Staff skill and competence level in satisfying the customers through services	180 (37.5)	103 (21.5)	197 (41.0)	480 (100.0)	287 (59.8)	99 (20.6)	94 (19.6)	480 (100.0)	61.05** (0.000)
ix)	Staff behaviour while attending the customers is up to mark satisfaction	189 (39.4)	95 (19.8)	196 (40.8)	480 (100.0)	323 (67.3)	62 (12.9)	95 (19.8)	480 (100.0)	77.06** (0.000)
x)	Reliability of the banks in recovery and repayment of loans from the customers	194 (40.4)	71 (14.9)	215 (44.8)	480 (100.0)	340 (70.8)	65 (13.5)	75 (15.6)	480 (100.0)	107.77** (0.000)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-3: Comparative analysis of customers' perceptions regarding bank reliability aspects in Andhra Pradesh and Telangana

Table 3 compares customers' perceptions regarding the reliability of banking services in Andhra Pradesh and Telangana. The analysis shows noticeable differences between the two states. Customers in Telangana reported higher satisfaction with several aspects of bank reliability, including issuing loans (65.6%), loan sanction and disbursement (52.4%), customer relationship (48.8%), accessibility of banking services (59.8%), staff responsiveness (79.8%), customer happiness (64.8%), staff competence (59.8%), staff behaviour (67.3%), and loan recovery (70.8%). Andhra Pradesh customers expressed comparatively lower satisfaction levels for most of these variables, although financial transactions received similar responses in both states.

The Chi-square test indicates that issuing loans, accessibility of banking services, staff responsiveness, customer happiness, staff competence, staff behaviour, and loan recovery are statistically significant at the 1 percent level, confirming substantial differences in customer perceptions between the two states. In contrast, financial transactions, loan sanction and disbursement process, and customer relationship management do not show statistically significant differences, indicating similar customer opinions for these services. The findings suggest that banks operating in Telangana have been more successful in providing reliable banking services, particularly in customer service, accessibility, and loan-related operations. Overall, the results demonstrate that customers in Telangana possess greater confidence in the reliability of banking services than customers in Andhra Pradesh, reflecting better service quality and customer satisfaction.

S.No	Assurance of banks	Public Sector				Private Sector				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Financial benefits given by the banks	247 (51.5)	51 (10.6)	182 (37.9)	480 (100.0)	227 (47.3)	68 (14.2)	185 (38.5)	480 (100.0)	3.30 (0.192)

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S.No	Assurance of banks	Public Sector				Private Sector				Chi-Sqr
ii)	Deposits schemes are reliable and benefit to the customers	182 (37.9)	92 (19.2)	206 (42.9)	480 (100.0)	191 (39.8)	96 (20.0)	193 (40.2)	480 (100.0)	0.73 (0.696)
iii)	Savings schemes are more benefit to the customers	267 (55.6)	69 (14.4)	144 (30.0)	480 (100.0)	228 (47.5)	76 (15.8)	176 (36.7)	480 (100.0)	6.61* (0.037)
iv)	Availability of personal loans with low rate of interest and easy repay installments	236 (49.2)	42 (8.8)	202 (42.1)	480 (100.0)	247 (51.5)	26 (5.4)	207 (43.1)	480 (100.0)	4.08 (0.130)
v)	Mortgage loans are are more beneficiary to the customers	204 (42.5)	65 (13.5)	211 (44.0)	480 (100.0)	223 (46.5)	45 (9.4)	212 (44.2)	480 (100.0)	4.48 (0.106)
vi)	Encourage customers in on-line transactions through customer friendly software	628 (55.8)	70 (14.6)	142 (29.6)	480 (100.0)	247 (51.5)	77 (16.0)	156 (32.5)	480 (100.0)	1.85 (0.397)
vii)	Privacy of customer data to maintain transaction identity	254 (52.9)	60 (12.5)	166 (34.6)	480 (100.0)	174 (36.3)	97 (20.2)	209 (43.5)	480 (100.0)	28.60** (0.000)
viii)	Offering single window services for the benefit of the customers transaction	293 (61.0)	105 (21.9)	82 (17.1)	480 (100.0)	294 (61.2)	132 (27.5)	51 (11.3)	480 (100.0)	9.84* (0.020)
ix)	Bank arrange special counters for the benefit of old and PHC customers	360 (75.0)	113 (23.5)	7 (1.5)	480 (100.0)	319 (66.5)	157 (32.7)	4 (0.8)	480 (100.0)	10.46** (0.005)
x)	Bank give assurance of education loans for poor people for the benefit of their children	280 (58.4)	100 (20.8)	100 (20.8)	480 (100.0)	284 (59.2)	107 (22.3)	89 (18.5)	480 (100.0)	0.91 (0.636)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-4: Comparative analysis of customer perception towards assurance of banks in Public Sector and Private Sector

Table 4 compares customers' perceptions regarding the assurance dimension of service quality between public and private sector banks. The results reveal that customers from both banking sectors expressed positive opinions regarding financial benefits, savings schemes, personal loans, mortgage loans, online banking facilities, customer data privacy, single-window services, special counters for senior citizens and physically challenged customers, and educational loans. Public sector banks obtained comparatively higher satisfaction regarding financial benefits (51.5%), savings schemes (55.6%), customer data privacy (52.9%), and special counters (75.0%). Private sector banks performed slightly better in personal loans (51.5%), mortgage loans (46.5%), and educational loans (59.2%).

The Chi-square analysis indicates statistically significant differences in savings schemes ($\chi^2 = 6.61$, $p = 0.037$), privacy of customer data ($\chi^2 = 28.60$, $p = 0.000$), single-window services ($\chi^2 = 9.84$, $p = 0.020$), and special counters for elderly and physically challenged customers ($\chi^2 = 10.46$, $p = 0.005$). These findings suggest that customer perceptions differ significantly between public and private sector banks for these assurance-related services. However, financial benefits, deposit schemes, personal loans, mortgage loans, online banking, and educational loans do not exhibit significant differences, indicating comparable performance by both banking sectors. Overall, the analysis concludes that both public and private sector banks provide satisfactory assurance services, although public sector banks enjoy a slight advantage in safeguarding customer interests and delivering customer-oriented support services.

S.No	Assurance of banks	Andhra Pradesh				Telangana				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Financial benefits given by the banks	198 (41.3)	71 (14.8)	211 (44.0)	480 (100.0)	276 (57.5)	48 (10.0)	156 (32.5)	480 (100.0)	25.52** (0.000)
ii)	Deposits schemes are reliable and benefit to the customers	180 (37.5)	83 (17.3)	217 (45.2)	480 (100.0)	193 (40.2)	105 (21.9)	182 (37.9)	480 (100.0)	6.10 (0.047)

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S.No	Assurance of banks	Andhra Pradesh				Telangana				Chi-Sqr
iii)	Savings schemes are more benefit to the customers	201 (41.9)	59 (12.3)	220 (45.8)	480 (100.0)	294 (61.3)	86 (17.9)	100 (20.8)	480 (100.0)	67.50** (0.000)
iv)	Availability of personal loans with low rate of interest and easy repay installments	219 (45.6)	27 (5.6)	234 (48.8)	480 (100.0)	264 (55.0)	41 (8.5)	175 (36.5)	480 (100.0)	15.59** (0.000)
v)	Mortgage loans are are more beneficiary to the customers	188 (39.2)	54 (11.3)	238 (49.6)	480 (100.0)	239 (49.8)	56 (11.7)	158 (38.5)	480 (100.0)	12.77** (0.002)
vi)	Encourage customers in on-line transactions through customer friendly software	194 (40.4)	75 (15.6)	211 (44.0)	480 (100.0)	321 (66.9)	72 (15.0)	87 (18.1)	480 (100.0)	82.98** (0.000)
vii)	Privacy of customer data to maintain transaction identity	131 (27.3)	92 (19.2)	257 (53.5)	480 (100.0)	297 (61.9)	65 (13.5)	118 (24.6)	480 (100.0)	120.55** (0.000)
viii)	Offering single window services for the benefit of the customers transaction	236 (49.4)	141 (29.4)	102 (21.2)	480 (100.0)	350 (72.9)	96 (20.0)	34 (7.1)	480 (100.0)	65.72** (0.000)
ix)	Bank arrange special counters for the benefit of old and PHC customers	330 (68.8)	143 (29.8)	7 (1.5)	480 (100.0)	349 (72.7)	127 (26.5)	4 (0.8)	480 (100.0)	2.30 (0.317)
x)	Bank give assurance of education loans for poor people for the benefit of their children	235 (49.0)	128 (26.7)	117 (24.4)	480 (100.0)	329 (68.5)	79 (16.5)	72 (15.0)	480 (100.0)	37.98** (0.000)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-5: Comparative analysis of customer perception regarding assurance of banks in Andhra Pradesh and Telangana

Table 5 presents a comparative analysis of customers' perceptions regarding the assurance dimension of banking services in Andhra Pradesh and Telangana. The results indicate noticeable differences in customer satisfaction between the two states. Customers from Telangana reported higher satisfaction with financial benefits (57.5%), savings schemes (61.3%), personal loan facilities (55.0%), mortgage loans (49.8%), online transaction support (66.9%), customer data privacy (61.9%), single-window services (72.9%), special counters for senior citizens and physically challenged customers (72.7%), and educational loans (68.5%). In comparison, Andhra Pradesh customers expressed relatively lower satisfaction across most assurance-related dimensions. These findings suggest that banks in Telangana provide stronger assurance services that improve customer confidence and trust.

The Chi-square analysis further confirms these differences. Financial benefits, savings schemes, personal loans, mortgage loans, online transaction facilities, customer data privacy, single-window services, and educational loan facilities are statistically significant at the 1 percent level, indicating meaningful differences in customer perceptions between the two states. Only the provision of special counters for elderly and physically challenged customers does not show a statistically significant difference, suggesting similar practices in both states. Overall, the results indicate that Telangana banks perform better in delivering assurance-related services by providing greater financial security, protecting customer information, promoting digital banking, and offering customer-oriented facilities. These services have contributed to higher customer satisfaction and confidence compared with banks operating in Andhra Pradesh.

S.No	Tangibility of Banks	Public Sector				Private Sector				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Easy location of branch to the residents of customers	245 (51.0)	91 (19.0)	144 (30.0)	480 (100.0)	248 (51.7)	94 (19.6)	138 (28.8)	480 (100.0)	0.19 (0.907)
ii)	Good accommodation facilities available for customers sitting and waiting	243 (50.6)	63 (13.1)	174 (36.3)	480 (100.0)	186 (38.8)	56 (11.7)	238 (49.6)	480 (100.0)	17.93** (0.000)

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S.No	Tangibility of Banks	Public Sector				Private Sector				Chi-Sqr
iii)	Availability of related material for finance transaction of the customers	193 (40.2)	86 (17.9)	201 (41.9)	480 (100.0)	185 (38.5)	111 (23.1)	184 (38.3)	480 (100.0)	4.09 (0.129)
iv)	Available material for all types of government and bank loan schemes and policies	228 (47.5)	84 (17.5)	168 (35.0)	480 (100.0)	228 (47.5)	63 (13.1)	189 (39.4)	480 (100.0)	4.24 (0.120)
v)	Uninterrupted work distribution among the employees for continuity of customer services	231 (48.1)	79 (16.5)	170 (35.4)	480 (100.0)	180 (37.5)	113 (23.5)	187 (39.0)	480 (100.0)	13.16** (0.001)
vi)	Time duration taken by the staff in attending the customers financial transactions and services	237 (49.4)	79 (16.5)	164 (34.2)	480 (100.0)	288 (60.0)	63 (13.1)	129 (26.9)	480 (100.0)	10.94** (0.004)
vii)	Sufficient space and ventilation facilities in the branch for sitting and waiting of customers	298 (62.1)	46 (9.6)	136 (28.3)	480 (100.0)	207 (43.1)	79 (16.5)	194 (40.4)	480 (100.0)	35.30** (0.000)
viii)	New and differentiated product of bank for the customer benefit and reliability of transactions	280 (58.3)	45 (9.4)	155 (32.3)	480 (100.0)	248 (51.7)	57 (11.9)	175 (36.5)	480 (100.0)	4.56 (0.102)
ix)	Safety and secure locker facilities for customers to store their valuables	285 (59.4)	40 (8.3)	155 (32.3)	480 (100.0)	251 (52.3)	72 (15.0)	157 (32.7)	480 (100.0)	11.31** (0.003)
x)	Electronic Banking with reference to ATM, RTGS, ECS, EFT and Internet Banking etc are available in the bank	243 (50.6)	79 (16.5)	158 (32.9)	480 (100.0)	194 (40.4)	84 (17.5)	202 (42.1)	480 (100.0)	11.03** (0.004)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-6: Comparative analysis of customer perception towards Tangibility of Banks in Public Sector and Private Sector

Table 6 compares customers' perceptions regarding the tangibility dimension of service quality between public and private sector banks. Tangibility refers to the physical facilities, infrastructure, equipment, and visible aspects of banking services. The findings reveal that both sectors received favourable responses, although public sector banks recorded comparatively higher satisfaction in several areas. Customers expressed greater satisfaction with accommodation facilities, uninterrupted work distribution among employees, staff response time, sufficient seating and ventilation, safety of locker facilities, and the availability of electronic banking services in public sector banks. Private sector banks performed similarly in branch location, availability of banking materials, government loan information, and introduction of new banking products.

The Chi-square analysis indicates significant differences in accommodation facilities ($\chi^2 = 17.93$, $p = 0.000$), uninterrupted work distribution ($\chi^2 = 13.16$, $p = 0.001$), staff response time ($\chi^2 = 10.94$, $p = 0.004$), seating and ventilation facilities ($\chi^2 = 35.30$, $p = 0.000$), locker facilities ($\chi^2 = 11.31$, $p = 0.003$), and electronic banking services ($\chi^2 = 11.03$, $p = 0.004$). However, branch location, availability of financial transaction materials, information on government loan schemes, and new banking products do not show statistically significant differences between the two sectors. Overall, the findings indicate that public sector banks possess stronger physical infrastructure and customer facilities, thereby creating a more comfortable banking environment and improving customers' perceptions of service quality.

S.No	Tangibility of Banks	Andhra Pradesh				Telangana				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Easy location of branch to the residents of customers	193 (40.2)	105 (21.9)	182 (37.9)	480 (100.0)	300 (62.5)	80 (16.7)	100 (20.8)	480 (100.0)	50.45** (0.000)
ii)	Good accommodation facilities available for customers sitting and waiting	170 (35.4)	68 (14.2)	242 (50.4)	480 (100.0)	259 (54.0)	51 (10.6)	170 (35.4)	480 (100.0)	33.47** (0.000)
iii)	Availability of related material for finance transaction of the customers	173 (36.0)	110 (22.9)	197 (41.0)	480 (100.0)	205 (42.7)	87 (18.1)	188 (39.2)	480 (100.0)	5.61 (0.061)

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S.No	Tangibility of Banks	Andhra Pradesh				Telangana				Chi-Sqr
iv)	Available material for all types of government and bank loan schemes and policies	174 (36.3)	77 (16.0)	229 (47.7)	480 (100.0)	282 (58.8)	70 (14.6)	128 (26.7)	480 (100.0)	54.49** (0.000)
v)	Uninterrupted work distribution among the employees for continuity of customer services	174 (36.3)	108 (22.5)	198 (41.3)	480 (100.0)	237 (49.4)	84 (17.5)	159 (33.1)	480 (100.0)	16.92** (0.000)
vi)	Time duration taken by the staff in attending the customers financial transactions and services	234 (48.8)	78 (16.3)	168 (35.0)	480 (100.0)	291 (60.6)	64 (13.3)	125 (26.0)	480 (100.0)	13.88** (0.001)
vii)	Sufficient space and ventilation facilities in the branch for sitting and waiting of customers	184 (38.3)	73 (15.2)	223 (46.5)	480 (100.0)	321 (66.9)	52 (10.8)	107 (22.3)	480 (100.0)	81.47** (0.000)
viii)	New and differentiated product of bank for the customer benefit and reliability of transactions	184 (38.3)	70 (14.6)	226 (47.1)	480 (100.0)	344 (71.7)	32 (6.7)	104 (21.7)	480 (100.0)	107.75** (0.000)
ix)	Safety and secure locker facilities for customers to store their valuables	200 (41.7)	75 (15.6)	205 (42.7)	480 (100.0)	336 (70.0)	37 (7.7)	107 (22.3)	480 (100.0)	78.18** (0.000)
x)	Electronic Banking with reference to ATM, RTGS, ECS, EFT and Internet Banking etc are available in the bank	175 (36.5)	73 (15.2)	232 (48.3)	480 (100.0)	262 (54.6)	90 (18.8)	128 (26.7)	480 (100.0)	49.14** (0.000)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-7: Comparative analysis of customer perception regarding Tangibility of Banks in Andhra Pradesh and Telangana

Table 7 compares customers' perceptions regarding the tangibility of banking services in Andhra Pradesh and Telangana. The analysis demonstrates that customers from Telangana expressed higher satisfaction across almost all tangible aspects of banking services. Telangana banks received better ratings for branch location (62.5%), customer accommodation facilities (54.0%), availability of government loan information (58.8%), uninterrupted employee work distribution (49.4%), staff service time (60.6%), branch space and ventilation (66.9%), innovative banking products (71.7%), locker facilities (70.0%), and electronic banking services (54.6%). Although the availability of materials for financial transactions was slightly higher in Telangana, the difference was not statistically significant.

The Chi-square results reveal statistically significant differences in branch location, accommodation facilities, availability of government loan information, uninterrupted work distribution, staff response time, branch space and ventilation, innovative banking products, locker facilities, and electronic banking services, all at the 1 percent level. Only the availability of financial transaction materials does not exhibit a significant difference between Andhra Pradesh and Telangana. These findings indicate that banks in Telangana provide superior physical facilities, modern infrastructure, efficient service delivery, and better technological support compared with banks in Andhra Pradesh. Overall, the analysis suggests that stronger investment in tangible banking resources and customer convenience has enabled Telangana banks to achieve higher customer satisfaction regarding the physical aspects of banking services.

S.No	Empathy of Banks	Public Sector				Private Sector				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Financial guidelines of the banks are reliable and user friendly	238 (49.6)	78 (16.3)	164 (34.2)	480 (100.0)	263 (54.8)	54 (11.3)	163 (34.0)	480 (100.0)	5.61 (0.060)
ii)	Repayment procedure of loans in the banks are easy to adopt by the customers	356 (74.2)	38 (7.9)	86 (17.9)	480 (100.0)	387 (80.6)	32 (6.7)	61 (12.7)	480 (100.0)	6.06* (0.048)

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S.No	Empathy of Banks	Public Sector				Private Sector				Chi-Sqr
iii)	EMI (Equated Monthly Installments) procedure of the bank is customer friendly and reliable	353 (73.5)	26 (5.4)	101 (21.0)	480 (100.0)	400 (83.3)	18 (3.8)	62 (12.9)	480 (100.0)	13.72** (0.001)
iv)	Encourage defaulters of the banks through repayment of their loans with more installments	307 (64.0)	56 (11.7)	117 (24.4)	480 (100.0)	355 (74.0)	31 (6.5)	94 (19.6)	480 (100.0)	13.17** (0.001)
v)	Friendly nature of the banks encourage new customers and retain existing customers	318 (66.3)	35 (7.3)	127 (26.5)	480 (100.0)	309 (64.4)	43 (9.0)	128 (26.7)	480 (100.0)	0.95 (0.621)
vi)	Staff appearance and friendliness towards customers improve the reputation of the banks	243 (50.6)	59 (12.3)	178 (37.1)	480 (100.0)	285 (59.4)	36 (7.5)	159 (33.1)	480 (100.0)	9.97** (0.007)
vii)	Retaining customer attitude of bank staff introduce new customers to the branch	321 (66.9)	52 (10.8)	107 (22.3)	480 (100.0)	366 (76.3)	34 (7.1)	80 (16.7)	480 (100.0)	10.61** (0.005)
viii)	Feedback of the existing customers lead not only introducing new customers but also improve the deposits and savings in the banks	291 (60.6)	29 (6.0)	160 (33.3)	480 (100.0)	310 (64.6)	27 (5.6)	143 (29.8)	480 (100.0)	1.63 (0.444)
ix)	Introducing new saving and deposit schemes encourage customers with more benefits	296 (61.7)	60 (12.5)	124 (25.8)	480 (100.0)	320 (66.7)	48 (10.0)	112 (23.3)	480 (100.0)	2.88 (0.237)
x)	Easy process of loan sanction in the banks encourage existing customers and introduce new customers	160 (33.3)	80 (16.7)	240 (50.0)	480 (100.0)	173 (36.0)	71 (14.8)	236 (49.2)	480 (100.0)	1.08 (0.583)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-8: Comparative analysis of customer perception towards Empathy of Banks in Public Sector and Private Sector

Table 8 compares customers' perceptions regarding the empathy dimension of service quality between public and private sector banks. Empathy refers to the extent to which banks provide individual attention, understand customer needs, and offer customer-friendly services. The findings indicate that both public and private sector banks received favourable responses across most empathy-related variables. However, private sector banks recorded comparatively higher satisfaction regarding financial guidelines (54.8%), loan repayment procedures (80.6%), EMI facilities (83.3%), encouragement to loan defaulters through flexible repayment (74.0%), staff friendliness (59.4%), customer retention (76.3%), customer feedback (64.6%), and innovative savings schemes (66.7%). Public sector banks showed slightly higher satisfaction only in maintaining friendly relationships with existing and new customers.

The Chi-square analysis reveals statistically significant differences in loan repayment procedures ($\chi^2 = 6.06$, $p = 0.048$), EMI procedures ($\chi^2 = 13.72$, $p = 0.001$), encouragement to loan defaulters ($\chi^2 = 13.17$, $p = 0.001$), staff appearance and friendliness ($\chi^2 = 9.97$, $p = 0.007$), and customer retention ($\chi^2 = 10.61$, $p = 0.005$). However, financial guidelines, friendly nature of banks, customer feedback, introduction of new savings schemes, and easy loan sanction procedures do not show significant differences between the two sectors. Overall, the findings suggest that private sector banks perform slightly better in delivering empathetic services by providing flexible loan policies, maintaining courteous staff behaviour, and building stronger customer relationships, thereby improving overall customer satisfaction.

S.No	Empathy of Banks	Andhra Pradesh				Telangana				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Financial guidelines of the banks are reliable and user friendly	171 (35.6)	74 (15.4)	235 (49.0)	480 (100.0)	330 (68.8)	58 (12.1)	92 (19.2)	480 (100.0)	114.94** (0.000)

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S.No	Empathy of Banks	Andhra Pradesh				Telangana				Chi-Sqr
ii)	Repayment procedure of loans in the banks are easy to adopt by the customers	430 (89.6)	24 (5.0)	26 (5.4)	480 (100.0)	313 (65.2)	46 (9.6)	121 (25.2)	480 (100.0)	86.73** (0.000)
iii)	EMI (Equated Monthly Installments) procedure of the bank is customer friendly and reliable	417 (86.9)	30 (6.3)	33 (6.9)	480 (100.0)	336 (70.0)	14 (2.9)	130 (27.1)	480 (100.0)	72.26** (0.000)
iv)	Encourage defaulters of the banks through repayment of their loans with more installments	359 (74.8)	32 (6.7)	89 (18.5)	480 (100.0)	303 (63.1)	55 (11.5)	122 (25.4)	480 (100.0)	15.98** (0.000)
v)	Friendly nature of the banks encourage new customers and retain existing customers	397 (82.7)	20 (4.2)	63 (13.1)	480 (100.0)	230 (47.9)	58 (12.1)	192 (40.0)	480 (100.0)	128.25* * (0.000)
vi)	Staff appearance and friendliness towards customers improve the reputation of the banks	337 (70.2)	35 (7.3)	108 (22.5)	480 (100.0)	191 (39.8)	60 (12.5)	229 (47.7)	480 (100.0)	90.39** (0.000)
vii)	Retaining customer attitude of bank staff introduce new customers to the branch	371 (77.3)	26 (5.4)	83 (17.3)	480 (100.0)	316 (65.8)	60 (12.5)	104 (21.7)	480 (100.0)	20.20** (0.000)
viii)	Feedback of the existing customers lead not only introducing new customers but also improve the deposits and savings in the banks	369 (76.9)	22 (4.6)	89 (18.5)	480 (100.0)	232 (48.3)	34 (7.1)	214 (44.6)	480 (100.0)	85.37** (0.000)
ix)	Introducing new saving and deposit schemes encourage customers with more benefits	373 (77.7)	40 (8.3)	67 (14.0)	480 (100.0)	243 (50.6)	68 (14.2)	169 (35.2)	480 (100.0)	78.78** (0.000)
x)	Easy process of loan sanction in the banks encourage existing customers and introduce new customers	164 (34.2)	81 (16.9)	235 (49.0)	480 (100.0)	169 (35.2)	70 (14.6)	241 (50.2)	480 (100.0)	0.95 (0.621)

Table-9: Comparative analysis of customer perception regarding Empathy of Banks in Andhra Pradesh and Telangana

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table 9 presents a comparison of customers' perceptions regarding the empathy dimension of banking services in Andhra Pradesh and Telangana. The results reveal substantial differences between the two states. Customers in Telangana reported higher satisfaction with financial guidelines (68.8%), staff friendliness, customer-oriented services, customer retention, innovative savings schemes, and customer feedback. In contrast, Andhra Pradesh customers expressed higher satisfaction only with loan repayment procedures (89.6%), EMI facilities (86.9%), encouragement to loan defaulters (74.8%), and customer retention initiatives. Despite these variations, Telangana generally demonstrated stronger customer-oriented services across most empathy dimensions.

The Chi-square analysis indicates statistically significant differences in financial guidelines, loan repayment procedures, EMI facilities, encouragement to loan defaulters, friendly banking atmosphere, staff appearance, customer retention, customer feedback, and innovative savings schemes, all at the 1 percent level. Only the variable relating to the easy process of loan sanction does not show a statistically significant difference, indicating that customers in both states have similar opinions regarding loan sanction procedures. Overall, the analysis suggests that customer perceptions regarding empathy differ considerably between Andhra Pradesh and Telangana. Telangana banks are generally viewed as providing more customer-centred and relationship-oriented services, while Andhra Pradesh banks perform particularly well in repayment flexibility and EMI-related services. These findings highlight the importance of personalized services in enhancing customer satisfaction and loyalty.

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S.No	Empathy of Banks	Public Sector				Private Sector				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Banks are more responsible with their locker facilities	324 (67.5)	67 (14.0)	89 (18.5)	480 (100.0)	346 (72.1)	66 (13.8)	68 (14.2)	480 (100.0)	3.54 (0.170)
ii)	Supportive financial transactions of the bank found more reliability towards customers	259 (54.0)	54 (11.3)	167 (34.8)	480 (100.0)	288 (60.0)	46 (9.6)	146 (30.4)	480 (100.0)	3.89 (0.166)
iii)	Support in on-line transactions encourage customers to increase their financial transactions	346 (72.1)	57 (11.9)	77 (16.0)	480 (100.0)	398 (82.9)	37 (7.7)	45 (9.4)	480 (100.0)	16.28** (0.000)
iv)	Explaining user friendly activities of the banks encourage existing and new customers	357 (74.4)	44 (9.2)	79 (16.5)	480 (100.0)	388 (80.8)	28 (5.8)	64 (13.3)	480 (100.0)	6.42* (0.040)
v)	Assist customers in transaction operations improve the validity and reliability of the banks	350 (72.9)	27 (5.6)	103 (21.5)	480 (100.0)	411 (85.6)	18 (3.8)	51 (10.6)	480 (100.0)	24.25** (0.000)
vi)	Customer retention with bank lead to more and more savings and deposits with the bank	327 (68.1)	36 (7.5)	117 (24.4)	480 (100.0)	389 (81.0)	33 (6.9)	58 (12.1)	480 (100.0)	25.39** (0.000)
vii)	Timely customer service encourage existing customers to introduce new customers	340 (70.8)	61 (12.7)	79 (16.5)	480 (100.0)	373 (77.7)	54 (11.3)	53 (11.0)	480 (100.0)	7.08* (0.029)
viii)	Quick response to customers give more satisfaction on the staff as well as bank	224 (46.7)	97 (20.2)	159 (33.1)	480 (100.0)	264 (55.0)	64 (13.3)	152 (31.7)	480 (100.0)	10.20** (0.006)
ix)	Mobile banking transactions improve not only the performance of the banks but also increase workability of the staff	338 (70.4)	95 (19.8)	47 (9.8)	480 (100.0)	360 (75.0)	78 (16.3)	42 (8.8)	480 (100.0)	2.66 (0.266)
x)	Corporate Social Responsibility of the banks found more responsible towards customer services	356 (74.2)	72 (15.0)	52 (10.8)	480 (100.0)	343 (71.5)	82 (17.1)	55 (11.5)	480 (100.0)	0.98 (0.614)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-10: Comparative analysis of customer perception towards Responsibility of Banks in Public Sector and Private Sector.

Table 10 compares customers' perceptions regarding the responsibility dimension of banking services between public and private sector banks. The findings indicate that customers from both sectors expressed positive opinions regarding responsible banking practices, including locker facilities, financial transactions, online banking support, customer assistance, customer retention, timely service, quick response, mobile banking, and corporate social responsibility. Private sector banks achieved comparatively higher satisfaction in locker facilities (72.1%), online transaction support (82.9%), explaining user-friendly banking activities (80.8%), customer assistance during transactions (85.6%), customer retention (81.0%), timely customer service (77.7%), and quick response to customers (55.0%). Public sector banks recorded slightly higher satisfaction only in corporate social responsibility activities.

The Chi-square analysis shows statistically significant differences in online transaction support ($\chi^2 = 16.28$, $p = 0.000$), user-friendly banking activities ($\chi^2 = 6.42$, $p = 0.040$), customer assistance during transactions ($\chi^2 = 24.25$, $p = 0.000$), customer retention ($\chi^2 = 25.39$, $p = 0.000$), timely customer service ($\chi^2 = 7.08$, $p = 0.029$), and quick response to customers ($\chi^2 = 10.20$, $p = 0.006$). However, locker facilities, supportive financial transactions, mobile banking, and corporate social responsibility do

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not exhibit statistically significant differences between the two sectors. Overall, the findings indicate that private sector banks perform better in fulfilling their responsibilities through efficient service delivery, prompt customer support, and effective digital banking services, leading to higher levels of customer satisfaction.

S.No	Empathy of Banks	Andhra Pradesh				Telangana				Chi-Sqr
		S	N	DS	T	S	N	DS	T	
i)	Banks are more responsible with their locker facilities	350 (72.9)	74 (15.4)	56 (11.7)	480 (100.0)	320 (66.7)	59 (12.3)	101 (21.0)	480 (100.0)	15.93*** (0.000)
ii)	Supportive financial transactions of the bank found more reliability towards customers	253 (63.6)	44 (11.1)	101 (25.4)	480 (100.0)	239 (49.8)	56 (11.7)	185 (38.5)	480 (100.0)	19.12** (0.000)
iii)	Support in on-line transactions encourage customers to increase their financial transactions	375 (94.2)	12 (3.0)	11 (2.8)	480 (100.0)	286 (59.6)	82 (17.1)	112 (23.3)	480 (100.0)	140.61** (0.000)
iv)	Explaining user friendly activities of the banks encourage existing and new customers	348 (87.4)	20 (5.0)	30 (7.5)	480 (100.0)	317 (66.0)	49 (10.2)	114 (23.8)	480 (100.0)	55.46** (0.000)
v)	Assist customers in transaction operations improve the validity and reliability of the banks	350 (87.9)	28 (7.0)	20 (5.0)	480 (100.0)	334 (69.6)	17 (3.5)	129 (26.9)	480 (100.0)	75.80** (0.000)
vi)	Customer retention with bank lead to more and more savings and deposits with the bank	363 (91.2)	24 (6.0)	11 (2.8)	480 (100.0)	284 (59.2)	43 (9.0)	153 (31.9)	480 (100.0)	131.47** (0.000)
vii)	Timely customer service encourage existing customers to introduce new customers	372 (93.5)	21 (5.3)	5 (1.3)	480 (100.0)	257 (53.5)	95 (19.8)	128 (26.7)	480 (100.0)	175.86** (0.000)

Note: S-Satisfied; N-Neutral; DS-Dissatisfied

* Significant @5% level; ** Significant @1% level.

Table-11: Comparative analysis of customer perception regarding Responsibility of Banks in Andhra Pradesh and Telangana

Table 11 presents a comparative analysis of customers' perceptions regarding the responsibility dimension of banking services in Andhra Pradesh and Telangana. The responsibility dimension reflects the extent to which banks fulfil their obligations by providing reliable customer support, prompt services, effective digital banking, and socially responsible practices. The findings reveal considerable differences between the two states. Customers in Andhra Pradesh reported higher satisfaction with responsible locker facilities (72.9%), supportive financial transactions (63.6%), online transaction support (94.2%), user-friendly banking activities (87.4%), assistance during financial transactions (87.9%), customer retention (91.2%), timely customer service (93.5%), quick response to customers (65.8%), mobile banking services (87.2%), and corporate social responsibility (75.3%) than customers in Telangana. Although customers in Telangana also expressed positive opinions, their satisfaction levels were comparatively lower across most responsibility-related variables.

The Chi-square analysis indicates statistically significant differences for all ten responsibility variables. Significant differences are observed in locker facilities ($\chi^2 = 15.93$, $p = 0.000$), supportive financial transactions ($\chi^2 = 19.12$, $p = 0.000$), online transaction support ($\chi^2 = 140.61$, $p = 0.000$), user-friendly banking activities ($\chi^2 = 55.46$, $p = 0.000$), customer assistance ($\chi^2 = 75.80$, $p = 0.000$), customer retention ($\chi^2 = 131.47$, $p = 0.000$), timely customer service ($\chi^2 = 175.86$, $p = 0.000$), quick response ($\chi^2 = 103.92$, $p = 0.000$), mobile banking ($\chi^2 = 99.86$, $p = 0.000$), and corporate social responsibility ($\chi^2 = 12.81$, $p = 0.002$). These findings demonstrate that customer perceptions differ significantly between Andhra Pradesh and Telangana for every responsibility-related service. Overall, the results suggest that banks in Andhra Pradesh are perceived as performing better in fulfilling their responsibilities towards customers through efficient service delivery, effective digital banking support, timely assistance, and stronger customer relationship management, resulting in higher customer satisfaction.

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Sl.No.	NPAs of banks	Banks	N	Mean	Std. Deviation	Std. Error	t-value	p-value
1	Reliability of Bank	Public Sector	480	33.93	7.743	.353	3.426**	0.001
		Private Sector	480	32.36	6.379	.291		
2	Assurance of Bank	Public Sector	480	34.27	7.579	.346	2.413*	0.016
		Private Sector	480	33.14	6.878	.314		
3	Tangibility of Bank	Public Sector	480	33.39	7.990	.365	3.948**	0.000
		Private Sector	480	31.52	6.593	.301		
4	Empathy of Bank	Public Sector	480	35.04	6.503	.297	2.700**	0.007
		Private Sector	480	36.21	6.835	.312		
5	Responsibility of Bank	Public Sector	480	32.99	11.712	.535	6.691**	0.000
		Private Sector	480	37.64	9.717	.444		

* Significant @5% level; ** Significant @1% level.

Table-12: Significant difference in the perceptions of Public and Private sector bank customers towards financial performance of banks

Table 12 examines whether there is a significant difference in the perceptions of customers of public and private sector banks regarding the financial performance of banks using an independent sample t-test. The results indicate that customers' perceptions vary across the five dimensions of service quality, namely reliability, assurance, tangibility, empathy, and responsibility. Public sector banks recorded higher mean scores for reliability (Mean = 33.93), assurance (Mean = 34.27), and tangibility (Mean = 33.39) than private sector banks, suggesting that customers perceive public sector banks as more dependable, trustworthy, and better equipped with physical facilities. The differences are statistically significant for reliability ($t = 3.426$, $p = 0.001$), assurance ($t = 2.413$, $p = 0.016$), and tangibility ($t = 3.948$, $p = 0.000$).

In contrast, private sector banks obtained higher mean scores for empathy (Mean = 36.21) and responsibility (Mean = 37.64) compared with public sector banks (Mean = 35.04 and 32.99, respectively). These differences are also statistically significant, with empathy ($t = 2.700$, $p = 0.007$) and responsibility ($t = 6.691$, $p = 0.000$). The findings indicate that private sector banks are perceived as more customer-oriented, responsive, and responsible in delivering banking services. Overall, the analysis suggests that while public sector banks enjoy greater customer confidence in reliability, assurance, and tangible facilities, private sector banks perform better in empathy and responsibility. Since all five dimensions show significant p-values, the null hypothesis of no difference between public and private sector banks is rejected, confirming that customers perceive meaningful differences in the financial performance of the two banking sectors.

Sl.No.	NPAs of banks	Banks	N	Mean	Std. Deviation	Std. Error	t-value	p-value
1	Reliability of Bank	Andhra	480	30.12	5.762	.263	14.53**	0.000
		Telangana	480	36.18	7.091	.324		
2	Assurance of Bank	Andhra	480	31.14	6.611	.302	11.70**	0.000
		Telangana	480	36.27	6.965	.318		
3	Tangibility of Bank	Andhra	480	29.52	5.852	.267	13.45**	0.000
		Telangana	480	35.40	7.582	.346		
4	Empathy of Bank	Andhra	480	37.78	6.409	.293	10.52**	0.000
		Telangana	480	33.47	6.272	.286		
5	Responsibility of Bank	Andhra	480	35.50	13.795	.630	0.537	0.592
		Telangana	480	35.12	7.214	.329		

* Significant @5% level; ** Significant @1% level.

Table-13: Significant difference in the perceptions of Andhra Pradesh and Telangana bank customers towards financial performance of banks

Table 13 presents the results of the independent sample t-test comparing the perceptions of bank customers in Andhra Pradesh and Telangana regarding the financial performance of banks. The findings reveal considerable differences between the two states. Customers in Telangana reported significantly higher mean scores for reliability (Mean = 36.18), assurance (Mean = 36.27), and tangibility (Mean = 35.40) than customers in Andhra Pradesh, whose corresponding mean scores are 30.12, 31.14, and 29.52, respectively. The t-test confirms that these differences are statistically significant, with p-values of 0.000 for all three dimensions. These results suggest that customers in Telangana perceive their banks as more reliable, trustworthy, and better equipped with physical facilities than customers in Andhra Pradesh.

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However, the empathy dimension shows a contrasting pattern, with Andhra Pradesh customers reporting a higher mean score (Mean = 37.78) than Telangana customers (Mean = 33.47). This difference is statistically significant ($t = 10.52$, $p = 0.000$), indicating that customers in Andhra Pradesh perceive banks as more caring and customer-oriented. In contrast, the responsibility dimension records mean scores of 35.50 for Andhra Pradesh and 35.12 for Telangana, and the difference is not statistically significant ($t = 0.537$, $p = 0.592$). Therefore, customers in both states hold similar opinions regarding the responsibility of banks. Overall, the findings indicate that significant regional differences exist in four of the five dimensions of financial performance, whereas customer perceptions regarding the responsibility of banks remain largely uniform across Andhra Pradesh and Telangana.

8. Conclusion

In conclusion, the findings demonstrate that both public and private sector banks play an important role in providing reliable and satisfactory banking services, but their strengths differ across various dimensions of financial performance. Public sector banks have an advantage in reliability, assurance, and tangible facilities, which contributes to greater customer confidence and a sense of security. In contrast, private sector banks perform better in empathy, customer relationships, prompt service delivery, and technological support. The study also reveals clear regional differences, with Telangana banks generally receiving more favourable customer perceptions in assurance, tangible facilities, and empathy, while Andhra Pradesh banks show better performance in certain aspects of responsibility and customer support. Since significant differences are observed across the five dimensions, the findings confirm that customers perceive meaningful differences between public and private sector banks. Overall, the results emphasize that banks can improve customer satisfaction and loyalty by strengthening service quality, adopting customer-oriented practices, investing in modern technology and infrastructure, and providing personalized and efficient banking services.

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