

APPENDIX III TABLE NO : 1

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86]

Dependent Variable: Total Current Expenses
Size Variable : Volume of Business[VB]

Independent Variable & Basic stat.	COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS :			
	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	-0.49[0.22]	-102.8[1.56]	2.11[1.57]	-1.00[1.28]
VB	0.014[11.94]	0.138[4.17]	0.013[25.15]	0.41E-01[4.82]
VB ²				
(VB)		-0.31E-04[4.88]		-0.33E-04[2.03]
VB ³				
(VB)		0.29E-08[6.34]		0.15E-07[1.55]
EA/VB	0.048[1.86]		-0.022[1.63]	
Dep/VB	-0.038[1.34]		-0.023[1.62]	
Borr/VB				
TB	0.001[1.97]	-3.51E-04[3.60]		-0.58E-03[2.49]
RB		5.07E-03[2.42]	0.006[1.51]	
Log VB				
Log EA/VB				
Log Dep/VB				
Log Borr/VB				
Log TB				
Log RB				
R ²	0.997	0.983	0.996	0.990
-2R	0.996	0.975	0.995	0.987
D-W	1.93	1.65	1.71	2.73

APPENDIX III TABLE NO : 2

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86]

Dependent Variable : Total Current Expenses
Size Variable : Total Assets [TA]

Independent Variable & Basic Stat.	COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS			
	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	0.338[4.66]	-113.17[1.28]	-6.89[2.79]	-3.529[1.96]
TA	0.48E-01[6.97]	0.255[3.39]	0.46E-01[5.88]	0.67E-01[4.71]
2 (TA)	-0.18E-03[2.04]	-1.06E-04[3.95]	-0.32E-05[1.80]	-0.89E-04[1.93]
3 (TA)	0.41E-06[1.20]	0.16E-07[4.95]	0.17E-08[1.28]	0.70E-07[1.55]
EA/TA			0.72E-01[2.88]	
Cash/TA		-2.108[1.24]	0.52E-01[1.95]	
FA/TA				2.625[1.69]
DA/TA	-0.207[3.92]			
TB		-3.8E-04[2.71]		-0.46E-03[1.95]
RB		6.1E-03[2.14]		
Log TA				
Log EA/TA				
Log Cash/TA				
Log FA/TA				
Log DA/TA				
Log TB				
Log RB				
2 R	0.998	0.976	0.998	0.992
2 R	0.998	0.962	0.997	0.988
D-W	1.48	2.08	2.54	2.79

APPENDIX III

TABLE NO : 3

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86]

Dependent Variable : Total Current Expenses
Size Variable : Earning Assets [EA]

Independent Variable & Basic Stat.	COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS			
	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	-1.32[1.55]	-131.7[2.03]	0.353[1.36]	-1.148[1.30]
EA	0.03[12.07]	0.22[2.91]	0.029[17.15]	0.91E-01[4.37]
2 (EA)		-1.08E-04[3.74]		-0.15E-03[1.73]
3 (EA)		0.22E-07[5.39]		0.14E-06[1.26]
Call M/EA			0.03[1.10]	
Invt./EA			-0.014[2.37]	
Adv./EA	0.018[1.48]			
TB	0.7E-03[1.35]	-2.48E-04[2.09]	0.0003[1.71]	-0.6E-03[2.39]
RB		5.24E-03[2.69]		
Log EA				
Log Call M/EA				
Log Invt./EA				
Log Adv./EA				
Log TB				
Log RB				
2 R	0.996	0.986	0.997	0.989
-2 R	0.995	0.978	0.996	0.985
D-W	1.50	1.69	1.70	2.87

APPENDIX III TABLE NO : 4

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86] Dependent Variable : Total Current Expenses
Size Variable : Total Deposits[TD]

COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS				
Independent Variable & Basic Stat.	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	-2.17[2.29]	-210.79[1.72]	5.54[2.09]	-0.965[1.27]
TD	0.025[10.00]	0.36[3.91]	0.021[8.52]	0.79E-01[4.87]
2 (TD)		-1.59E-04[4.50]		-0.13E-03[2.20]
3 (TD)		0.3E-07[5.75]		0.12E-06[1.79]
FD/TD		2.387[1.19]	0.033[1.47]	
SD/TD	0.121[2.27]		0.09[2.03]	
CD/TD				
TB	0.003[2.24]	-4.79E-04[3.38]	0.4E-03[2.05]	-0.54E-03[2.33]
RB	-0.031[1.78]	5.83E-03[2.41]	-0.028[1.74]	
Log TD				
Log FD/TD				
Log SD/TD				
Log CD/TD				
Log TB				
Log RB				
2 R	0.996	0.982	0.996	0.990
-2 R	0.994	0.971	0.994	0.987
D-W	0.91	2.03	1.89	2.44

APPENDIX III TABLE NO : 5

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86] Dependent Variable : Total Current Expenses
Size Variable : Total Operating Earnings[TOE]

COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS				
Independent Variable & Basic Stat.	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	-4.79[2.82]	-93.95[1.83]	0.152[2.51]	-1.174[2.67]
TOE	0.189[9.71]	2.042[5.60]	0.236[21.92]	
² (TOE)		-78.3E-04[6.39]		
³ (TOE)		0.12E-04[8.30]		
Comm./TOE			-0.017[2.50]	
Int.E/TOE	0.055[2.85]			
TB	0.002[2.99]	-3.46E-04[5.05]	0.0003[2.76]	
RB	-0.008[1.20]	5.39E-03[3.30]		
Log TOE				0.888[36.11]
Log Comm./TOE				
Log Int.E/TOE				
Log TB				0.068[1.13]
Log RB				
² R	0.998	0.989	0.998	0.996
-2 R	0.997	0.985	0.998	0.996
D-W	2.22	2.32	1.97	1.60

APPENDIX III TABLE NO : 6

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86]

Dependent Variable : Establishment Expenses
Size Variable : Volume of Business [VB]

Independent Variable & Basic Stat.	COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS			
	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4

Intercept	-2.136[1.13]	48.89[1.25]	0.03 [1.83]	0.46E-01[0.08]
VB	0.012[16.24]	0.72E-02[2.48]	0.95E-02[14.28]	0.21E-01[3.73]
2				
(VB)		0.41E-06[1.71]	0.74E-05[1.60]	-0.13E-04[1.23]
3				
(VB)				0.81E-08[1.27]
EA/VB	0.03[1.43]	-1.03[1.27]		
Dep/VB	0.019[0.80]			
Borr/VB				
TB		0.153[1.26]		-0.33E-03[2.13]
RB	-0.008[1.86]			
Log VB				
Log EA/VB				
Log Dep/VB				
Log Borr/VB				
Log TB				
Log RB				

2				
R	0.997	0.996	0.996	0.992
-2				
R	0.996	0.994	0.995	0.989
D-W	1.89	1.94	2.01	2.35

APPENDIX III

TABLE NO : 7

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86]

Dependent Variable : Establishment Expenses

Size Variable : Total Assets [TA]

COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS				
Independent Variable & Basic Stat.	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	1.861[1.88]	1.362[0.60]	-3.773[45.91]	-1.325[1.09]
TA	0.014[3.70]	0.017[11.56]		0.033[3.52]
² (TA)	0.19E-04[1.32]	0.51E-06[1.52]		-0.33E-04[1.06]
³ (TA)				0.36E-07[1.19]
EA/TA	-0.019[1.77]			
Cash/TA		0.36[1.41]		
FA/TA				1.438[1.37]
OA/TA	-0.113[3.96]			
TB	0.001[1.73]			-0.26E-03[1.61]
RB				
Log TA			1.011[21.75]	
Log EA/TA				
Log Cash/TA				
Log FA/TA			0.538[2.50]	
Log OA/TA				
Log TB				
Log RB				
² R	0.999	0.995	0.994	0.993
² R	0.998	0.994	0.993	0.989
D-W	1.90	2.07	1.29	2.29

APPENDIX III TABLE NO : 8

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86] Dependent Variable : Establishment Expenses
Size Variable : Earning Assets [EA]

COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS				
Independent Variable & Basic Stat.	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	0.101[1.67]	3.84[3.29]	-3.54[58.69]	-3.258[5.37]
EA	0.026[15.67]	0.21E-01[11.53]		
2				
(EA)		0.74E-06[1.41]		
3				
(EA)				
Call M/EA				
Inv.t./EA				
Adv./EA				
TB	0.51E-03[1.28]			
RB				
Log EA			0.93[45.39]	1.13[21.11]
Log Call M/EA			0.08[1.85]	0.051[1.11]
Log Inv.t./EA				
Log Adv./EA				
Log TB				-0.11[1.27]
Log RB				
2				
R	0.996	0.994	0.993	0.993
-2				
R	0.995	0.993	0.993	0.992
D-W	1.62	1.68	0.91	1.92

APPENDIX III TABLE NO : 9

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86]

Dependent Variable : Establishment Expenses
Size Variable : Total Deposits[TD]

Independent Variable & Basic Stat.	COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS			
	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	3.576[1.78]	3.02[2.76]	44.515[3.88]	11.273[1.91]
TD	0.16E-01[5.76]	0.023[13.07]		0.0182[6.21]
2				
(TD)	0.38E-04[2.17]	0.58E-06[1.10]		0.13E-04[2.68]
3				
(TD)				
FD/TD	-0.39E-01[1.68]			-0.185[1.84]
SD/TD				
CD\TD	-0.56E-01[1.72]			
TB				
RB				
Log TD			0.873[6.18]	
Log FD/TD			-8.754[3.89]	
Log SD/TD				
Log CD\TD			-4.432[3.84]	
Log TB			1.003[2.28]	
Log RB			-2.535[3.28]	
2				
R	0.996	0.995	0.996	0.991
-2				
R	0.995	0.994	0.994	0.991
D-W	1.27	1.95	1.59	2.04

APPENDIX III TABLE NO : 10

REGRESSION RESULTS : COST FUNCTIONS

Annual Observations [1970-86] Dependent Variable : Establishment Expenses
Size Variable : Total Operating Earning[TOE]

COEFFICIENTS (AND T - RATIOS) OF BANK GROUPS				
Independent Variable & Basic Stat.	ALL COMM. BANKS	SBI GROUP	NATIONALISED BANKS	INDIAN PVT BANKS
Equation No.	1	2	3	4
Intercept	0.135[4.35]	6.33[4.73]	-12.03[1.70]	-0.485[2.82]
TOE	0.169[12.64]	0.156[8.63]		
² (TOE)	0.17E-02[1.67]	0.64E-04[1.54]		
³ (TOE)				
Comm./TOE				
Int.E/TOE				
TB				
RB				
Log TOE			1.17[7.43]	0.881[71.85]
Log Comm./TOE				-0.249[2.83]
Log Int.E/TOE			3.97[3.46]	
Log TB			1.01[2.34]	
Log RB			0.61[1.37]	
² R	0.995	0.991	0.997	0.997
-2 R	0.994	0.989	0.996	0.996
D-W	1.40	1.26	1.53	1.79