

## RELATIONSHIP BETWEEN EPS AND CRAR

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**DOI: 10.5958/2278-4853.2022.00114.8**

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### ABSTRACT

*This paper examines the compliance of Basel II and the RBI Guidelines with regard to Capital to Risk Weighted Assets Ratio (CRAR) and relation of EPS and CRAR of private bank. We have used published data for five years i.e., from 2017-2018 to 2021-22 for analysis. The application of Welch's t test has proved that there exists direct relationship between EPS and CRAR. The higher the EPS, the higher is the CRAR and vice versa indicating that the bank is making efficient utilization of invested capital and has adequate liquidity to meet all its obligations on time in a cost effective manner.*

**KEYWORDS:** *Efficient, Utilization, Invested, Adequate, Liquidity, Obligations, Consisting.*

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