

A COMPARATIVE STUDY OF MANAGEMENT OF NPA IN SELECTED PUBLIC AND PRIVATE SECTOR BANK IN INDIA

Chirag Rana¹ & Hiral Desai²

¹*Professor, Shah N H Commerce College, Valsad, Gujarat, India*

²*Assistant Professor, Dolat-Usha Institute of Applied Sciences, Dhiru-Sarla Institute of Management and Commerce, Valsad, Gujarat, India*

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ABSTRACT

NPAs point out the credit risk of the banks and the financial institutions. The operational effectiveness of the banks and financial institutions is impinged by the quality of advances which in turn has an impact on their profitability, liquidity and solvency position and leads the accumulation of losses in the succeeding years. NPA means an asset or account of borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset, in accordance with the directions or guidelines issued by RBI. In this paper, the researcher has tried to show the position of gross and net NPAs of both the public and private sector bank, during the period of last 5 years from 2013-14 to 2017-18. The study is an attempt to analyze the financial performance of SBI, PNB, HBFC, and Axis Banks. The study is descriptive and analytical in nature. The collected data was secondary in nature and collected from various annual reports of the bank, RBI bulletin, journals, websites, etc. The allegory of the financial performance of these four banks was made on the seat of a statistical & mathematical tool like percentage, tabulation, Graph, etc. The study concludes that the level of NPA is high in public sector bank as compared to private sector bank.

KEYWORDS: *Gross NPA, Net NPA, Public, and Private Sector Banks*