

NON PERFORMING ASSETS IN COMMERCIAL BANKS IN INDIA: AN ANALYSIS

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ABSTRACT

The economic reforms initiated by the past prime minister of India Dr. M Singh for the purpose of expansion Indian banking and that was an essential tool to promote financial stability. Further, one important thing of financial reforms is rules and guidelines for the betterment of financial breadth of banking sector development. Particularly, the Non-Performing Assets (NPA) situation was completely mismatched and financial sector depends on different types of risks. Currently, NPA is one of the important issues that show the financial situations affecting issues, particularly unequal profitability. However, the present paper discussed profitability, liquidity and solvency positions that lead accumulation of wealth at the current study. One of the efforts made out of current study highlights the impact of NPS on Indian banking system and further, it measures capital assets ratio, management credit risk and controlling of NPAs are discussed. It suggests that problems of NPA in India achieve proper credit management elements. It accomplished that, one of the very well verse measures is credit management by adopting the good policy remedies and appropriate credit mechanism.

KEYWORDS: *NPA, Banking System, Rules, Profitability, Liquidity*