

COMPARATIVE EFFICIENCY IN NPA MANAGEMENT: AN EMPIRICAL STUDY OF OLD PRIVATE SECTOR BANKS

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Abstract: Financial system acts like an intermediary which helps in arranging funds for productive activities. The working of financial system is based on efficiency of banks in dealing with various financial issues. One of the important issues before banks is the rising NPAs. This research work focuses on doing comparative analysis of different old private sector banks regarding their efficiency in NPA Management. Data in relation thereto have been compiled and analysed.

Key Terms: Old private sector banks, NPA Management, Efficiency

Introduction

To have sustained development of a nation, a robust financial system is needed and to have a robust financial system, well developed and efficient banking system is required. The primary task of banking system is to collect the savings of people and to sanction loans out of these collected savings. The loans sanctioned by banks to generate income are causing a threat to their survival due to their conversion into NPAs. Banks are trying hard to get out of this problem. Hence it is required to know the comparative efficiency of banks in managing the menace of NPAs.

Objective of Study and Data Collection

This research paper aims to make a comparative analysis of old private sector banks regarding their efficiency in NPA Management. For this purpose data regarding various parameters of NPAs have been collected for a time period of 10 years viz. from 2007-08 to 2016-17. Data have been collected from secondary sources of data i.e. various issues of Reports on Trends and Progress of Banking in India and Statistical Tables Relating to Banks in India. To study their efficiency in NPA management, different variables used in this section of research work are the level of gross NPAs and net NPAs, additions in NPAs, recovery of NPAs, return on advances, gross NPA to gross advances ratio, Net NPA to Net advances ratio. 13 old private sector banks have been compared regarding various parameters of NPA management. However, regarding the parameter of Net NPAs and Net NPA to Net Advances Ratio, 12 old private sector banks have been compared since data regarding these two parameters/variables is not available for one old private sector bank viz Nainital Bank.

Data Analysis

Various old private sector banks are compared w.r.t. their NPA management using the techniques of growth rate analysis and descriptive analysis.

Growth in NPAs in Old Private Sector Banks

In this section of the study exponential annual growth rate of Gross NPAs, Net NPAs, Additions in NPAs and Recovery of NPAs of old private sector banks have been calculated to make their comparative analysis. The growth rate of Gross NPAs for old private sector banks is calculated with the help of Semi-log Model. In Semi-log Model, the dependent variable is the natural log of the Gross NPAs and the time in years is the independent variable. The Semi-log Model can be expressed below as:

$$\log y = \alpha + \beta (\text{time in years})$$

Where α is intercept and the slope coefficient β represents the growth rate of dependent variable w.r.t. time. The 'p' value of 't' statistic of the slope coefficient represents the significance of growth rate of dependent variable w.r.t. time. The results of Semi-log Model w.r.t. Gross NPAs of old private sector banks are shown below in table.

Table 1
Annual Growth Rate of Gross NPAs (in %)

Sr. No.	Bank	AGR of Gross NPAs	t-Statistic (p-value)	F-Statistic (p-value)	R-Square
1	NAINITAL BANK	20.1	8.641 (0.000)	74.663 (0.000)	0.891
2	DHANLAXMI BANK	16.8	2.733 (0.023)	7.471 (0.023)	0.393
3	LAKSHMI VILAS BANK	14.4	4.562 (0.001)	20.812 (0.001)	0.665
4	JAMMU & KASHMIR BANK LTD	13.3	3.68 (0.005)	13.54 (0.005)	0.556
5	CITY UNION BANK LIMITED	10.8	3.497 (0.007)	12.226 (0.007)	0.529
6	FEDERAL BANK	10.3	3.913 (0.004)	15.31 (0.004)	0.589
7	CATHOLIC SYRIAN BANK LTD	9.4	3.844 (0.004)	14.773 (0.004)	0.579
8	KARNATAKA BANK LTD	8.3	5.397 (0.000)	29.126 (0.000)	0.738
9	ING VYSYA BANK	7.5	1.636 (0.136)	2.677 (0.136)	0.144
10	KARUR VYSYA BANK	7.4	2.966 (0.016)	8.797 (0.016)	0.438
11	THE RATNAKAR BANK LIMITED	5.4	1.064 (0.315)	1.132 (0.315)	0.213
12	SOUTH INDIAN BANK	4.9	1.503 (0.167)	2.26 (0.167)	0.112
13	TAMILNAD MERCANTILE BANK LTD	3.4	0.774 (0.459)	0.599 (0.459)	0.042

The results disclosed in table 1 indicate that the 'p' value of 't' statistic for all the old private sector banks except ING Vysya Bank, The Ratnakar Bank, South Indian Bank and Tamilnad Mercantile Bank is less than 5% level of significance. So, we can conclude that there exists significant AGR of Gross NPAs for all the old private sector banks except these 4 banks. It is also revealed by the results that the banks with the highest AGR of Gross NPAs are Nainital Bank (20.1), Dhanlaxmi Bank (16.8) and Lakshmi Vilas Bank (14.4). The high AGR of Gross NPAs of these banks convey the lack of control on NPA by these banks. On the other hand, the banks with lowest level of AGR of Gross NPAs are Karur Vysya Bank (7.4), Karnataka Bank (8.3) and Catholic Syrian Bank (9.4). Their low level of AGR of Gross NPAs shows that they are managing their NPAs efficiently and effectively.

The above table 1 reveals that the 'p' value of 'F' statistic for all the old private sector banks except ING Vysya Bank, The Ratnakar Bank, South Indian Bank and Tamilnad Mercantile Bank is less than 5% level of significance. It indicates that the Semi-log Model is statistically fit for all the old private sector banks except these 4 banks. The R square value in the results show the percentage of variance in the behaviour of Gross NPAs which can be explained by the time behaviour of Gross NPAs. For example, in case of Nainital bank 89.1% of the AGR of Gross NPAs can be explained with the help of time behaviour of it. Similarly, in case of Dhanlaxmi Bank 39.3% of AGR of Gross NPAs can be explained with the help of its time behaviour.

After analysing comparatively the growth rate of Gross NPAs the comparative analysis of growth rate of Net NPAs of different old private sector banks have been done using Semi log Model, the results of which are as follows in table 2:-

Table 2
Annual Growth Rate of Net NPAs (in %)

Sr. No.	Bank	AGR of Net NPAs	t-Statistic (p-value)	F-Statistic (p-value)	R-Square
1	DHANLAXMI BANK	21.2	2.976 (0.016)	8.856 (0.016)	0.496
2	KARNATAKA BANK LTD	19.7	7.156 (0.000)	51.204 (0.000)	0.851
3	LAKSHMI VILAS BANK	18.4	3.657 (0.005)	13.377 (0.005)	0.598
4	KARUR VYSYA BANK	17.5	2.181 (0.057)	4.756 (0.057)	0.346
5	FEDERAL BANK	15.7	2.846 (0.019)	8.102 (0.019)	0.474
6	CITY UNION BANK LIMITED	13.4	3.04 (0.014)	9.239 (0.014)	0.507
7	CATHOLIC SYRIAN BANK LTD	12.4	3.342 (0.009)	11.168 (0.009)	0.554
8	TAMILNAD MERCANTILE BANK LTD	11.7	1.631 (0.137)	2.659 (0.137)	0.228
9	SOUTH INDIAN BANK	9.6	1.406 (0.193)	1.976 (0.193)	0.187
10	THE RATNAKAR BANK LIMITED	5.2	0.793 (0.448)	0.628 (0.448)	0.065
11	JAMMU & KASHMIR BANK LTD	0.7	0.072 (0.944)	0.005 (0.944)	0.001

Sr. No.	Bank	AGR of Net NPAs	t-Statistic (p-value)	F-Statistic (p-value)	R-Square
12	ING VYSYA BANK	-7.1	-0.717 (0.049)	0.515 (0.049)	0.054

The above table 2 indicates that there exist significant AGR of Net NPAs for all the old private sector banks except Karur Vysya Bank, Tamilnad Mercantile Bank, South Indian Bank, The Ratnakar Bank and Jammu and Kashmir Bank because the 'p' value of 't' statistic for all the old private sector banks except these 5 banks is found to be less than 5% level of significance. The results show that the highest AGR of Net NPAs is found in case of Dhanlaxmi Bank (21.2) and Karnataka Bank (19.7). Moreover the banks with lowest AGR of Net NPAs are found to be Catholic Syrian Bank (12.4) and City Union Bank (13.4). Their low level of AGR of Net NPAs highlights the efficiency of these banks in dealing with the issue of NPA management. ING Vysya Bank (-7.1) has negative AGR of Net NPAs. It indicates that this bank is most efficient as far as the growth of Net NPAs is concerned.

Besides Gross NPAs and Net NPAs, AGR of Additions in NPAs is also calculated by Semi-log Model which is shown by the below mentioned table.

Table 3
Annual Growth Rate of Addition in NPAs (in %)

Sr. No.	Bank	AGR of Addition in NPAs	t-Statistic (p-value)	F-Statistic (p-value)	R-Square
1	DHANLAXMI BANK	36.4	6.597 (0.000)	43.52 (0.000)	0.829
2	LAKSHMI VILAS BANK	31.5	4.44 (0.002)	19.714 (0.002)	0.687
3	KARNATAKA BANK LTD	27.5	15.849 (0.000)	251.187 (0.000)	0.965
4	CITY UNION BANK LIMITED	25.5	10.684 (0.000)	114.139 (0.000)	0.927
5	CATHOLIC SYRIAN BANK LTD	25.1	6.915 (0.000)	47.817 (0.000)	0.842
6	THE RATNAKAR BANK LTD	23.4	3.241 (0.010)	10.505 (0.010)	0.539
7	TAMILNAD MERCANTILE BANK LTD	23.1	5.648 (0.000)	31.897 (0.000)	0.786
8	NAINITAL BANK	20.2	3.303 (0.011)	10.911 (0.011)	0.577
9	KARUR VYSYA BANK	19.8	4.744 (0.001)	22.508 (0.001)	0.714
10	SOUTH INDIAN BANK	19.5	4.342 (0.002)	18.854 (0.002)	0.677
11	JAMMU & KASHMIR BANK LTD	18	3.62 (0.006)	13.108 (0.006)	0.593
12	FEDERAL BANK	17.1	4.624 (0.001)	21.384 (0.001)	0.704
13	ING VYSYA BANK	9.4	1.804 (0.105)	3.255 (0.105)	0.266

It is clear from the above table 3 that the 'p' value of 't' statistic for all the old private sector banks except ING Vysya Bank is less than 5% level of significance. Hence, there exist significant AGR for Additions in NPAs for all the old private sector banks except ING Vysya Bank. The banks with highest AGR for Additions in NPAs are Dhanlaxmi Bank (36.4), Lakshmi Vilas Bank (31.5) and Karnataka Bank (27.5). On the other hand Federal Bank (17.1), Jammu and Kashmir Bank (18) and South Indian Bank (19.5) have the lowest level of AGR for Additions in NPAs, thus conveying their efficiency in NPA management.

The Semi-log Model is also used to find out AGR of Recovery of NPAs. Its results are shown in the following table 4

Table 4
Annual Growth Rate of Recovery of NPAs (in %)

Sr. No.	Bank	AGR of Recovery of NPAs	t-Statistic (p-value)	F-Statistic (p-value)	R-Square
1	DHANLAXMI BANK	24.1	4.947 (0.001)	24.47 (0.001)	0.731
2	LAKSHMI VILAS BANK	22.2	3.642 (0.005)	13.265 (0.005)	0.596
3	NAINITAL BANK	19.7	5.631 (0.000)	31.708 (0.000)	0.799
4	CATHOLIC SYRIAN BANK LTD	19.5	3.938 (0.003)	15.507 (0.003)	0.633
5	CITY UNION BANK LIMITED	17.2	5.196 (0.001)	27.002 (0.001)	0.754
6	KARNATAKA BANK LTD	0.172	4.701 (0.001)	22.095 (0.001)	0.711
7	TAMILNAD MERCANTILE BANK LTD	16.2	2.915 (0.017)	8.499 (0.017)	0.486
8	SOUTH INDIAN BANK	14.8	3.01 (0.015)	9.061 (0.015)	0.502
9	JAMMU & KASHMIR BANK LTD	14.1	4.637 (0.001)	21.505 (0.001)	0.705
10	FEDERAL BANK	13.6	4.706 (0.001)	22.147 (0.001)	0.711
11	KARUR VYSYA BANK	12.6	4.09 (0.003)	16.73 (0.003)	0.652
12	THE RATNAKAR BANK LIMITED	7.2	1.147 (0.281)	1.315 (0.281)	0.127
13	ING VYSYA BANK	0.8	0.177 (0.863)	0.031 (0.863)	0.003

The results shown in the above table 4 indicate that for all the old private sector banks except The Ratnakar Bank and ING Vysya Bank, the 'p' value of 't' statistic is less than 5% level of significance. Hence there exist significant AGR of Recovery of NPAs in case of all the old private banks except The Ratnakar Bank and ING Vysya Bank. The banks with highest AGR w.r.t. Recovery of NPAs are Dhanlaxmi Bank (24.1) and Lakshmi Vilas Bank (22.2). The high level of AGR w.r.t. Recovery of NPAs reveals the efficiency of these banks in NPA management. On the other hand, the banks with low level of efficiency in NPA management are

those with low level of AGR w.r.t. Recovery of NPAs and these are Karur Vysya Bank (12.6) and Federal Bank (13.6).

Descriptive Analysis of NPAs in Old Private Sector Banks

In order to make the comparative analysis of old private sector banks regarding efficiency in NPA management more meaningful, the descriptive analysis of five variables viz. Percentage increase in Gross NPAs, Percentage recovery of Gross NPAs, Return on Advances, Ratio of Gross NPAs to Gross Advances and Ratio of Net NPAs to Net Advances have been done by the researcher. In the data analysis, the mean score, standard deviation, minimum and maximum values of these five variables have been computed. The results of data analysis for percentage increase in Gross NPAs are shown below in table.

Table 5
Descriptive Statistics of Percentage Increase in Gross NPAs

Sr. No.	Bank	Percentage Increase in Gross NPAs			
		Mean	Std. Deviation	Minimum	Maximum
1	ING VYSYA BANK	195.8636	135.71686	100.64	553.68
2	CITY UNION BANK LTD.	111.3624	71.69497	29.37	263.55
3	DHANLAXMI BANK	98.4095	134.93145	10.84	484.11
4	NAINITAL BANK	91.2186	51.99040	20.07	185.35
5	TAMILNAD MERCANTILE BANK LTD	87.9480	85.37383	14.90	319.09
6	LAKSHMI VILAS BANK	87.8595	82.93658	6.39	270.25
7	JAMMU & KASHMIR BANK LTD.	85.0372	80.34368	33.75	322.41
8	SOUTH INDIAN BANK	78.0448	55.96349	18.04	198.41
9	FEDERAL BANK	66.6433	37.28216	23.52	126.78
10	CATHOLIC SYRIAN BANK LTD.	65.9009	53.45211	23.79	185.13
11	THE RATNAKAR BANK LTD.	64.5838	71.66117	6.76	247.07
12	KARUR VYSYA BANK	58.2946	57.37891	21.63	221.81
13	KARNATAKA BANK LTD	53.1425	32.68717	8.74	111.23

The results revealed in table 5 indicate that all the old private sector banks have positive percentage increase in Gross NPAs on an average basis. It means the Gross NPAs of all the old private sector banks are increasing over a period of time but the banks with highest percentage increase in Gross NPAs are ING Vysya Bank (195.8636), City Union Bank (111.3624) and Dhanlaxmi Bank (98.4095). On the other hand the banks with lowest percentage increase in Gross NPAs are found to be Karnataka Bank (53.1425), Karur Vysya Bank (58.2946) and The Ratnakar Bank (64.5838). The less percentage increase in Gross NPAs of these banks shows that comparatively these banks are more efficient in NPA management.

To make this comparative study more meaningful the descriptive analysis of percentage recovery of Gross NPAs has been done which is depicted in the following table.

Table 6
Descriptive Statistics of Percentage Recovery of Gross NPAs

Sr. No.	Bank	Percentage Recovery of Gross NPAs			
		Mean	Std. Deviation	Minimum	Maximum
1	ING VYSYA BANK	121.0528	46.66692	67.82	232.12
2	CITY UNION BANK LIMITED	101.5972	44.84620	43.16	194.25
3	TAMILNAD MERCANTILE BANK LTD	82.8093	54.56486	14.35	219.50
4	DHANLAXMI BANK	70.7433	54.29108	18.87	219.41
5	LAKSHMI VILAS BANK	70.7248	39.87627	22.05	144.52
6	SOUTH INDIAN BANK	67.7759	40.11368	16.43	145.13
7	NAINITAL BANK	66.6819	27.33364	29.23	124.19
8	CATHOLIC SYRIAN BANK LTD	53.9918	33.69275	17.08	126.94
9	FEDERAL BANK	48.3404	18.24529	18.92	87.52
10	KARNATAKA BANK LTD	47.3939	23.46308	23.82	98.28
11	JAMMU & KASHMIR BANK LTD	44.7132	13.26202	25.11	69.58
12	KARUR VYSYA BANK	43.0708	18.79852	20.54	79.03
13	THE RATNAKAR BANK LTD	41.1287	37.64093	17.27	145.15

The results shown in the above table 6 reveal that the highest average percentage recovery of Gross NPAs is in case of ING Vysya Bank (121.0528), City Union Bank (101.5972) and Tamilnad Mercantile Bank (82.8093). The high average percentage recovery of Gross NPAs of these banks shows notwithstanding high percentage increase in Gross NPAs, these banks are making good efforts to recover their NPAs hence proving their comparative efficiency in NPA management. The Ratnakar Bank (41.1287), Karur Vysya Bank (43.0708) and Jammu and Kashmir Bank (44.7132) have the lowest average percentage recovery of Gross NPAs thus revealing their comparative inefficiency in recovery of NPAs.

To judge the comparative efficiency of different old private sector banks in NPA management the data analysis has been done w.r.t. Return on Advances. The average high return on advances indicates efficiency in NPA Management whereas the average low return on advances indicates inefficiency in NPA management. The data analysis of this variable is shown below in table.

Table 7
Descriptive Statistics of Return on Advances

Sr. No.	Bank	Return on Advances			
		Mean	Std. Deviation	Minimum	Maximum

1	CITY UNION BANK LIMITED	12.0993	1.09312	10.42	13.35
2	TAMILNAD MERCANTILE BANK LTD	11.6921	1.15517	10.05	13.78
3	CATHOLIC SYRIAN BANK LTD	11.4122	1.27527	9.66	13.01
4	NAINITAL BANK	11.3705	.94704	10.00	12.63
5	LAKSHMI VILAS BANK	11.1182	1.74224	8.22	12.98
6	KARUR VYSYA BANK	10.9304	1.26451	8.91	12.26
7	FEDERAL BANK	10.8841	1.13300	8.91	12.42
8	KARNATAKA BANK LTD	10.8441	1.44690	8.38	12.41
9	DHANLAXMI BANK	10.8332	.91104	9.62	12.07
10	SOUTH INDIAN BANK	10.7903	1.02620	9.15	12.10
11	THE RATNAKAR BANK LIMITED	10.7038	.93404	8.72	11.73
12	JAMMU & KASHMIR BANK LTD	10.4773	1.35871	8.42	11.95
13	ING VYSYA BANK	10.0547	1.26840	8.08	11.74

It is clear from the results disclosed in the above table 7 that City Union Bank (12.0993), Tamilnad Mercantile Bank (11.6921) and Catholic Syrian Bank (11.4122) have the higher average return on advances in comparison to other old private sector banks. Hence it shows that they are comparatively more efficient in managing NPAs. On the other side, ING Vysya Bank (10.0547), Jammu & Kashmir Bank (10.4773) and The Ratnakar Bank (10.7038) have lower average return on advances in comparison to other old private sector banks. Hence it shows that they are comparatively less efficient in managing NPAs.

In order to have a more clear vision of the comparative efficiency of various old private sector banks in NPA management, the descriptive analysis of Ratio of Gross NPAs to Gross Advances is done, the results of which are revealed by the table mentioned below.

Table 8
Descriptive Statistics of Ratio of Gross NPAs to Gross Advances

Sr. No.	Bank	Ratio of Gross NPAs to Gross Advances			
		Mean	Std. Deviation	Minimum	Maximum
1	DHANLAXMI BANK	6.4900	2.63579	5.98	7.00
2	CATHOLIC SYRIAN BANK LTD	4.1194	1.45355	2.35	7.16
3	KARNATAKA BANK LTD	3.9161	1.39795	2.51	7.58
4	LAKSHMI VILAS BANK	3.8759	1.58701	1.93	7.88
5	THE RATNAKAR BANK LTD	3.5488	3.47733	.40	10.31
6	TAMILNAD MERCANTILE BANK LTD	3.4425	3.31416	1.28	11.26

7	FEDERAL BANK	3.4192	1.46145	2.04	7.29
8	JAMMU & KASHMIR BANK LTD	2.5447	1.23403	1.54	5.97
9	SOUTH INDIAN BANK	2.4702	1.87856	.97	6.64
10	CITY UNION BANK LIMITED	2.2500	1.51745	1.01	5.88
11	KARUR VYSYA BANK	2.1592	1.31400	.82	5.10
12	NAINITAL BANK	2.0303	.53704	1.27	3.09
13	ING VYSYA BANK	1.1191	.58247	.38	2.14

The high average Gross NPA to Gross Advances Ratio is an indicator of inefficiency in NPA management. The results shown in table 8 indicate that Dhan Lakshmi Bank (6.4900), Catholic Syrian Bank (4.1194) and Karnataka Bank (3.9161) have comparatively higher average Gross NPA to Gross Advances ratio, thus indicating their comparative inefficiency in NPA management. Moreover comparatively the lower average Gross NPA to Gross Advances Ratio is shown by ING Vysya Bank (1.1191), Nainital Bank (2.0303) and Karur Vysya Bank (2.1592), thus indicating that these banks are comparatively more efficient in NPA management.

The descriptive analysis of ratio of Net NPA to Net advances further elaborates the analysis of comparative efficiency of different old private sector banks in NPA management. The high average Net NPA to Net Advances Ratio is an indicator of comparative inefficiency in NPA management and vice-versa. The data analysis w.r.t. Net NPA to Net Advances Ratio is shown below in table.

Table 9
Descriptive Statistics of Ratio of Net NPAs to Net Advances

Sr. No.	Bank	Ratio of Net NPAs To Net Advances			
		Mean	Std. Deviation	Minimum	Maximum
1	LAKSHMI VILAS BANK	2.3373	1.28874	.90	4.98
2	CATHOLIC SYRIAN BANK LTD	2.1973	0.94996	1.10	3.85
3	DHANLAXMI BANK	2.0455	1.40329	.30	3.92
4	KARNATAKA BANK LTD	1.5536	0.46209	.98	2.29
5	THE RATNAKAR BANK LIMITED	1.2691	1.61888	.11	5.54
6	CITY UNION BANK LIMITED	1.1973	0.84300	.44	3.37
7	SOUTH INDIAN BANK	1.0536	1.02778	.28	3.81
8	TAMILNAD MERCANTILE BANK LTD	0.9391	0.87389	.24	2.95
9	JAMMU & KASHMIR BANK LTD	0.8791	0.80881	.14	2.77
10	ING VYSYA BANK	0.8064	0.60356	.03	2.13
11	FEDERAL BANK	0.7445	0.54198	.23	2.21
12	KARUR VYSYA BANK	0.4836	0.45460	.07	1.66

The results shown in the table 9 indicate that Lakshmi Vilas Bank (2.3373), Catholic Syrian Bank (2.1973) and Dhanlaxmi Bank (2.0455) have the average Net NPA to Net Advances Ratio higher than other old private sector banks. It means they are comparatively less efficient in NPA management, whereas comparatively more efficiency in NPA management is revealed by Karur Vysya Bank (0.4836), Federal Bank (0.7445) and ING Vysya Bank (0.8064) because of their comparative lower average Net NPA to Net Advances Ratio.

Conclusion

The overall comparative analysis of various old private sector banks regarding NPA management has been presented as below:

Most Efficient Old Private Sector Banks Regarding NPA Management

Group/Criterion	Variables covered	Names of Banks
I. Growth of NPAs	AGR of Gross NPAs, AGR of Net NPAs, AGR of Addition in NPAs, Percentage increase in Gross NPAs, Ratio of Gross NPAs to Gross Advances and Ratio of Net NPAs to Net Advances	Karur Vysya Bank, Federal Bank, Catholic Syrian Bank
II. Efficiency regarding Recovery of NPAs	AGR of Recovery of NPAs and Percentage Recovery of Gross NPAs	Dhanlaxmi Bank, Lakshmi Vilas Bank, City Union Bank
III. Profitability in relation to NPA Management	Return on Advances	City Union Bank, Tamilnad Mercantile Bank

Most Inefficient Old Private Sector Banks Regarding NPA Management

Group/Criterion	Variables covered	Names of Banks
I. Growth of NPAs	AGR of Gross NPAs, AGR of Net NPAs, AGR of Addition in NPAs, Percentage increase in Gross NPAs, Ratio of Gross NPAs to Gross Advances and Ratio of Net NPAs to Net Advances	Dhanlaxmi Bank, Lakshmi Vilas Bank, Karnataka Bank
II. Efficiency regarding Recovery of NPAs	AGR of Recovery of NPAs and Percentage Recovery of Gross NPAs	Karur Vysya Bank, Federal Bank, Jammu & Kashmir Bank
III. Profitability in relation to NPA Management	Return on Advances	ING Vysya Bank, Jammu & Kashmir Bank, The Ratnakar Bank

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