INTERNATIONAL JOURNAL OF INNOVATIVE RESEARCH & DEVELOPMENT

ISSN: 2278 – 0211

Non-Performing Assets Of Scheduled Public Sector Banks– Causes & Cures

Dr. A.Kondaiah Swamy
M.Com., M.Phil., Ph.D.
Lecturer in CCP
Govt.Polytechnic for Women,Nandigama
Krishna District, Andhra Pradesh, India

Mr. Kovvali Bhanu Prakash
M.Com., M.Phil., (Ph.D.)
SAP FI/CO and HR Consultant, Associate Professor
K.L.University Business School,Vijayawada
Krishna District, Andhra Pradesh, India

Abstract:

Non-Performing Assets (NPAs) or Non- Recovered Loans or Bad Debts as they are commonly called, have been menace for the banking sector since independence.The Non-performing assets have been detrimental to the performance of the Indian Banks.Their continued amelioration in absolute terms proved the survival of Indian Banks very difficult. The Non-Performing Assets or bad debts or non-recovered loans of the banks which now stands at Rs.71,047 crores as against the total advances Rs.30,79,804 crores which is 2.30% percent of total advances as on 31st March 2011.Therefore it is necessary that the level of NPAs' should be kept at minimum possible level and hence the management of NPA is of prime concern. In the present study an attempt is made to diagnose the causes or reasons of NPAs and suggested right gestalts and proactive measures to arrest the Portfolio of NPAs with special reference to Standard Assets (SA), Sub-standard Assets (Sub- SA), Doubtful Assets (DA) and Loss Assets (LA) of Scheduled Public Sector Banks. In this context, it is recommended to Scheduled Commercial Banks to ensure that advances made to creditworthy and loyal customers as prevention is always led better than cure.

KeyTerms: *NPAs', Doubtful assets, Substandard Assets, Loss Assets and Standard Assets, ANOVA, EWS.*

Introduction

In the last decade the banking industry of India has experienced an exponential growth. The CNX Bank Index[1] has grown by more than 1100% in absolute terms, and at a compounded annual growth rate of over 31% in the period from 2000 – 2011, while the Sensex[2] grew at a compounded annual growth rate of 14%. In the year 2010 the banking sector contributed 16.35% to the GDP of India.[3] according to a McKinsey report, the Indian banking sector is heading towards being a high-performing sector. According to an IBA-FICCI-BCG report titled 'Being Five Star in Productivity – Road Map for Excellence in Indian Banking', India's Gross Domestic Product (GDP) growth will make the Indian banking industry the third largest in the world by 2025. According to the report, the domestic banking industry is set for an exponential growth in coming years with its assets size poised to touch USD 28,500 billion by the turn of the 2025 from the current asset size of USD 1,350 billion (2010). This calls for an analysis of the performance of Indian banks.The financial performance of banks especially Scheduled Commercial Banks to maintain healthy profit growth not only depends on the hardening of interest rates but also rests on improvement of asset quality. [4] Non-Performing Assets has emerged as an alarming threat to the banking industry sending distressing signals on the sustainability and endurance of affected banks.Banking Sector Reforms leashed the banking industry to track again on the rails of progress. However, the initiatives and prudential norms prescribed by the RBI and Government of India in terms of the two Narasimham Committee Reports in this contemporary period have been neutralized by the ill-effects of this surging threat. It is pervasive and contagious confronted universally on banking and financial institutions. The reflections of NPAs' throw light on asset quality, credit risk and efficiency in the allocation of resources to productive sectors. The Committee on Financial System (1991) has expressed concern over the erosion of asset quality in turn Non-Performing Advances constitute the chunk. NPA is a drag on bank's resources. It is a double edged-knife as it not only deprives banks interest income but

[1] . CNX Bank Index is an index including the most liquid and large capitalized Indian Banking
stocks trading on the National Stock Exchange (NSE) of India (NSE India).

[2] . Benchmark index of the Bombay Stock Exchange comprising of 30 most actively traded stocks and is calculated on the free float capitalization method (Bloomberg).

[3] . Data from Reserve Bank of India and Bloomberg.

[4] . Report on Trend and Progress Of Banking (2010-11).

also entails provisions out of income generated by other performing assets.[5] The funds lock up in the NPAs' are not available for productive purposes and adversely affect profitability and solvency of the lenders or banks or financial institutions.Performance of banks is measured, *inter alia*, in terms of percentage of NPAs' to Total Advances and therefore higher levels of NPAs' is a serious care and concern of the bank. Therefore, it is necessary that level of NPAs should be kept at minimum possible level and hence, management of NPAs is of prime importance. In this context, the present study focuses on reasons or causes of NPAs' and suggests right cures for treating the malady and minimizing the levels of NPAs especially Scheduled Public Sector Banks which are functioning in India.

Statement Of The Problem

In the last 5 years, foreign and private sector banks have earned significantly higher return on total assets as compared to their pubic peers. The performance of foreign banks shows an overall decreasing trend, private banks an increasing trend and public banks have been more or less stagnant. The net NPAs of public sector banks were also significantly higher than that of private and foreign banks at the end of FY 2011, which indicates the asset quality of public sector banks is comparatively poor and public sector banks will have to face relatively more problems as compared to private and foreign banks. The Capital Adequacy ratio was also very high for private and foreign banks as compared to public sector banks. Hence, the present study focuses its attention on Causes and Cures of NPAs' of Public Sector Scheduled Commercial Banks.

Review Of Current Literature

Anshu Bansal[6] (2012) studies the problem of swelling non-performing assets (NPAs) in Indian Public Sector Banks and felt that the issue is becoming more and more unmanageable has assumed great importance in terms of risk management. The study aims at building a sound base for ensuring the operational viability and financial soundness of banks particularly of those which are facing difficulties and making

---

5 . Vibha Jain.,(2007), Non-Performing Assets in Commercial Banks, Regal Books, New Delhi.

6 .Anshu Bansal.,(2012), A Study On Recent Trends in Risk Management Of NPAs'By Public Sector Banks in India, Journal of Information and Operations Management, Vol. 3, No.1, p.p. 50– 56.

struggles to cope up with the management of huge NPAs. On the basis of the above, the main objectives of the study are to understand the concepts and recent trends of NPAs, to analyse the impact of NPAs, to evaluate the reasons for NPAs and to assess the Preventive Measures for NPAs.The results show that there has been a continuous decrease during the time period of 2007-11 in relate to NPA Ratio, Priority Sector NPAs', Non-Prioriy Sector NPAs' and Public Sector NPAs'. The continuous decrease in the time period is to bring the Indian banking norms at par with international norms. This move will certainly reduce the NPAs and in turn improve the asset quality of the banks. Finally, Bankers have to realise that unless the level of NPAs is reduced drastically, they will find it difficult to survive.

Dr. Ipseeta Satpathy & Dr. B. C. M. Patnaik (2012)[7] made an attempt to analyze the various Portfolio of NPAs with special reference to Standard Assets (SA), Sub-standard Assets (Sub- SA), Doubtful Assets (DA) and Loss Assets (LA) for the period from 2001-02 to 2007-08. They opined Non-Performing Assets (NPAs) or bad loans, as they are commonly called, have been menace for the banking sector. Non-Performing Assets have been detrimental to the performance of the Indian Banks. Their continued amelioration in absolute terms proved the survival of Indian Banks very difficult. They observed that the recovery of NPAs improving since 2001- 2002 in all the scheduled commercial banks. However, it is suggested that the banks should take care to ensure that they give loans to creditworthy customers as prevention is always is better than cure.Jagadish Hudagi[8] (2011) diagnosed the epidemic Of Non-Per Forming Assets in Public Sector Banks In India during the period of 2005-10. Non-performing Assets (NPAs) are the smoking gun threatening the very stability of Indian banks. Even after repeated effort made to correct it the problem was challenging in fact it has became an epidemic. The findings emerged from the study include the funds blocked in as Gross NPA is huge, but there is no time frame and follow up to recover the blocked amount.

[7].Dr. Ipseeta Satpathy and Dr. B. C. M. Patnaik., (2011), Portfolio of NPA: By Classification Of Banks,BVIMR Management Edge, Vol. 5, No. 1, p.p.53-60.

[8] .Jagadish Hudagi., (2011), Unearthing The Epidemic Of Non-Per Forming Assets -A Study With Reference To Public Sector Banks In India , International Journal of Multidisciplinary Research, Vol.1, No.1, December.

The NPA level is quite alarming but it is positive sign to note that the percentage of NPAs is reducing. The NPAs' came down considerably indicating a positive trend of financial soundness. Sector wise analysis of NPAs shows that the proportion of NPAs for the priority sector loan has increased on an average compared to non priority sector and public sector. Finally, specific recovery targets wise monthly, quarterly, and annually were fixed, but these targets have to monitor properly. Lack of commitment towards the work by the bank employees, political interference, inability to adopt changes and rigidity in decision making by the public sector banks compared to Private sector banks, Foreign banks and NBFCs are some of the observations of the study. The bank has to take timely action against degradation of good performing assets.

Nature And Scope Of The Study

The present study entitled 'Non-Performing Assets in Public Sector Commercial Banks – Causes and Cures ' is diagnostic in nature, prescribes right gestalts for reducing the level of NPAs' especially in Scheduled Commercial Banks in India and is confined to examine the state of Non-Performing Assets in Public Sector Scheduled Commercial Banks during a time period of 2005-11.

Objectives Of The Study

To treatise the menace of NPAs' in Scheduled Public Sector Banks in India the following objectives are formulated.

To study the magnitude and trend of NPA of Scheduled Public Sector Banks in India.

To diagnose the causative factors of NPAs' in Scheduled Public Sector Banks.

To suggest cures or preventive measures to reduce the level of NPAs' in Public Sector Banks.

To study the recovery aspect and provision created for NPAs in sample banks.

To focus on sector wise NPAs and offer necessary measures for effective management of NPAs.

For the purpose of the study the Scheduled Commercial Bankks which are operating in India are considered. An attempt has also been made to cross sectional analysis of NPAs.

Hypotheses Of The Study

H_1: There is no significant relation in between gross NPAs to gross advances of the public sector banks.

H_2: There is significant relation among priority sector, public sector, & non-priority sector from NPAs point of view.

H_3: There is significant relation among various recovery channels viz., Lok Adalats,DRTs and SARFESI Act, 2002.

H_4: There is significant reduction in proportion of Gross NPAs to Gross Advances.

Methodology Of The Study

The present study is innovative, diagnostic and empirical in nature and it evaluates the level of NPAs' of public sector commercial banks during 2005-06 to 2010-11. The data is collected from various issues of 'Report on Trend and Progress in Banking, Economic Survey and Report on Currency & Banking. The sample data is analyzed by using various ratios and also examines the trend of NPAs in selected sample units. The findings of the study are inconformity with the statistical tools applied such as Averages, ANOVA, Correlation and Comparative Percentages.

Causes Or Reasons Of Npas'

There are many causative factors for loan accounts turning into NPAs' and these are catagorised under three classes viz.

Causative factors attributable to promoters or borrowers Causes attributable to the Bank and Factors beyond the control of Promoters or Bankers.[9] Causative factors attributable to promoters or borrowers include foreign financial indiscipline, lack of professional management, outdated technology, improper planning in inception of the project enroute execution, misappropriation / utilization of funds, change in government policies, fluctuations in FOREX transactions, escalations of costs are of prominent among others.Delay in timely sanctioning of loans and advances, non-observance of prudential norms, improper / poor credit appraisal, incomplete / defective documentation, improper maintenance of accounts in relate to advances, disbursement of advances prior compliance of terms and conditions, delay or undiagnosed EWS (Early Warning Signals), initiation of preventive measures before assessing the potentialities of borrower, faulty decision-making process, lack of government support and protracted judicial proceedings etc are considered under causes attributable to the Bank.Political

[9] . Sudhan D.Yardi.,(2008), Bankers Guide to Non-Performing Assets, Snow & White RBI Publications, Mumbai.

interference and Debt Relief Schemes introduced by some of the state governments, labour unrest, lockouts, riots and strikes, natural calamities, inadequate infrastructural facilities, frauds committed by outsiders, inconsistency in judicial verdicts by courts made borrowers willful default and considered under beyond the control of Promoters or Bankers.

Analysis And Interpretation Of Results

The data is analysed and the results are furnished for drawing inferences. It can be noticed from the table-1 that the Gross Advances of public sector banks increased from Rs.1134724 crores in 2005-06 to Rs.3079804 crores in 2010-11. It is evinced that there is a Compound Growth of 11.73 percent between 2005-06 to 2010-11. It is clear from the fact that there is continuous upturn trend of Gross Advances during the study period. On the other side, the Gross NPAs of the public sector banks have raised from Rs.41358 crores in 2005-06 to Rs.71047 crores in 2010-11. It has shown a growth of rate of 6.20 percent during the study period. Except 2006-07, the Gross NPAs show an increasing trend. The statistical test of Pearson correlation shows that there is a high degree of positive correlation between Gross Advances and Gross NPAs with r = 0.899.(Table-2).From table values of ANOVA, F= 16.93 and at 5 percent level of significance the table value is 7.71 which is lower, thus the null hypothesis of no significance between gross NPAs and gross advances of public sector banks has been rejected. It can conclude that there is a significant relationship between Gross NPAs and Gross Advances.(Table-3).Net advances public sector banks increased in absolute terms from Rs.1106288 crore in 2005-06 to Rs. 3305632 crores in 2010-11. A drastic raise of 298.80 percent between 2005-06 to 2010-11 was observed during the period of the study. It is also clear from the fact that there is continuous upturn growth of Net advances during the study period. (Table -4).By looking at the Net NPAs of the public sector banks an increasing trend is noticed from Rs.14566 crores in 2005-06 to Rs. 19605crore in 2010-1. It has shown an increase of 134.59 percent during the study period. (Table -4). During the study period the Average Net advances of public sector banks is Rs. 2099169 and on the other hand the Average Net NPAs' is Rs. 19658 crores which is quite an alarming indication by looking at the volume of Net NPAs (Table -4). Loan assets of banks are classified in to four categories i.e. standard assets, sub-standard assets, doubt full assets, and loss assets. Standard assets being the good quality of loan assets on the other hand sub-standard assets, doubt full assets, and loss assets put together constitutes Non- Performing Assets.

All the other three categories of NPAs as a percentage to loan assets are recorded a decline trend except during 2010-11. Sub-standard assets showed an increase from 1.0 percent in 2005-06 to 1.04 percent in 2010-11. The doubt full assets reduced from 2.2 percent in 2005-06 to 0.99 percent in 2010-11 . The loss assets also registered decline from 0.5 percent in 2005-06 to 0.19 during 2010-11.

Overall the non performing assets came down considerably i.e. from 3.7 percent in 2005-06 to 2.31 percent in 2010-11 which indicates a favourable and sound financial position of public sector banks. The average standard assets, sub-standard assets, doubt full assets, and loss assets are Rs2080101, Rs.22230, Rs. 23962, Rs. 5164 crores respectively and the average NPAs being amounted to Rs. 245374 crores. (Table-5).

From the Table-6 NPAs have been classified in to three sectors i.e. priority sector, public sector and non priority sector as per the guidelines on lending by RBI. The average sector wise NPAs of priority sector, non-priority sector and public sector was Rs.27837, 20581 and 400 crores respectively. It is found that asset quality of banks recorded considerable improvement in reduction of NPAs on an average with respect to public sector i.e.0.4 percent compared to an average of 58.1 percent with priority sector and an average of 41.9 percent in case of non-priority sector (Table-6).To test the hypothesis there is no significant difference in the sectoral NPAs of selected sectors such as Priority sector, non-priority sector and public sector One Way ANOVA is applied. From the table, results shows that $F (2, 15) = 40.672$; $p > 0.05$. Hence it can be inferred that the null hypothesis of there is no significant difference between, priority sector, public sector, & non priority sector has been rejected (Table-7).The NPA provisioning for the year 2005-06 Rs.25024 crore where as the volume increased to 366802 crore, but it is interesting to note that even though the volume increased considerably the percentage of provisioning came down significantly i.e. in 2005-06 from 60.5 percent to 49.2 percent. At the same time on an average 52.73 percent provision has been made during the study period (Table-8).Table-9 eludes the various recovery channels through which the bad loans commercial banks in India have been recovered. The various recovery channels have been introduced from time to time for expediting the recovery of bad loan amount banks. Among the several channels of recovery available with the banks, debt recovery tribunals (DRTs) and SARFAESI Act, 2002 have been the most effective in terms of amount recovered. On an average recovery amount from DRTs, SARFAESI Act and Lok Adalats is drastically came down from 49.38 (2005-06) to 31.31(2010-11). (Table-9)

Recovery Analysis

To test the hypothesis there is no significant difference in the recovery efficiency of Recovery Channels, One Way ANOVA is applied. From the Table-10, results shows that $F(2, 15) = 14.608$;

$p > 0.05$. Hence it can be inferred that the comparison of recovery efficiency among the recovery channels of NPAs found no significant difference.

Findings Of The Study

The following are emerged from the analysis and interpretation of data.

The vast resources are blocked in Gross NPAs' amounted to Rs.71047 crores during the year 2010-11, however no time frame is prescribed for speedy recovery of blocked funds. .

The level of NPAs' during the study period is quite alarming but it is a positive sign to note that the percentage of NPAs is reducing i.e. it was 3.6 percent in 2005-06 and came down to 2.31 percent in 2010-11. The Total NPAs' came down considerably i.e. from 3.7 percent in 2005-06 to 2.31 percent in 2010-11 indicating a positive trend of financial soundness.

Sector wise analysis of NPAs shows that the proportion of NPAs for the priority sector loan has increased on an average i.e. 58.1 percent compared to 41.9 percent to non priority sector and only 0.4 percent to public sector during 2010-11.

ANOVA results show that sector wise break up of NPAs indicates that the null hypothesis of no significant association between, priority sector, public sector, & non priority sector has been rejected. Like wise ANOVA result of various recovery channels, indicates that the null hypothesis of no significant relation between various recovery channels has been rejected.

Cures / Preventive Measures / Suggestions To Reduce The Level Of Npas'

It can be observed that NPAs are directly or indirectly strike the bottom line of PSBs' and also nullifying their efforts to increase their profitability. In the light of our findings of the study, following suggestions offered to deal effectively in reducing the non performing assets.

It is the prime responsibility of the banker to diagnose and identify the symptoms and take timely remedial measures to prevent the account from actual slipping into to NPA. Sudden / gradual reduction in operations both debit and credits, unusual debits in accounts, inconsistency in maintaining stock register, increase in number of returns by clients, cheques issued to associate / subsidiary concerns, liquidity crunch over the time period etc., are some of the Early Warning Signals (EWS) to prevent NPAs'.Third Basel Committee report on banking supervision should be completely adhered and monitored in regular practices of the bank. IFRS accounting practices, introducing KYC Norms need to be adopted to have more transparent and effective accounting system.

Discourage projects without viability includes long-gestation period, with high risk, Constitution of NPAs' Management Cell to monitor Portfolio of NPAs' at Head Office and Branch Offices to monitor the case are some of the preventive measure to reduce the level of NPAs'.

Conclusion

The level of non-performing assets is recognized as an indicator for assessing banks credit risk, asset quality and efficiency in allocation of resources to productive sectors. The level of NPAs' will be minimized by the serious efforts of Apex bank with risk appraisal system coupled with judicial enactments and involvements which will gear up the public sector banks to minimise credit defaults and enhance their financial efficiency.

Year(s)	Gross NPAs'	Gross Advances	Gross NPAs' To Gross Advances
2005-06	41358	1134724	3.6
2006-07	38968	1464493	2.7
2007-08	40595	1819074	2.2
2008-09	44957	2282081	1.97
2009-10	59926	2736347	2.19
2010-11	71047	3079804	2.31
CARG(%)	6.20	11.73	-4.81

Table:1: Gross NPAs' To Gross Advances Ratio(₹ in crores)
Source: RBI Trend & Report of Banking In India 2005-11.

Pearson's Correlation	0.899
Level Of Significance (Two - Tailed)	7.71
N	6

Table:2: Correlation Between Gross NPAs' & Gross Advances
Source: Table:1

Test Model	Df	Sum Of Squares	Mean Squares	F	Sign
Regression	1	687701458.6	687701458.6	16.93	7.71
Residual	4	162422588.3	40605647.1		
Total	5	850124046.9	728307105.7		
Predictor: Gross Advances (Constant), Gross NPAs' (Dependent Variable)					

Table 3 :ANOVA Test
Source:Table:1

Year(s)	Net Advances	Net NPAs'	Net Advances To Net NPAs'
2005-06	1106288	14566	75.95
2006-07	1440146	15145	95.09
2007-08	1797504	17836	100.77
2008-09	2250532	21155	106.38
2009-10	2694910	29644	90.90
2010-11	3305632	19605	168.61
Average	2099169	19658	106.28

Table:4: Net NPAs' Of Public Sector Banks (₹ in crores)
Source: RBI Trend & Report of Banking In India 2005-11

Year(s)	Standard Assets	Sub-Standard Assets	Doubtful Assets	Loss Assets	Total NPAs'	% Change
2005-06	1092607 (96.2)	11453 (1.0)	25028 (2.2)	5636 (0.5)	42117 (3.7)	0
2006-07	1425519 (97.3)	14275 (1.0)	19873 (1.4)	4826 (0.3)	38974 (2.7)	-1.0
2007-08	1778476 (97.8)	17290 (1.0)	19291 (1.1)	4018 (0.2)	40598 (2.2)	-0.5
2008-09	2237556 (97.9)	26603 (0.9)	21019 (0.9)	4296 (0.1)	51918 (2.2)	0
2009-10	2673534 (97.81)	28791 (1.05)	25383 (0.93)	5750 (0.21)	59926 (2.19)	-0.1
2010-11	3272914 (97.77)	34973 (1.04)	33180 (0.99)	6463 (0.19)	71047 (2.31)	+0.12
Average	2080101 (97.46)	22230 (0.99)	23962 (1.25)	5164 (0.25)	245374 (2.55)	(-1.48)

Table:5: Classification of Loan Assets (₹ in crores)
Source: RBI Trend & Report of Banking In India 2005-11

Figures in parentheses indicate loan assets as a percentage to Total loan assets of respective year.
Classification of Assets as RBI guidelines

Year(s)	Priority Sector	Non-Priority Sector	Public Sector	Total NPAs'
2005-06	22374 (54.0)	18664 (45.1)	340 (0.8)	41378 (100)
2006-07	22954 (59.1)	15158 (39.2)	490 (1.2)	38602 (100)
2007-08	25287 (63.6)	14163 (35.6)	299 (0.7)	39749 (100)
2008-09	24318 (55.2)	19251 (43.7)	474 (1.1)	44043 (100)
2009-10	30848 (53.8)	26453 (46.2)	524 (0.9)	57301 (100)
2010-11	41245 (58.1)	29802 (41.9)	278 (0.4)	71043 (100)
Average	27837	20581	400	48686

Table:6: Sector- wise NPAs' Of Public Sector Banks (₹ in crores)
Source: RBI Trend & Report of Banking in India 2005-11

Figures in parentheses indicate loan assets as a percentage to Total loan assets of respective year. Classification of Assets as RBI guidelines.

ANOVA

Sectoral NPAs

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.42E+09	2	1209280107	40.672	.000
Within Groups	4.46E+08	15	29732537.40		
Total	2.86E+09	17			

Table: 7: ANOVA Test
Source: Table:6

Year(s)	Public Sector Banks		
	NPA Amount	Provision Amount	Percentage Of Provisions To NPAs'
2005-06	41358	25024	60.5
2006-07	38968	22139	56.8
2007-08	40595	21180	52.1
2008-09	44957	22658	50.4
2009-10	59926	28181	47.4
2010-11	71047	36680	49.2
Average	49475	25977	52.73

Table:8: Provision For NPAs' In Public Sector Banks(₹ in crores)
Source: RBI Trend & Report Of Banking In India 2005-11.

Year(s)	Lok Adalats		DRTs'		SARFAESI		Total		
	Amount Involved	Recovery	Amount Involved	Recovery	Amount Involved	Recovery	Amount Involved	Recovery	Percentage
2005-06	2144	265	6273	4735	8517	3363	16934	8363	49.38
2006-07	758	106	9156	3463	9058	3749	18972	7318	38.57
2007-08	2142	176	5819	3020	7263	4429	15224	7625	50.08
2008-09	4023	96	4130	3348	12067	3982	20220	7426	36.72
2009-10	7235	112	9797	3133	14249	4269	31281	7514	24.02
2010-11	5254	151	14092	3930	30604	11561	49950	15642	31.31
Average	3592	151	8211	3604	13626	5225	25430	8981	38.34

Table:9: NPAs' Recovery Various Through Channels (₹ in crores)
Source: RBI Trend & Report Of Banking In India 2005-11.

ANOVA

Recovery Efficiency

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.637	2	.319	14.608	.000
Within Groups	.327	15	.022		
Total	.965	17			

Table:10: ANOVA Test
Source: Table:9.

Reference

1. Dr. Namita Rajput, Ms. Monika Gupta and Dr. Anand Sharma., (2012), Profitability and Non-Performing Assets: Indian Perspective, Indian Journal of Finance ,Volume: 01, Number: 12, April, p.p.25-30.
2. Sanyal, P., & Shankar, R., (2011). Ownership, competition, and bank productivity: An analysis of Indian banking in the post-reform period. International Review of Economics and Finance,
3. 20(2), 225-247.
4. S.,C.H., & Joseph, M. A.,(2011), Financial performance of banks in bancassurance: A study with
5. special reference to state bank of India. Indian Journal of Finance, 5(7), 10-17.
6. Hassan, M. K., Sanchez, B., & Yu, J., 2011). Financial development and economic growth: New evidence from panel data. Quarterly Review of Economics and Finance, 51(1), 88-104.
7. Dr.Hosmani.A.P, Jagadish Hudagi., (2011), Unearthing The Epidemic Of Non-Performing Assets -A Study With Reference To Public Sector Banks In India International Journal of Multidisciplinary Research Vol.1 Issue 8, December.
8. Dr.Ashok Khurana and Dr.Mandeep singh, NPA management: A study of new private Sector Banks in India, Indian journal of finance, September 2010.
9. Hitchner J. (2011). Financial Valuation: Applications and Models. John Wiley and Sons Inc.
10. Lohia, Saumya, "Performance of the Indian Banking Industry over the Last Ten Years" (2011). CMC Senior Theses.
11. J.U.Ahmed.,(2008), Asset Quality and Non-Performing Assets of Commercial Banks, MD Publications, New Delhi.
12. Sudhan D.Yardi.,(2008), Bankers Guide to Non-Performing Assets, Snow & White Publications, Mumbai.
13. Vibha Jain.,(2007), Non-Performing Assets in Commercial Banks, Regal Books, New Delhi.