NPA-NON PERFORMING ASSETS: AN EMPIRICAL ANALYSIS OF THE RESEMBLANCE AMONG PSU AND NON-PSU BANKS

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ABSTRACT

The banking organization is an important part of the tertiary segment and serves as the foundation of financial procedures. The banking segment makes it potential to fund the country's farming, ventures, and business activities. The Indian banking framework is currently in poor health. Infection manifestations are increasing Non-Performing Assets (NPAS). At the aggregate level, NPAs hampered inventory credit extension to prospective borrowers, thereby negatively affecting capital development and influencing the proficiency, dissolvability, and stability of the Indian banking framework.

This paper deals with the concept of Non-performing assets and analyzes the resemblance of PSU and Non-PSU Banks in India. SBI and Canara Bank have been chosen as public sector banks, while HDFC and KVB have been chosen as private sector banks. Finally, it was determined that nullifying NPAS is not possible and that it is preferable to minimize it.

Keywords: NPAS, Bad banks, GNPA, NNPA, SPSS

I. INTRODUCTION

The banking framework is an essential component in the advancement of any country's sound economy. Any modern economy relies on the banking sector. It is one of the major monetary mainstays of the monetary area, and it plays an important role in the operation of an economy. It is critical for a country's monetary advancement that the financing requirements of exchange, industry, and farming are met with a greater level of responsibility and obligation. As a result, the advancement of a nation is inextricably linked with the advancement of banking.

NPA is only old wine in another jug. The bad loans are also known as Bad Debts, reconciled as Non-Performing Assets according to the Narsimham Committee proposals. Already banks used to discount the bad obligations according to their own choices relying on the strength of the banks. In any case, Narsimham Committee endorsed a normalized standard for the provisioning of NPAs. Narsimham Committee was executed in all banks in the year 1991. The council likewise characterized the resources in various classifications and paces of age for provisioning.

What is NPAS

NPA (Non-Performing Asset) is a basic factor that has antagonistically affected the turn of events and the development of the economy. This exploration examines the effect of NPAs on the benefits of banks. This exploration endeavors to investigate the effect of not many significant monetary heads on the NPAs of banks and to recommend the successful administration of NPAs.

An assortment of components is liable for eternity expanding the size of NPAS in banks. A couple of conspicuous purposes behind resources becoming NPAs are as under. Hypothesis (Investing in high-hazard resources for procuring top-level salary) Lack of coordination between banks, Default borrowers. Fake practices, Poor credit examination framework. Changes in financial approaches. Wild advances to accomplish the budgetary targets. No straightforward bookkeeping strategy and poor inspecting rehearse.

Non-performing Assets (NPAs) as per RBI
According to the Reserve Bank of India, an NPA is a credit office in which the premium and additionally a portion of the administration is "past due" for a predetermined period. In most cases, if the advance installments have not been made for 90 days, the asset is referred to as a non-performing asset. (2019, Varuna Agarwal) or When a resource ceases to generate revenue for the bank, it becomes a non-performing asset (NPA). A non-performing asset (NPA) is an advancement or development in which:

- In the case of a term credit, interest or potentially a portion of principal remain past due for more than 90 days.
- In the case of an Overdraft/Cash Credit (OD/CC), the record remains messed up.
- Due to bills purchased and limited, the bill remains past due for more than 90 days.

**Classes of Non-Performing Assets**

i. **Standard Assets**: It is not a problem when paying interest/portions of the head. It generally conveys more than the usual risk associated with the business.

ii. **Substandard Assets**: A resource is designated as insufficient if it remains as an NPA for a period that is less than or equal to a year.

iii. **Suspicious Assets**: A resource is labeled as suspicious if it has been an NPA for more than a year.

iv. **Loss Assets**: A resource is viewed as a misfortune resource when it is uncollectible and has not been discounted entirely or in parts.

**Impact of NPAs**

In case it is examined fundamentally it would be apparent that the banks began bringing about misfortunes after the execution of Narsimham Committee suggestions. Because of the provisioning of resources in a normalized structure, the disintegration of the capital of the banks began. From there on the idea of solid banks and frail banks became effective. For the endurance of frail banks, the public authority began recapitalizing them powerless banks. RBI and the public authority began compelling the banks to execute rigid techniques for recuperation of the NPAs and to further develop their accounting reports. On basic investigation, it has been seen that a significant piece of NPAs is contributed by a few top industrialists. By and large, the NPAs in the horticulture and need area is relatively lower than that of the corporate houses. It is said that because of governance arrangements of postponing agribusiness advances in instances of floods, dry spells, and normal cataclysms weight of NPAs of all PSBs is expanding. By and large, negligible ranchers and little business people pay their advances in due time which is clear from studies by various organizations.

However, the Government has authorized the SARFAESI Act in 2002 that enabled the banks to procure the sold land, building, and so on, and discard something similar in sell-off for recuperation of terrible credits the banks are as yet dealing with issues while executing the said Act.

**NPA in Indian Context**

In the Indian setting, the loaning policy and credit policy affect non-performing advances (Reddy, 2002 and Karunakar, et al., 2008). Indian banks are battling with difficulties identified with NPA's. These banks were thriving a few years ago, but their strength has since disintegrated due to non-performing resources. Numerous Indian banks have controlled their non-performing resources to some extent; however, a few banks have neglected to control their NPA status, resulting in NPA hitting these banks' benefit. Through this examination paper, we have analyzed the pattern of NPA's in recent years and the connection among NPA's and productivity of private area banks. As indicated by the Reserve bank of India, need area loaning should be advanced with the goal that those areas who can't move toward the coordinated market for loaning purposes and can't bear the cost of the greater business pace of revenue, can get credits in a simple way (Laveena, Meenakshi Malhotra 2014).

Once in a while market underlines the job of the banking sector as an instrument of monetary development and advancement. Banks are troubled because of developing NPAs particularly on account of public sector banks. The number of preventive measures would shorten the degree of NPAs. Feasible administrative guidelines and ideal execution of them could prepare for a solid monetary sector in India. (Sharma 2018)
II. LITERATURE REVIEW

Yadav and Thathera (2019) in their review investigated what had been made on Indian public banks to survey the impact of NPAs on the benefit of Indian banks. They said that any remaining banks show a negative connection between their gross NPAs and total compensation, aside from SBI. Arasu et al (2019) read the purposes behind NPA and the impact of NPA on the bank's benefit. The investigation discovered that there was an unobtrusive connection between the organization bank's Gross NPA and Net Profit and found that there was no significant hole with the area savvy NPA. Priyanka et al (2019) entitled to credit the executives and the issue of NPAs in Public Sector Banks determined that there is a significant requirement for understanding the effects of Non-performing resources on benefit. For making the more noteworthy agreements and complementary certainty, banks ought to have everyday gatherings and meet with borrowers. Nachimuthu and Veni (2019) guaranteed that Indian banks, paying little heed to benefits, liquidity, and serious working, the NPA impacts the mentality of bankers identified with the accessibility of assets for the arrangement of credit and the extension of credit.

Bhardwaj and Chaudhary (2018) surveyed the NPA of business banks in India and the effect of Non-performing resources on the banking business. Then, at that point, the creator made ideas to oversee and keep away from future NPAs in Banks. It was examined in the time of a long time from 2000 to 2014 by proportion examination and rate investigation. The consequence of this examination showed that the gross and net NPAs of business banks have expanded so the acquiring limit is diminished and profit from venture is influenced seriously. He found that NPA kills the productivity of Indian banks and proposed that the banks should survey existing credit examinations and observing frameworks and advance recuperation strategies ought to be fortified. Vikram and Gayathri (2018) inspected the degree of NPAs between open in addition to private banks in India. The information was dissected in the time of years from 2010 to 2017. The aftereffect of this examination showed that the correlation level of NPA is more in the public banking area than in the private banking area. The ascent in the measure of NPA hurt a bank's benefits. The creator said that dealing with the NPAs plays a significant part in reinforcing the monetary presentation of the banking area just as the economy. Jha (2018) assessed the Non Performing resources between SBI (state bank of India) and ICICI bank and looked at NPAs among Public and Private area banks. The information was examined from 2011 to 2018 by utilizing proportion investigation, rate examination, and the t-test. The consequence of this investigation showed that in SBI, there is a significant hurtful connection between's Gross NPA as well as Net Profit, of course in the center of Net NPA and Net Profit. These outcomes explained that the size of NPAs is filling in SBI bank when contrasted with the ICICI bank. This paper has likewise shown that NPAs are higher in Public banks when contrasted with the Private banking area.

Chaitra and Vasu (2018) surveyed the patterns of NPAs of public and private area banks and attention about the NPAs of PSU and Non-PSU banks. The information was broken down by taking example units of top five public area banks and top five private area banks by utilizing proportion examination, rate investigation, and t-test. The aftereffect of this examination showed that the pattern of NPAs is in a descending situation as per the exploration time frame, yet Non-Performing Assets of the public banking area are higher than the private banking area. The income on the assets has additionally the dropping patterns yet it is lower in open area banks when contrasted with the private banks. The creator tracked down that Gross NPAs was higher in open area bank contrasted with private area banks. Gulati (2018) surveyed the effect of NPAs on the productivity of different areas of Indian banks. The information was dissected seemingly forever from 1998 to 2017 for example almost twenty years. It has been genuinely investigated by proportion examination, rate examination, t-test, and method of direct relapse model have been utilized. The consequence of this investigation showed that the public area banks have an adverse consequence and Private area banks Lesly affect non-performing resources on benefit. The creator expressed that the highest effect of Non-performing resources on the benefit is there in the event of public banks though the private bank has less effect of Non-performing resources on productivity.

Kumar et al (2018) assessed the reasons for the ascent in NPAs and assessed the effects of NPAs on bank's productivity to have a compelling control by the banks. The information is investigated by an example size of around 429 respondents and assessed by math mean and rates. The consequence of this investigation showed that the causes are Ineffective recuperation court, Industrial Sickness, then, at that point Change of government Policies, then, at that point Poor credit evaluation framework, and Managerial insufficiencies. The creator tracked down that Non-performing resources are debilitating the abundance of the banks and influencing their monetary force. Nonperforming resources have consistently made an issue for the Indian banks. It influenced the benefit of the Indian banking area, so ensure that recuperation of credits ought to be done adequately. Kumar (2018)analyzed the impact of NPAs on the benefit and monetary execution of banks in India. The information was dissected from 2011 to 2016 and by taking an example size of 50 respondents. The aftereffect of this
examination showed that development in NPA has influenced the productivity and functional elements of public area banks in India. At the point when the premium on credit sum isn't paid by the borrower then the banks need to endure misfortunes. The banks ought to go for provisioning on terrible advances which diminishes the benefits of banks. The specialist tracked down the expanding NPA has influenced the proficiency of banks, for example, credit development has been influenced.

Mishra and Sahoo (2018) assessed the monetary presentation of SBI and estimated the affected benefit of SBI by NPAs in India. The information was broken down during the period from 2005 to 2017 by utilizing the strategies like connection, relapse, and Anova. The consequences of this examination showed the measure of NPA has expanded and the benefits of SBI have diminished. It is discovered that development in the net NPA of SBI doesn't largely affect its benefits. Despite having misfortunes, SBI figures out how to keep up with its productivity, liquidity since it is having different types of revenue. The creator found that NPAs have influenced the credit and decreased the capital so it is influencing the economy of the country. The degree of NPAs has colossal development that influences the productivity and execution of the banks.

Mittal and Suneja (2017) have investigated the degree of NPAs in the financial sector in India and the causes that have prompted the ascent in NPAs. They have recommended that however, the public authority has found a way various ways to decrease the issue of NPAs, investors ought to likewise be proactive in embracing very much organized arrangements to oversee NPAs. The advance ought to be endorsed in the wake of thinking about the profit from a venture of a proposed project and the reliability of the clients.

In their paper, Bhaskaran et al. (2016) considered the NPAs of public and private sector banks over ten years (2004-2013). According to their findings, private sector banks perform better than public sector banks in terms of reducing NPAs. The authors argue that banks should be proactive in embracing organized NPAs the executive's strategy where NPA counteraction is required. Singh (2016) in one more ongoing review on NPAs and recuperation status tracks down that the issue is more extreme for the public sector banks contrasted with the private sector banks. The scholarly survey focuses on the need to have severe loaning approaches for the quick recuperation of credits.

Gupta (2012) makes a relative investigation of the situation of NPAs of State Bank of India (SBI) and partners and other public sector banks. The scientist reasons that for assessment of the dissolvability of borrowers each bank should set up a different credit score organization. It likewise recommends the requirement for a board containing monetary specialists to manage and screen the issue of NPAs. CBK (2009). In Kenya, the banking sector consists of the Central Bank of Kenya, which serves as the administrative and management power; commercial banks, non-bank financial institutions, and forex bureaus. Karunakar et al. (2008) investigate the various factors that contribute to NPAs, their size, and their impact on Indian financial tasks, and they propose measures to control the revile on the financial industry. The use of reasonable credit evaluation and risk the board techniques is the way to deal with the problem of NPA collection.

According to Crowley (2007), the interest rate is the cost a borrower pays for the use of funds obtained from a loan specialist/monetary organization, or the cost paid on acquired resources. Ngugi (2001), who led a study on the financing cost spread in Kenya, discovered that business banks combine charges on intermediation administrations presented under vulnerability and set loan fee levels for stores and credits. Keeton and Morris (1999) attempted to investigate why banks' advance misfortunes differ. They examined the misfortunes of 2,470 secured business banks in the United States (US) from 1979 to 1985. Using NPAs net of charge-offs as the essential proportion of advance misfortunes demonstrates that nearby monetary conditions, as well as the poor showing of specific areas, explain the variation in credit misfortunes recorded by banks. The focus also reports that business banks with a higher risk appetite will generally record higher misfortunes.

III. OBJECTIVES OF THE STUDY

Today, every bank is dealing with the problem of nonperforming assets. This examination of nonperforming assets is extremely valuable in learning about their nonperforming assets and the reasons for their nonperformance.

The following broad objectives are established for the analysis purpose:

1. Research the NPA trend of selected private and public sector banks over the last ten years.
2. Recognize Resemblance among PSU and Non-PSU banks' nonperforming assets (NPAs).

IV. RESEARCH METHODOLOGY

Source of Data
The research traverses the period beginning from 2012-2021. The information for the research has been sourced from Reserve Bank of India (RBI) notices, factual tables identifying with banks in India, writes about the pattern and progress of banking in India, given by the RBI. The concentrate likewise recommends a multi-pronged and broadened procedure for the rapid recuperation of NPAs in business banks in India.

Variables of the Study

**GNPA:** Gross NPA represents the Gross Non-Performing Assets (GNPA). GNPA is the term utilized by banks that allude to the amount of any neglected obligation, which is delegated non-performing credits. Banks offer loans to their non-respected clients, and monetary establishments are needed to characterize them as non-performing assets within ninety days since they don't get the Principal sum or net installments.

**NNPA:** Net NPA represents Net Non-Performing Assets (NNPA). Net NPA is a term utilized by banks to show less recompense for poor and unsure obligations than the measure of non-performing credits. To cover neglected obligations, banks will in general offer a preparatory sum. Hence, if one deducts the arrangement for neglected advances from neglected commitments, the subsequent aggregate identifies with the net non-performing assets.

**GNPA VS NNPA**
- The GNPA was calculated using $\text{GROSS NPA} = (A_1 + A_2 + A_3 \ldots \ldots + A_N)/\text{GROSS ADVANCES}$ where the person who taken a loan from the bank is represented as
- The GNPA was calculated using $\text{NET NPA} = (\text{TOTAL GROSS NPA}) - (\text{PROVISION FOR UNPAID DEBTS})/\text{GROSS ADVANCES}$

Analysis of Objective 1

**NPA Trend of PSU Banks for Last 10 years**

<p>| Table 1: GNPA &amp; NNPA of PSU Banks (Rupees in Crores) |</p>
<table>
<thead>
<tr>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Sum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>PNB GNPA</td>
<td>10</td>
<td>8719.62</td>
<td>104423.42</td>
<td>520944.04</td>
</tr>
<tr>
<td>PNB NNPA</td>
<td>10</td>
<td>4454.23</td>
<td>48684.29</td>
<td>249645.44</td>
</tr>
<tr>
<td>SBI GNPA</td>
<td>10</td>
<td>39676.46</td>
<td>223427.46</td>
<td>1091371.02</td>
</tr>
<tr>
<td>SBI NNPA</td>
<td>10</td>
<td>15818.85</td>
<td>110854.70</td>
<td>475976.84</td>
</tr>
</tbody>
</table>

**Findings**

Table 1 clearly describes the GNPA of public sector banks over the last ten years. Punjab National Bank has a GNPA mean of 52094.4040Crs and an NNPA mean of 249654.5440Crs, while SBI has a GNPA and NNPA mean of 109137.1020Crs and 475976.84Crs, respectively. SBI's total outstanding GNPA is 1091271.02, which is greater than PNB's GNPA of 52094.4040Crs. SBI NNPA, on the other hand, is 475976.84Crs, which is greater than 249645.44Crs.

The same was demonstrated in the charts below, where the GNPA of both SBI and PNB increased significantly in 2018 compared to previous fiscal years. The only interesting factor is that future years' GNPA ranges will be more balanced than in 2018. Similarly, the same was true for the NNPA.

**NPA Trend of Private Banks for Last 10 years**

<p>| Table 2: GNPA &amp; NNPA of Non-PSU Banks (Rupees in Crores) |</p>
<table>
<thead>
<tr>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Sum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDFC GNPA</td>
<td>10</td>
<td>1999.39</td>
<td>15086.00</td>
<td>68607.28</td>
</tr>
<tr>
<td>HDFC NNPA</td>
<td>10</td>
<td>352.33</td>
<td>4554.82</td>
<td>19614.67</td>
</tr>
<tr>
<td>ICICI GNPA</td>
<td>10</td>
<td>9475.33</td>
<td>54062.51</td>
<td>297092.80</td>
</tr>
<tr>
<td>ICICI NNPA</td>
<td>10</td>
<td>1860.84</td>
<td>27886.27</td>
<td>113150.43</td>
</tr>
</tbody>
</table>

**Findings**

The same was demonstrated in the charts below, where the GNPA of both SBI and PNB increased significantly in 2018 compared to previous fiscal years. The only interesting factor is that future years' GNPA ranges will be more balanced than in 2018. Similarly, the same was true for the NNPA.
Table 2 clearly describes the GNPA of Private sector banks over the last ten years. HDFC bank has a GNPA mean of 6860.7280Crs and an NNPA mean of 1961.4670Crs, while ICICI has a GNPA and NNPA mean of 29709.2800Crs and 11315.0430Crs, respectively. HDFC’s total outstanding GNPA is 68607.28, which is lesser than ICICI GNPA of 297092.80Crs. HDFC NNPA, on the other hand, is 19614.67Crs, which is lesser than 113150.434Crs.

The same was demonstrated in the charts below, where the GNPA of both HDFC and ICICI increased significantly in 2018 compared to previous fiscal years. The only interesting factor is that future years’ GNPA ranges will be more balanced than in 2018. Similarly, the same was true for the NNPA.

ANALYSIS OF OBJECTIVE 2

GNPA Comparison

SBI VS HDFC

Table 3: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 1</td>
<td>SBI GNPA - HDFC GNPA</td>
<td>102276.37</td>
<td>56615.93</td>
<td>17903.53</td>
<td>61775.77 - 142776.97</td>
<td>5.713</td>
<td>9</td>
</tr>
</tbody>
</table>

Findings: t(9) = 5.713, p < 0.05. we can conclude that there was a statistical significance in GNPA of PSU(SBI) and Private Banks(HDFC)

SBI VS ICICI

Table 4: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 2</td>
<td>SBI GNPA - ICICI GNPA</td>
<td>79427.82</td>
<td>43936.00</td>
<td>13893.78</td>
<td>47997.90 - 110857.74</td>
<td>5.717</td>
<td>9</td>
</tr>
</tbody>
</table>

Findings: t(9) = 5.717, p < 0.05. we can conclude that there was a statistical significance in GNPA of PSU(SBI) and Private Banks(ICICI).

PNB vs HDFC

Table 5: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 3</td>
<td>PNB GNPA - HDFC GNPA</td>
<td>45233.67</td>
<td>29512.94</td>
<td>9332.81</td>
<td>24121.38 - 66345.96</td>
<td>4.847</td>
<td>9</td>
</tr>
</tbody>
</table>

Findings: t(9) = 4.847, p < 0.05. we can conclude that there was a statistical significance in GNPA of PSU(PNB) and Private Banks(HDFC).

PNB vs ICICI

Table 6: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 4</td>
<td>PNB GNPA - ICICI GNPA</td>
<td>22385.12</td>
<td>19140.90</td>
<td>6052.88</td>
<td>8692.54 - 36077.70</td>
<td>3.698</td>
<td>9</td>
</tr>
</tbody>
</table>

Findings: t(9) = 3.698, p < 0.05. we can conclude that there was a statistical significance in GNPA of PSU(PNB) and Private Banks(ICICI).

1.4NNPA Comparison

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SBI VS HDFC

Table 7: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>45636.21</td>
<td>27245.31</td>
<td>8615.72</td>
<td>Lower</td>
<td>26146.09</td>
<td>65126.34</td>
<td>5.297</td>
</tr>
<tr>
<td>Std. Error</td>
<td>2146.09</td>
<td>65126.34</td>
<td>5.297</td>
<td>Upper</td>
<td>9</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

Findings: \( t(9) = 5.297, p < 0.05 \). We can conclude that there was a statistical significance in NNPA of PSU (SBI) and Private Banks (HDFC).

SBI VS ICICI

Table 8: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>36282.64</td>
<td>20166.48</td>
<td>6377.20</td>
<td>Lower</td>
<td>21856.40</td>
<td>50708.87</td>
<td>5.689</td>
</tr>
<tr>
<td>Std. Error</td>
<td>13856.40</td>
<td>50708.87</td>
<td>5.689</td>
<td>Upper</td>
<td>9</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

Findings: \( t(9) = 5.689, p < 0.05 \). We can conclude that there was a statistical significance in NNPA of PSU (SBI) and Private Banks (ICICI).

PNB VS HDFC

Table 9: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>23003.07</td>
<td>13906.63</td>
<td>4397.66</td>
<td>Lower</td>
<td>13054.86</td>
<td>32951.28</td>
<td>5.231</td>
</tr>
<tr>
<td>Std. Error</td>
<td>13054.86</td>
<td>32951.28</td>
<td>5.231</td>
<td>Upper</td>
<td>9</td>
<td>.001</td>
<td></td>
</tr>
</tbody>
</table>

Findings: \( t(9) = 5.231, p < 0.05 \). We can conclude that there was a statistical significance in NNPA of PSU (PNB) and Private Banks (HDFC).

PNB VS ICICI

Table 10: PS-t-Test

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>13649.50</td>
<td>8808.89</td>
<td>2785.61</td>
<td>Lower</td>
<td>7347.99</td>
<td>19951.00</td>
<td>4.900</td>
</tr>
<tr>
<td>Std. Error</td>
<td>8808.89</td>
<td>19951.00</td>
<td>4.900</td>
<td>Upper</td>
<td>9</td>
<td>.001</td>
<td></td>
</tr>
</tbody>
</table>

Findings: \( t(9) = 4.900, p < 0.05 \). We can conclude that there was a statistical significance in the NNPA of PSU (PNB) and Private Banks (ICICI).

V. CONCLUSION

We can reason that eliminating NPA from the bank is unthinkable. Regardless, we should make an effort to reduce the bank's NPA. The administration of NPAs is a tremendously difficult task. It necessitates both preventive and curative measures, such as banks finding ways to reduce current NPAs while also playing it safe to avoid future NPAs. In this way, NPAs are a problem for banks as well as the economy, and it will take a lot of effort to keep it at its current level and following are major factors for NPA where bankers have to be of utmost care.
Limitations and Further scope of Research

This research focuses entirely on determining the resemblances between PSU and non-PSU banks, as well as the many elements that influence this likeness and how they influence it left out for further research. The study's key drawback is that only two PSU and non-PSU banks were chosen for research, and only over the last ten years. As a result, results from the same study conducted with other PSU and non-PSU banks may differ.

REFERENCES

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Chart 1Comparison of GNPA for PSU Banks(Rupees in Crores)
Chart 2 Comparison of NNPA for PSU Banks (Rupees in Crores)

Chart 3 Comparison of GNPA of Private Banks (Rupees in Crores)

Chart 4 Comparison of NNPA of Private Banks (Rupees in Crores)