

A STUDY ON NPA OF STATE COOPERATIVE BANKS IN INDIA

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ABSTRACT

NPA is burning issue these days, which has drawn the attention of our regulators, Government and common man. The financial soundness of any bank is negatively affected by Non Performing Assets. On the one hand, it adversely affects the profits and on the on other hand, it has negative impact on goodwill of bank. Higher NPA breaks the trust of depositors in the bank. NPA recognition and provisioning are parts of prudential norms. Prudential norms are made applicable to cooperative banks in 1996-97. The motive of the present study is to access the non performing assets of state cooperative banks all over India. Cooperative banks are accepting deposits from members and non-members, therefore, it is required to find out the NPA status of these banks. The study has found that NPA status is different in each region of our country. This paper also focuses on the impact of NPA on cooperative banks.

KEYWORDS: Cooperative Bank, Non-Performing Assets, Depositors & Non-Members