IMPACT OF CORPORATE GOVERNANCE ON NON PERFORMING ASSETS IN BANKS

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ABSTRACT
In banking corporate governance is the conducting the affairs of a bank in such a manner that give a fair deal to all the stakeholders, bank customers, regulatory authority, society at large, employees etc. Corporate Governance is the law, practices and process which directly impact in the way company is controlled. When we talk about corporate governance in banks it gain more importance because banks are the integral part of the economy and any failure in banking system may directly affect the economy of the country. The main reason of failure of many banks recently was the non performing assets of the bank. After reading the related research which was done on corporate governance in banking and non performing assets it has been found that corporate governance and non performing assts are inter related and no serious research has been done to find out the relation between corporate governance and non-performing assets. Therefore in this study efforts have been made to find out the impact of lack of corporate governance on non-performing assets and how corporate governance can helps a bank in reducing its non-performing assets.

KEY WORDS: Corporate Governance, Banking sector, Non Performing Assets