**Abstract**

The study was conducted to establish framework for measuring and managing non-performing assets for Indian Private Banks. The Portfolio of all non-performing assets was considered for study. The study emphasizes on management on non- performing asset in the perspective of private sector banks in India under strict asset classification norms. The study traces movement of the non-performing assets present in private sector banks of India by analysing the financial performance of the bank with respective key performance indicator. The study is conducted for the period of five years from 2010-11 to 2014-15 for the Indian private sector banks. The results reveals that the movement of Non – performing assets of Indian Private sector banks showed an increasing trend from 2010-2011 to 2013-2014 but in 2014-2015 the level of NPA is reduced slighter which is a good indicator of the bank’s performance. This study also recommends an efficient loan appraisal system and emphases on the need for effective credit risk management policies in the current scenario.