

A Review on the Existence of Non-Performing Assets in the Indian Banking Sector

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Abstract: *A country's financial system has a significant impact on its economic development. By providing a range of services, a strong financial system boosts economic expansion and raises a nation's level of life. An essential component of the Indian financial system, the banking industry provides services that aid in the nation's development goals. One of the main responsibilities of all banks is to transfer money from savers to borrowers for beneficial uses. By engaging in priority lending and job creation, banks carry out social services. But lending money to debtors has grown to be a significant problem. Gaining additional assets does not always translate into more profitability. The issue of borrowers not repaying principal and interest is one that banks are now grappling with. The banks' operating efficiency and profitability have been severely impacted by the non-repayment of loans and interest. Because they are essential to the expansion of the banking industry and the economy as a whole, banks must preserve the quality of their assets and provide stability in their profitability. Therefore, by referencing previous research, the study attempts to provide a solid conceptual understanding of non-performing assets and thoroughly tackles the problem of non-performing assets in the banking industry. Future research on non-performing assets in the banking industry will have a theoretical foundation thanks to this work.*

Keywords: Asset Quality, Financial Stability, Credit Risk, Loan Defaults