

A study on Personal Loan at Bajaj Finserv Limited

Dr. Jonathan Joseph

Management, Guru Nanak Institute of Engineering and Technology Nagpur, India

Abstract - Personal Loan is an unsecured loan for personal use which doesn't require any security or collateral and can be availed for any purpose, be it a wedding expenditure, a holiday or purchasing consumer durables, the personal loan is very handy & caters to all Individual needs. The amount of loan can be ranged from Rs. 50,000 – Rs. 20 lakhs & the tenure for repaying the loan varies from 1 to 5 years.

A study was undertaken on Bajaj Finserv Limited which deals with financial services of the Bajaj Group. Its core businesses are spread across Lending, Insurance and Wealth Advisory.

The Loans cover a wide range of products, which include: Unsecured Personal Loans Secured Loans Home Finance Home Equity Loans.

The objectives of the study was:

- To find the preferences of customer regarding various types of loan.
- To know the amount of loan generally availed by the respondents.
- To study the Advertising effectiveness in creating awareness among the public.
- To study the satisfaction level of customer regarding different loans schemes provided by Bajaj Finserv Limited.

The sample size of the study is 100.

Data Collection - Information has been collected from both Primary and Secondary Data.

The study found out that the loan procurement process is with:

- **Simplicity** - Easy to understand, simple processes and standard documentation.
- **Speed** - Average turnaround time in loan processing is just two days.
- **One of the lowest Personal Loan Interest rates. Minimum Documentation.**

This result shows the perception of different customer toward services of Bajaj Finserv Limited. The 12 % customer thinks that the service delivery of Bajaj Finserv Limited is excellent whereas 47% thinks its service delivery is very good, 31% thinks that services delivery is only good and 6% thinks that the service delivery of Bajaj Finserv Limited is fair, but as nobody can satisfy everyone at same time, so this is same for Bajaj Finserv

Limited, 4% customer are not satisfied with the services of Bajaj Finserv Limited.

1. The study is limited to Bajaj Financial services.
2. The study is limited to analysis of Personal loan Scheme of Bajaj Financial services.
3. Study is also limited to the reliability of Primary data collected from clients.
4. Study is limited to one year period only.

It was suggested that the interest rates should be regularly revised in order to attract more and more customer. Some new plans should be introduced regularly to cater the special needs of customer which provides them more offerings and benefits.

New strategies should be made by the company which enables them to face the competition with other private leading Non Banking Financial companies.

Index Terms - Personal loan Scheme, Interest rates, Bajaj Financial Services, customer, Interest Rates.

INTRODUCTION

WHAT IS PERSONAL LOAN?

Personal Loan is an unsecured loan for personal use which doesn't require any security or collateral and can be availed for any purpose, be it a wedding expenditure, a holiday or purchasing consumer durables, the personal loan is very handy & caters to all Individual needs. The amount of loan can be ranged from Rs. 50,000 – Rs. 20 lakhs & the tenure for repaying the loan varies from 1 to 5 years.

BENEFIT OF PERSONAL LOAN

1. **A Loan without security:** A Personal Loan is not a secured loan (bank doesn't ask for any security or collateral) as against a Secured Loan where one is required to pledge a house or other security to acquire a loan.
2. **Simple Documentation:** A Personal Loan can be accessed with minimal paperwork or documentation & doesn't take much time to procure as against a Secured Loan.

3. No specification about the end use of the loan amount: Customer are not required to disclose the end use of the money borrowed, Banks are concerned about the fact that whether the borrower is able to pay back the loan with interest before the due date or not and they confirm this by checking the income, employment or business & other factors of the borrower.
4. Big Loan amount: Personal Loan is a means to fulfill bigger loan requirement, you can take a loan ranging from Rs. 50,000 to Rs. 20 lakhs.

BASIS TO COMPARE PERSONAL LOAN

- Compare Interest Rates: Personal Loan can be compared primarily on the basis of interest rates which vary across banks depending on customer profile which is further linked to your occupation, salary/income, credit history etc. The personal loan interest rate ranges from 12% to 25%, you must go for that loan which is offering customer at the minimum rate.
- Other Charges: customer should also check on the other charges like processing fee, pre- payment penalties and documentation fee because they increase the overall loan cost and vary widely across banks.
- Evaluation of various Loan offers: customer should first calculate the entire loan cost across banks which constitutes the rate of interest & banks other charges. Evaluate offers keeping the tenure of the loan constant & compare the rate of interest, EMIs & other charges. This process will help customer get the Best Loan deal.
- EMIs: EMI is the monthly equated installment which constitutes the principal amount and the interest on the principal equally divided across each month in the loan tenure.
- Tenure: Tenure is the time frame for the personal loan payments to be paid back to the bank; it ranges from 1 year to 5 years. If customers have a longer tenure it will end up paying more interest & will have lower EMI, on the other hand shorter loan tenure will carry higher EMIs & the interest amount is less. Customer must compare the loan offers by keeping the tenure constant.
- Eligibility Check: Before taking a personal loan customer must know the eligibility criteria offered by various banks on the basis of which they offer

loans and also compare personal loan banks. Checking the eligibility parameters will help customer find the best loan deal.

- Turnaround time: It becomes one of the most important factors in evaluation of customer loan application when customers are in a direct need of money. Turnaround time is the time which banks take in processing your loan application; customer must check this parameter which varies from bank to bank.

CHARGES INVOLVE IN PERSONAL LOAN:

- Processing fee: It is a fee charged by banks from the borrowers to process their loan application; it is normally between 1-2 percentages of the loan amount.
- Prepayment fee: Banks charge borrowers with a fee when they pay the loan EMIs before the tenure which normally is between 2-5% of the outstanding loan amount.
- Late penalties: When there is a delay in paying customer monthly EMIs of loan, banks charge a late payment fee with your EMIs. They normally range from 2-3% of the EMI.
- Cheque bounce charges: Banks charge between Rs. 250-500 for every bounced cheque given for the payment of the loan amount owing to the insufficient funds in customer account.

Documents required in Personal Loan

The documentation process in personal loan is very fast as against secured loans. Following documents are required by financial institutions to process the loan application:

- Identity proof
- 3 to 6 months Bank statements
- Residence proof
- Salary slip
- Guarantors & their same set of documents

In case of self-employed banks require balance sheets, profit & loss account, partnership deed & other mandatory documents etc.

PERSONAL LOAN CRITERIA BY VARIOUS BANKS

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In case of self-employed banks require balance sheets, profit & loss account, partnership deed & other mandatory documents etc.

Banks offer Personal Loan to borrowers depending on various factors such as income, employment, continuity of business so as to make sure that they repay the loan with interest before the due date. The eligibility criterion of a Personal Loan is primarily based on the work profile of a loan seeker which is broadly divided into the following two classes:

- Self-employed
- Salaried

In addition to the above factors banks also consider other aspects such as age, work experience, existing relationship with the bank, repayment capacity etc.

To find eligibility Criteria across various banks in accordance with the above parameters;

PERSONAL LOAN CRITERIA BY VARIOUS BANKS

BANK	HDFC Bank	Citi Bank	Bajaj-Finserv Ltd.
Rate of Interest	15.5% - 22%	16.5% to 20%	18% - 28%
Processing Fee	2% if salaried account in HDFC other wise 2.5%	2% of loan amount	2%
Loan Amount	Rs.50,000 -Rs.15,00,000	Rs.50,000 -Rs.15,00,000	Rs.40,000 - Rs.5,00,000
Prepayment Charges	4%	5%	4%
Disbursal Time	2Days - 7Days	2 working days	4 working days
Documents	Identity Proof: Passport/ Driving License/PAN card/ Photo credit card (with embossed Signature and last two months statement)/ banker's sign verification (Anyone of the above) Age Proof : PAN Card/ Passport/ Driving License /School leaving certificate/ Voter's card/Birth Certificate/LIC policy (only for Age Proof). (Anyone of the above) Address Proof : Passport/ Telephone bill (BSNL/MTNL) /Electricity bill/ Title deed of property/Rental agreement/ Driving license/ Election ID card/ Photo-credit card (with last two month statements) (Anyone of the above) Income Proof : Latest salary slip/current dated salary Certificate with latest form 16 (Anyone of the above) Job Continuity Proof : Form 16/relieving letter/appointment Letter (for last two months) (Anyone of the above) Banking History :Bank statements of latest 2 months/ 3 months bank passbook (Anyone of the above)	Identity Proof: Passport/ Driving License/PAN card/Photo credit card (with embossed Signature and last two months statement)/ banker's sign verification. (Anyone of the above) Age Proof: PAN Card/Passport/ Driving License /School leaving certificate/ Voter's card/Birth Certificate/LIC policy (only for age Proof). (Anyone of the above) Address Proof : Passport/ Telephone bill (BSNL/MTNL)/Electricity bill/ Title deed of property/Rental agreement/Driving license/ Election ID card/ Photo-credit card (with last two month Statements). (Anyone of the above) Income Proof: Latest 3 month salary slip (computerized pay slip with company Logo/pay slip on company letterhead) (Anyone of the above) Job Continuity Proof : Form 16/relieving letter/appointment company Logo/pay slip on Letter (for last two months) (Anyone of the above) Banking History :Bank statements of latest 6 months and Existing loan sanction letter if any. (Anyone of the above)	Identity Proof : Passport/ Driving License/PAN card/ Photo credit card (with embossed Signature and last two months statement)/ banker's sign verification (Anyone of the above) Age Proof /PAN Card/ Passport/ Driving License /School leaving certificate/ Voter's card/Birth Certificate/ LIC policy (only for age Proof). (Anyone of the above) Address Proof : Passport/ Telephone bill (BSNL/MTNL) /Electricity bill/ Title deed of property/Rental agreement/ Driving license/ Election ID card/ Photo-credit card (with last two month statements) (Anyone of the above) Income Proof : Latest 3 month's salary slip with (Computerized pay slip on company Logo/pay slip on company letter head) (Anyone of the above) Job Continuity Proof : Form 16/relieving Letter. (Anyone of the above) Banking History :Bank statements of latest 6 months (Anyone of the above)

REVIEW OF LITERATURE

Trevor Richards (1996) explains by defining the conversion model – a model used as a marketing tool to identify commitment to different brands of goods or

services. Argues that there is a difference between committed and uncommitted customers which are not related to service quality and that this makes it difficult to predict customer retention based solely on these grounds. Other factors also drive commitment. Presents two short case studies based on these assumptions.

Kurt Matzler, Hans H. Hinterhuber, Franz Bailom, Elmar Sauerwein (1996) describes on how to delight your customers, Asks which product qualities are decisive for the satisfaction of the customer and which features merely prevent dissatisfaction. They proposes Kano's model of customer satisfaction for answering these questions and for drawing conclusions for the management of product development.

In his model, Kano distinguishes between three types of product requirement which influence customer satisfaction in different ways when met: must-be requirements, which are basic criteria of a product - if these requirements are not fulfilled, the customer will be extremely dissatisfied; one-dimensional requirements, where customer satisfaction is proportional to the level of fulfillment, the higher the customer's satisfaction and vice versa; and attractive requirements, which are the product criteria which have the greatest influence on how satisfied a customer will be with a given product. Attractive requirements are neither explicitly expressed nor expected by the customer.

Antony Beckett, Paul Hower, Barry Howcroft (2000) explains an exposition of consumer behavior in the financial services industry, Deregulation and the emergence of new forms of technology have created highly competitive market conditions which have had a critical impact upon consumer behavior.

Bank providers must, therefore, attempt to better understand their customers in an attempt not only to anticipate but also to influence and determine consumer buying behavior. The paper accordingly presents and develops a model which attempts to articulate and classify consumer behavior in the purchasing of financial products and services.

The theoretical insights generated by this model are then used to examine qualitative research data gained from focus group discussions on consumers' attitudes to their financial providers and their financial products. Finally, these findings are examined for the potential insights they provide to bank providers attempting to identify appropriate strategies which are

conducive to increased customer retention and profitability.

Randi Priluck (2003) analyses the relationship marketing can mitigate product and service failures, Relationship marketing is beneficial to firms because it can foster customer loyalty and re-patronage behavior. Consumers engaged in relational exchanges are more satisfied than those in discrete transactions because of the ease and psychological comfort of purchasing from a familiar company. This research investigates the power of relationship marketing to mitigate in two situations. One exposes consumers to poor product performance and examines their levels of trust, commitment and satisfaction.

The second presents a product failure that is followed by a lapse in service recovery and measures satisfaction and exit behavior. The findings of both studies suggest that relationships make up for increasingly strong negative encounters, providing a level of insulation for the marketer. Implications for service firms are discussed.

Adam Lindgreen (2004) enumerates few published empirical studies have examined the design, implementation, and monitoring of customer relationship management (CRM) programmes at a practical level. The article develops a single embedded case study on Dagbladet Børsen (<http://www.borsen.dk>), the largest publisher of business-related materials in Scandinavia.

The article first introduces the reader to the philosophy behind CRM. Following that, it considers key areas of a four-year long CRM program me and offer insights into the procedure that has been developed by SJP (<http://www.sjp.dk>), the consulting firm that was brought into assist.

SCOPE OF THE STUDY

1. Study is useful for prospective customers who want to take or planning to avail personal loan facility from Bajaj Financial services.
2. Study is helpful to know about the personal Loan facility of Bajaj Financial services like Its Eligibility criteria, documentation, its rate of Interest.
3. Through this study we also came to know how much amount of loan sanctioned under this scheme for a salaried person.
4. Through this study, we also came to know that within how much time the personal loan of an

Individual is being sanctioned and the processing charges on personal loan.

OBJECTIVES OF THE STUDY

The study was conducted to aiming at fulfilling the following objectives:

- To find the preferences of customer regarding various types of loan: This objective focused on the judgment of customer preferences regarding various types of loan provided
- by Bajaj Finserv Limited such as Secured Loan, Unsecured loans and Home Equity Loan. The result of this objective will provide the most preferable type of loan among various types of loan provided by Bajaj Finserv Limited. So this objective will help the company to Focus on most customers' preferable area.
- To know the amount of loan generally availed by the respondents: This objective includes the study of the amount of loan which is generally borrowed by the customers.
- To study the Advertising effectiveness in creating awareness among the public: This objective will help to judge the effectiveness of advertising strategy used by Bajaj Finserv Limited to create the awareness among the potential customer about the products and services offered by the company.
- To study the satisfaction level of customer regarding different loans schemes provided by Bajaj Finserv Limited: The final objective of the research is to study the satisfaction level of the customer who borrowed fund under particular scheme offered by Bajaj Finserv Limited.

RESEARCH METHODOLOGY

Research Methodology is a way to systematically solve the research problem. The Research Methodology includes the various methods and techniques for conducting a Research. This project comes under the head of "Marketing Research". The "Marketing Research" is the systematic design, collection, analysis and reporting of data and finding relevant solution to a specific marketing situation or problem".

Sample size – Sample size refers to the total numbers of items about which the

information is desired. The sample size of the study is 100.

Data Collection - Information has been collected from both Primary and Secondary Data.

Primary Data – Primary data are those, which are collected for the first time, and thus happen to be original in character.

Primary Data has been collected in this study by conducting survey through Questionnaire.

Secondary Data – Secondary Data are those which have already been collected by someone else and which already had been passed through the statistical process.

Secondary data has been collected in this study through Magazines, Web sites, Newspaper and Journals.

DATA ANALYSIS & INTERPRETATION:-

Bajaj Finserv Limited Personal Loan

- Bajaj Finserv Limited is a Non Banking Finance Company. The Company started its operations in January 2006. Fullerton offers you a wide range of financial products like Home Loans, home equity loans Business Loans and life insurance. It has more than 800 branches across India. Bajaj Finserv Limited Personal Loan offers:
- Simplicity - Easy to understand, simple processes and standard documentation
- Speed - Average turnaround time in loan processing is just two days
- One of the lowest Personal Loan Interest Rates.
- Minimum Documentation.

Eligibility Criteria for Bajaj Finserv Ltd. Personal Loan

Age of Applicant Min-21 years; Max-60 years.
No. of years in employment 3 years & above
Current Experience 6 months & above
Net Monthly Income Rs. 12,500/- & above

Loan Amount offered by Bajaj Finserv Ltd.

Minimum Funding Rs. 40,000/-
Maximum Funding Rs. 5, 00,000/-

Loan Tenure offered by Bajaj Finserv Ltd.

Minimum Tenure 12 months

Maximum Tenure 60 months

Turn Around Time of Bajaj Finserv Ltd. Personal Loan Turn around time 4 working days

Processing Fee of Bajaj Finserv Ltd. Personal Loan Processing fee 2.5% to 3.5% of loan amount

The below table is prepared by our market experts and lists the banks which constitute 90% of personal loan market in India to help users save time in their search for personal loan.

Personal Loan Interest Rates.	Interest rate range	Rate Type
Bank Name		
HDFC Bank Personal Loan	14% - 24% fixed	Monthly reducing balance
ICICI Personal Loan	16% to 24% fixed	Monthly reducing balance
Axis Personal Loan	14% to 21% fixed	Monthly reducing balance
Fullerton Personal Loan	18% -34% fixed	Monthly reducing balance
CitiFinancial Personal Loan	21% -24% fixed	Monthly reducing balance
SBI Personal Loan	16% fixed	Daily reducing balance

1. Age of the Respondents

Age yrs	18-28yrs	28-38 yrs	38-50 yrs	More than 50 yrs
PERCENTAGE	30%	26%	24%	20%

The respondent of research comprises of 30% of 18-28 years, 26% of 28-38 years, 24% of 38-50 years and 20% of more than 50 years. This classification of age group is required to know the perception of person for taking loan at different stage of life. Generally Bajaj Finserv Limited provides loan to salaried individuals and new entrepreneurs, therefore our sample size is consists 56% of respondents lies between the age group of 18 to 38years. After setting the age group composition for survey the next parameter for differentiating respondent is Income level.

2. Annual Income of the Respondents

Income	Below 1 Lac	1-2 Lac	2-5 Lakhs	Above 5 Lakhs
%age	15%	40%	35%	10%

Second classification of respondent is based on the basis of their annual income. This classification is done to know that mostly which income level people

have more demand for loan. This research is targeted to know the demand of loan by salaried individual and small entrepreneurs, therefore the sample size consists of 15% Lower Income level and 40% middle income level for judging the demand of salaried individual and to judge the demand of small entrepreneurs the sample size consists of 35% upper middle income level and 10% that are having annual income more than 5 lakhs.

3. Occupation of the Respondent

Occupation	Government Employee	Private Employee	Businessman
Percentage	30.00%	25.00%	45.00%

The third important consideration which helps to identify that whether the respondent is salaried individual or small entrepreneurs is occupation. The Occupation comprises of Government Employee, private employee that fall into salaried individual category and third component of occupation is Businessman which indicates small entrepreneurs. The weight provided to salaried individual i.e. to Government and private employee is 55% because Bajaj Finserv Limited offered more product to this category and For small entrepreneurs the weight assigned is 45%, because this weight can give justifiable result to divide the demand of loan on the basis of occupation.

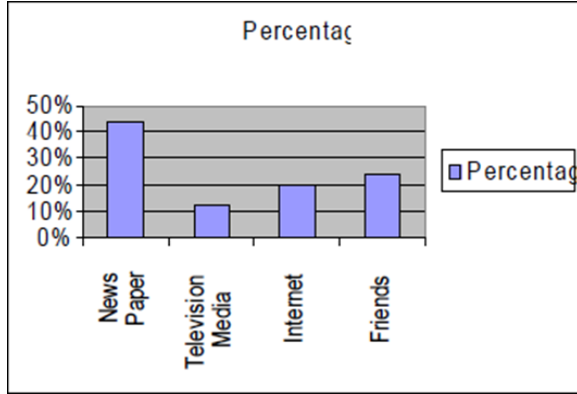
4. From which source you knew about the various schemes of Bajaj Finserv Limited?

Sources	News Paper	Television Media	Internet	Friends
Percentage	44%	12%	20%	24%

This question is asked in order to know the effectiveness of the advertisement strategy adopted by Bajaj Finserv Limited. The result found by the survey shows that most of the customer knew about the various loan schemes through news paper & Internet. Therefore company can make more use of the news paper and Internet to increase its customer base. Secondly the company also getting the benefit of its existing customer to advertise its product, because 24% of customer knew about the schemes of Bajaj Finserv Limited through their friends who had taken loan from Bajaj Finserv Limited.

Bajaj Finserv Limited is not making use of Television media frequently because it is very costly; therefore resultantly it contributed only 12% in creating the

awareness among the customer regarding various schemes of Bajaj Finserv Limited.

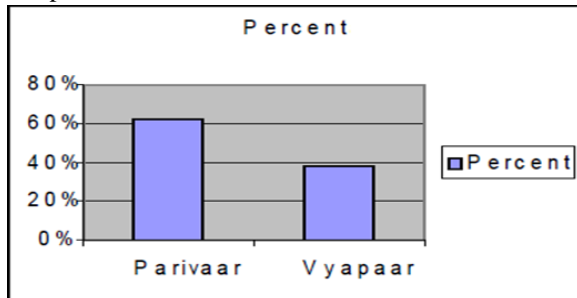


Bar graph showing Advertising Strategies schemes of Bajaj Finserv Limited

5. Which type of loan you availed from Bajaj Finserv Limited?

Types	Secured Loan	Unsecured Loan	Home Loan	Home equity loan
Percentage	42%	18%	28%	12%

The most preferred loan by customer is secured loan. This loan is easily available to customer because there is less risk faced by Bajaj Finserv Limited in giving this type of loan as it is secured by some assets of customer. Second more preferred loan than secured loan is Home loan which is availed by 28% of customer other loan are availed by 18% and 12% of sample size



Bar Graph showing percentage of Pariwar and Vyapaar

7. What is your amount of loan?

Amount of Loan	%age of Respondents
0 - 2,00,000	28%
2,00,000-5,00,000	45%
5,00,000- 10,00,000	32%
10,00,000 or more	5%

This question is asked to know that generally how much amount of loan is availed by the customer. The

result of survey shows that 45% customer availed 2 lakh to 5lakh loan, 32% availed 5 to 10 lakh, 28% availed loan up to Rs 2lakh and there are very less customer who availed loan more than 10 lakh. So the Bajaj Finserv Limited is famous for medium loan, but there are very less number of customer for large amount loan. Therefore the company needs to focus on the schemes for large amount loan to become famous in this segment also.

8. What is the repayment period of your loan?

Number of Years	percentage of Respondents
Below 2 Years	19%
2-5 Years	43%
5-10 Years	28%
More than 10 Years	10%

The profit of the company depends on the repayment period, because if the repayment period is long than customer will pay interest for long period so it beneficial for company to issue loan for long repayment period. In the survey it was found that 19% customer availed loan for maturity period less than 2 years, 43% of customer availed loan for 2 to 5 years, 28% availed for 5 to 10 years and only 10 % availed for the repayment period more than 10years. The most preferred repayment period is 2 to 5 years. The company will earn more sustainable profit for long period if it increases the customer who avail loan for long maturity period, therefore the company need to formulate some attractive scheme to attract the customer towards long repayment period loan.

9. Are you satisfied with the rate of interest charge by Bajaj Finserv Limited?

Yes	No
67%	33%

Bajaj Finserv Limited charging different rate of interest for different type of loan. The rate of interest of unsecured loan is quite high because of risky nature whereas secured loan is available at less rate of interest. Therefore there are some customers who are not satisfied with the rate of interest. The sample size consists of 67% customers who are satisfied with the rate of interest charging by Bajaj Finserv and only 33% are unsatisfied.

10.What are the main factors which persuade you to avail loan from Bajaj Finserv Limited?

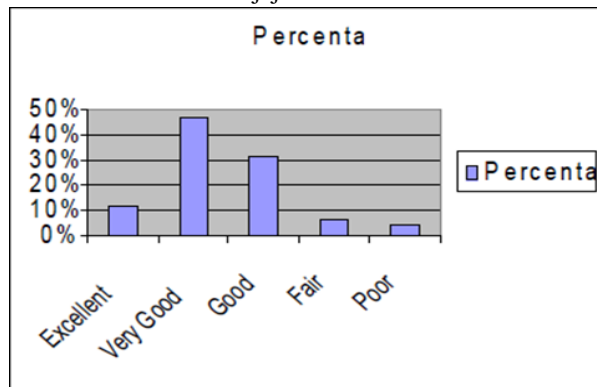
Factors	No. of Respondents
Easy Repayment	19%
Easy Documentation	26%
Attractive Rate of Interest	29%
Quick Processing	17%
Others	9%

This question is considered to know that which service of Bajaj Finserv Limited attract more and more customer. The result shows that an attractive rate of interest is the most important factor responsible for attracting customer toward Bajaj Finserv then easy documentation, easy repayment and quick processing is also work as supplement to attract customer for availing loan from Bajaj Finserv Limited. Only 9% customers are fall in the category of others who availed loan due to the references of some person, such as friends and relatives.

11.What grade you will assign to the services of Bajaj Finserv Limited?

Grades	excellent	Very good	Good	Fair	Poor
percentage	12%	47%	31%	6%	4%

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Bar Graph showing percentage of Grades of services offered by Bajaj Finsery Limited

FINDINGS OF THE STUDY

From the above study it is clear that 62% of the respondents have taken loan under parivaar scheme and only 38% taken loan under Vaypaar scheme. Therefore it shows that Bajaj Finserv is favorable in short term loan segment which is provided by Bajaj Finserv Limited under Parivar scheme and especially for salaried individual. From the above study it is clear that majority of the respondents got aware of different loan scheme provided by Bajaj Finserv Limited through News paper. Therefore company is require to advertise its schemes more frequently in News paper which will help company in getting more new Customers.

- The above study depicts that most of the respondents availed loan of amount ranging from Rs.2-5- Lakh. Therefore, if Bajaj Finserv Limited introduce more scheme under this range to meet the different demand of customers.
- The above study depicts that mostly the respondents preferred the loan having repayment period from 2-5. Therefore the company needs to add some more benefits to the long term period loan so that the demand of long term loan will increase which increase the profit of company, because as the repayment period is long than the source of income (Interest) is sustain for long period.
- Most of the people are satisfied with the rate of interest charged and by Bajaj Finserv Limited.
- Bajaj Finserv Limited mostly disbursed loan as secured loan, this will provide the safety and it will avoid the increasing number of Non-performing asset and bad debts.
- Customers are the main source of new ideas, and thus their suggestions are vital for every Company. From the above figure it is clear that majority of the respondents are satisfied with the services of their present bank so they do not want any change in the rate of interest and services, but no one can satisfy everyone at same time, Bajaj Finserv Limited having respondents who are not satisfied with rate of interest and services of Bajaj Finserv Limited.

LIMITATIONS OF THE STUDY

1. The study is limited to Bajaj Financial services.
2. The study is limited to analysis of Personal loan Scheme of Bajaj Financial services.
3. Study is also limited to the reliability of Primary data collected from clients.
4. Study is limited to one year period only.
5. Availability of time period is also acting as one of major constraints in this study.

SUGGESTIONS & RECOMMENDATIONS: -

The following suggestions have been formulated on the basis of above study. These set of suggestions might help the Bajaj Finserv Limited to improve the quality of service regarding loan provisions and simultaneously these suggestions help the Bajaj Finserv Limited to tackle the competition prevailing in the market, thereby achieving success in the future.

- Firstly Bajaj Finserv Limited should create awareness among the common public about the Various loan schemes of they are providing.
- In order to create awareness regarding the loan schemes an electronic medium of media can put to use to advertise about the schemes and services provided by Bajaj Finserv Limited. This would help to change the attitude of the people regarding the Bajaj Finserv Limited.
- The interest rates should be regularly revised in order to attract more and more customer. Some new plans should be introduced regularly to cater the special needs of customer which provides them more offerings and benefits.
- New strategies should be made by the company which enables them to face the competition with other private leading Non Banking Financial companies.
- The Company needs to focus more on providing value added services to its customer. This will create Brand loyalty among customer which indirectly attract more and more customer because a satisfied customer will always bring two more new customers.
- The management of company should be more efficient which enables in quick processing of the task regarding loans disbursement and loan

collection; this will enable efficiency in the working capital cycle of the company.

- There should be customer relationship management concept in the company which help the company to understand the special need of customer. Accordingly company formulate schemes should be maintained.
- The Bajaj Finserv Limited need to concentrate on new target market by expanding its business through introducing new loan schemes and services. Currently the company is proving loans under main two category i.e Parivaar and vyapaar so, it looks limited. Therefore the company needs to introduce new schemes to enter in to new target market.

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