



A STUDY ON THE ROLE OF BAJAJ FINSERV LTD. IN PROMOTING FINANCIAL INCLUSION IN COIMBATORE DISTRICT

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Cite This Article: Dr. A. Balagurusamy, V. S. Srikrishna & P. V. Ranjith, "A Study on the Role of Bajaj Finserv Ltd. in Promoting Financial Inclusion in Coimbatore District", *International Journal of Advanced Trends in Engineering and Technology*, Volume 8, Issue 1, Page Number 7-10, 2023.

Abstract:

Financial inclusion refers to efforts to make financial products and services accessible and affordable to all individuals and businesses, regardless of their personal net worth or company size. Financial inclusion strives to remove the barriers that exclude people from participating in the financial sector and using these services to improve their lives. The contribution of Bajaj Finserv Ltd in fostering financial inclusion in Coimbatore District is discussed in this study. Financial inclusion is a critical priority in terms of economic growth and societal advancement. It allows for a narrowing of the wealth gap between rich and poor people. In the current environment, financial institutions are strong pillars of economic progress and development. Bajaj Finserv Ltd has taken steps to increase banking services by offering low-interest loans, increasing the number of rural bank branches, permitting the banking correspondent model, and using Core Banking Solution (CBS) technology.

Key Words: Bajaj Finserv Ltd, Financial inclusion and Core Banking Solution

1. Introduction:

The availability and equality of opportunities to access financial services are defined as financial inclusion. Financial inclusion is rapidly ascending the reform agenda in both individual countries and on a global scale. Currently, nearly 60 governments around the world have made financial inclusion a formal goal. India has taken a multi-pronged approach to financial inclusion. Through the term "financial inclusion" is new, attempts by Reserve Bank and the government to bring the poorer and weaker parts of society into the official banking system began in the late 1960s. It's a method for individuals and organizations to obtain relevant, inexpensive, and timely financial products and services. Banking, loan, equity, and insurance products are among them. Financial inclusion is defined as a process that extends beyond simply obtaining a bank account. Individuals who are banked may be denied access to financial services. Financial inclusion has been linked to better and more sustainable economic growth and development. Although it is understood that not everyone needs or wants financial services, the goal of financial inclusion is to remove all supply and demand constraints. Supply-side barriers are created by financial institutions. They typically indicate a lack of financial infrastructure, such as a lack of neighboring financial institutions, high account opening fees, or stringent verification criteria.

2. Statement of Problem:

Financial inclusion is the process of ensuring that all sections of society, including vulnerable groups such as weaker section and low income groups, have access to appropriate financial products and services at an affordable cost, in a fair and transparent manner, through financial inclusion. Development of any country, which depends on finance and developing country like India required more financial assistance for development. Indian Government came with the concept of financial inclusion for inject financial services each and every corner of India. Many researchers have found the role of commercial banks in promoting financial services but non-banking financial institutions having fewer roles in promotion of financial inclusion. Hence the present study needs to focus on the role of Bajaj Finserv Ltd. in promoting financial services through financial inclusion.

3. Review of Literature:

Kumar (2016) financial institutions should establish access points closer to their customers. Financial institutions typically open branches to bring financial services closer to the people. Financial services can be easily accessed when there are numerous branches close to people. This will improve financial inclusion for people who live near financial institution branches. Branch density has an impact on financial inclusion.

Sahoo (2017) household income, education, ownership of private land, and participation in an employment guarantee scheme are all important determinants of financial inclusion. Individuals with a household income are more likely to have bank accounts and use them to access financial services. Individuals were also found to be able to access financial services through the ability to open and operate bank accounts as a result of their education. Individuals who owned private land were able to obtain bank loans because they could use the land as collateral.

Omar and Inaba (2020) investigate the impact of financial inclusion for non-poverty reduction purposes. GDP per capita is used to quantify poverty. They discover that per capita real GDP has a positive impact on the level of financial inclusion in developing countries.

Ozili (2020) looks at financial inclusion throughout the course of a business cycle. The study gauges the health of the business cycle by looking at the GDP growth rate. When the economy is doing well, formal savings and active formal account ownership go up; when the economy is struggling, formal savings and active formal account ownership go down.

4. Objectives of the Study:

- To understand financial inclusion schemes in Bajaj Finserv Ltd.
- To analyze steps taken by Bajaj Finserv Ltd. for promoting financial inclusion.
- To find out how customers empower social and economically through financial inclusion.

5. Scope of the Study:

Customers are encountering numerous challenges when it comes to obtaining gold loans and advances, so Bajaj Finserv Ltd. is assisting them in their growth as it plays an important role in the development of the Indian economy. It's important to research Bajaj Finserv Ltd. lending policies and regulations. The current research focuses on Bajaj Finserv Ltd in particular, and it is limited to uses. With the aid of comparative analysis and trend percentages, analyze Bajaj Finserv Ltd., Coimbatore district growth rate in order to learn how Bajaj Finserv Ltd. mobilizes funds and puts them to good use.

6. Research Methodology:

A study's structure or plans are referred to as a research and they direct and assist in data collection and analysis. The current research is observational and it is focused on empirical data.

6.1 Area of Study: Survey is conducted at Coimbatore district. Primary data is collected through questionnaire containing open ended and close ended questions.

6.2 Sample Size: The sample size of 125 respondents (Customers – 100, Bank Officers – 25) was selected in Coimbatore district for this study.

6.3 Type of Sampling: Convenience sampling and Random sampling is adopted for this study.

7. Data Analysis and Interpretation:

Table 1: General Profile of the Respondents

S.No	Particulars	Classification	No. of Respondents	Percentage
1	Gender	Male	75	60%
		Female	50	40%
		Total	125	100%
2	Age Group	18 years – 30 years	83	66%
		30 years – 40 years	17	14%
		40 years – 50 years	15	12%
		Above 50 years	10	8%
		Total	125	100%
3	Occupation	Government Job	5	4%
		Private Job	68	54%
		Own Business	32	26%
		Others	20	16%
		Total	125	100%
4	Educational Qualification	10 th	15	12%
		12 th	34	27%
		Under Graduation	62	50%
		Post Graduation	14	11%
		Total	125	100%
5	Monthly Income	Below Rs.20000	15	12%
		Rs.20001 to Rs.30000	55	44%
		Rs.30001 to Rs.40000	50	40%
		Above Rs.40001	5	4%
		Total	125	100%

Source: Primary Data

Interpretation:

From the above table, it is clear that the general profile of the respondents shows that:

- The majority of the respondents 60% are male and 40% are female.
- It is clear that majority of the respondents 66% belong to the group 18 to 30 years and less 8% belong to the group above 50 years of age.

- The majority of the respondents are 54% private job, 26% of own business, 16% of others and 4% of government jobs.
- From the above survey, 125 respondent's majority 50% of the respondents are graduates education group.
- The majority of the respondents are 44% belong to the income level 20001-30000 rupees, the less percentage 4% under the income level above 40001 rupees.

Table 2: Various Services rendered by Bajaj Finserv Ltd

S.No	Services	No. of Respondents	Percentage
1	Gold loan services	6	24%
2	Personal loan services	2	8%
3	All of the above	17	68%
	Total	25	100%

Source: Primary Data

Interpretation:

The above table shows that the 24% of the respondents are providing gold loan services and finally 68% of the respondents choosing the all of the above by Bajaj Finserv Ltd.

Table 3: The ways used for Promoting Bajaj Finserv Ltd services

S.No	Promoting Ways	No. of Respondents	Percentage
1	Social Media	13	52%
2	Mass Media	4	16%
3	Face to Face Approach	6	24%
4	Others	2	8%
	Total	25	100%

Source: Primary Data

Interpretation:

The above table shows that it is clear that the majority 52% of the respondents saying social media and 24% of the respondents saying face to face approach to promote their services.

Table 4: Whether the Bajaj Finserv Ltd. is Safe or Not

S.No	Options	No. of Respondents	Percentage
1	Agree	84	84%
2	Disagree	16	16%
	Total	100	100%

Source: Primary Data

Interpretation:

The above table shows that it is clear that majority 84% of the respondents saying Bajaj Finserv Ltd. is safe.

Table 5: The Source of assisted to the Customer for opening a Bajaj Finance Account

S.No	Options	No. of Respondents	Percentage
1	Village Panchayat officials	14	14%
2	Bank Officials	32	32%
3	Neighbour	18	18%
4	Friends/ Relatives	36	36%
	Total	100	100%

Source: Primary Data

Interpretation:

The above table shows that the 36% of the respondents assisted by friends or relatives, 32% of the respondents by bank officials, 18% of the respondents by neighbours and 14% of the respondents by village Panchayat officials.

Table 6: Whether the advice of Bajaj Finserv Ltd. was helpful or not

S.No	Options	No. of Respondents	Percentage
1	Very Helpful	53	53%
2	Helpful	36	36%
3	Sometimes	11	11%
	Total	100	100%

Source: Primary Data

Interpretation:

The above table shows that it is clear that majority 53% of the respondents saying very helpful and 36% of the respondents saying helpful of Bajaj Finserv Ltd. advice.

Table 7: Customers' opinion about whether they empowered socially and economically by taking Financial Services of Bajaj Finserv Ltd

S.No	Options	No. of Respondents	Percentage
1	Yes	86	86%
2	No	14	14%
	Total	100	100%

Source: Primary Data

Interpretation:

It is very much clear from the above table that 86% of the respondents are empowered by taking Bajaj Finserv Ltd. services.

Table 8: How customers are benefited by taking Financial Services From the Bajaj Finserv Ltd

S.No	Options	No. of Respondents	Percentage
1	Increasing standard of living	37	37%
2	By leading independent life	14	14%
3	Achieved certain goals	33	33%
4	Others	16	16%
	Total	100	100%

Source: Primary Data

Interpretation:

The above table shows it is clear that majority 37% of the respondents saying improved standard of living and 33% of the respondents achieved certain goals by taking Bajaj finance services.

8. Findings:

To understand financial inclusion schemes in Bajaj Finserv Ltd.

- It is clear that majority of the respondents influenced by offers and schemes.
- It is clear that majority of the respondent borrowed gold loan from Bajaj Finserv Ltd.
- It is clear that majority 87% of the respondents are satisfied about Bajaj finance loan services.
- It is clear that majority 84% of the respondents saying Bajaj Finserv Ltd. is safe.

To analyse steps taken by Bajaj Finserv Ltd. for promoting financial inclusion.

- It is clear that the majority 52% of the respondents saying social media and 24% of the respondents saying face to face approach to promote their services.
- It is clear that majority 53% of the respondents saying very helpful and 36% of the respondents saying helpful of Bajaj Finserv Ltd. advice.
- It is clear that majority 54% of the respondents satisfied, 33% of the respondents completely satisfied about operations and Bajaj Finserv Ltd. offers.

To find out how customers empower socially and economically through financial inclusion.

- It is clear that majority 86% of the respondents are empowered by taking Bajaj Finserv Ltd. services.
- It is clear that majority 37% of the respondents saying improved standard of living and 33% of the respondents achieved certain goals by taking Bajaj finance services.

9. Conclusion:

This paper is a combination of both theoretical and practical knowledge. This research has been undertaken to study the Role of Bajaj Finserv Ltd. in promoting financial inclusion in Coimbatore district. The main objective of the study is to examine and analyze the steps taken in present financial inclusion and to suggest the possible ways in combating the financial exclusions. It is concluded from the results of this study that Bajaj Finserv Ltd. being a popular financial institution is used by a wide range of customers for gold loan. Most of the customers have been widely benefited in achieving their goals from Bajaj finance. This study suggests that Bajaj finance has to decrease the rate of interest for loans they lend and has to improve on their marketing strategies as most of their customers are unaware of their schemes in detail. This study also suggests that Bajaj finance has to focus on bringing attractive schemes especially for women empowerment which also helps in developing the society.

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