



A Study on Customer Perception towards Unofficial Gold Loan in Surat Rural Region

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ABSTRACT

The purpose of the study was to learn how people feel about borrowing gold. In addition, features affecting gold the discovery and discovery of a gold loan was investigated. To learn about people's attitudes about borrowing gold in This is Surat rural region. Finding the results of my research on "Reading people's perceptions of gold loan with reference to Surat rural region, "I used descriptive research design and key data collection method to achieve the purpose of the research. A total of 161 people were screened for this study. The data was collected in this study from a questionnaire completed by residents of Surat rural region. Data tracking summed up with a list of questions, I need to know what people's opinions are about borrowing gold. Public opinion of a gold loan that is better than a personal loan. Most people borrow money from bank there are NBFCs. People prefer a simple installment as a way to repay a gold loan. People believe that getting a gold loan is a simple process that takes a little time.

Keywords: Gold Loan, Customer perception, Gold.

Introduction

It is a common practice in India that gold is sold, redeemed and processed managing the daily needs of the poor and middle class. A pendant of gold ornaments and other gold goods to local pawnbrokers and lenders to obtain loans prevalent in Indian society over the years. Increased grip of gold as an asset among large ones part of the population, and procedures related to gold borrowing in the informal sector, they have encouraged lenders to offer loans against the collateral used home gold jewelry. Over time, many companies have emerged as 'Specialized gold loan companies'. Other independent estimates show that rural India makes up about 65 percent of the total gold in the country. In emergencies, gold ensures that the poor get a loan almost instantly and without any hassle in the writing process.

Most loans designed to meet unexpected situations and can be classified as a personal loan. In addition, the growth of middle-income women's categories and the increase in the number of women earning, a group of customers who are the backbone of the gold loan, are expected to increase the demand for gold.

1.1 Objectives of the Study:

- To analyze the preference of the borrowers towards the Banks in availing the Gold Loan.
- To identify the factors influencing the borrowers to avail gold loan from Banks.
- To study the demographic and socio-economic status of the gold loan borrowers in the study region.
- To measure the level of satisfaction of the borrowers in availing gold loan provided by Bank.

2. Literature Review

G. Maria DeliciaHelina (2017) introduced “Consumer Perspective on Muthoot Finance Limited - Toothukudi research.”The current paper identifies the various aspects considered by borrowers while applying for a gold loan and various reasons for choosing Muthoot Finance to get gold loans. The study also identifies various social factors such as gender, age, income level, education a credit bureau that influenced the selection of Muthoot Finance to obtain a gold loan.[1]Drs.Mahima Gupta (2019) read “Research on consumer attitudes and perception of gold loan in relation to beawar city. This paper outlines the various aspects considered by borrowers while applying for a gold loan. Gold loans have proved to be very fast and short-term capital. Gold loans were much preferred over traditional personal loans due to smaller procedures, faster repayment and simple EMI. Research shows that respondents prefer to borrow money from banks, NBFCs and more respondents used this bag to facilitate their use.[2]Drs.ArifurRehman Shaikh and Prof.Shrirang A. Deshpande (2012) introduced “Customer’s Company rating Muthoot finance Ltd. - a study in the town of Belgaum, Karnataka region. The paper is marked various factors considered by borrowers while using a gold loan and various reasons opting for Muthoot Finance to get a gold loan. It also researched various social factors such as gender, age, income level, a borrowing education institution that influences the choice of Muthoot Finance getting a gold loan.[3]Aarti Varma (2013) investigates “gold loans: A survey of consumer perceptions about reference instead of thane. "In the current study working gold loan companies have been selected, one of the gold loanscompanies operating in the thane region. The data used in this paper were primary and secondary. Gold has been the price goods especially in India. Having gold was a symbol of prosperity.

3. Research Methodology

Descriptive research design was used in this research which clearly indicates that the study is all about a certain characteristics of individual towards Igold loan. Convenience sampling technique was used for data collection. Response was taken from 100 sample size over SURAT RURAL REGION. Questioners were circulated over the targeted sample and response was taken for data analysis. Here are the questions and responses received for that.

1. Gender wise Distribution

Table 1

OPTION	%	COUNT
MALE	51	51
FEMALE	49	49

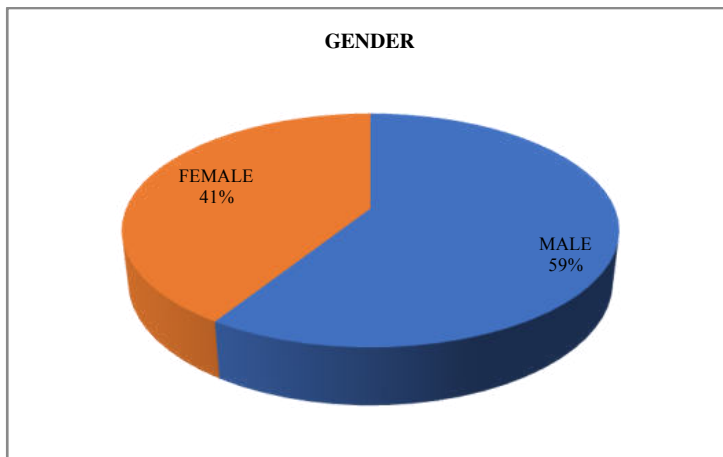


Fig. 1 – Gender wise distribution

2. How many sources of finance you aware of ?

Table 2

OPTION	%	COUNT
PERSONAL LOAN	20.74	56
LOAN AGAINST PROPERTY	17.78	48
LOAN AGAINST POLICY	16.3	44
LOAN AGAINST GOLD	24.81	67
OTHER	20.37	55

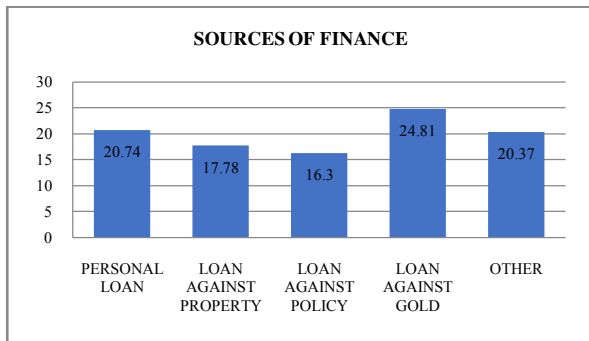
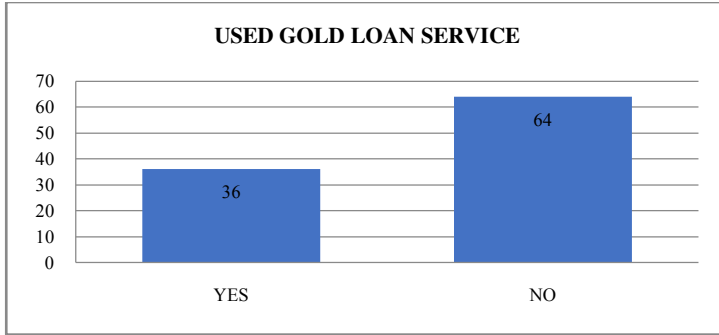


Fig. 2 – Income wise distribution

3. Have you ever use ever use gold services?

Table 3

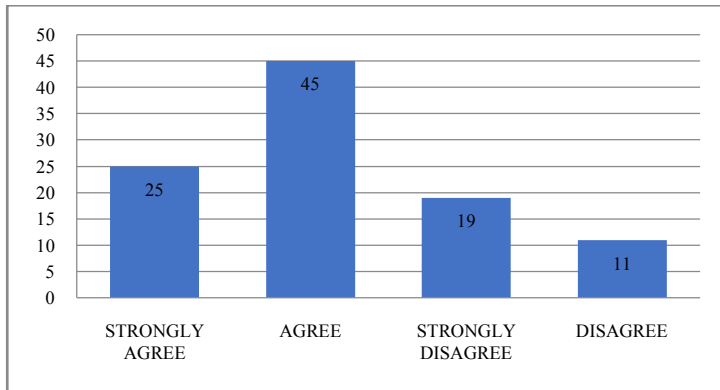
OPTION	%	COUNT
YES	36	36
NO	64	64



4. 10.Gold is very good and convenience options for short term need of money but it is treated badly in our culture.

Table 4

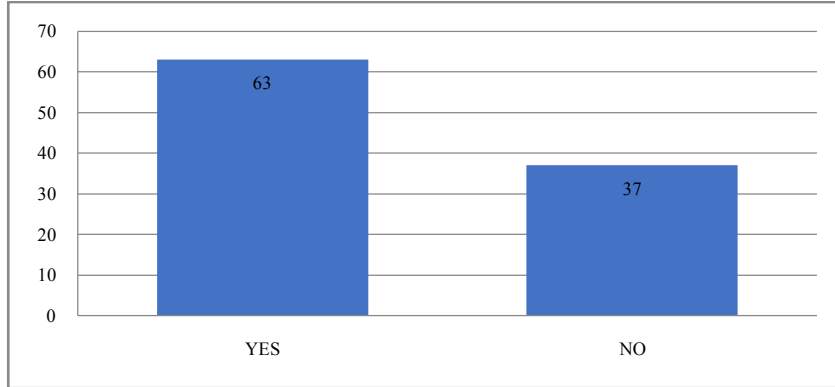
OPTION	%	COUNT
STRONGLY AGREE	25	25
AGREE	45	45
STRONGLY DISAGREE	19	19
DISAGREE	11	11



5. prefer gold loan as a last option for generating finance.

Table 5

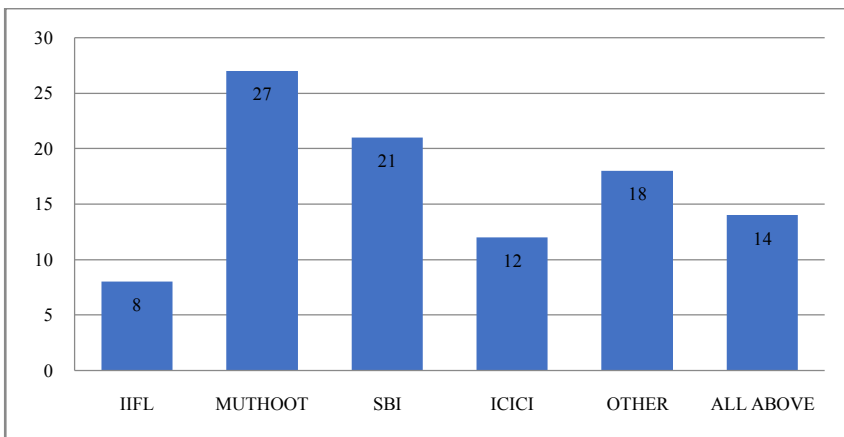
OPTION	%	COUNT
YES	63	63
NO	37	37



6. From which company are you aware to take a gold Loan.

Table 6

OPTION	%.	COUNT
IIFL	8	8
MUTHOOT	27	27
SBI	21	21
ICICI	12	12
OTHER	18	18
ALL ABOVE	14	14



Results and Conclusion

Results:

Employees respondents are more than businessman. There are maximum respondents who have emerging require of money in less than 2 times per year and there are 32% are decided to take a loan. Gold against the loan there is nothing bad and 20 respondents are agree and most respondents are agree that gold is very convenience option for short term finance but it is treated badly in our culture. Urgent require of finance against gold many respondents are agree. Gold is a safest instrument for investment & here many respondents are agree. For generating finance more than 50% of respondents are prefer gold loan as a last option. Many respondents are agree that they prefer gold loan when other finance source are not available. Maximum respondent first priority is Muthoot Finance and minimum is IIFL. Taking gold loan is a sign of insolvency is agree by 37 respondents.

Conclusion:

I have completed my report as a researcher. Many respondents have emerging of money then they prefer loan for manage their requirement. Nowadays the loan against the gold is becoming one of the popular sources for short term and urgent financial need is agree by most of the respondents and they also agree that there is nothing bad in taking loan against the gold and some of the respondents are have cultural barrier for taking loan against gold. I conclude that Muthoot Finance is good ever. It always tries encouraging their customer for taking a gold loan.

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