



A Study on Jewel Loan with Reference to Tamil Nadu State Apex Cooperative Bank

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ABSTRACT

This study looks at how well TNSC Bank's jewel loans work as a financial product. Customers can use their gold jewelry as collateral for jewel loans, also known as gold loans, which are a common type of secured loan. TNSC Bank is a main monetary establishment in India that offers a large number of monetary items and administrations, including gem credits. The study investigations the highlights of jewel loans offered by TNSC Bank, for example, loan amount, interest rates, repayment terms and processing fees. It also explores and investigates the motivations behind why customers choose jewel loans over different type of acknowledge, for example, individual advances and credit cards. moreover, the study examines the effect of jewel loans on the bank's financial execution, including its profitability and loan portfolio quality. For this study, primary sources were used to collect data. A survey of TNSC Bank customers who have taken out jewel loans is one of the primary sources. the quantitative and qualitative data that were gathered. The findings of this study propose that jewel loans are viable financial item for TNSC Bank, customers favor because of their lower loan costs. flexible terms for repayment and quicker processing times than with other types of credit In addition, the bank has benefited from jewel loans in terms of increased profitability and loan portfolio. In conclusion, TNSC Bank's jewel loans have become a popular financial product that benefits customers and the bank alike.

KEYWORDS: Jewel loan, profitability, loan portfolio, repayment

INTRODUCTION:

The banking sector deals with money, credit, and other monetary exchanges. Extra credit and cash can be safely stored in a bank. Checking accounts, certificates of deposit, and savings accounts are available from them. These deposits are used by banks to lend money. Home mortgages, business loans, and auto loans are among these loans. A Bank is a monetary foundation authorized to get stores and make credits. Investment banks and commercial/retail banks are two of the most prevalent types of banks. A bank may also offer a variety of financial services, including retirement and wealth management, safe deposit boxes, and currency exchange, depending on the type.

OBJECTIVES

PRIMARY OBJECTIVE

- To analyse the jewel loan with reference to TNSC Bank

SECONDARY OBJECTIVE

- To analyse the Jewel loan schemes
- To identify the loan systems of TNSC Bank.
- To examine the guidelines governing the loan granting process.

SCOPE OF THE STUDY

The review's essential spotlight is on the example of loaning practices and what they mean for authoritative execution. The review gives the bank information on its ongoing credit and advance circumstance. The exploration on various credits, advances, and loan fee. By comparing the loan product to that of rivals and learning about bank loans, the goal of this research is to learn about various approaches to increasing loan product. It is likewise going to assist the association with holding its business and for additional development. It is planned to conduct the study with TNSC Bank customers.

The review makes an examination between credits gave by TNSC Banks and different banks. This study assists with further developing the banks activity for a superior presentation. The results of the research will help the bank determine which loans are already in their loan distribution system and approve the same tool in order to attract more customers.

NEED FOR THE STUDY

The primary goal of this project is to look further into how banks loan cash to customers and make progresses. The nation is dealing with globalization, privatization, and liberalization at the moment. To find a solution to these problems, research loans and advances. When TNSC Bank is compared to other banks, the number of mortgage loans for building, housing, and jewel loans is low. TNSC Bank has 47 branches, but when compared to other banks, they only have branches that cater to the volume of business in India, so advance growth is becoming less rapid. Jewel loans are issued by TNSC Bank, where other banks issue a variety of loans. Customers can get jewel loans from TNSC Banks at a rate of 9.5%, which includes the processing fee. The study purposes on recognizing the mindfulness level of the customer and financial requirements of corporate and individual borrowers and laying out the different systems embraced by various banks to examine and revamp the loan fund in strategy of TNSC Bank especially focusing on jewel loan segment.

REVIEW OF LITERATURE

Pinky Soni and Heda B.L (2014) Conducting research on "NPA's Impact on Financial Performance of Public Sector Banks" revealed a negative correlation between NPAs and profitability. The fact that only a small number of studies attempted to link NPAs and advances based on bank ownership provided sufficient justification for the current study from the literature review.

Geetha Rani P (2014) Both the number of students who have taken training credits in order to pursue higher education and the total number of training credits released have increased since the program's inception. Despite this, the National Sample Survey Organization and the Bank's data indicate that financing higher education does not appear to improve access or value in the context of advanced education. As a result, the primary objective of this article is to learn why and how to determine the maximum number of credits that should be awarded in order to meet access and value objectives and indirectly encourage advancements in instruction.

Aishwarya P (2014) Both non-performing assets and non-performing loans are the same thing. When payments or premium installments are not set aside for a brief period of time, it is created by a bank or fund company. The primary benefit of an advance for a bank is the reimbursement of premium payments and the primary make a stream of money.

Justin Ewuradjoa Hagan (2015) The "Credit Risk Management Assessment of Co- operative Banks" revealed, according to this article, that loans to banks and customers constituted more than 70% of ADB's overall credit risk. The bank was extremely impressed by the industry's loans. In order to reduce credit risk, banks must implement effective, long-term measures. The objective of credit risk is to guarantee that credit chance can be estimated and deliberately kept in adequate information, a goal clear.

A.B. House (2015) This article is titled "A Study on the Financing Performance of Loans and Loans of State Co-operative Bank Limited," and cooperative banks in India are making more pressing requests of cooperating banks worldwide. Some businesses are now receiving assistance from cooperative banks, farmers' banks, industrialized ethnic groups, and rural populations

Maier (2016) introduces the crowd lending platforms required to initiate double switching. According to the study, simplicity, adaptability, speed, and process transparency are the primary reasons that individuals turn to crowd lending. The study's conclusion shows that switching financial services and crowdsourcing make people happy.

RESEARCH DESIGN:

A logical report's plan is the exploration plan. It includes instruments, research methods, and ways to do the research. During the course of the research and analysis process, it helps in the identification and resolution of any problem that may arise. The term "research design" refers to the overall strategy and analytical approach you've chosen to integrate the various study components in a logical and coherent way. This guarantees that the research issue will be investigated in depth.

SOURCES OF DATA:

- **Primary Data**

Data that has been collected by the researcher himself in the form of surveys, observations, or experiments specifically designed to comprehend and solve the research problem are considered primary data. I collected the data for my study through an observational and questionnaire approach.

- **Secondary data**

Websites and, Published reports & Review of literature from published articles.

DATA ANALYSIS & INTERPRETATION

1. PERCENTAGE ANALYSIS

Table 4.1.02 showing Age of the Respondent

S.NO	Age	Frequency	Percentage
1	Below 25	22	16.8
2	25-35	44	33.6
3	36-55	39	29.8
4	Above 55	26	19.8
	Total	131	100.0

INFERENCE

From the above table it is inferred that 16.8% of the respondents belongs to the age category of Below 25 years of age, 33.6% of the respondents are 25-35 years of age, 29.8% of the respondents are 36-55 and 19.8% of the respondents are the age of above 55.

2. CHI-SQUARE

To Test the Qualification and Awareness on paying interest rate

H0: There is no significant difference between the Qualification and Awareness on paying interest rate.

H1: There is a significant difference between the Qualification and Awareness on paying interest rate.

Table 4.2.1 showing the Qualification and Awareness on paying interest rate

	Education of the respondents	Awareness of the Respondents
Chi – square	29.191 ^a	11.260 ^b
Df	4	3
Asym. Sig.	.000	.010

INFERENCE

Since P value is (0.010) is less than the level of significance value 0.05. Thus the null hypothesis is rejected. Hence there is an association between education of the respondents and awareness of the respondents.

3. REGRESSION

To test the Regression between the Annual Income and How many Jewel Loans in TNSC Bank

H0: There is no significant difference between Annual Income and jewel loan.

H0: There is a significant difference between Annual Income and Jewel Loans.

Table 4.3.2 Showing the factors between the annual income and how many jewel loans in TNSC bank

Model	Sum of squares	df	Mean Square	F	Sig
1 Regression	112.525	1	112.525	796.545	.000 ^a
Residual	18.223	129	.141		
Total	130.748	130			

a. Predictors: (constant), Jewel Loan of the Respondents

b. Dependent Variable: Annual Income of the Respondents

INFERENCE

Since the P value (0.000) is less than the level of significance value 0.05. Thus the null hypothesis is rejected. Hence there is relationship between Jewel Loan of the respondents and Annual Income of the respondents.

4. ONE-WAY ANOVA

To test the One-Way Anova between the Factors of Employment and Type of Jewel Loan

HO :There is no significant difference between the employment and type of Jewel Loan

H1: There is significant difference between the employment and type of Jewel Loan

Showing the one-way ANOVA between the factors of employment and type of jewel loan

Employment of the Respondents

	Sum of squares	df	Mean Square	F	Sig.
Between Groups	248.402	2	124.201	517.125	.000
Within Groups	30.743	128	.240		
Total	279.145	130			

INFERENCE

Since the P value (0.000) is less than the level of significance value 0.005. Thus the null hypothesis is rejected. Therefore there is association between employment of the respondents and type of Jewel Loan.

FINDINGS

- 63.4 % of respondents are from female.
- 33.6% of the respondents are from age group between 25-35.
- 64.1% of the respondents are married.
- 31.3% of the respondents are from the educational background of SSLC
- 32.1% of the respondents are Salaried.
- 43.5% of the respondents are Rs.200001-Rs.400000
- 49.6% of the respondents are 2-4 years of a regular customer
- 31.2% of the respondents are having 2 number of jewel loans.
- 39.7% of the respondents are choosing the jewel loan for the reason of less interest rate.
- 42% of the respondents are holding the type of jewel loan 365.
- 35.9% of the respondents are having low awareness of interest on monthly basis.

SUGGESTIONS

- There are a few considerations to make if you're thinking about applying for a Jewel loan with TNSC Bank
- Prior to anything else, it's critical to comprehend the loan's terms and circumstances, including the interest rate and time of payback.
- Before signing on the dotted line, be sure to ask questions and clarify any doubts you may have.
- prior to applying for the loan, evaluate what is going on to decide the amount you can practically stand to get.
- Keep in mind that a jewel loan is a secured loan, which means that the jewel you give as collateral will be taken away if you can't pay it back.
- Therefore, only take out a loan if you absolutely need it and can afford to pay it back.
- Be sure to select a jewel that is both valuable and sentimental when selecting the collateral.
- Borrowers' credibility should be checked by banks.
- Additionally, to ensure that you get a fair price for the jewel, have it appraised by a licensed appraiser.

CONCLUSION

In conclusion, the study of jewel loan with TNSC Bank as a project has provided insight into various aspects of this kind of loan. A type of secured loan called a "jewel loan" lets borrowers use their jewelry as collateral to get money. The jewel loan program at TNSC Bank is well- organized, offers a variety of repayment options, and the interest rates are competitive. Through a questionnaire, an analysis of a sample of 131 Jewel Loans customers revealed that the majority of them were taking out multiple loans from TNSC Bank to cover expenses like expanding their businesses, meeting family responsibilities, paying for medical care, and paying for school and college, among other things. Customers are having trouble consistently paying the monthly interest on jewel loans because they have multiple loans for various purposes. Ultimately, as a result, customers default on loan repayments.

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