

# **CHAPTER 1:**

## **RESEARCH & DESIGN**

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# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 INTRODUCTION:**

Researchers study is based on finance for consumer durable goods and availability of the finance with reference to Rasik Agencies, Sangli. Consumer durable goods have important status in the market, these goods have prestige and the costliness of the consumer durables make them prestigious. The reason behind taking this topic for the study was the difficulty of the customers to purchase the durable goods like

“Television sets, Refrigerators, Music systems, DVD Players, Ovens, Washing machines was to collect the amount required to be paid. The amount for such electronic goods is very high and to pay at one installment is not easy for common customer.

Rasik Agencies is a partnership firm and is working from the year April 2000 and it is being working for companies such as SONY, SAMSUNG, ONIDA, WHIRLPOOL, LG, GODREJ etc. Rasik Agencies is having A+ Grade for all the above mentioned companies. Recently Rasik Agencies has started its branch at Miraj, Shaniwar Peth. The turnover of Rasik Agencies is 4 crores last financial year.

## **1.2 IMPORTANCE AND SIGNIFICANCE:**

Accordingly, as per the requirement of the customers, many finance companies have emerged, like Bajaj Auto Finance, Shriram finance, GE Country-wide finance etc. These companies have different ways of working if we compare them with each other. And every company has its own way of working and practices and principles. But often the scene is such that out of 100 cases of purchases the percentage of Finance Cases is 40% that means 40 customers out of 100 purchases the consumer durables through the finance from the different finance companies. The benefits of purchasing consumer durables from finance companies are:

1. Amount is not stuck at a glance
2. Small and easy installments
3. Gifts and Schemes offered at festival seasons.
4. Income tax benefit as per loan taken.
5. Many times even 0% is charged-on the amount provided by the finance company.

## **1.3 STATEMENT OF THE PROBLEM:**

Researcher is studying the overall finance provisions provided by the different finance companies such as Bajaj Auto Finance, GE Countrywide finance, Shriram Finance.

The problem is not limited for the scheme offered, but over all the competition between Bajaj Auto Finance

with all other companies and the aspects compared while study are:

1. Finance scheme offered
2. Interest rates charged
3. Period offered
4. Down payment if
5. Level of transparency amount the customers, the dealer and the company.
6. Documents required if any
7. Service given by the company such as
  - a. Time period for sanction
  - b. Communication with customers
  - c. Communication with the dealers and the company.

The company and the dealers are connected with each other by the counter of finance company at the dealer. So the counter at the dealers place has to perform well and it has to co-ordinate has to perform well and the quality of work should be there so as to grab the customer.

Researchers study is based on the working of the Finance companies at a particular counter and the services rendered having considering the above seven aspects. So the problem of the study us “Whether the finance companies (BAFL) performance at Rasik Agencies, Sangli is comparatively better with other finance companies such as Shriram finance.

#### **1.4 RATIONALE:**

The above study is being carried out to know whether the functioning of the finance companies is consumer oriented or not. And it is also important to know whether the performance of the companies is up to the mark or not. Some factors such as consumer satisfaction are not quantitative but these are qualitative factors and these factors can not be measured so we have to go deep with the study of the finance companies. There is also one major issue and i.e. the transparency maintained by the finance companies while financing to the customers.

#### **1.5 OBJECTIVES OF THE STUDY:**

1. To study the consumer behaviour of the customer with reference to Rasik Agencies, Sangli
2. To study the different schemes offered by the companies.
3. To study the interest rates charges by different companies.
4. To study the market share of different companies.
5. To know the documentation required by different companies.
6. To know the level of transparency among the dealer, the company and the customers.

7. To know what measure is required in the working of different companies or the practices of different companies.

8. To study the performance of Bajaj Auto Finance with comparison to the competitors such as Shriram finance, GE Country-wide finance

### **1.6 HYPOTHESIS:**

There is increasing trend of consumer finance for durable commodities. The functioning of the financing companies is consumer oriented and they maintain sufficient transparency in their working. Different schemes with varying interest rates attract all types of customers.

### **1.7 RESEARCH METHODOLOGY AND RESEARCH DESIGN**

1. Subject I have selected the present work for the title “Study of consumer finance for Durable commodities with reference to Rasik Agencies, Sangli”

2. Scope of the Study:

I do the study for three years i.e. 2003, 2004, 2005

3 Primary Data:

Primary data consists of first hand information. This information is collected by the researcher and is needful for the research. In the study data is collected through the investigation

and research conducted through questionnaires and personal interview the questionnaire method is used for the customers and the company and the interview is used for the dealers. Accordingly the data is collected and the future study is done

**Sampling are:** Sangli  
**Sample size of customer:** 50  
**Sampling method** : Non probability sampling  
Selected by judgment

Data is analyzed by using tabulation, flowcharts, bar diagrams and pie charts etc.

#### **4. Secondary data:**

Secondary data is the second hand data collected by the researcher. This data is already existed data and used by the researcher for his purpose. This data includes project reports, charts and different publications of the company and the research made by the different researchers. In our study we have used the secondary data in the form of publications such as reports, monthly statements of bajaj Auto Finance Ltd. etc.

## **5. Limitation of the study:**

1. Study is limited finance for durable commodities only for Rasik Agencies, Sangli.

2. Study is depends upon primary & secondary data which has collected questionnaire & field work.

### 3. Chapter Scheme:

For this study I complete the Research work in six chapter i.e.

Chapter 1 Research Design

Chapter 2 Profile of the Rasik Agencies

Chapter 3 Theoretical Background

Chapter 4 Financial Scheme

Chapter 5 Presentation, Analysis and Interpretation of  
data

Chapter 6 Finding & Suggestions