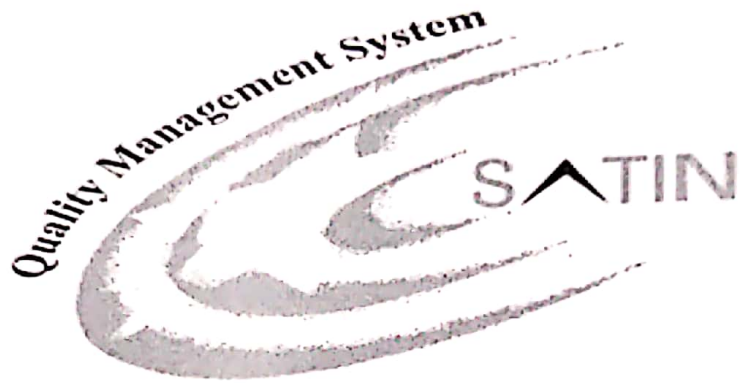




SATIN CREDITCARE NETWORK LTD.  
*Reaching out!*



**Business Excellence & Intelligence**

A PROJECT REPORT  
ON  
"Financial Management"  
UNDERTAKEN AT  
"MIT School of Distance Education"  
IN PARTIAL FULFILMENT OF  
"POST GRADUATE DIPLOMA IN FINANCE MANAGEMENT MIT"  
MIT SCHOOL OF DISTANCE EDUCATION, PUNE.  
GUIDED BY  
"Mrs.Bichitra Nayak"  
SUBMITTED BY  
"Ram Sankar Dalai"

MIT SCHOOL OF DISTANCE EDUCATION PUNE - 411 038 YEAR 2022 – 2024





**SATIN CREDITCARE NETWORK LTD.**  
*Reaching out!*

## Satin Creditcare Network Ltd

(Regional office Bhagawati Complex Ainthapali Sambalpur Odisha Pin-768004 )

### CERTIFICATE

This is to certify that **Mr.Ram Sankar Dalai** has completed the project report with us for his/her project report work on "**Financial Management**" in fulfilment for the completion of his/her Course with MITSDE on PGDM in Finance Management as prescribed By **MIT SCHOOL OF DISTANCE EDUCATION, PUNE.**

This project is a record of authentic work carried out by him/her with guidance by our relevant department from Date – 10-01-2024.

Bichitra Nayak-HR

Name and Signature of Guide

In Organization/Company





## DECLARATION

I hereby declare that this project report entitled **Finance Management of Project Report** bonafide record of the project work carried out by me during the academic year **2022-2024**, in fulfilment of the requirements for the award of **PGDM Finance Management** of MIT School of Distance Education.

This work has not been undertaken or submitted elsewhere in connection with any other academic course.

Sign:- *Ram Sankar Dalai*  
Name:- Ram Sankar Dalai  
Student ID: MIT2021C01700



## ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere thanks and gratitude to "Bichitra Nayak" of Satin creditcare network ltd Sambalpur odisha for giving me an opportunity to do my project work in your esteemed organization and it has indeed been a great learning and enjoyable experience.

I would like to express my deep sense of gratitude and profound thanks to all staff members of Satin creditcare network ltd Sambalpur for their kind support and cooperation which helped me in gaining lots of knowledge and experience to do my project work successfully.

At last but not least, I am thankful to my Family and Friends for their moral support, endurance and encouragement during the course of the project.

*Ram Sankar Dabai*

(Students' Name and Signature)

Student ID :- MIT2021C01700



## COMPANY INTRODUCTION

**Satin Creditcare Network Limited** is a non-banking finance company (NBFC), licensed by the Reserve Bank of India. It was founded in 1990 by Mr. H P Singh. The company's offers financial requirements for excluded households at the bottom of the pyramid. **Satin Creditcare Network Limited** is a micro-finance institution (MFI) in the country with presence in 22 states and more than 82,000 villages.

The company launched its operations as a provider of individual and small business loans and savings services to urban lenders in 1990, going on to be registered as an NBFC with the RBI in 1998 and converting into an NBFC MFI in November 2013. Founded by HP Singh who has over three decades of micro-finance experience.

In 2017, company incorporated a wholly owned Housing Finance subsidiary with the aim of providing financing in the affordable housing segment and leveraging rural outreach. In January 2019, company received separate NBFC license to commence MSME business "Satin Fiserv Limited". SATIN forayed in digital lending "Loan products

As of March 2019, SCNL had 1,168 branches and a headcount of 11,940 across 22 states and union territories serving 35 lakh clients. Satin Credit care maintains a focus on rural and semi-urban areas.



## ABSTRACT

In a country like India where 70 percent of its population lives in rural area and 60percent depend on agriculture (according to the World Bank reports), micro-finance can play a vital role in providing financial services to the poor and low income individuals. Micro-finance is regarded as a useful tool for socio-economic up-liftment in a developing country like India.

It is expected to play a significant role in poverty alleviation and development. The emphasis of present paper is to study the performance and role of microfinance institutions in the development of India. The study revealed that the number of MFIs availing loans from banks during the year 2015-16 and 2016-17 increased from 9.8 per cent to 257.6 per cent. The total loans to MFIs by banks decreased during 2016-17 by 7.2 per cent over the previous year. The loan outstanding against MFIs increased all the subsequent years.

It increased by 13.7 per cent and 14.3 per cent in 2015-16 and 2016-17. It is further found that the business models of MFIs in India are becoming urban centric as is indicated by the fact that the share of rural client's base of different states/UTs in 2017 with 2016 has declined, except Assam, Arunachal Pradesh, Nagaland, Jammu & Kashmir and Andaman. The highest increase was in Andaman (267%) followed by Jammu & Kashmir(17 %).

The proportion of income generation loan remained same during year 2015 and it increased up to 94 per cent in the year 2017. The indicators relating to overall financial structure such as Return on assets and Return on equity, capital adequacy ratio have increased over this period and found sharp decline in total assets of MFI's. Keywords: Microfinance, MFI's, Growth of Microfinance, Poverty (PDF) A Study on the Performance of Microfinance Institutions in India.



The findings indicate that there is a substantial level of awareness regarding e-banking among the population of Ahmedabad. The majority of respondents acknowledged the existence of e-banking services and demonstrated familiarity with various digital banking platforms. Additionally, the study revealed that the convenience and flexibility offered by e-banking were the primary drivers for its adoption.

However, despite the high awareness levels, the report highlights a significant proportion of individuals who have yet to embrace e-banking fully. Factors such as concerns over security, lack of trust in online transactions, and limited technological proficiency were identified as barriers to widespread adoption. The report emphasizes the need for educational initiatives and awareness campaigns to address these concerns and promote the benefits of e-banking.

The purpose of this study is to find out the factors of internet banking that can impact retaining customers in the context of Bank. It will help the researchers to look into the overall condition of internet banking service. To determine the growth direction of online banking service. Promoting E-banking services in the banking industry. Customer perception will be taken into consideration about the internet.

In this research project, a Descriptive research design is used. This method is used because we are interested in exploring gender, age, or occupation disparities in terms of online banking in the population. For conducting this research, a structured questionnaire is prepared and a sample of 65 customers is taken from different banks. Therefore, a questionnaire survey was conducted to identify the role of internet banking and society among the people in Ahmedabad. The obtained result shows that major people in Ahmedabad are more indulged in E-Banking than traditional banking due to many reasons which include the majority in time constraints which means e-banking has given speed in banking activities. A detailed survey can be seen in the report.



## Subsidiaries & Group of Company

### Taraashna

Financial Services Limited acts as a business correspondent for banks and NBFC and provides similar services to other financial institutions in rural and semi-urban areas. Taraashna Financial Services Limited is enabled under its objects to carry out the business of, among other things, the promotion and nurturing of SBL, Cattle Finance, and JLG and providing them with capacity-building support, as well as linking them to banks and other financial institutions in order to avail different financial services.

### Satin Housing Finance Limited

Incorporated on April 17, 2017, as a wholly owned subsidiary company of Satin Credit care Network Limited, Satin Housing Finance Limited has a registered office

in New Delhi Satin Housing Finance Limited provides long-term finance for the purchase, construction, extension and repair of houses for the retail segment, along with loans against a residential property, commercial property and plots.

### Satin Fiserv Limited

Satin Creditcare Network Limited forayed into the MSME segment with a focus on small business owners in manufacturing, trading and services. The

company's MSME an offering to these customers account for the fact that many of these customers may not habitually maintain standard books of accounts, or that a

vast majority of them may not even fall under the turnover bracket warranting financial auditing.





## ORGANIZATIONAL PROFILE

Doing Business As: - Satin credit care  
network LTD Website:-  
[www.satincare.com](http://www.satincare.com)

Address: - 1st & 3rd Floor, Plot No -97  
Sector-44, Gurgaon, Haryana,  
122003 India, Phone +91-  
1244715400

Company Description: - SATIN CREDITCARE NETWORK LIMITED is located in Gurgaon, Haryana, India and is part of the Consumer Lending Industry. SATIN CREDITCARE NETWORK LIMITED has 10,535 total employees across all of its locations and generates \$159.16 million in sales (USD). There are 32 companies in the SATIN CREDITCARE NETWORK LIMITED corporate family.

Key Principal: - Mr. Harvinder Pal Singh

Industry: - Insurance Sector, Consumer finance companies Personal finance licensed loan companies, small with cross sale product provided.

### MISSION

To be a leading micro financial institution by providing a comprehensive range of products and services for the financially under-served community. To lead in gender empowerment by leveraging on technology and innovation that forge sustainable strategic partnerships.

### VISION

Making Micro-Finance Inclusive and Purpose Driven.

**Introduction:** -We would like to explain Financial Management by giving a very simple scenario. For the purpose of starting any new business/venture, an entrepreneur goes through the following stages of decision making.

**Microfinance** is a banking service provided to unemployed or low-income individuals or groups who otherwise would have no other access to financial services. **Microfinance** allows people to take on



reasonable small business loans safely, and in a manner that is consistent with ethical lending practices.

SCNL follows the Joint Liability Group (JLG) model of microfinance for its operations, with clients organized in customized groups and provided with Compulsory Group Training (CGT) by SCNL field staff. This training program covers product details, rules & regulations and policies & procedures, empowering trainees with the knowledge of how to access financial and social services. Post training, a Group Recognition Test (GRT) is conducted to test the group's understanding of the SCNL's microfinance program and identify its members' genuine interest in sharing voluntary-joint-liability as well as their credit absorption capacity, thus assuring an increased potential of migrating to a better livelihood standard.

The successful completion of the GRT results in credit extension and marks the entry of the member into a long-term, sustainable and mutually gainful association.

The World Bank itself got from the sector 'banks' or 'Banque' which is French. There were others of the assessment that the phrase 'financial institution' is before everything got from the German word 'again', the significant joint stock asset, which became Italianized, into 'banco' however whatever is the start of the World Bank as genius. Ramchandra Rao says: it'd follow the historic backdrop of banking in Europe from middle age.

In ordinary highbrow ability "A financial institution is a suggestion in which an man or woman who've a few reserve price range hold cash to the useful person with premium and superb circumstance ".The bank bears the price of administrations like asset based totally administrations like shops, account administrations; credit score corresponded administrations non save based administrations, for example, agreement, unusual trade, end and commercial enterprise administrations, criminal administrator administrations, robotized teller gadget, secured checks and so on.

Ordinarily, banks are doing the problem of coins, which they take as the store from fashionable society and provide coins to the public who require them. Anyways, during this critical period banks moreover provide the forms of help like the ATM workplace, overlaying of bills ,Visa, telephonic exchange, protection , safety, demit and so forth.



Denied a legitimate and compelling monetary framework in India it can not have a lively economy. The financial arrangement of India should not simply be without disturbance yet it must have the option to address new difficulties supplied by way of the innovation and a few other outer and inner elements. For the past thirty years India's economic framework has had

some notable accomplishments. The most capturing is its broad attainment. It is not commonly restrained to just metropolitans or cosmopolitans in India. As a matter of truth, Indian monetary framework commits arrived even to the faraway corners of the U.S.. This is one of the essential reasons for India's advancement.

### PHASE I

The Overall Bank of India was set up within the year 1787. Next came Bank of Hindustan and Bengal Bank. The East India Company laid out Bank of Bengal (1809), Bank of Bombay (1845) and Bank of Madras (1847) as self-reliant devices and known as its Presidency Banks. These 3 banks had been amalgamated in 1920 and Imperial Bank of India turned into what started out as exclusive buyers banks, typically Europeans buyers. During the major stage the improvement changed into distinctly intentional and banks likewise experienced occasional disappointments someplace in the variety of 1913 and 1948. There have been around 1100 banks, for the maximum component. To smooth out the operating and sports of useful banks the Government of India concocted The Banking Organizations Act, 1949 which turned into subsequently distinct to Banking Regulation Act 1949 in keeping with changing Act of 1965 (Act No.23 of 1965).

### PHASE II

Organization made big strides on this Indian Banking Sector Reform after freedom. In 1955, it nationalized Majestic Bank of India with boundless monetary offices for a large scope specially in U.S. and semi-metropolitan regions. Second duration of nationalization Indian Banking Sector Reform was executed in 1980 with seven extra banks. This step gave eighty% of the financial portion India below Government ownership. The succeeding are the way taken by using the Administration of India to Regulate Banking Institutes inside the Country: 1949: Portrayal of Banking Regulation Act.

1955: Nationalization of State Bank of India. 1959: Nationalization of SBI auxiliaries.

1961: Protection cowl stretched out to shops. 1969: Nationalization of 14 extensive banks. 1971: Making a credit score for sure Corporation.

1975: Creation of provincial united states of America banks.

1980: Nationalization of seven keeps money with shops extra than 2 hundred crore. After the nationalization of banks, the divisions of the general public region financial institution India added to commonly 800% up in stores and credits took an tremendous soar by eleven,000%. Banking in the daylight hours of Government possession gave the public certain self belief and colossal reality about the supportability of those institutions.

### PHASE III

This stage has satisfied a lot more gadgets and offices in the economic place in its changes measure. In 1991, under the chairmanship of M Narasimham, a council became an installation by means of his call which labored for the development of banking rehearses. The kingdom is beaten with unusual banks and their ATM stations. Endeavors are being positioned to present a practical assist to customers. Telephone banking and internet banking is supplied. The complete framework changed over extra helpful and short. The financial arrangement of India has plugged a whole lot of flexibility. It is advantaged from any emergency activated by any outdoor macroeconomics shock as different East Asian States endured. This is all because of a plastic conversation price machine, the surprising properties are high, the capital file isn't always yet absolutely convertible, and banks and their customers have restricted unusual communication openness. absolutely convertible, and banks and their customers have restricted unusual communication openness.





## CHAPTER 2: ORGANIZATIONAL PROFILE

MIT School of Distance Education (MITSDE) is an esteemed institution dedicated to providing quality distance education in various fields of study. Established under the flagship of the prestigious MIT Group of Institutions, MITSDE has been at the forefront of delivering industry-relevant education through distance learning programs. With a focus on flexibility, accessibility, and excellence, MITSDE aims to empower learners to achieve their educational and professional goals.

### Mission:

The mission of MITSDE is to provide affordable and flexible education through innovative distance learning methodologies. It strives to bridge the gap between academic knowledge and practical skills, enabling students to excel in their chosen fields and contribute to society.

### Accreditations and Recognitions:

MITSDE is recognized and accredited by several esteemed organizations, ensuring the quality and credibility of its programs. Some of its accreditations and recognitions include:

- Distance Education Council (DEC): MITSDE is approved by the Distance Education Bureau of the University Grants Commission (UGC) and is a member of DEC.

- All India Council for Technical Education (AICTE): MITSDE is recognized by AICTE, which ensures the quality and standards of its technical programs.

- Association of Indian Universities (AIU): MITSDE is a member of AIU, which validates the equivalence of its programs with traditional degrees.

### Programs Offered:

MITSDE offers a diverse range of distance learning programs across various disciplines, catering to the educational needs of working professionals, students, and individuals seeking career advancement. The programs include:

1. Postgraduate Diploma in Management (PGDM): Specializations in areas such as Marketing, Finance, Human Resource, Operations, IT, and Supply Chain Management.

2. Postgraduate Diploma in Business Administration (PGDBA): Specializations in Finance, Marketing, HR, Operations, and IT.

3. Postgraduate Diploma in Infrastructure Management (PGDIM): Focuses on the management of infrastructure projects, construction, and urban development.



## **BC OPERATION**

BC portfolio to witness healthy growth as overall banking credit growth recovers, MFI industry stabilizes and competition from SFBs reduces. Micro-lending through BCs have attracted banks due to several benefits such as: Meeting of PSL targets without any direct involvement of banks as loans are sourced by MFIs, who are in direct contact with the borrower. Better resource utilization for banks as rural branches get relieved from a significant part of low-ticket size micro-lending obligations. Improved portfolio quality - NBFC-MFIs have expertise in micro-lending as part of their core portfolio, unlike banks who primarily focus on industrial and other higher ticket-size lending.

## **Company's Accomplishments or Awards Received**

Winner of "Best NBFC-MFI Award" in 2017 & Runner-up for "CSR Initiatives & Business Responsibility Award" in NBFC-MFI category- CIMSME Banking and NBFC Awards 2016 "Client Protection Certificate" under the Smart Campaign – 2016 from M-CRIL Certificate for being the 'Best Micro Finance Company in India' from Worldwide Achievers at the Business Leaders' Summit and Awards, 2016 "India Iconic Name in Microfinance" Award- 2015 from IIBA. First MFI to receive funding from Mudra Bank. Raised multiple rounds of sub debt from reputed financial institutions (domestic and international) and ECB from World Business Capital. First NBFC-MFI to raise funds from a domestic bank against guarantee by Asian Development Bank and IFMR Capital.



4. Postgraduate Diploma in Project Management (PGDPM): Equips students with the skills to effectively manage and execute projects in various industries.

5. Postgraduate Diploma in Retail Management (PGDRM): Focuses on retail operations, merchandising, supply chain management, and customer relationship management.

6. Postgraduate Diploma in Financial Management (PGDFM): Concentrates on financial planning, analysis, investment, and risk management.

**Learning Methodology:**

MITSDE employs a robust and technology-driven learning methodology to ensure an engaging and interactive educational experience for its students. The key features of its learning approach include:

1. **Self-Learning Material:** MITSDE provides comprehensive study material in print and digital formats, enabling students to study at their own pace.
2. **Online Learning:** Leveraging advanced technologies, MITSDE offers online lectures, webinars, e-learning platforms, and interactive sessions to facilitate student-teacher interaction and collaborative learning.
3. **Industry-Relevant Curriculum:** The curriculum is designed to align with industry requirements and to impart practical skills and knowledge to students, ensuring their readiness for the professional world.
4. **Student Support:** MITSDE offers dedicated academic support to students through faculty interaction, doubt-solving sessions, online discussion forums, and personalized guidance.

**Conclusion:**

MIT School of Distance Education (MITSDE) stands as a prominent institution in the field of distance education, committed to providing quality programs and holistic learning experiences to students. With its strong emphasis on flexibility, industry relevance, and student support, MITSDE continues to empower learners, equipping them with the knowledge and skills needed to excel in their careers and contribute to society's growth.

It is contributing to the industrial, economic, and social growth of society for over a quarter of a century, Maharashtra Academy of Engineering Education and Research (MAEER)'s MIT Group of Institutions has helped realize the dreams and aspirations of thousands of students. The group has spread its wings across Maharashtra with campuses in Kothrud, Alandi, and Loni- Kalbhor within Pune, along with Latur, Talegaon, Ambejogai, and Pandharpur.



## **CHAPTER 3: PROJECT OBJECTIVES AND SCOPE**

### **OBJECTIVE OF STUDY**

The objectives of the report on "Name of Project Report" are as follows:

1. **Assess the level of awareness:** The report aims to determine the extent to which the people of Ahmedabad are aware of e-banking services. It seeks to identify the knowledge and understanding of different digital banking platforms and their functionalities among the respondents.
2. **Analyze adoption patterns:** The report aims to analyze the adoption patterns of e-banking among the people of Ahmedabad. It seeks to understand the extent to which individuals have embraced e-banking as a preferred mode of conducting financial transactions.
3. **Identify factors influencing adoption:** The report aims to identify the factors that influence the adoption or resistance towards e-banking in Ahmedabad. It seeks to explore the barriers and challenges individuals face when considering the use of e-banking services.
4. **Examine attitudes and perceptions:** The report aims to examine the attitudes, perceptions, and concerns of the people of Ahmedabad regarding e-banking. It seeks to understand their views on the security, reliability, and convenience of e-banking services.
5. **Investigate demographic influences:** The report aims to investigate how demographic factors, such as age, income level, and educational background, influence e-banking awareness and adoption. It seeks to identify any variations in attitudes and behaviors across different demographic segments.
6. **Provide recommendations:** Based on the findings of the study, the report aims to provide recommendations to enhance e-banking awareness and adoption in Ahmedabad. It seeks to suggest strategies that financial institutions and policymakers can implement to address barriers and promote the benefits of e-banking services.
7. **Contribute to the development of digital financial services:** By exploring e-banking awareness among the people of Ahmedabad, the report aims to contribute to the overall development of digital financial services in the city. It seeks to provide insights that can be used to enhance financial inclusion and drive economic growth.



## **MEANING OF RESEARCH**

Research refers to the systematic investigation and study conducted to gather information, analyze data, and gain insights about the level of awareness and understanding of e-banking among the people of Ahmedabad. Research in this report aims to explore and understand the knowledge, perceptions, attitudes, and behaviors of individuals in Ahmedabad regarding e-banking. It involves gathering relevant data, analyzing it using appropriate methods and techniques, and interpreting the findings to draw meaningful conclusions.

The purpose of the research in this report is to assess the current state of e-banking awareness among the people of Ahmedabad, identify any gaps or misconceptions, and provide insights and recommendations to enhance awareness and adoption of e-banking services.

The research process may involve various steps, such as:

1. **Defining the research objectives:** Clearly stating the specific goals and objectives of the research, such as understanding the level of e-banking awareness, identifying factors influencing adoption, or evaluating customer satisfaction with existing e-banking services.
2. **Designing the research methodology:** Determining the appropriate research design and methodology, which could include surveys, interviews, focus groups, or a combination of methods. Selecting a representative sample of participants from the population of Ahmedabad to gather data.





3. **Data collection:** Collecting primary data through surveys or interviews, or gathering secondary data from existing sources such as reports, studies, or literature related to e-banking awareness and usage.
4. **Data analysis:** Analyzing the collected data using statistical techniques, qualitative analysis, or other relevant methods to identify patterns, trends, and insights related to e-banking awareness and usage in Ahmedabad.
5. **Interpretation and conclusions:** Interpreting the findings based on the analysis and drawing meaningful conclusions about the level of e-banking awareness, identifying factors influencing awareness, usage patterns, challenges, and potential opportunities for improvement.
6. **Recommendations:** Providing recommendations based on the research findings to enhance e-banking awareness among the people of Ahmedabad. These recommendations could include awareness campaigns, educational initiatives, improvements in banking infrastructure, or targeted marketing strategies.

By conducting research, the report aims to contribute valuable insights and recommendations that can help stakeholders, such as banks, policymakers, and individuals, to enhance e-banking awareness and promote its benefits in Ahmedabad.



1. **Assessing Current Awareness Levels:** The study aims to evaluate the existing level of awareness among the people of Ahmedabad regarding e-banking services. This information is crucial to understanding the extent to which people are aware of the benefits, features, and availability of e-banking options in the region.
2. **Identifying Knowledge Gaps:** The study helps identify any gaps in knowledge or misconceptions about e-banking among the people of Ahmedabad. By understanding these gaps, the report can provide insights into areas where educational initiatives or awareness campaigns may be needed to address the specific concerns or misconceptions.
3. **Understanding Barriers to Adoption:** The research aims to identify the factors that hinder people from adopting e-banking services in Ahmedabad. This may include concerns related to security, lack of access to digital infrastructure, limited understanding of the technology, or cultural preferences for traditional banking methods. Understanding these barriers is crucial to developing strategies that can overcome them and promote wider e-banking adoption.
4. **Enhancing Financial Inclusion:** E-banking has the potential to improve financial inclusion by providing banking services to underserved populations. By assessing e-banking awareness among the people of Ahmedabad, the study can shed light on the extent to which different segments of the population, such as rural areas or marginalized communities, have access to and awareness of e-banking services. This can inform efforts to bridge the digital divide and promote financial inclusion.
5. **Informing Policy and Decision Making:** The findings of the study can be valuable for policymakers, financial institutions, and other stakeholders involved in promoting e-banking services in Ahmedabad. The insights gained from the research can help shape policies, design targeted awareness campaigns, and allocate resources effectively to improve e-banking adoption and usage.



4. **Adoption Analysis:** The report analyzes the adoption patterns of e-banking among the people of Ahmedabad. It seeks to understand the extent to which individuals have embraced e-banking as their preferred mode of conducting financial transactions.
5. **Factors Influencing Adoption:** The report investigates the factors that influence the adoption or resistance towards e-banking in Ahmedabad. It explores the barriers, concerns, and challenges faced by individuals when considering the use of e-banking services.
6. **Attitudes and Perceptions:** The report examines the attitudes, perceptions, and concerns of the people of Ahmedabad regarding e-banking. It aims to understand their views on the security, reliability, convenience, and benefits of e-banking services.
7. **Demographic Analysis:** The report explores how demographic factors, such as age, income level, and educational background, influence e-banking awareness and adoption among the people of Ahmedabad. It seeks to identify any variations in attitudes and behaviors across different demographic segments.
8. **Recommendations:** Based on the findings of the study, the report provides recommendations to enhance e-banking awareness and adoption in Ahmedabad. These recommendations are tailored to address the identified barriers and promote the benefits of e-banking services among the target audience.

The scope of the report is limited to the assessment of e-banking awareness and adoption among the people of Ahmedabad, providing insights and recommendations specific to this geographical area. The findings and recommendations may not be directly applicable to other cities or regions without further study.



6. **Improving Customer Experience:** Understanding the level of e-banking awareness and usage among the people of Ahmedabad can help financial institutions tailor their services to meet customer needs. The study can provide insights into the specific features, functionalities, or educational resources that can enhance the customer experience and drive higher satisfaction with e-banking services.

Overall, the study on e-banking awareness among the people of Ahmedabad is necessary to identify gaps, understand barriers, and develop strategies that can promote wider adoption of e-banking services. By addressing these needs, the report can contribute to the growth and development of e-banking in the region, improve financial literacy, and enhance the overall banking experience for individuals in Ahmedabad.

1. **Geographic Scope:** The report focuses specifically on the city of Ahmedabad, Gujarat, India. It aims to gather insights and analyze the e-banking awareness and adoption patterns among the people residing in Ahmedabad.
2. **Target Audience:** The primary target audience for this report is the stakeholders in the banking industry, including banks and financial institutions operating in Ahmedabad. It also caters to policymakers, researchers, and educators interested in understanding the level of e-banking awareness among the general population.
3. **Awareness Assessment:** The report aims to assess the level of awareness among individuals in Ahmedabad regarding e-banking services. It explores their knowledge, familiarity, and understanding of various digital banking platforms available to them.



## **TOOLS AND TECHNIQUES OF ANALYSIS**

The various tools and techniques of analysis to examine and interpret the collected data. Here are some commonly used tools and techniques:

- 1. Survey Questionnaires:** Designing and administering survey questionnaires can help gather quantitative data from a representative sample of individuals in Ahmedabad. The survey can include questions related to e-banking awareness, usage patterns, preferences, and satisfaction levels. Statistical analysis can be applied to analyze the survey responses, such as calculating percentages, averages, correlations, and conducting inferential analysis.
- 2. Interviews:** Conducting structured or semi-structured interviews with selected participants can provide qualitative insights into their experiences, perceptions, and attitudes towards e-banking. Thematic analysis or content analysis can be employed to identify recurring themes, patterns, and narratives within the interview data.
- 3. Focus Groups:** Organizing focus group discussions with small groups of individuals can facilitate interactive discussions and generate in-depth insights into e-banking awareness and perceptions. The data from focus groups can be transcribed, coded, and thematically analyzed to identify key themes and perspectives.
- 4. Data Visualization:** Presenting the findings through visual representations, such as charts, graphs, and diagrams, can make complex data more accessible and understandable. Visualizations can help illustrate trends, patterns, and comparisons in e-banking awareness and usage among different segments of the population.
- 5. Statistical Analysis:** Utilizing statistical analysis techniques, such as descriptive statistics, chi-square tests, t-tests, or regression analysis, can provide quantitative insights into the relationship between variables and identify factors influencing e-banking awareness and adoption. Statistical software like SPSS, Excel, or R can be used for data analysis.
- 6. Comparative Analysis:** Comparing the findings of the study with existing research, industry reports, or national-level data on e-banking awareness and adoption can provide contextual insights. This analysis can help identify how the e-banking landscape in Ahmedabad compares to other regions or national averages.



7. **Content Analysis:** Analyzing relevant documents, reports, websites, and social media content related to e-banking awareness and activities in Ahmedabad can provide additional insights. Content analysis techniques can be applied to identify common themes, sentiments, and emerging trends in the discourse around e-banking.

8. **Qualitative Coding:** Applying coding techniques to qualitative data, such as interview transcripts or focus group discussions, can help categorize and analyze the data systematically. This process involves assigning labels or codes to different segments of the data, identifying recurring patterns, and extracting meaningful insights.

The selection of specific tools and techniques of analysis will depend on the research objectives, the nature of the data collected, and the available resources. Using a combination of quantitative and qualitative analysis methods can provide a comprehensive understanding of e-banking awareness among the people of Ahmedabad.



While conducting a study on "E-Banking Awareness Among People at Ahmedabad," it is important to acknowledge certain limitations that may impact the research and its findings. Some potential limitations of the study could include:

- 1. Sample Size and Representation:** The study's findings may be influenced by the size and representativeness of the sample. If the sample size is small or not diverse enough, it may not accurately reflect the overall population of Ahmedabad. This could affect the generalizability of the findings to the entire population.
- 2. Self-Reported Data:** The study may rely on self-reported data obtained through surveys or interviews. This type of data is subjective and could be subject to biases, memory recall issues, or social desirability bias. Participants may provide responses that they perceive as more socially acceptable or desirable, potentially affecting the accuracy of the findings.
- 3. Non-Response Bias:** There is a possibility of non-response bias, where certain individuals or groups may be less likely to participate in the study. This could introduce bias and affect the representativeness of the sample.
- 4. Limited Scope:** The study's scope may be limited to assessing awareness and adoption of e-banking without exploring other relevant factors that could influence individuals' attitudes and behaviors. Factors such as cultural norms, personal preferences, or individual circumstances may not be thoroughly examined, potentially limiting the depth of understanding.
- 5. Time Constraints:** The study's timeframe may impose constraints on data collection and analysis. This could limit the ability to capture changes in awareness and adoption levels over an extended period or account for potential fluctuations due to external factors.
- 6. Lack of Control:** As a non-experimental study, there may be limitations in controlling external variables that could impact e-banking awareness and adoption. Factors such as media influence, marketing campaigns, or economic conditions may have an impact that cannot be directly controlled or measured.



7. Potential Response Bias: The study's findings may be influenced by response bias if participants provide answers they believe researchers expect or if they have a vested interest in promoting or downplaying e-banking awareness. It is important to acknowledge and address these limitations when interpreting the findings of the study. While efforts are made to mitigate these limitations, they should be taken into account to provide a comprehensive and accurate understanding of e-banking awareness among the people of Ahmedabad.

Time Constraints.

- Customer satisfaction of a particular bank has not been dictated.
- Security and privacy aspects are major issues in the E-banking transaction. Various sites are not properly locked to ensure whether customer's money is safe in the cyber world or not.





## **HISTORY OF E-BANKING**

The history of e-banking traces back to the advent of computers and the internet, which revolutionized the way financial transactions are conducted. The development of e-banking can be understood through the following key milestones:

1970s and 1980s:

- The emergence of automated teller machines (ATMs): ATMs were introduced in the 1970s, enabling customers to withdraw cash, check their account balances, and perform other basic transactions outside of banking hours.
- Telebanking: Banks started offering telebanking services, allowing customers to access account information and perform limited transactions using telephones.

1990s:

- Online banking: With the widespread availability of the internet, banks began offering online banking services in the mid-1990s. Customers could access their accounts, check balances, transfer funds, and pay bills through secure online portals.
- Secure Socket Layer (SSL) technology: SSL technology was developed, ensuring secure encryption and data transmission for online banking transactions.
- First online-only banks: The 1990s saw the establishment of the first online-only banks, such as Security First Network Bank (SFNB) and Wells Fargo's Online Financial Services.

Early 2000s:

- Mobile banking: As mobile technology advanced, banks started offering mobile banking services, allowing customers to access their accounts and perform transactions through mobile devices.
- Introduction of payment systems: Online payment systems like PayPal gained popularity, providing a convenient way for individuals to make online purchases and transfer money electronically.
- Expansion of services: Banks expanded their online offerings to include features like electronic statements, online loan applications, and investment management tools.

Recent Developments:



- Mobile banking applications: Banks developed dedicated mobile applications, offering enhanced functionality and a user-friendly interface for customers to manage their accounts on smartphones and tablets.
- Digital wallets: The introduction of digital wallets, such as Apple Pay, Google Pay, and Samsung Pay, provided users with the ability to store payment card information securely and make contactless payments using their mobile devices.
- FinTech innovation: The rise of financial technology (FinTech) companies has brought innovative solutions to e-banking, such as peer-to-peer lending platforms, digital currencies, and robo-advisors, further transforming the banking landscape.

The antecedent for the continuing domestic internet-based financial services were the briskness banking services over electronic media from the mid-1980s. During this time, the term "online" gained popularity and referred to the use of a terminal, keyboard, and TV (or display) to access the financial system using a telephone line.

In 1980, online services began in New York when four of the city's major banks, including Citibank, Chase Manhattan, Chemical, and Constructors Hanover, introduced home banking services utilizing the videotext system. However, the popularity of these financial offices declined with the demise of videotext, except in France where the use of videotext (Mintel) was supported by the telecom provider, and the United Kingdom, where the Prestel system was utilized.



The United Kingdom saw notable advancements in home-based online financial services with the establishment of such services by the Nottingham Building Society (NBS) in 1983. The system employed the UK's Prestel framework and utilized a computer, such as the BBC Micro, or a keyboard (Tan data Td1400) connected to the telephone system and television. This system, known as "Home Connection," allowed online review of statements, bank transfers, and bill payments.

To initiate bank transfers and bill payments, a written instruction providing details of the intended recipient had to be sent to the NBS, who would input the information into the Home Connection system. Typical recipients included gas, electricity, and telephone companies, as well as other banks. Details of the payments to be made were entered into the NBS system via the file described through Prestel. A check was then sent by NBS to the payee, and an instruction containing payment details was sent to the account holder. BACS (Bankers' Automated Clearing Services) was eventually used to directly process the payment.

In summary, e-banking has evolved from basic telebanking and online banking services to encompass a wide range of digital platforms and features. Technological advancements, increasing internet penetration, and changing consumer preferences have shaped the history of e-banking, leading to greater convenience, accessibility, and efficiency in financial transactions. Understanding this history provides context for assessing e-banking awareness among the people of Ahmedabad and their engagement with digital banking services.



E-banking, also known as electronic banking or online banking, has emerged as a transformative force in the financial industry. With the rapid advancement of technology and the widespread availability of the internet, e-banking has revolutionized the way individuals and businesses conduct their financial transactions and interact with their banks. This introduction aims to provide an overview of e-banking, highlighting its key features, benefits, and impact on the banking landscape.

1. **Definition and Features:** Start by defining e-banking as the provision of banking services through electronic channels. Explain that it enables customers to access and manage their bank accounts, make transactions, and utilize various financial services through online platforms, mobile applications, and automated systems. Discuss the key features of e-banking, such as 24/7 availability, convenience, secure transactions, and real-time access to account information.

2. **Evolution and Adoption:** Provide a brief historical background on the evolution of e-banking. Discuss how technological advancements, such as the internet, mobile devices, and secure encryption protocols, have paved the way for the development and widespread adoption of e-banking services. Highlight the increasing popularity of e-banking globally and the shift towards digital banking solutions as customers seek convenience, speed, and enhanced financial management tools.



3. **Benefits and Advantages:** Outline the benefits that e-banking offers to individuals and businesses. Explain how e-banking enables customers to perform a wide range of transactions, including fund transfers, bill payments, loan applications, and account monitoring, from the comfort of their homes or on the go. Discuss the advantages of e-banking, such as time savings, cost-effectiveness, enhanced financial control, and access to a broader range of financial products and services.
4. **Security and Trust:** Address concerns related to security and privacy in e-banking. Explain how banks employ robust security measures, including encryption protocols, secure login procedures, and multi-factor authentication, to protect customer data and prevent unauthorized access. Discuss the importance of user education in maintaining online security and building trust in e-banking services.
5. **Impact on Banking Industry:** Discuss the transformative impact of e-banking on the banking industry. Explain how e-banking has reshaped traditional banking practices, leading to the closure of physical branches and the rise of digital-only banks. Highlight the cost efficiencies and operational advantages that e-banking brings to financial institutions, such as streamlined processes, reduced overheads, and broader market reach.
6. **Future Trends:** Touch upon emerging trends and future prospects for e-banking. Discuss the potential of technologies like artificial intelligence, blockchain, and biometrics to further enhance security, personalization, and customer experience in e-banking. Highlight the ongoing digitization efforts in the banking sector and the role of e-banking in fostering financial inclusion and bridging the digital divide.



In conclusion, e-banking has transformed the way individuals and businesses interact with their banks, offering convenience, efficiency, and a wide range of financial services at their fingertips. Understanding the evolution, benefits, and impact of e-banking sets the stage for further exploration of specific aspects, such as e-banking awareness among specific populations like the people of Ahmedabad, and provides insights into the challenges and opportunities that lie ahead for the banking industry in the digital age.

E-banking, also known as electronic banking or online banking, refers to the provision of banking services and transactions conducted over electronic platforms such as the Internet or mobile devices. It allows customers to access and manage their bank accounts, perform various financial transactions, and avail banking services without the need to physically visit a brick-and-mortar bank branch.

E-banking offers a wide range of services that include:

1. **Account Management:** Users can view their account balances, transaction history, and account details online. They can also update personal information, such as contact details and mailing addresses, through the electronic banking platform.
2. **Fund Transfers:** Customers can transfer funds between their own accounts, as well as to other accounts within the same bank or different financial institutions. Funds can be transferred electronically, enabling convenient and fast transactions.



3. **Bill Payments:** E-banking allows customers to pay their bills electronically, including utility bills, credit card bills, loan payments, and other recurring payments. Payments can be scheduled, automated, or made as one-time transactions, saving time and providing flexibility.
4. **Online Statements:** Instead of receiving paper statements, customers can access and view their account statements electronically. These e-statements provide a record of transactions, balances, and other account-related information.
5. **Mobile Banking:** Many banks offer mobile banking applications that allow customers to access banking services through their smartphones or tablets. Mobile banking offers similar functionalities as online banking and provides the convenience of banking on the go.
6. **Remote Check Deposits:** Some e-banking platforms enable customers to deposit checks remotely by capturing check images using their mobile devices and submitting them electronically to the bank for processing.
7. **Investment and Trading Services:** E-banking often provides customers with access to investment services, including buying and selling stocks, bonds, mutual funds, and other investment products. Customers can manage their investment portfolios and track market trends through the online platform.
8. **Loan Applications:** Customers can apply for loans, such as personal loans or mortgages, through the e-banking platform. The application process can be completed online, and customers can track the progress of their loan applications.



E-banking offers convenience, flexibility, and 24/7 accessibility to banking services. It eliminates the need for physical visits to bank branches, allowing customers to perform various financial transactions and access account information from anywhere with an internet connection. It also enhances security through encryption, authentication protocols, and advanced security measures to protect customer data and transactions..

Here are some key ways e-banking can make your financial management more convenient and efficient:

- 1. 24/7 Accessibility:** With e-banking, you have round-the-clock access to your bank accounts and financial services. You no longer have to worry about adhering to traditional banking hours or visiting physical branches. Whether it's early morning or late at night, you can conveniently manage your finances, check balances, and make transactions from the comfort of your home or on the go.
- 2. Convenient Account Management:** E-banking allows you to view and manage all your accounts in one place. Through a user-friendly online banking portal or mobile application, you can monitor your balances, review transaction history, and track your expenses effortlessly. This convenience helps you stay organized and in control of your finances.
- 3. Online Fund Transfers:** E-banking simplifies fund transfers between your own accounts or to other beneficiaries. You can easily initiate transfers to pay bills, send money to friends or family, or make investments. The process is quick, secure, and eliminates the need for writing checks or visiting physical bank branches, saving you time and effort.
- 4. Bill Payments:** E-banking offers a convenient platform to pay bills online. You can set up recurring payments for regular bills like utilities, rent, or mortgage, and even schedule one-time payments for various services. This eliminates the hassle of writing checks, queuing at payment centers, or worrying about missed deadlines. You can track and manage your payments conveniently, ensuring timely settlement of your bills.
- 5. Mobile Banking:** With the advent of mobile applications, e-banking has become even more accessible and user-friendly. Mobile banking apps allow you to perform financial transactions on your smartphone or tablet, giving you the freedom to bank anytime and anywhere. From depositing checks to transferring funds, mobile banking puts banking services at your fingertips, making your life more convenient and efficient.





6. **Enhanced Security Measures:** E-banking systems employ robust security measures to protect your financial information and transactions. Encryption technologies, secure login procedures, and multi-factor authentication provide layers of protection against unauthorized access and fraud. This gives you peace of mind, knowing that your financial transactions are conducted in a secure environment.

7. **Financial Planning and Budgeting Tools:** Many e-banking platforms provide tools and features that help you manage your finances effectively. You can set budgeting goals, track spending patterns, and receive personalized insights into your financial habits. These tools enable you to make informed decisions, save money, and plan for your financial future more efficiently.

In summary, e-banking offers convenience, accessibility, and a wide range of financial services that can greatly ease your life. With 24/7 accessibility, convenient account management, online fund transfers, bill payment options, mobile banking, enhanced security measures, and financial planning tools, e-banking empowers you to take control of your finances and conduct transactions with ease, saving you time and providing flexibility in managing your financial affairs.



## **DIAGRAM OF E-BANKING SYSTEM- E-COMMERCE**

Conducting business through electronic networks

I.

### **E-FINANCE E-MONEY**

Providing financial services Stored value or prepaid through electronic channels payment mechanism

I.

**E-Banking Other Financial Services And Products** Providing banking products Insurance, online, brokering, etc. and services through electronic

I.

Internet Banking Telephone Banking Other Electronic Delivery Channels

## **INTERNET BANKING V/S TRADITIONAL BANKING**

In frightfulness of such infinite offices that Internet banking offers us, we virtually seem to believe in our traditional method for banking and are hesitant to make use of web primarily based banking. Be that as it may, there are not many conditions in which Internet banking will go out to be a superior choice regarding putting apart your coins.



'Stop installment' achieved via Internet banking might not cost any extra prices however whilst done via the branch, the financial institution would possibly charge you PRs 50 for every take a look at similarly to the assist rate. Through Internet banking, you can genuinely have a look at your exchanges every time of the day, and however in many instance as you want to. Then once more, in a traditional approach, you get quarterly factors from the bank and on the off chance that you call for an announcement at your necessary time, it'd become a high-priced assignment. The branch would possibly charge you Rs 25 for each page, which incorporates simply 30 exchanges. Also, the financial institution office could require eight days to convey it extremely near home. In the event that the asset move must be made outstation, where the bank does not have a department, the bank might request outstation expenses. While with the help of web primarily based banking, it'll be absolutely unfastened for you. According to the Internet and Mobile Association of India's file on web based total banking 2006, "There are many advantages of web primarily based banking. It is helpful that it isn't restricted by way of purposeful timings, there are no topographical barriers and the administrations may be provided at a miniscule price."

Internet banking and traditional banking are two distinct approaches to providing financial services. Here's a comparison between the two:

1. **Accessibility:** Internet banking allows customers to access their accounts and perform banking transactions anytime and anywhere with an internet connection. Traditional banking requires customers to physically visit bank branches during specified hours of operation.
2. **Convenience:** Internet banking offers convenience as customers can conduct transactions, check balances, and manage accounts from the comfort of their homes or on-the-go using mobile devices. Traditional banking may involve waiting in queues, filling out paperwork, and adhering to branch operating hours.
3. **Transaction Speed:** Internet banking facilitates faster transactions compared to traditional banking. Funds transfers, bill payments, and account updates can be processed in real-time or within a few minutes online. In traditional banking, transactions may take longer due to manual processing and administrative procedures.
4. **Services Offered:** Internet banking provides a wide range of services including account management, fund transfers, bill payments, loan applications, and investment services. Traditional banking offers similar services, but customers typically need to visit the branch or interact with bank representatives to access them.
5. **Personal Interaction:** Traditional banking allows for face-to-face interaction with bank staff, enabling customers to discuss their financial needs, seek advice, and build relationships. Internet banking lacks the personal touch of traditional banking, although customer support through online chat, email, or phone is often available.
6. **Security:** Internet banking relies on advanced security measures such as encryption, two-factor authentication, and secure networks to protect customer data and transactions. Traditional banking relies on physical security measures within bank premises. Both approaches require customers to practice caution and safeguard their personal information.
7. **Cost:** Internet banking can be cost-effective for both banks and customers. Banks can reduce overhead costs associated with maintaining physical branches, and customers can save on travel expenses. Traditional banking may involve additional fees for certain transactions or services.

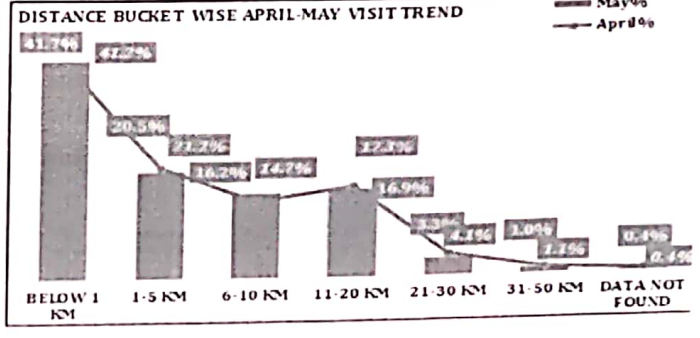
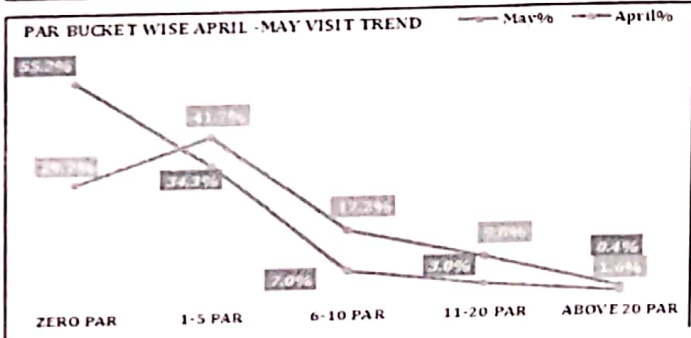
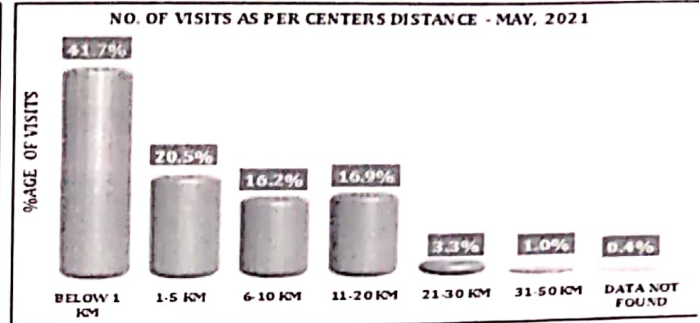
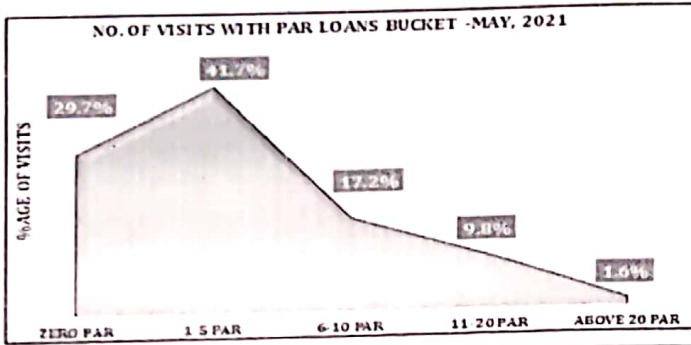


8. Financial Inclusion: Internet banking has the potential to improve financial inclusion by providing banking services to individuals who may have limited access to physical bank branches, such as those in rural areas. Traditional banking may be more accessible in regions with well-established banking infrastructure.

It's important to note that while internet banking offers convenience and accessibility, traditional banking still plays a crucial role for customers who prefer personal interactions, require specialized services, or have limited access to technology. Many individuals and businesses may choose a combination of both approaches based on their needs and preferences.

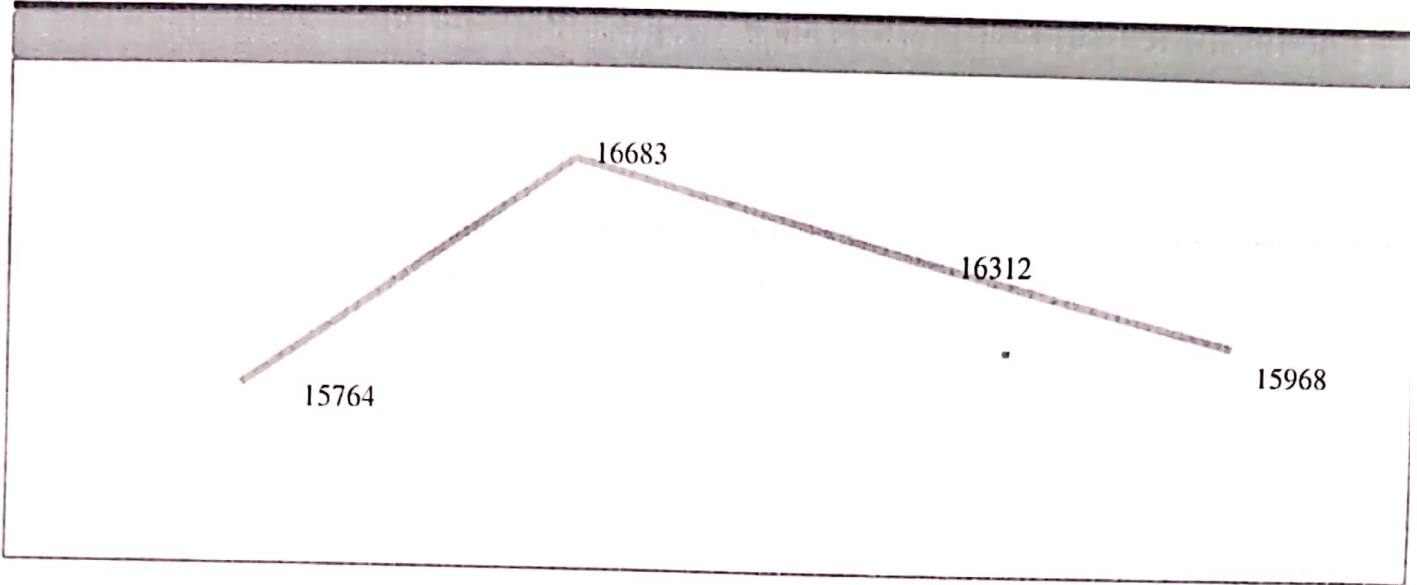
1. The Simple Level Service is the banks' websites which disperse information on numerous gadgets and administrations proposed to customers and individuals from public universities. It might get and solution to client's questions via electronic mail;

2. To a higher degree are Humble Transactional Web destinations which allows customers to provide their recommendations, packages for various administrations, questions in their document adjusts, and so forth however provide no asset prepared exchanges with appreciation to their records; three. The 0.33 degree of Internet banking management are supplied by Completely Transactional Web destinations which permit the clients to paint on their data for pass of belongings, installment of various bills, shopping for distinct effects of the bank and to execute purchase and provide of protections, and so on. The above varieties of Internet banking administration the consumer or by using new banks who carry banking management essentially thru Internet or different digital association channels as the worth brought administrations. An element of those banks are referred to as 'Virtual' banks or 'Web just' banks and might not have real presence in that frame of thought regardless of imparting one of a kind financial administrations.





### Total PAR Client



Nov-23

Dec-23

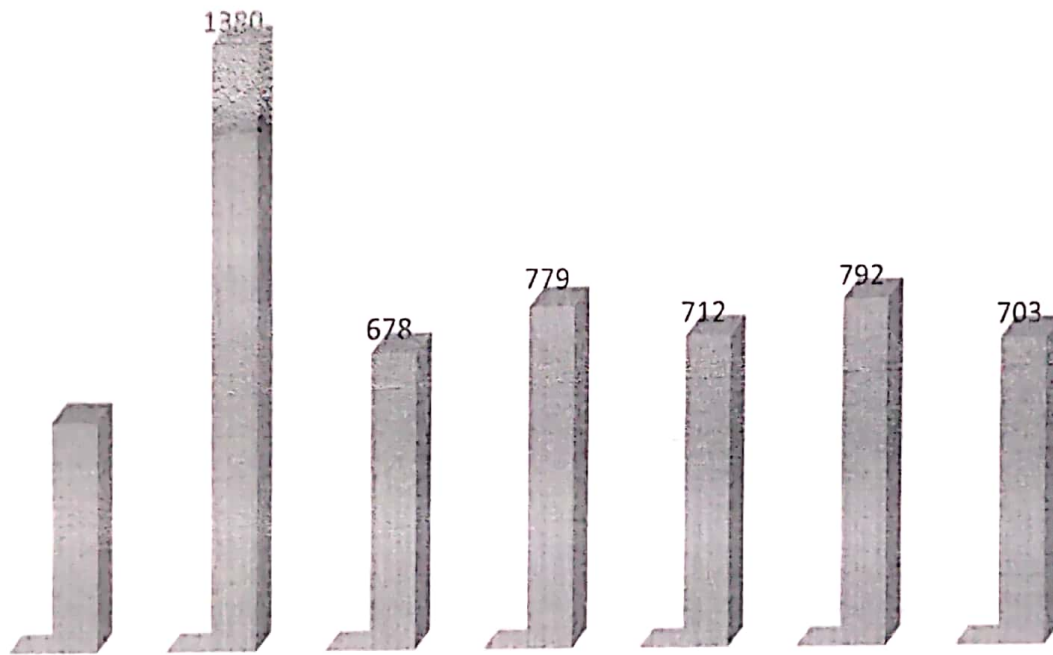
Jan-24

Feb-24





## High Risk PAR Branch



822	1652	1057	862	912
RAJGANGPUR SAMBALPUR	KUCHINDA SAMBALPUR	ATTHAMALIK SAMBALPUR	KANIHA SAMBALPUR	JALESWAR BHADRAK



## Company Introduction

Satin Credit care Network Limited is a non-banking finance company (NBFC), licensed by the Reserve Bank of India. It was founded in 1990 by Mr. H P Singh. The company's offers financial requirements for excluded households at the bottom of the pyramid. Satin Credit care Network Limited is a micro-finance institution (MFI) in the country with presence in 22 states and more than 82,000 villages.

The company launched its operations as a provider of individual and small business loans and savings services to urban lenders in 1990, going on to be registered as an NBFC with the RBI in 1998 and converting into an NBFC MFI in November 2013. Founded by HP Singh who has over three decades of micro-finance experience.

In 2017, company incorporated a wholly owned Housing Finance subsidiary with the aim of providing financing in the affordable housing segment and leveraging rural outreach. In January 2019, company received separate NBFC license to commence MSME business "Satin Fiserv Limited". SATIN forayed in digital lending "Loan products As of March 2019, SCNL had 1,168 branches and a headcount of 11,940 across 22 states and union territories serving 35 lakh clients. Satin Credit care maintains a focus on rural and semi-urban areas.





## **OBJECTIVES AND SCOPE OF FINANCE MANAGEMENT**

1. State the meaning, importance and scope of financial management in an entity.
2. Discuss Financing decisions/functions.
4. Discuss the objectives of financial management: Profit maximization & Wealth maximization.
5. Discuss Shareholders' value maximizing approach.
6. Examine the role and functions of Finance executives in an entity.
7. Discuss Financial distress and insolvency.
8. Discuss Agency cost and its mitigation.
9. Discuss Agency problem and Agency cost.

## **SCOPE OF FINANCIAL MANAGEMENT**

As an integral part of the overall management, financial management is mainly concerned with acquisition and use of funds by an organization. Based on financial management guru Ezra Solomon's concept of financial management, following aspects are taken up in detail under the study of financial management:

The scope of financial management has undergone changes over the years. Until the middle of this century, its scope was limited to procurement of funds under major events in the life of the enterprise such as promotion, expansion, merger, etc. In the modern times, the financial management includes besides procurement of funds, the three different kinds of decisions as well namely investment, financing and dividend. All the three types of decisions would be dealt in detail during the course of this chapter.

The given figure depicts the overview of the scope and functions of financial management. It also gives the interrelation between the market value, financial decisions and risk return trade off. The finance manager, in a bid to maximize shareholders' wealth, should strive to maximize returns in



relation to the given risk; he should seek courses of actions that avoid unnecessary risks. To ensure maximum return, funds flowing in and out of the firm should be constantly monitored to assure that they are safeguarded and properly utilized.

## OBJECTIVES OF FINANCIAL MANAGEMENT

Efficient financial management requires the existence of some objectives or goals because judgment as to whether or not a financial decision is efficient must be made in the light of some objective.

Although various objectives are possible but we assume two objectives of financial management for elaborate discussion. It has traditionally been argued that the primary objective of a company is to earn profit; hence the objective of financial management is also profit maximization. This implies that the finance manager has to make his decisions in a manner so that the profits of the concern are maximized. Each alternative, therefore, is to be seen as to whether or not it gives maximum profit.

However, profit maximization cannot be the sole objective of a company. It is at best a limited objective. If profit is given undue importance, a number of problems can

arise. Some of these have been discussed below:

The term profit is vague. It does not clarify what exactly it means. It conveys a different meaning to different people. For example, profit may be in short term or long. Profit maximization has to be attempted with a realization of risks involved. There is a direct relationship between risk and profit. Many risky propositions yield high profit. Higher the risk, higher is the practice, however, risk is very important consideration and has to be balanced with the profit objective.

Profit maximization as an objective does not take into account the time pattern of returns. Proposal A may give a higher amount of profits as compared to proposal B, yet if the returns of proposal A begin to flow say 10 years later, proposal B may be preferred which may have lower overall profit but the returns flow is more early and quick practices. If these factors are ignored, a company cannot survive for long. Profit maximization at the cost of social and moral obligations is a short sighted policy. Another key consideration in choosing the source of new business finance is to strike a balance between equity and debt to ensure the funding structure suits the business. Let us discuss some of the sources of funds.

**Equity:** The funds raised by the issue of equity shares are the best from the risk point of view for the firm, since there is no question of repayment of equity capital except when the firm is under liquidation. From the cost point of view, however, equity capital is usually the most expensive source of funds. This is because the dividend expectations of shareholders are normally higher than prevalent interest rate and also because dividends are an appropriation of profit, not allowed as an expense under the Income Tax Act. Also the issue of new shares to public may dilute the control of the existing shareholders.



**Debentures:** Debentures as a source of funds are comparatively cheaper than the shares because of their tax advantage. The interest the company pays on a debenture is free of tax, unlike a dividend payment which is made from the taxed profits. However, even when times are hard, interest on debenture loans must be paid whereas dividends need not be. However, debentures entail a high degree of risk since they have to be repaid as per the terms of agreement. Also, the interest payment has to be made whether or not the company makes profits.

**Funding from Banks:** Commercial Banks play an important role in funding of the business enterprises. Apart from supporting businesses in their routine activities (deposits, payments etc) they play an important role in meeting the long term and short term needs of a business enterprise.

Different lending services provided by Commercial Banks are depicted as follows: -

**International Funding:** Funding today is not limited to domestic market. With liberalization and globalization, a business enterprise has options to raise capital from International markets also.

Foreign Direct Investment (FDI) and Foreign Institutional Investors (FII) are two major routes for raising funds from foreign sources besides ADR's (American depository receipts) and GDR's (Global depository receipts). Obviously, the mechanism of procurement of funds has to be modified in the light of the requirements of foreign investors.

**Effective Utilization of funds:** The finance manager is also responsible for effective utilization of funds. He has to point out situations where the funds are being kept idle or where proper use of funds is not being made. All the funds are procured at a certain cost and after entailing a certain amount of risk. If these funds are not utilized in the manner so that they generate an income higher than the cost of procuring them, there is no point in running the business. Hence, it is crucial to employ the funds properly and profitably. Some of the aspects of funds utilization are:-

**Utilization for Fixed Assets:** The funds are to be invested in the manner so that the company can produce at its optimum level without endangering its financial solvency. For this, the finance manager would be required to possess sound knowledge of techniques of capital budgeting.

**Utilization for Working Capital:** The finance manager must also keep in view the need for adequate working capital and ensure that while the firms enjoy an optimum level of working capital they do not keep too much funds blocked in inventories, book debts, cash etc.



## Core operations (MFI Lending)

Increase penetration in existing states – through existing branches and by establishing new branches across Northern, Eastern and Central India. Expand operations to new geographies. Started operations in Assam and Orissa in Q1FY19 and Q2FY20 respectively. Focus on improving collections and GLP growth momentum. TSL seeks to enter into arrangements with various other banks and financial institutions to scale the business correspondent and allied services business. PAR and Expected Credit Loss (ECL) methodology prescribed in IND AS is based on the principle of providing for expected future losses, rather than incurred losses. Expected Credit Loss (ECL): Probability of credit losses over the expected life of the financial asset. The pandemic situation customer delay repayment to the EMI of loan.

## BRANCH VISIT OBSERVATION & FINDING

1. EMI pocketing by staff without any receipt & loan card entry.
2. Pre-close amount, LF & IF amount misappropriation by staff.
3. CGT & GRT process skip & customer selection criteria the major concern.
4. Group create by Ringleader support & 3<sup>rd</sup> person involvement.
5. Center distance more than 30km from branch place. CSO induction was not held before join at branch. Low monitoring to PAR center by BM & TM site.
6. Closing Cash hold approval irregularity the major concern.
7. Locker key management, Cash book & collection register maintain the major concern. Nominee signature manipulation.
8. Loan documents upkeep with proper fill-up the major concern.

## Conclusion

Focus on Product Portfolio Business for Future Despite Demonetization Started HFC from April 2017 – Focus to be on monetization of rural assets MSME is scaling up well with focus on portfolio quality. Recent tie up with a large NBFC – Access to a significantly larger balance sheet (c. 3% equity stake in the form of OCRPS). With this strategic tie-up, product portfolio will expand to products other than microfinance. Disbursement has returned to pre demonetization levels. Q1FY18 and Q2FY18 average monthly disbursements of Rs 3,832 mn and Rs 3,973 mn respectively<sup>(1),(2)</sup>. Reduced the mix of monthly collections in our AUM to less than 20%. All fresh JLG disbursement is Bi-weekly.



## **Technology revamp leading to operational efficiencies**

Saved significant cost by building technology in-house vs. buying off-the-shelf Digital transformation implemented across all branches in less than 3 months (From 21 Apr'17 to 03 Jul'17) Real time reporting and decision making Complete last mile connectivity across all branches and up to each loan officer All loan officers have TABs with data connectivity Cost to income reduced to 53.4% in Q2FY18 from 72.32% in FY17<sup>(2)</sup> due to operational efficiencies Now loan disbursement done by cash less.

## **Geographic Expansion**

Started operations in two more states post demonetization Assam in Q1FY18 and Orissa in Q2FY18 Opened 136 new branches between Sep'16 and Sep'17 of which 62 branches have been started in 1HFY18.

## **Investor Confidence and Promoter Commitment**

During the current financial year, Satin has raised:

Rs. 643 mn equity via pref. allotment from ADB (Apr'17) Rs. 300 mn equity from promoters (Apr'17) Rs. 350 mn via OCRPS from a large NBFC (Aug'17)  
Rs. 1,848 mn via securitization in  
1HFY18 Rs. 1,500 mn equity capital via  
QIP (Oct'17)

## **KEY GROWTH DRIVERS**

Thrust on low ticket housing with Govt. initiatives like 'Housing for All' to boost growth and help increase share Pradhan Mantri Awas Yojana – Credit linked subsidy scheme: Subsidy to be provided on home loans taken by eligible urban population Revision of interest spread cap to 3.5% for Rural Housing Fund (RHF) Lower risk-weights and higher LTV for low ticket loans to boost disbursements LTV on loans between Rs 30-75L increased to 80% from 75% and risk weights reduced to 35% from



50% Infra status to affordable housing companies to push more developers to enter this sector Urbanization to increase at a CAGR of 2.0-2.5% between 2017-2022.

## **Interpretation**

Microfinance refers to small scale financial services for both credit and deposit-that are provided to people who farm or fish or herd; operate small or microenterprises where goods are produced, recycled, repaired or traded; provide services; work for wages or commissions; gain income from renting out small amount of land, vehicle, draft animals, or machinery and tools; and to other individuals and local groups in developing countries in both rural and urban areas". The history of micro financing can be traced back as far as the middle of the 1800s, when the theorist Lysander Spooner was writing about the benefits of small credits to entrepreneurs and farmers as a way of getting the people out of poverty. Independently of Spooner, Friedrich Wilhelm Raiffeisen founded the first cooperative lending banks to support farmers in rural Germany. A group of Indian women have assembled to make bamboo products that they intend to resell. Two women talk about financial matters. The woman on the right is a loan officer for the Small Enterprise Foundation (SEF). The conversation shown is taking place in Tzaneen, South Africa in February 2010. The system of microfinance was introduced about 28 years back with an organization of Grameen Bank in Bangladesh by a famous economist Prof. Mohammed Yunus. He was starting and shaping the modern industry of micro financing. He observed that most villagers were unable to obtain credit at reasonable rates.

In India, the National Bank for Agriculture and Rural Development (NABARD) took this idea and started the concept of microfinance in India. Under this mechanism, there exists a link between SHGs (Self-help groups), NGOs and banks. SHGs are formed and nurtured by NGOs and only after accomplishing a certain level of maturity in terms of their internal thrift and credit operations are they entitled to seek credit from the banks. It provides poor people with the means to find their own way out of poverty. During the current year, microfinance has registered an impressive expansion at the grass root level.

## **Types of MFIs**

Domestic Commercial Banks including Public Sector, Private Sector and Local

Banks Regional Rural Banks

Co-operative Banks

Co-operative

societies Registered

NBFCs

Unregistered

NBFCs

Others include Societies and Trusts



**SHG – Bank Linkage Programmed (SBLP):** The SBL model is a home grown model of microfinance in India which was conceptualized and initiated by NABARD in 1996, when it launched nation-wide pilot projects to link the existing SHGs with banks. 12-15 people form a group and start an account with a bank. They start to build up internal funds through thrift and savings. Once this reaches a substantial level, they begin borrowing from the bank. This model involves the SHGs financed directly by the banks viz., CBs (Public Sector and Private Sector), RRBs and Cooperative Banks.

**MFI – Bank Linkage Programmed (MLP):** Micro Finance Institutions (MFIs) act as an important conduit for extending financial services to the sector in the country by raising resources from Banks and other institutions and extending loans to JLG / members. This model covers financing of Micro Finance Institutions (MFIs) by banking agencies for on-lending to SHGs and other small borrowers. MFIs are of different legal entities viz.

NGO MFIs - registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1880.

Cooperative MFIs - registered under the State Cooperative Societies Act or mutually aided Cooperative Societies Act or Multi State Cooperative Societies Act.

NBFC MFIs incorporated under Section 25 of Companies Act, 1956.

NBFC MFIs incorporated under the Companies Act, 1956 and registered with RBI.



## OBJECTIVES OF THE STUDY

To analyze the progress of SHG and MFI bank linkage programmed. To study out agency wise detail of loan to MFI.

To study out Advantages of Micro Finances Institutions.

**25,120** Centers were covered in Total **28,226** SCVs in April Month.

Maximum Visits (**55.2%**) done at Centers having **0 PAR LOANS** & **34.3%** Visits done at Centers having **1-5 PAR LOANS**.

**41.2%** of total Visits done at Centers having distance < **1KM** from Branch.

**Lowest No. of Visits** done at centers having more than **20 PAR LOANS**.

## Annexures

Strategic tie up with large NBFC to distribute its non-MFI financial products across the branch network of Satin Focus on non-microfinance products as a part of the strategic tie-up





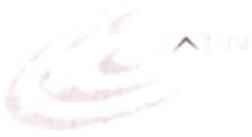
In conclusion, e-banking has transformed the way individuals and businesses interact with their banks, offering convenience, efficiency, and a wide range of financial services at their fingertips. Understanding the evolution, benefits, and impact of e-banking sets the stage for further exploration of specific aspects, such as e-banking awareness among specific populations like the people of Ahmedabad, and provides insights into the challenges and opportunities that lie ahead for the banking industry in the digital age.

E-banking, also known as electronic banking or online banking, refers to the provision of banking services and transactions conducted over electronic platforms such as the Internet or mobile devices. It allows customers to access and manage their bank accounts, perform various financial transactions, and avail banking services without the need to physically visit a brick-and-mortar bank branch.

E-banking offers a wide range of services that include:

1. **Account Management:** Users can view their account balances, transaction history, and account details online. They can also update personal information, such as contact details and mailing addresses, through the electronic banking platform.

2. **Fund Transfers:** Customers can transfer funds between their own accounts, as well as to other accounts within the same bank or different financial institutions. Funds can be transferred electronically, enabling convenient and fast transactions.



***Thank You***