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DOI: https://doi.org/10.64388/IREV10I1-1719883

# A Study on Customer's Perceived Risk Towards Services of Manappuram Finance Ltd

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***Abstract-* Non-banking financial companies have grown into an important channel for extending credit to segments of the population that conventional banks often do not reach, and Manappuram Finance Limited, with its long-standing gold-loan franchise, is a prominent example of this trend. This article reports on a study of how customers of Manappuram Finance perceive the risks associated with its services, drawing on primary data gathered through a twenty-item questionnaire administered to more than one hundred and sixty respondents. Risk was examined across several dimensions, including the security of pledged assets, the transparency of loan policies, the pace of credit approval, the perceived effectiveness of credit-risk management, and the extent to which technology is seen to support the company's risk controls. Chi-square tests were used to examine whether risk perception followed any dominant pattern, and whether it varied by gender or was associated with customers' views on policy transparency and technology adoption. The results indicate that customer opinion is spread fairly evenly across response categories on most items, with no single perception dominating, and that none of the tested factors — gender, transparency perception, or technology perception — showed a statistically significant association with risk perception or risk awareness. Awareness of the company's risk-management practices was found to be limited, split almost evenly between informed and uninformed customers, and confidence in the technological dimension of risk management was notably weak. Despite these gaps, a substantial majority of respondents expressed willingness to recommend the company to others, suggesting that overall trust remains largely intact even where specific concerns persist. The study closes with suggestions for improving communication, transparency and technology adoption to further strengthen customer confidence.***

***Keywords-* Perceived Risk, Non-Banking Financial Company, Manappuram Finance, Customer Trust, Transparency, Chi-Square Test, Risk Management***

## I. INTRODUCTION

Manappuram Finance Limited operates as one of India's established non-banking financial companies, competing in a segment of the financial sector where the ability to manage risk effectively has a direct bearing on institutional stability and long-term growth. The company's core exposure runs through credit risk, liquidity risk and operational risk, and the way these are managed shapes not only its own financial position but also the confidence that customers place in it. Responsibility for risk oversight is distributed across the organisation: the board sets overall direction and policy, while operating management is tasked with translating that policy into day-to-day practice.

For customers, however, risk tends to be experienced rather differently than it is defined in a company's internal risk framework. A customer pledging gold or taking out a loan is generally less concerned with technical measures of exposure than with more immediate questions — whether their collateral is safe, whether loan terms have been clearly explained, and whether the company will treat them fairly if repayment becomes difficult. This gap between institutional risk management and customer-perceived risk is the subject of the present study, which examines how customers of Manappuram Finance view the risks associated with using its services.

The study draws on a structured questionnaire administered to the company's own customers, with the aim of identifying which aspects of its operations shape customer confidence most strongly and of suggesting practical ways in which perceived risk might be reduced.

## II. INDUSTRY PROFILE

The financial services sector encompasses the institutions — banks, non-banking financial companies, trust companies and savings institutions — that channel funds through the economy, extend credit, manage investments and provide the payment infrastructure on which commerce depends. Non-banking financial companies occupy a particular niche within this system: unable to accept demand deposits in the manner of banks, they have nonetheless become a significant source of funding for medium-sized enterprises, first-time entrepreneurs, farmers and households that conventional banking has historically underserved. Their branch networks frequently extend into semi-urban and rural areas where bank presence is thin, allowing them to meet financing needs that would otherwise go unmet.

The Indian banking landscape itself has been shaped by two broad phases. Nationalisation in the 1950s and 1960s brought banks under greater government control in pursuit of a more balanced financial system and wider access to credit, with the central bank taking on responsibility for supervision. Reforms beginning in the early 1990s pushed the sector back toward competition, allowing private and foreign banks to expand their presence and encouraging a shift toward more customer-focused, technology-enabled service delivery. It is against this backdrop of an increasingly competitive and technologically evolving NBFC sector that Manappuram Finance Limited has built its business.

## III. PROFILE OF MANAPPURAM FINANCE LIMITED

Manappuram Finance Limited built its reputation principally on gold-loan lending, gradually extending an already broad branch network to reach customers across both urban centres and rural markets in India. This geographic reach, combined with efficient turnaround on loan disbursement and a management team with long experience in the sector, has been central to the company's competitive position. Beyond gold loans, the company has diversified into microfinance lending aimed at low-income individuals and self-help groups, vehicle finance for entrepreneurs in the transport sector, housing finance, and personal loans for education, medical and other needs, supporting both economic development and financial inclusion among segments of the population with limited access to conventional banking.

The company's stated vision centres on meeting the financial needs of India's aspiring population by making credit accessible on reasonable terms, while its mission emphasises easing customers' financial burdens through suitable, effective assistance. Its quality policy commits the organisation to clear and courteous service, fair dealing, regulatory compliance and continuous improvement, values it maintains in place of a more elaborate formal risk-policy statement.

Leadership of the company is drawn from the following individuals:

| Name | Designation |
|---|---|
| V. P. Nandakumar | Director |
| V. C. Padmanabhan | Founder |
| Shailesh J. Mehta | Chairman and Independent Non-Executive Director |
| Sumitha Nandan | Executive Director |
| Abhijit Sen | Independent Non-Executive Director |
| Harshan Kollara | Independent Non-Executive Director |

The company's service network spans Davanagere, Bengaluru, Ballari, Gadag, Raichur and Koppal, supported by infrastructure such as drinking-water facilities, CCTV surveillance, ATM access and parking at its branches. Its principal competitors in the NBFC space include Cholamandalam Investment and Finance, Bajaj Finance, L&T Finance Holdings, Shriram Finance and Northern Arc Capital.

A SWOT assessment situates the company's strong brand recognition in gold lending, wide rural and urban reach, and fast loan processing as core strengths, set against a continuing dependence on gold-loan revenue, exposure to gold-price fluctuations, and the higher operating costs that come with an extensive branch network. Opportunities lie in rising demand for financial services in semi-urban and rural markets, the growth of digital lending, and expansion into MSME and microfinance segments, while competitive

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DOI: https://doi.org/10.64388/IREV10I1-1719883

pressure from banks and other NBFCs, regulatory change, economic slowdown and cybersecurity risk represent the principal threats.

Looking ahead, the company's management appears focused on growing assets under management through deeper market penetration, improved customer service and greater use of technology, while continuing to diversify into affordable housing finance, microfinance and MSME lending alongside its traditional gold-loan business.

## IV. THEORETICAL FRAMEWORK FOR RISK PERCEPTION

Risk management, in general terms, refers to the structured process by which an organisation identifies, assesses and mitigates the uncertainties that could affect its ability to meet its objectives. Recognising the sources of risk, estimating their likely impact, and judging how effectively existing controls address them are all necessary steps for a risk strategy to function well; because the risk environment changes continuously, the process itself must be revisited and adjusted rather than treated as a one-time exercise.

From a customer's standpoint, however, risk takes a more personal form, and the literature on financial services typically identifies several distinct dimensions along which customers evaluate the institutions they deal with. Financial risk concerns customers' worry about their ability to repay a loan on schedule, along with uncertainty about penalties or additional charges — concerns often made worse when the underlying terms are not well understood. Security risk relates to customers' concern for the safety of pledged assets, such as gold, and for the protection of their personal data. Transparency risk arises when customers are not clearly informed about interest rates, fees, repayment schedules and loan conditions, leaving them uncertain about what they have actually agreed to. Credit risk, from the customer's perspective, centres on the possibility that unforeseen circumstances — job loss, medical emergencies, or broader economic setbacks — could affect their capacity to repay and, in turn, their credit standing. Technology and cybersecurity risk reflects apprehension about using digital platforms, including exposure to hacking, identity theft, data breaches or unauthorised transactions. Trust and confidence risk, finally, is a broader and more cumulative perception: when customers feel a company is not sufficiently transparent, responsive or careful in managing risk, their overall confidence in its services tends to decline.

Institutions can address these concerns through a corresponding set of measures: assessing repayment capacity carefully and offering flexible terms to manage financial risk; investing in surveillance, encryption and access controls to protect pledged assets and data; communicating loan terms in plain language to improve transparency; providing proactive support and restructuring options across a loan's life cycle to manage credit risk; deploying secure applications, multi-factor authentication and regular monitoring to address technology risk; and maintaining consistent, transparent communication about policies and safeguards to build customer trust over time.

## V. REVIEW OF LITERATURE

The study of perceived risk in financial services traces back to Bauer (1960), who first proposed that consumers experience uncertainty when purchasing because outcomes cannot be known in advance, and that this uncertainty leads them to avoid choices carrying a risk of financial or psychological loss — a framework that continues to underpin research on risk perception in financial services. Building on this foundation, more recent work has examined how perceived risk interacts with related constructs such as trust, satisfaction and service quality. Uddin and Nasrin (2023), reviewing mobile financial services, found that trust, perceived usefulness, cost and service quality, together with perceived risk, shape customers' intention to continue using a service, and that reducing perceived risk supports both retention and satisfaction. Nayak Kini and Basri (2022) similarly identified trust, satisfaction and service quality as central to customer engagement in financial services, while Bhat, Darzi and Parrey (2018) linked customer trust directly to loyalty in banking, arguing that institutions seeking to protect profitability need to actively cultivate that trust.

Several studies have looked at more specific service dimensions. Gupta and Verma (2019) found that branch accessibility reduces travel burden and materially affects customer retention, and Kumar

(2021) reported that the speed and simplicity of loan processing is itself a competitive differentiator that customers value highly. Security and usability concerns feature prominently in studies of digital channels: Ilmudeen and Bao (2019) found that trust and website usability were key barriers to internet banking adoption, with worries about security and confidentiality persisting as significant factors in customer decisions, while Apaua and Lallie (2022) similarly found that institutional trust and perceived security shape customers' willingness to use mobile banking applications, concluding that stronger security measures can meaningfully reduce customer concern.

Other research connects perceived risk and satisfaction to broader organisational outcomes. Shankar (2020) found that customer satisfaction contributes to organisational growth through repeat business and positive word of mouth, while Alawneh (2013) identified trust and satisfaction as the determinants of relationship quality in electronic banking. On the analytical side, Altman's (1968) Z-score model remains a foundational tool for assessing borrower risk and anticipating defaults, Jorion (2007) laid out systematic approaches to measuring and monitoring financial risk more broadly, and the Basel Committee's (2011) principles for operational risk emphasise governance, internal controls and continuous monitoring as pillars of institutional stability. Acharya and Naqvi (2012) examined how liquidity conditions can encourage excessive risk-taking in lending, underlining the need for institutions to balance profitability against prudent risk management over the longer term.

More recent studies return to the specific question of perceived risk and continued use. Jangir, Sharma, Taneja and Rupeika-Apoga (2023) found that while satisfaction and perceived usefulness support continued use of FinTech services, perceived risk works in the opposite direction, weakening loyalty and intention to continue. Phamthi's (2024) systematic review reached a similar conclusion, recommending that financial institutions improve transparency, security and communication to build trust and reduce customer uncertainty, and Sohail et al. (2024) found that customers reporting lower perceived risk and higher satisfaction were considerably more willing to adopt electronic banking services, with security and service quality standing out as the most influential factors.

## VI. RESEARCH GAP

Much of the existing literature addresses perceived risk in the context of banks or FinTech platforms rather than gold-loan-focused NBFCs, and Manappuram Finance's particular combination of physical collateral, extensive rural reach and a customer base that includes many first-time borrowers has received comparatively little direct attention. This study addresses that gap by examining perceived risk specifically among the company's own customers.

## VII. STATEMENT OF THE PROBLEM

Customers availing financial services frequently perceive a range of risks — financial loss, unclear terms, service-quality concerns and doubts about security — that can shape their trust in, and continued use of, a given institution. Understanding the level and drivers of this perceived risk among Manappuram Finance's customers is therefore central to improving the company's relationship with the people it serves.

## VIII. NEED FOR THE STUDY

In a competitive financial environment, how customers perceive risk plays a substantial role in their decisions to use particular products and services, making it important for NBFCs to understand and manage these perceptions in order to sustain confidence. This study examines how Manappuram Finance's customers evaluate the risks associated with its services, with a view to identifying the factors that create hesitation or uncertainty and gauging how strongly these factors bear on satisfaction and trust. In doing so, it is intended to help the company recognise areas of customer concern, refine its service-quality practices, and strengthen its overall customer relationships.

## IX. OBJECTIVES OF THE STUDY

- To examine customers' perceived risk towards the services offered by Manappuram Finance Limited.
- To identify the factors that influence customers' perception of risk while availing these services.

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DOI: https://doi.org/10.64388/IREV10I1-1719883

- To assess customers' awareness of the services provided by the company.
- To examine the association between customer satisfaction and perceived risk.
- To gauge the level of trust and confidence customers place in the company's services.

## X. SCOPE OF THE STUDY

The study is confined to customers' perceptions of the risk associated with Manappuram Finance's services, covering dimensions such as financial risk, service quality, security, transparency and trust. Its findings are intended to serve both as a reference on customer behaviour in the NBFC segment and as a practical input the company can draw on to strengthen customer confidence.

## XI. RESEARCH METHODOLOGY

Primary data were collected through a structured, twenty-item questionnaire administered to customers who have taken loans from Manappuram Finance, covering demographic details together with a series of items on risk perception, satisfaction and trust. Sampling followed a technique intended to give each member of the relevant population a broadly equal chance of selection, in the interest of a fair and representative set of responses. The resulting data were tabulated and analysed to address the study's stated objectives.

## XII. HYPOTHESES OF THE STUDY

Hypothesis 1

H0: Customers do not perceive any significant risk while availing the services of Manappuram Finance Ltd.

H1: Customers perceive significant risk while availing the services of Manappuram Finance Ltd.

Hypothesis 2

H0: Service quality, transparency, security and customer experience do not significantly influence customers' perception of risk.

H1: Service quality, transparency, security and customer experience significantly influence customers' perception of risk.

XIII. Limitations of the Study

- The findings are confined to Manappuram Finance Ltd. and may not generalise to other financial institutions.
- The analysis relies on customers' self-reported responses, which may be shaped by personal opinion or incomplete information.
- The conclusions reflect conditions at the time the data were collected and may not hold under different market or regulatory circumstances.

## XIII. DATA ANALYSIS AND INTERPRETATION

Responses to the twenty survey items are summarised below, each expressed as frequency and percentage of the total sample.

Table 4.1: Age Distribution of Respondents

| Response | Frequency | Percentage (%) |
|---|---|---|
| Below 25 | 86 | 51.8 |
| 26–35 | 63 | 38.0 |
| 36–45 | 14 | 8.4 |
| Above 45 | 2 | 1.2 |

More than half the sample is under 25, and a further 38 per cent falls in the 26–35 bracket, so the responses collected mostly reflect the views of younger, digitally active customers rather than an evenly spread age profile.

Table 4.2: Gender Distribution of Respondents

| Response | Frequency | Percentage (%) |
|---|---|---|
| Male | 88 | 53.0 |
| Female | 76 | 45.8 |
| Other | 1 | 0.6 |

The sample is fairly evenly split between male and female respondents, which lends the findings a reasonable degree of balance across gender.

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DOI: https://doi.org/10.64388/IREV10I1-1719883

Table 4.3: Occupational Profile of Respondents

| Response | Frequency | Percentage (%) |
|---|---|---|
| Student | 57 | 34.3 |
| Employee | 40 | 24.1 |
| Business | 35 | 21.1 |
| Self-employed | 18 | 10.8 |
| Other | 15 | 9.0 |

Students form the single largest occupational group, followed by salaried employees and business owners, giving the sample a spread across several economic backgrounds rather than a single customer type.

Table 4.4: Length of Association with Manappuram Finance

| Response | Frequency | Percentage (%) |
|---|---|---|
| Less than 1 year | 39 | 23.5 |
| 1–3 years | 45 | 27.1 |
| 3–5 years | 51 | 30.7 |
| More than 5 years | 30 | 18.1 |

The largest group of respondents has dealt with the company for three to five years, suggesting that most participants have enough first-hand experience to comment meaningfully on its services and risk practices.

Table 4.5: Awareness of the Company's Risk Management Practices

| Response | Frequency | Percentage (%) |
|---|---|---|
| Yes | 82 | 49.4 |
| No | 83 | 50.0 |

Awareness of the company's risk-management practices is split almost exactly down the middle, pointing to a real gap in how well this information reaches customers.

Table 4.6: Rating of the Loan Approval Process

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Poor | 39 | 23.5 |
| Poor | 29 | 17.5 |
| Average | 34 | 20.5 |
| Good | 27 | 16.3 |
| Excellent | 36 | 21.7 |

Opinion on the loan approval process is sharply divided, with the largest single group rating it very poor even as a comparable share rates it excellent, indicating inconsistent customer experience with this step.

Table 4.7: Perceived Thoroughness of Eligibility Verification

| Response | Frequency | Percentage (%) |
|---|---|---|
| Strongly Disagree | 30 | 18.1 |
| Disagree | 32 | 19.3 |
| Neutral | 47 | 28.3 |
| Agree | 24 | 14.5 |
| Strongly Agree | 32 | 19.3 |

A plurality of respondents remain neutral on whether eligibility is properly verified before a loan is granted, and the remaining opinion is split almost evenly between agreement and disagreement, suggesting real uncertainty on this point.

Table 4.8: Sense of Security When Dealing with the Company

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Insecure | 30 | 18.1 |
| Insecure | 27 | 16.3 |
| Neutral | 35 | 21.1 |
| Secure | 42 | 25.3 |
| Very Secure | 31 | 18.7 |

Although the largest group feels secure, a substantial share still reports feeling insecure or neutral, so confidence on this front is positive on balance but far from universal.

Table 4.9: Perceived Transparency of Loan Policies

| Response | Frequency | Percentage (%) |
|---|---|---|
| Strongly Disagree | 33 | 19.9 |
| Disagree | 30 | 18.1 |
| Neutral | 39 | 23.5 |
| Agree | 26 | 15.7 |
| Strongly Agree | 37 | 22.3 |

Views on policy transparency are spread fairly evenly across all five categories, with no clear majority either way, suggesting that customers differ considerably in how clearly they feel loan terms have been explained to them.

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DOI: https://doi.org/10.64388/IREV10I1-1719883

Table 4.10: Satisfaction with Risk Control Measures

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Dissatisfied | 28 | 16.9 |
| Dissatisfied | 37 | 22.3 |
| Neutral | 42 | 25.3 |
| Satisfied | 30 | 18.1 |
| Very Satisfied | 28 | 16.9 |

Most respondents are either neutral or dissatisfied with the company's risk control measures, which points to either a lack of visibility into these measures or genuine reservations about their effectiveness.

Table 4.11: Perceived Effectiveness of Credit Risk Management

| Response | Frequency | Percentage (%) |
|---|---|---|
| Strongly Disagree | 27 | 16.3 |
| Disagree | 34 | 20.5 |
| Neutral | 39 | 23.5 |
| Agree | 30 | 18.1 |
| Strongly Agree | 35 | 21.1 |

Opinion here, too, is spread broadly across the scale, indicating that customers are not convinced either way about how well the company manages credit risk.

Table 4.12: Rating of the Safety of Pledged Gold and Assets

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Poor | 27 | 16.3 |
| Poor | 30 | 18.1 |
| Average | 42 | 25.3 |
| Good | 31 | 18.7 |
| Excellent | 35 | 21.1 |

The most common response places asset safety at an average level, and while a fair number rate it positively, a comparable share still expresses concern about the security of what they have pledged.

Table 4.13: Perceived Speed of Response to Risk-Related Concerns

| Response | Frequency | Percentage (%) |
|---|---|---|
| Strongly Disagree | 37 | 22.3 |
| Disagree | 34 | 20.5 |
| Neutral | 35 | 21.1 |
| Agree | 28 | 16.9 |
| Strongly Agree | 31 | 18.7 |

The largest share of respondents disagrees that the company responds quickly to risk-related issues, pointing to responsiveness and grievance handling as an area that needs attention.

Table 4.14: Overall Satisfaction with Services

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Dissatisfied | 30 | 18.1 |
| Dissatisfied | 36 | 21.7 |
| Neutral | 48 | 28.9 |
| Satisfied | 32 | 19.3 |
| Very Satisfied | 19 | 11.4 |

Overall satisfaction skews slightly toward dissatisfaction, suggesting room for improvement in day-to-day service quality and customer engagement.

Table 4.15: Perceived Link Between Risk Management and Company Growth

| Response | Frequency | Percentage (%) |
|---|---|---|
| Strongly Disagree | 27 | 16.3 |
| Disagree | 28 | 16.9 |
| Neutral | 36 | 21.7 |
| Agree | 45 | 27.1 |
| Strongly Agree | 29 | 17.5 |

A plurality of respondents agree that effective risk management supports the company's growth and stability, showing a reasonable degree of awareness of the strategic value of sound risk practices.

Table 4.16: Confidence in Continuing the Relationship

| Response | Frequency | Percentage (%) |
|---|---|---|
| Yes | 60 | 36.1 |
| No | 59 | 35.5 |
| Maybe | 46 | 27.7 |

Positive and negative responses on continuing the relationship are nearly identical in size, implying that future retention will depend heavily on improvements to service and risk management

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DOI: https://doi.org/10.64388/IREV10I1-1719883

Table 4.17: Rating of Regulatory Compliance

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Poor | 24 | 14.5 |
| Poor | 33 | 19.9 |
| Average | 42 | 25.3 |
| Good | 31 | 18.7 |
| Excellent | 35 | 21.1 |

Most respondents rate compliance as average, with opinion otherwise fairly evenly divided between those who see the company as compliant and those who remain sceptical.

Table 4.18: Perceived Role of Technology in Managing Risk

| Response | Frequency | Percentage (%) |
|---|---|---|
| Strongly Disagree | 89 | 53.6 |
| Disagree | 20 | 12.0 |
| Neutral | 22 | 13.3 |
| Agree | 14 | 8.4 |
| Strongly Agree | 20 | 12.0 |

This is the most one-sided result in the survey: more than half the respondents strongly disagree that technology is being used effectively to manage risk, marking this as the clearest gap identified in the study.

Table 4.19: Willingness to Recommend Manappuram Finance

| Response | Frequency | Percentage (%) |
|---|---|---|
| Yes | 107 | 64.5 |
| No | 32 | 19.3 |
| Maybe | 26 | 15.7 |

Despite the concerns raised elsewhere in the survey, nearly two-thirds of respondents say they would recommend the company to others, indicating that its overall reputation remains positive.

Table 4.20: Overall Rating of the Risk Management Strategy

| Response | Frequency | Percentage (%) |
|---|---|---|
| Very Poor | 30 | 18.1 |
| Poor | 40 | 24.1 |
| Average | 33 | 19.9 |
| Good | 30 | 18.1 |
| Excellent | 32 | 19.3 |

The largest single group rates the company's overall risk management as poor, and while positive ratings are not far behind, the balance of opinion suggests real scope for improvement in transparency, responsiveness, technology use and customer awareness.

## XIV. HYPOTHESIS TESTING

Chi-square tests were used to examine the study's hypotheses at a 5 per cent level of significance ($\alpha = 0.05$); where the resulting p-value fell below 0.05 the null hypothesis was rejected, and otherwise it was retained.

Test 1 — Customer Risk Perception (Chi-Square Goodness-of-Fit Test)

This test examined responses to the item on how secure customers feel while dealing with the company ($N = 166$) against an equal-distribution expectation across the five response categories. The resulting statistic, $\chi^2 = 3.8795$ with 4 degrees of freedom, produced a p-value of 0.4226. Since this exceeds 0.05, the null hypothesis could not be rejected: responses were spread fairly evenly across categories, with no dominant skew toward heightened risk perception.

Test 2A — Gender and Security Perception (Chi-Square Test of Independence)

Gender was tested against responses on security perception ($N = 165$), yielding $\chi^2 = 5.3305$, 4 degrees of freedom and $p = 0.2550$. As this exceeds 0.05, the null hypothesis was retained: male and female customers report broadly similar levels of security when dealing with the company.

Test 2B — Loan Policy Transparency and Risk Satisfaction (Chi-Square Test of Independence)

Perceived transparency of loan policy was tested against satisfaction with risk control measures ($N = 167$), producing $\chi^2 = 14.4711$, 16 degrees of freedom and $p = 0.5637$. The null hypothesis was again retained: customers' satisfaction with risk controls did not appear to depend on how transparent they judged the company's loan policies to be.

Test 2C — Technology Perception and Risk Management Awareness (Chi-Square Test of Independence)

Views on whether technology helps manage risk were tested against awareness of the company's risk-management practices (N = 167), giving $\chi^2 = 4.7076$, 4 degrees of freedom and $p = 0.3186$. This too exceeds 0.05, so the null hypothesis stands: customers' opinions on technology's role in risk management were not significantly linked to how aware they were of the company's underlying practices.

Summary of Hypothesis Tests

| No. | Hypothesis | $\chi^2$ Value | p-Value | Decision |
|---|---|---|---|---|
| 1 | Customer risk perception (Q8) | 3.8795 | 0.4226 | Fail to reject H0 |
| 2A | Gender vs. security perception | 5.3305 | 0.2550 | Fail to reject H0 |
| 2B | Transparency vs. risk satisfaction | 14.4711 | 0.5637 | Fail to reject H0 |
| 2C | Technology perception vs. risk awareness | 4.7076 | 0.3186 | Fail to reject H0 |

Taken together, all four tests failed to reject their respective null hypotheses at the 5 per cent significance level. Based on the 167 responses analysed, customer risk perception appears to be spread without a dominant pattern, and none of the demographic or service-quality factors examined — gender, perceived transparency, or perceived technology use — showed a statistically significant association with how customers perceive or are aware of risk at Manappuram Finance.

## XV. FINDINGS, SUGGESTIONS AND CONCLUSION

Findings

- Customer opinion on the risks involved in using Manappuram Finance's services is mixed: while a substantial share of respondents feel secure and assured, a comparable share remains unsure about the safety and effectiveness of the company's risk-management practices.
- Loan processing, policy clarity, and how customer concerns are handled emerged as the factors most consistently shaping customer perception.
- A significant proportion of customers were unaware of the company's risk-management practices, pointing to a gap between the measures the company has in place and how well customers understand them.
- Overall satisfaction sits at a moderate level, with some respondents content with the services provided and others expressing dissatisfaction with service quality and risk controls.
- Despite these reservations, most respondents expressed trust in the company and a willingness to recommend it to others, reflecting a broadly positive market reputation.

Suggestions

- The company should communicate more openly about its risk-management practices so that customers better understand the safeguards already in place.
- Loan procedures and policy information should be presented in clear, simple language to reduce confusion and build confidence.
- Awareness programmes and regular customer communication would help close the gap in understanding identified in this study.
- Complaints and feedback should be addressed promptly, with regular channels in place to surface and act on customer concerns.
- Greater and more visible use of digital tools and technology could help strengthen customer confidence, given how strongly this concern registered in the survey.

Conclusion

This study set out to understand how customers of Manappuram Finance Limited perceive the risks associated with its services. The findings suggest that customers generally hold a favourable overall view of the company, even as specific concerns persist around awareness, transparency, service quality and the visible use of technology in managing risk. Many respondents were not clearly informed about the company's risk-management practices, and this gap appears to shape their broader sense of risk. At the same time, the company continues to enjoy a considerable degree of customer trust and a positive market reputation. Strengthening communication, closing the awareness gap, improving service quality, and making more visible use of technology in risk management would help Manappuram Finance build further on this foundation of trust, supporting stronger customer relationships and continued growth.

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