

A
Project Report

“A Study of various Vehicle Loan provide by HDFC bank in Nagpur”

G. S college of Commerce & Economics Nagpur
Affiliated to
Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfilment for the award of the degree of

Bachelor of Business Administration

Submitted by

Vishal Anil Singh

Under the Guidance of

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G.S. College Of Commerce & Economics, Nagpur.

Academic Year 2021-22



G.S. College Of Commerce & Economics, Nagpur.

Academic Year 2021-22



CERTIFICATE

This is to certify that “**Vishal Anil Singh** ” has submitted the project report titled “**A Study of various Vehicle Loan provide by HDFC bank in Nagpur**”, towards partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

Dr. Aniruddha Akarte
(Project Guide)

Dr. Afsar Sheikh
(Co- Ordinator)

Place: Nagpur

Date:

G.S. College Of Commerce & Economics, Nagpur.

Academic Year 2021-22



DECLARATION

I here-by declare that the project with title “A Study of various Vehicle Loan provide by HDFC bank in Nagpur” has been completed by me in partial fulfilment of BACHELOR OF BUSINESS ADMINISTRATION degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Place: Nagpur

Vishal Anil Singh

Date:

G.S. College Of Commerce & Economics, Nagpur.
Academic Year 2021-22



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With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to **Dr.N.Y.Khandait, Principal, G.S. College of Commerce & Economics, Nagpur.**

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I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Co-operation.

I would like to thank all those who helped me in making this project complete and successful.

Place: Nagpur

Vishal A Singh

Date :

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Chapter 1

Introduction

Introduction

A Vehicle loan (also known as an automobile loan, or auto loan) is a sum of money a consumer borrows in order to purchase a vehicle. Generally speaking a loan is an amount of money that is lent to an individual, a business, or another entity. The party that lends the money is known as the lender, while the party borrowing the money is called the borrower. When taking out a loan a borrower agrees to pay back the full loan amount, as well as any interest (a percentage of the loan amount, usually calculated on an annual basis), by a certain date, typically by making monthly payments.

Vehicle loans follow most of the same rules and procedures that apply to other loans. In most cases when purchasing a vehicle, a borrower will specifically apply for a vehicle loan; however, a consumer can also use a personal loan (a loan obtained by an individual to use at his or her discretion) for the same purpose. All vehicle loans are for specific lengths of time, generally anywhere between 24 and 60 months, although some vehicle loans can be for longer periods. This type of loan is also known as financing. Vehicle loans generally include a variety of fees and taxes, which are added to the total loan amount.

Many consumers apply for vehicle loans at their local bank. When applying for a vehicle loan a borrower will usually begin by specifying how much money he or she wants to borrow. The borrower will then provide information about his or her financial situation, beginning with income (the amount of money he or she earns by working). Most lenders will require the borrower to provide some proof of employment, usually in the form of a pay stub (the portion of a paycheck that includes information about an employee's earnings, which an employee keeps for his or her records) or a copy of a tax return (the form submitted by individuals when paying taxes). The lender will also check the borrower's credit report. A credit report is a detailed record of an individual's past credit (in short, borrowing) activities, whether in the form of loans or other debts (money owed). If the prospective borrower has a bad credit history, he or she may be ineligible for a vehicle loan.

Often a bank or financial institution will preapproved certain customers for vehicle loans. In these situations, a consumer has a certain number of days (often 30, sometimes 45) to decide whether to seek full approval for a vehicle loan. Because most borrowers secure a vehicle loan before actually

shopping for a vehicle, when an application for a vehicle loan is approved, a lender will generally give the borrower a maximum amount he or she will be able to borrow. The borrower is then free to use this money to purchase the vehicle of his or her choosing; however, the borrower is not required to spend the full amount offered by the lender. For example, while a bank might approve a vehicle loan of \$50,000 for a long-term customer, that customer has the right to spend only a fraction of that amount.

When Did It Begin

The vehicle loan officially originated in 1919, when the General Motors Corporation (an automobile manufacturer founded in 1908 in Flint, Michigan) established the General Motors Acceptance Corporation, or GMAC. GMAC arose in response to the growing demand for automobiles among American consumers after World War I. In 1919 GMAC established offices in five North American cities; a year later it opened its first office in Great Britain. As the vehicle loan business expanded, other automobile manufacturers began to develop their own financing divisions. One of the most prominent was the Ford Motor Credit Company, founded in 1923. Although vehicle loans were available most American consumers during the first half of the twentieth century paid cash for their automobiles.

When a borrower takes out a loan on a vehicle, he or she is agreeing to buy the vehicle. Upon entering into the loan agreement, the borrower gains the right to drive the vehicle, while also taking possession of the vehicle's title (a document showing proof of ownership of a piece of property). Technically speaking, however, the borrower does not yet own the vehicle; the lender owns the vehicle until the borrower has finished paying off the loan.

Each vehicle payment consists of two parts: the principal (the original amount of the loan) and the interest. Interest on vehicle loans depends primarily on three main factors: the credit rating of the vehicle buyer, whether the vehicle is new or used, and the price of the vehicle. As a rule, interest rates on new vehicles tend to be lower than interest rates on used vehicles. Also, as the price of a vehicle goes up, the interest rate will usually go down. For example, if a consumer wants to purchase a used truck listed for \$2,500, the loan interest rate might be 6.49 percent; if that same consumer wants to purchase a new \$40,000 Lexus, the interest rate might only be 5.49 percent.

The bulk of a monthly vehicle payment goes toward the principal, so that the total amount of the loan decreases steadily with each payment. As a borrower pays off more of the principal of the loan, he or she moves closer to full ownership of the vehicle. The amount of money the borrower

has paid toward full ownership is known as equity; in other words, with each loan payment the borrower earns additional equity in the vehicle. At the same time, the value of the vehicle steadily decreases over the course of the loan, meaning that the vehicle will never be worth the amount of the original loan. For example, say a borrower takes out a \$10,000 loan to pay for a vehicle. At the time of purchase the vehicle is worth about \$10,000 (minus fees and taxes). Four years later, when the borrower has paid off the loan, the vehicle may be worth only \$2,000. If the borrower has neglected to take good care of the vehicle, it might be worth substantially less. This process by which the vehicle loses its value over time is known as depreciation.

Traditionally vehicle loans were for short periods, generally about 24 months and no longer than 36 months. In the 1980s, however, standard vehicle loan periods began to get longer. There were two key reasons for this change. For one, in the early 1980s more and more consumers began to lease their vehicles (they paid a monthly fee in exchange for the right to drive a particular vehicle) rather than purchase vehicles outright. Vehicle leases were primarily attractive because they did not require a down payment, and they tended to require lower monthly payments than traditional vehicle loans. In order to compete with the vehicle leasing industry, a number of lenders began to offer vehicle loans for longer terms. As a result, loan periods of 48, 60, and 72 months became standard. In some cases, borrowers were able to receive even longer periods over which to repay their loans. For example, when a borrower purchases a luxury vehicle (a vehicle, a truck, or another vehicle that is more expensive than average vehicles and generally includes additional features designed to increase vehicle performance or comfort), he or she will sometimes have as long as 84 months to repay the loan. In the early twenty-first century, a luxury vehicle was generally defined as a vehicle costing in excess of \$30,000. From the early 1990s to the middle of the following decade, the proportion of Americans who owned luxury vehicles rose from 10 to 30 percent. This overall rise in the price of motor vehicles was the second significant reason that standard vehicle loans became longer in duration.

Recent Trends

As with a number of other types of loans, vehicle loans have become increasingly available over Internet since the late 1990s. There are many advantages involved with shopping for vehicle loans online. For one, shopping for loans online allows consumers to compare interest rates from a wide range of lenders, in a relatively short amount of time, therefore giving them a better chance of securing the best deal. Also, because online vehicle loan companies require little cost overhead (the expenses involved with running a business, including renting an office, paying employees, buying office supplies, and so on), they can often offer consumers lower interest rates than those offered by traditional banks.

Features and Benefits of Vehicle Finance from Manufacturers

Availing a vehicle loan from the manufacturer itself brings in a lot of benefits for the buyer. Following are the features and benefits

- Streamlined loan processing – Most vehicle manufacturers have a streamlined process where the loan application and processing are done on a tight timeline. Their centralized system processes all loan applications effectively and enables fast approval.
- Easy documentation – The documentation for availing vehicle finance is quite simple and easy. The manufacturer checks the repaying ability of the borrower and thus gathers evidence in the form of documents to ascertain your steady income.
- Quantum of loan – For in-house brands, the manufacturers offer funding up to 100% of the car value. Customers can also get customized car loans based on their need. Often, gadgets, insurance and accessories are included as part of the loan value extended.
- Tenure – The repayment period varies from lender to lender. However, it generally ranges between 1 year to 7 years. The borrower can choose the comfortable term within the available tenure.
- Prepayment – The borrowers can also prepay the loan when they have enough funds to close the loan. The terms vary from lender to lender. Some car finance companies allow

you pre-close the loan only after completing a specific period. Some lenders do allow you prepay whenever you can. Charges may be applicable for prepaying your auto loan and varies for different lenders.

Eligibility Criteria to Avail a Vehicle Loan from Vehicle Finance Companies

Before applying for a vehicle loan with the manufacturers, it is important you check the eligibility criteria in order to avoid a rejection. When you meet all the criteria, you may approach the lender for application. Here is a complied list of eligibility criteria to avail a vehicle loan.

- You should be a salaried or self-employed individual having a good repaying ability
- Most vehicle finance companies also provide loans to corporate companies, trusts and partnership firms for which they have to fulfil criteria set by the lender
- The applicant should fall under the age limit set by the lender, the general range is usually between 18 years to 65 years
- The income level varies for salaried, self-employed and companies based on the loan amount and the vehicle model
- All the documents required for the loan should be furnished with clear proof
- Should have a decent credit score

Documents Required to Avail a Vehicle Loan from vehicle Finance

Documentation is an important process that every vehicle finance company follow strictly.

Identity Proof

Salaried: Identity Proof such as PAN, Passport, Aadhar Vehicles, Voter Id and an Employee Id issued by the Government of India.

Self-employed: Passport, PAN Vehicles, Driving License, Sales Tax registration Certificate

Address Proof

Passport, Lease Agreement, Telephone bill, Utility Bill, Bank Statement. Address Proof requirement for salaried and self-employed buyers are same.

Income Proof

Salaried Class: Latest 3 to 6-month salary slip and form 16 / IT return

For self-employed: Income Tax returns for last 2 years – along with Balance sheet and P & L A/C, computation of income. If the ITR is audited than audited report along with the annexures are required

The document list provided above is indicative and the sales representative will provide further details upon meeting.

Commercial Vehicles:

HDFC Bank has defined commercial vehicle as the vehicle, which generates earning for its Owner and are used for commercial purposes. Commercial vehicles have been divided into

3 parts:

- Light Commercial Vehicles: Vehicles, which have a gross Laden weight up to 11 tones.
- Heavy Commercial Vehicles: Vehicles, which have a gross laden weight more than 11 tones.
- Used commercial vehicles: These are vehicles, which have been purchased and used by someone else and resold by them.

Types of vehicle loan :

Car loan:



HDFC Bank new car loan interest rate start from 9.25% and HDFC bank used car loan 13% this are fixed rate loans and are one of the best car loan in the india.

Two wheeler loan:



One of the key features of HDFC two wheeler that has made it so popular in the Indian market is the competitive interest rate interest rate of the loan which start at 10.50% and goes up to 14.85%.

Commercial vehicle loan:



Commercial vehicle loan lets you take a loan on vehicle use for commercial purposes is especially for self –employed. Interest rate 10% p.a. to 15% p.a

Organisational Structure of Commercial Vehicles

Business Head
(National Sales
Manager)

Zonal Sales
Manager

Regional Sales
Manager

Area Sales
Manager

Sales Manager

CHAPTER 2

COMPANY PROFILE

COMPANYPROFILE

HDFC Bank Ltd is a major Indian financial services company based in Mumbai. The Bank is a publicly held banking company engaged in providing a wide range of banking and financial services including commercial banking and treasury operations. The bank at present has an enviable network of 2201 branches and 7110 ATM spread in 996 cities across India. They also have one overseas wholesale banking branch in Bahrain, a branch in Hong Kong and two representative offices in UAE and Kenya. The bank has two subsidiary companies, namely HDFC Securities Ltd and HDB financial Services Ltd. The bank has three primary business segments, namely banking, wholesale banking and treasury. The retail banking segment serves retail customers through a branch network and other delivery channels. This segment raises deposits from customers and makes loans and provides other services with the help of specialist product groups to such customers. The wholesale banking segment provides loans, non-fund facilities and transaction services to corporate, public sector units, government bodies, financial institutions and medium-scale enterprises. The treasury segment includes net interest earning on investments portfolio of the bank. The Bank's ATM network can be accessed by all domestic and international Visa/Master Vehicle, Visa Electron/Maestro, Plus/cirrus and American Express Credit/charge vehicle holder. The Bank's shares are listed on the Bombay Stock Exchange Limited and The National Stock Exchange of India Ltd. The Bank's American Depository Shares (ADS) are listed on the New York Stock Exchange (NYSE) and the bank's Global Depository Receipts (GDRs) are listed on Luxembourg Stock Exchange. HDFC Bank Ltd was incorporated on August 30, 1994 by Housing Development Finance Corporation Ltd.

In the year 1994, Housing Development Finance Corporation Ltd was amongst the first to receive an 'in principle' approval from the Reserve Bank of India to set up a bank in the private sector, as part of the RBI's liberalization of the Indian banking Industry. HDFC bank commenced operations as a Scheduled Commercial bank in January 1995. In the year 1996, the Bank was appointed as the clearing bank by the NSCCL. In the year 1997, the bank launched retail investment advisory services. In the year 1998, they launched their first retail lending product, Loans against shares. In the year 1999, the bank launches online, real-time Net Banking. In February 2000, Times bank Ltd, owned by Bennett, Coleman & Co. Times Group amalgamated with the bank Ltd. This was the first merger of two private banks in India. The Bank was the first Bank to launch an International Debit vehicle in association with VISA (Visa Electron). In the year 2001, they started their credit vehicle business. Also, they became the first private sector bank to be authorized by the central Board of Direct Taxes (CBDT) as well as RBI to accept direct taxes. During the year, the bank made a strategic tie-up with a Bangalore-based business solution software developer, Tally Solution Pvt. Ltd. for developing and offering products and services facilitating on-line accounting and banking services to SMEs. During the year 2001-02 the bank was listed on the New York Stock Exchange. Also, they made the alliance with LIC for providing online payment of insurance premium to the customers. During the year 2002- 03, the bank increased the number of branches from 171 No's to 231 No's and the size of the Bank's ATM network expanded from 479 No's to 732 Nos. They also expanded their presence in the 'merchant acquiring' business. During the year 2003-04, the bank expanded the distribution network with the number of branches increased from 231 No's to 312 No's and the size of the Bank's ATM network increased from 732 No's to 910 No's. In September 2003, they entered the housing loan business through an arrangement with HDFC Ltd, whereby they sell HDFC Home loan product. During the year 2004-05, the bank expanded the distribution network with the number of branches increased from 312 No's to 467 No's and the size of the Bank's ATM network increased from 910 No's to 1147 Nos. During the year 2005-06, the Bank launched the 'no-frills account', a basic saving account offering to the customer.

Also, the distribution network was expanded with the number of branches increased from 467 No's (in 211 cities) to 535 No's (in 228 cities) and the number of ATMs from 1147 No's to 1323 Nos. During the year 2006-07, the distribution network was expanded with the number of branches increased from 535 No's (in 228 cities) to 684 No's (in 316 cities) and the number of ATMs from 1323 No's to 1605 Nos. They commenced direct lending to self Help Groups. Also, they opened a dedicated branch for lending to SHGs, in Thudiyalur village (Tamilnadu). In September 28, 2005, the Bank increased their stake in HDFC Securities Ltd from 29.5% to 55%. Consequently, HDFC Securities Ltd became a subsidiary of the Bank. During the year 2007-08, the bank added 77 No's new branches take the total to 761 No's branches. Also, 372 No's new ATMs were also added taking the size of the ATM network from 1605 No's to 1977 Nos. HDB Financial Services Ltd became a subsidiary company with effect from August 31, 2007. In June 2, 2007, the bank opened 19 branches in a day in Delhi and the National Capital Region (NCR). During the year 2008-09, branches in 528 Indian cities. The Bank's ATMs increased from 1,977 to 3,295 during the year. As per the scheme of amalgamation, Centurion Bank of Punjab Ltd was amalgamated with the Bank with Effect from May 23, 2008. The appointed date for the merger was April 01, 2008. In October 2008, the bank opened their first overseas commercial branch in Bahrain. The Branch offers the bank's suite of banking services including treasury and trade finance products for corporate clients and wealth management products for Non-resident Indians. During the year 2009-10, the bank expanded their distribution network from 1,412 branches in 528 cities to 1,725 branches in 779 cities. The Bank's ATMs increased from 3,295 No's to 4,232 No's during the year. During the year 2010-11, the Bank expanded their distribution network from 1,725 branches in 779 cities to 1,986 branches in 996 Indian cities. The Bank's ATMs increased from 4,232 to 5,471 Nos.

Our Mission:

Our mission is to be "a World Class Indian Bank", bench marking ourselves against international standards and best practices in terms of product offerings, technology, service levels, risk management and audit & compliance.

The objective is to build sound customer franchises across distinct businesses so as to be a preferred provider of banking services for target retail and wholesale customer segments, and to

achieve a healthy growth in profitability, consistent with the Bank's risk appetite. We are committed to do this while ensuring the highest levels of ethical standards, professional integrity, corporate governance and regulatory compliance.

Product of HDFC Bank:

- Accounts & Deposits
- Loans
- Investment
- Premium banking
- Private banking

Steps to get vehicle loan

Step 1: Shortlist a vehicle

Once you have identified the vehicle, you are ready to start the Vehicle Loan process.

Step 2: Check eligibility

To get started, it is recommended to opt for a Vehicle Loan of up to six times your yearly income. However, the eligibility criteria may differ based on city, income, occupation, etc.

Step 3: Figure out loan amount, tenure and EMI

How much loan do you need? For how long? What can you afford to pay every month?

One easy way of finalizing these details is to use the HDFC Bank Vehicle Loan EMI Calculator. You only need to enter your required loan amount and tenure, along with the interest rate offered by the bank, in order to calculate your loan EMI.

Our bank offers Vehicle Loans for tenures ranging from 12-84 months, with EMIs starting as

low as Rs 1662 per lakh*.

You may also need to make a down payment, which is a certain percentage of the vehicle value. HDFC Bank offers up to 100%* hassle-free finance for your new vehicle which you can take advantage of.

Step 4: Apply and provide documents

You can now apply for a loan online or visit the nearest branch to complete the formalities. HDFC Bank has a simple online application form that you can complete in minutes. Keep documents such as income, ID and address proof ready. Here's a list of the documents you would need. Once you provide complete documentation, HDFC Bank approves Vehicle Loans in as little as 10 seconds. For existing customers, HDFC Bank offers instant, paperless Vehicle Loans via Net Banking.

Step 5: Book your vehicle

Once the loan is sanctioned, you can visit the dealer and pay the recommended finance value of the vehicle's price. The bank will deposit the loan funds directly into your account. You can complete your payment and booking. Once this is done, you can take possession of the vehicle as soon as it is ready.

Chapter 3

REVIEW OF LITERATURE

REVIEW OF LITERATURE

It is mandatory to scan through the literature which has already gone through the proposed study subject. Various research works on lending practices of SBI and ICICI bank has been very helpful in the successful conduct of the study. However all such studies concentrate on certain issues and suggest piecemeal solution. Therefore, a comprehensive study is elusive. The next and academics literature which helped the study in details.

A literature review goes beyond the search for information and includes the identification and articulation of relationship between the literature and your field of research. While the form of the literature review may vary with different types of studies, the basic purposes remain constant:

- Provide a context for the research
- Justify the research.
- Ensure the research has not been done before (or that it is not just a “replication study”)
- Show where the research fits into the existing body of knowledge.
- Illustrate the researcher to learn from previous theory on the subject.
- Highlight flaws in previous research.
- Outline gaps in previous research.
- Show that the work is adding to the understanding and knowledge of the field.
- Help refine, refocus or even change the topic.

Review of Literature:

Fagerlind and Saha (1989) commented that, assumptions of human capital theory result into suggestions that cost of education should be borne by the beneficiaries should share the not solely the state. This justifies the reason why the state and beneficiaries should share the cost of higher education through cost sharing. Mora and Vila (2003) supported that, the government has limited resources given a lot demands from other public sectors apart from education example health and defense sector. They continued to argue that, beneficiaries should bear this cost through proper repayment which can be achieved

through reduction of default rate among loans beneficiaries by taking care of the characteristics associated with defaulting among student's loans beneficiaries.

According to Carnoy (2006) pre-college characteristics associated with student loans beneficiaries are important influencing factors on repayment hence affecting default rate.

However calender (2003) supported that age, gender and attitude among loan beneficiaries should be controlled for maximum repayment and for support of human capital theory ascertain concerning enhancement of equity within the country. He continued to argue that, availability of fund through repayment will enhance attainment of higher education to people from low income group society hence reduce inequality within the country. In this regard Barr and Crawford (2005) states that, by availability of funds through repayments to support higher education, inequalities can be reduced through increased participation in higher education which result into country's economic growth.

According to Eicher and Chevaillier (2002 a) increased repayment by reduction of default rate through controlling the characteristics associated with default rate among loans beneficiaries result into efficiency in provision of students loans hence improvement in human capital investment, improvement of occupation and income, contribution to the productivity of the workers as well as reduction of the social inequalities. However the human capital theory concepts which advocate that improvement in human investment through education will result into improvement in occupation and income has been

criticized by Psacharopoulos and Patrinos (2002) who argues that sometimes improvement in education and income depends much on other factors such as number of years in service, which also true for the case of Tanzania. Eicher and Chevaillier (2002 b) supported that, improvement in human capital through education does not always contribute to the productivity of the workers and the reduction of the social inequalities. This is because workers productivity can be affected by other factors apart from improved education, for example job satisfaction, reward structures, motivations as well as other person characteristics. They further argued that, improvement in educational investment is assumed to decrease the social inequalities by rising income of people from different backgrounds; this is proved to be not always the case because under certain circumstances rising income may lead to inequalities in distribution within the society. Therefore, for economic development of the country, there is a need to develop human capital, student's loan

Chapter 4

Research study

Research study

Objective of the study:

- To understand the type of loan provided by HDFC bank to its customer
- To study about vehicle loan disbursement by HDFC bank
- To know about the short term low cost vehicle loan
- To study loan processing in HDFC Bank
- To study eligibility criteria for getting vehicle loan

Hypotheses:

Null Hypothesis: -H₀ “HDFC Bank is not provide vehicle loan at low interest rate”.

Alternative Hypothesis: -H₁ “HDFC Bank provide vehicle loan at low interest rate”.

Scope of the Study

1. The study is mainly related to all the Vehicle loans provided by HDFC Bank only.
2. The study is limited to only HDFLC bank, this study is mainly related to individual who are interested in taking vehicle loans from bank to fulfil their dreams
3. To study customer issues.
4. Will be able to know customer needs.
5. To study bank process for getting loan.

Chapter 5
RESEARCH
METHODOLOGY

RESEARCH METHODOLOGY

Research methodology is a collective term for the structured process of conducting research. There are many different methodologies used in various types of research and the term is usually considered to include research design, data gathering and data analysis.

Research methodologies can be quantitative (for example, measuring the number of times someone does something under certain condition) or qualitative (for example, asking people how they feel about a certain situation). Ideally, comprehensive research should try to incorporate both qualitative and quantitative methodologies but this is not always possible, usually due to time and financial constraints.

Research methodologies are generally used in academic research to test hypotheses or theories. A good design should ensure the research is valid, i.e. it clearly tested the hypothesis and not extraneous variables, and that the research is reliable, i.e. it yields consistent results every time.

Part of the research methodology is concerned with the how the research is conducted. This is called the study design and typically involves research conducted using questionnaires, interviews, observation and or experiments. The term research methodology, also referred to as research methods, usually encompasses the procedures followed to analyse and interpret the data gathered. These often use a range of sophisticated statistical analyses of the data to identify correlation or statistical significance in the results.

Objective, representative research can be difficult to conduct because tests can normally only be conducted on a small sample (e.g. you cannot test a drug on every person in the world so a sample needs to be used in research). This means that researchers need to have a very detailed understanding of the types and limitations of research methodologies which they are using.

As the normal marketing research methodology used which collecting the data for the study. The data collection in two parts, they are:

Collection of Data:

Data were collected through both primary & secondary data sources. Primary data was collected through questionnaires. The research was done in the form of direct personal interviews and through telephone interviews.

Primary data collection:

A primary data is a data, which is collected afresh and for the first time, and thus happen to the original in character. The primary data with the help of questionnaire were collected from various investors? Primary data are first-hand information and are collected from various source like:

- ❖ Informal interviews
- ❖ Through structured questionnaire
- ❖ Observation

Secondary Data Collection:

The Secondary source consist of readily available data and is already compiled statistical statement and reports. Secondary data are collected from:

- ❖ Business magazines
- ❖ Internet
- ❖ Annual reports
- ❖ Journals
- ❖ Web sides

Sampling:**Sampling procedure:**

The sample was selected from the visitors /customers of HDFC bank Nagpur, irrespective of them being investor or not or whether they avail the services or not. It was also collected through formal and informal talks and through filling up the questionnaire prepared. The data has been analysed by using mathematical / statistical tool.

Sampling Design:

Data has been presented with the help of bar graph, pie charts, line graphs, etc.

Questionnaire design:

Proper vehicle has been taken to ensure that the information needed match the objective, which in turn match the data collected through the questionnaire. The basic vehicle rules of questionnaire design like using simple and clear words, the logical and sequential arrangement of questions has been taken vehicle of.

Need of the study:

- To promote their facilities or extra service provide by HDFC Bank
- To reduce the documentation while opening A/c or while loan disbursement
- The study is to help HDFC to know where it lacks in loan, performance and other facilities.
- Figure out the problem faced by the customer while transaction.

Chapter 6

Data Analysis & Interpretation

DATA ANALYSIS & INTERPRETATION

In data analysis we will show you some data based on research done by me. After showing the data we will present it on Pie chart. the following data is collected on a random basis, afterwards analysis is done.

1.what is your occupation?

Factors	No. of Respondents
Professionals	19
Self Employed	15
Salaried	29
Others	9

No. of Respondents

13%26%

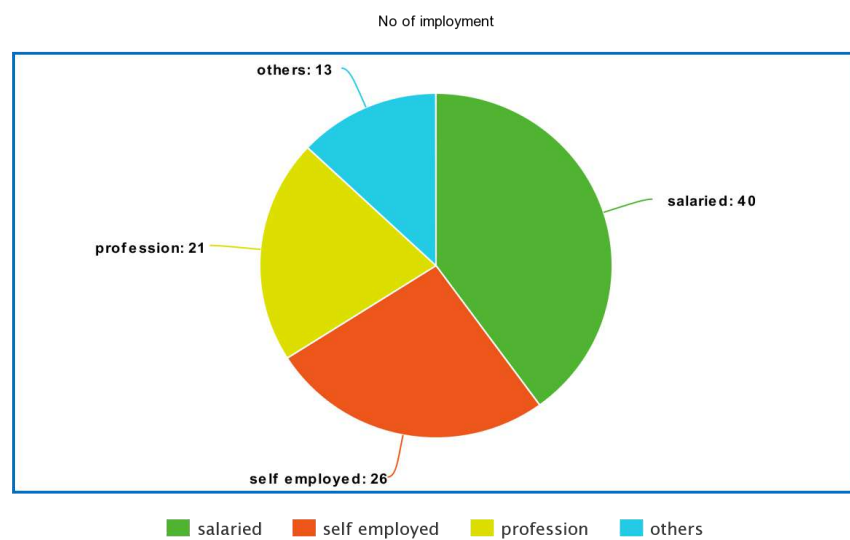
Professionals

Self Employed

Salaried

40%

21% Others



Interpretation:

Out of 72 people, the 26% customer is itself-employed people, 21% customer is professional people, 40% customer is salaried i.e. include (government sector as well as private sector), & 13% customer is other people.

2. Have you taken any loan for commercial vehicle? If yes from which bank?

Factors	No. of Respondents
HDFC	30
ICICI	12
AXIS	8
YES BANK	6

No. of Respondents

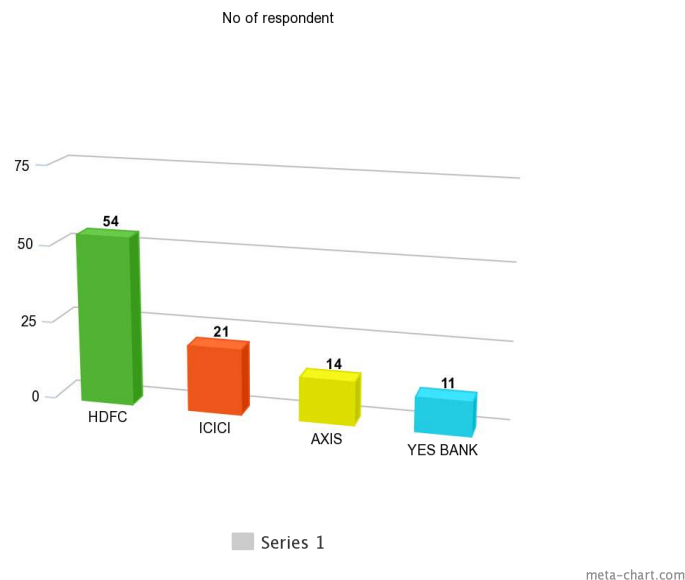
11% 14%

HDFC

ICICI

54%

AXIS YES BANK 21%



Interpretation:

Out of 72 people 56 have taken loan of which ,54% customer have taken it from HDFC, 21% customeris taken from ICICI, 14 % customer from Axis, & 11% from YES Bank. Out of 56 people,54% customerwas taken loan from HDFC Bank because they all are agreed from the service & facility which bank provideto them, & remaining customer was not taken loan from HDFC bank because they are not happy with theservice & facility of bank

3. Are you satisfied with bank Policy?

Particulars	No. of Respondents
Yes	21
No	9

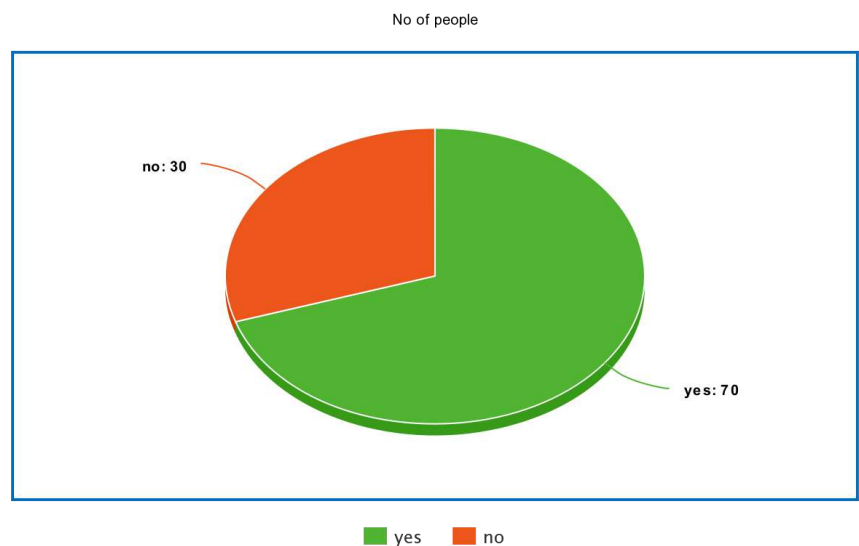
No. of People

30%

Yes

No

70%



meta-chart.com

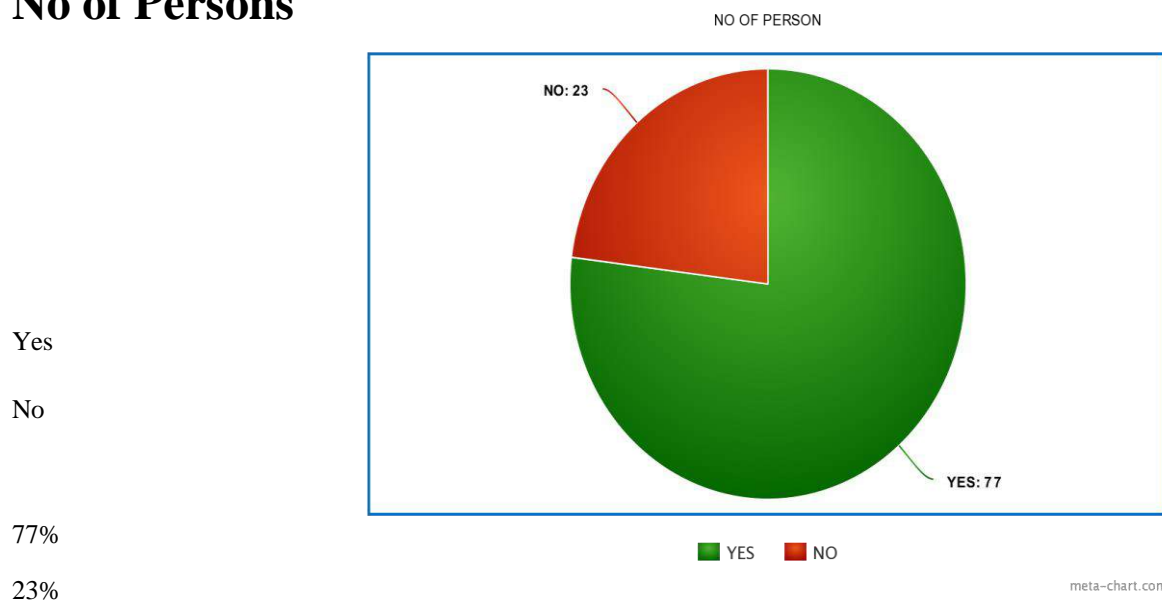
Interpretation:

Out of 30 people who have taken loan from HDFC 70% of people are happy with bank service and rest 30% are not.

4. What do you think about process of getting loan approval? Is it easy or not?

Particulars	No. of Respondents
Yes	23
No	7

No of Persons



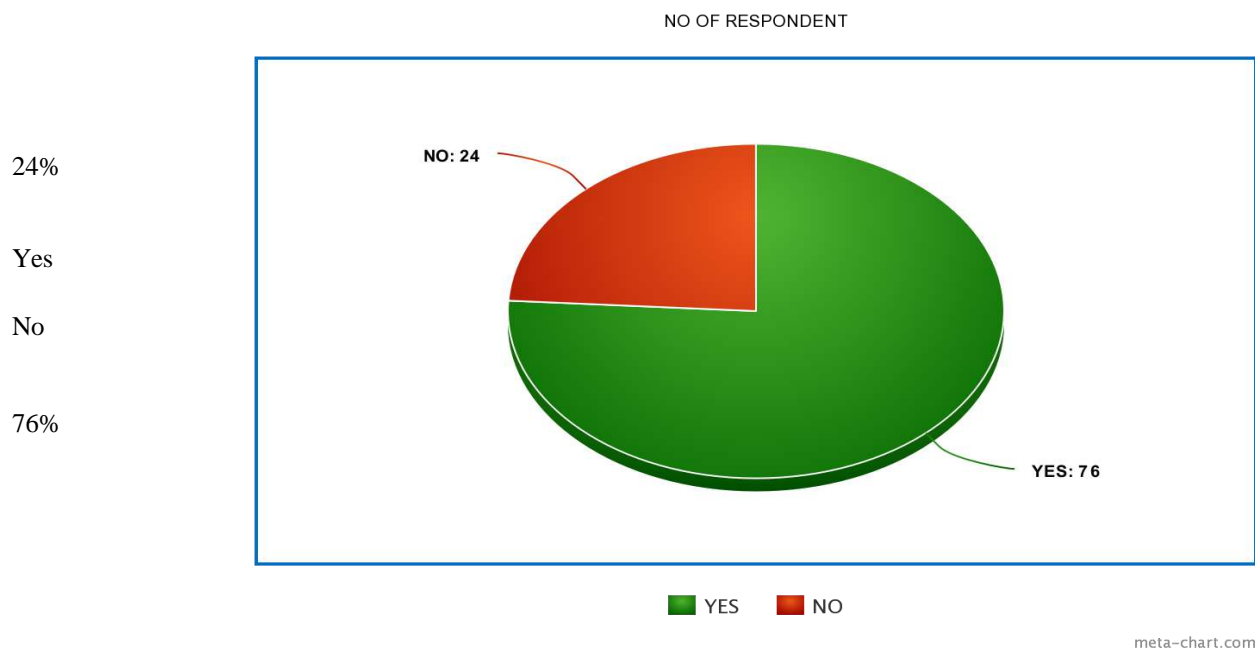
Interpretation:

Out of 30 people who have taken loan from HDFC 77% of people think that the process of approval of loan is easy

5. People want to take loan to purchase vehicle?

Particulars	No. of Respondents
Yes	53
No	17

No. of Respondents



Interpretation:

Out of 70 people 76% are interested to take loan to purchase vehicle.

Chapter 7

Conclusion & Limitations

Conclusion:

1. In my study I came to know that many peoples are interested to take a vehicle loan from HDFC Bank Ltd to buy vehicle.
2. People are confused before taking vehicle loan because of its high interest and EMI's.
3. Even through the interest rates are high peoples are willing to take a loan from HDFC Bank due to certain reason.
4. The loan sanction process is low when compared to other banks, because of which people choose HDFC.
5. The disbursement process is very effective as it is on time when compared to other banks.
6. Financial advisers are the most preferred channel for the investment in home loan. They can change investor mind from one investment option to others. Only those people invest directly who know well about Vehicle loan and its operations and those have time.

Limitations

Limitation of the study:

- The study is restricted only to HDFC bank
- The study is limited to quantitative data
- Mindset of people may vary depending upon their age, gender, income etc.
- Getting appointment from the concern person was very difficult

Chapter 8
Recommendations
& Suggestions

Recommendations & Suggestions:

In this era of Globalization, it is very difficult to the banks to keep the high rate of interest for facing the competitor-

- To reduce the interest.
- To launched the new attractive schemes.
- To choose the new methodology for recovering balances.
- To select the sectors in which the large number of funds are invested for long time period such as Home loan.
- To provide more secure policy for the customer.
- To take customers feedback properly, because customer is the ultimate earning source for bank

Chapter 9

Bibliography Appendices

Bibliography & Appendices

News Paper:

- Times of India

- Time of Business

- Financial Express

Websites:

- www.hdfcbank.com

- www.economicstimes.com

- www.Loansnews.info

Questionnaire:

Please fill the given as per your thinking and experiences with this. I will be thankful to you for this.

1. What is your occupation?

- Professional
- Self-employed
- Salaried:
- others

2. Which income group do you belong?

- Below 2 lac
- 2-5 lac
- 5-10 lac
- 10 lac above

3. Have you ever taken Vehicle Loan?

- YES ()
- NO ()

4. From which bank do you have taken Vehicle loan?

- HDFC Bank
- ICICI Bank
- Axis
- Yess Bank

5. If you take Vehicle loan from any bank, so do you have any kind of account?

- YES ()
- NO ()

6. Which type of account do you have?

- Bank A/C
- Loan A/C

7. Other While Vehicle loan which is the best facility attract you the most?

- Interest rates
- Service provider
- Payback period
- Schemes
- Less paper work

8. How much loan amount you took?

- Less than 3 lac
- 1 lac
- 3-5 lac
- 8 lac above

9. Do you think HDFC Bank try to create new possibility through maintaining good relationship with the customer?

- YES ()
- NO()