

SUMMER INTERNSHIP PROJECT

“A Study of Home Loan with The Reference to Arvind Sahakari Bank Ltd.”

Submitted To :

DMSR

**G.S. College of Commerce & Economics
(An Autonomous Institution)**

Affiliate To :

Rashtrasant Tukdoji Maharaj Nagpur University, Nagpur

Submitted by:

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Company Guide:

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Faculty Guide:

Dr. Archana Dadhe

Department of Management Sciences and Research,

G.S. College of Commerce & Economics, Nagpur

NAAC Accredited “A” Grade Institution



Academic Year 2021-2022



CERTIFICATE

This is to certify that the investigation described in this report titled “**A Study of Home Loan with the reference of Arvind Sahakari Bank Ltd**” has been carried out by **Ms. Jayashri Govindrao Dhokane** during the summer internship project. The study was done in the organization, **Arvind Sahakari Bank Ltd.**, in partial fulfillment of the requirement for the degree of Master of Business Administration of **G.S. College of Commerce & Economics (An Autonomous Institution)** Affiliated to **R.T.M. Nagpur University, Nagpur.**

This work is the own work of the candidate, complete in all respects and is of sufficiently high standard to warrant its submission to the said degree. The assistance and resources used for this work are duly acknowledge.


Dr. Archana Dadhe

(Faculty Guide)

Dr. Sonali Gadekar

(MBA Coordinator)

Certificate



Where Service Is Way of Life

ISO 9001:2015 CERTIFIED

ARVIND SAHAKARI BANK LTD.

REGD NO. N.G.P./B.N.K/0/119/97-98
HEAD OFFICE/BANCH:- MAIN ROAD, KATOL, DIST- NAGPUR, 441302

Ref No.:-ASBL/SIP/440/2021-22

Date:-28th December, 2021

To,

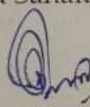
The Principal,
Department of Management Science
& Research,
G.S. College of Commerce & Economics,
Law College Square, Amravati Road,
Civil Lines, Nagpur, 440001


Sub:- Project Report on "Study of Home Loan, with reference to Arvind Sahakari Bank Ltd" by Miss. Jayashri Govindrao Dhokane.




Sir,

This is to certify that, Miss. Jayashri Govindrao Dhokane, Student of MBA of your College, has completed the above project successfully in our Bank on the subject **"Study of Home Loan, with reference to Arvind Sahakari Bank Ltd., Katol, Dist- Nagpur."** She has completed the project in nearly about 45 days time.

Your's faithfully,
For, Arvind Sahakari Bank Ltd.


C.E.O.
Arvind Sahakari Bank Ltd.



 : 07112-222710,  : 07112-224101,  : www.arvindbank.com

ACKNOWLEDGEMENT

It is a matter of pride and privilege for me to have done a summer internship project in “**Arvind Sahakari Bank Ltd.**” and I am sincerely thankful to them for providing this opportunity to me.

I am thankful to “**Mr. Raja Rao**” for guiding me through this project and continuously encouraging me. It would not have been possible to complete this project without his support.

I am also thankful to all the faculty members of Department of Management Sciences and Research, G S College of Commerce and Economics, Nagpur and particularly my mentor “**Dr. Archana Dadhe**” for helping me during the project

I am very thankful to the Principal of G.S. College of Commerce & Economics, Nagpur, “**Dr. N.Y. Khandait**” & to the dean of DMSR, “**Mr. Anand Kale**” for their support and encouragement.

Finally, I am grateful to my family and friends for their unending support.

Jayashri Govindrao Dhokane

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INTRODUCTION

Introduction To Home Loan

Home loan / housing loans which is sanctioned to buy or purchase or to own a house or residence is known as a home / housing loan. Any qualified individual can avail housing loan subject to the purpose of owning a like shop, office, warehouse or factory etc. Home loan / Housing loan is a type of secured loan as the house or residence purchased is mortgaged to the lending institute till the full and final payment of loan amount. This is a long-term loan and the home loan repayment period could be anywhere between 15 years to 30 years. The rate of interest generally varies within the range of 8% to 12.5% depending upon institution. Floating interest and fixed interest are the available interest calculation options to the borrower of home loan / Housing loan in India. The government policies also impact the rate of interest on home loan. Generally, it is a practice of lending institutions to grant up to 90% of the cost of the premises where the interest 10% of the cost of the premises are involved by the borrower. In certain cases, the lending institute may sanction 100% home loan though it is at the sole discretion of said institute.

A borrower may buy its prime residence by availing home loan or he or she may buy excess residential property. Borrower repays this loan in form of EMI - / Equated monthly installments. A borrower can also avail the facility of premature settlement of the loan or transfer of housing loan to other residential premises.

Types of Home Loan

There are different types of home loans available in the market to cater borrower's different needs.

- **Home Purchase Loan:** This is the basic type of a home loan which has the purpose of purchasing a new house.
- **Home Improvement Loan:** This type of home loan is for the renovation or repair of the home which is already bought.
- **Home Extension Loan:** This type of loan serves the purpose when the borrower wants to extend or expand an existing home, like adding an extra room etc.
- **Home Conversion Loan:** It is that loan wherein the borrower has already taken a home loan to finance his current home, but now wants to move to another home. The conversion Home
- Loan helps the borrower to transfer the existing loan to the new home which requires extra funds, so the new loan pays the previous loan & fulfill the money required for new home.
- **Bridge Loan:** This type of loan helps finance the new home of the borrower when he wants to sell the existing home, this is normally a short-term loan to the borrower & helps during the interim period when he wants to sell the old home & want to buy a new one, it is given till time a buyer is found for the old home.
- **Home Construction Loan:** This type of loan taken when the borrower wants to construct a new home.
- **Land Purchase Loan:** It is that loan which is taken to purchase a land for construction & investment purpose.

HOME LOAN DOCUMENTS

There are some documents for Home Lone / Housing Loan mandatory like Pan Card. Age Proof, Income Papers, and Bank Statement.

1. Pan Card or other ID Proof
2. For proof of identity: Pan Card / Passport / Driving License.
3. Age proof: Pan Card / Passport / Driving License.
4. Residence Proof: Electricity bill / Passport / Telephone bill / Mahanagar gas.
5. Income document :
 - Self Employed : 3 years income tax returns
 - Salaried: Form 16 for 3 years & salary certificates for previous three months.
6. Copy of bank statement for previous six month, reflecting salary or the regular business transaction.
7. Minimum two years for salaried as well as self employed.
8. All payment receipts.
9. Sale agreement [Agreement between seller and buyer] if property is resale, then following documents are required :
 - Registration and stamp duty receipt.
 - Original share certificate of the society.
 - Allotment letter from the society in your name.

Lease deed, if executed.

- Certificate of the registration of the society.
 - NOC [No Objection Certificate] from the society.
1. 7/12 extract or property register card in the society's name. N.A (permission for the land from the collector) Order under the ULC act (Urban Land Ceiling Act) Building plans sanctioned by the authority. Corporation / Nagar palika granted commencement certificate. The latest receipts of taxes paid. Originally agreement to assign / deed of assignment. Occupation certificate (OC)
 2. Passion letter on builder's letter head in case of property purchased form builder.

3. 4 photos
4. Cheque will be in the name of seller in case of resale and builder if purchased from builder.

Post Sanction Documents for Home Loan / Housing Loan

1. Post dated cheques (PDC) of ECS mandate from or standing instruction request.
2. Margin money receipt.
3. Completion Certificate with photo

Eligibility

Everyone wishes to buy a property get a home loan and repay the loan can get home loan. Bank / Lender have a set certain eligibility criterion that you need to meet before getting home loan / housing loan. Your age should be minimum 21 years and maximum 58 years for salaried applicant should have stable source of income (The minimum take home pay of the applicant should be Rs. 1,00,000/-). The applicant should be cumulative service for a minimum period of two years or should be self employed for a minimum period of three years.

A) GENERAL TERMS AND CONDITION

The following are the terms and conditions applicable to the basic home loan product only. These are likely to change on the basis of the variation of the home loan product. Typically, in general home loan, the following conditions are applicable:

1. The loan to value ratio (LTV) cannot exceed a particular percentage. This differs from product to product and from one housing finance institutional bank (HFI/B) to another. The components of the value of the property calculated here are covered under cost of property.
2. The maximum tenure of the bank is normally fixed by HFI/B's. However, HFI/B's do provide for different terms and conditions.
3. The installment that one pay is normally restricted to about 50% of the monthly gross income of the candidate.
4. The total monthly outflow toward all the loans that have been availed of, including the current loan is normally to 50% of the gross monthly income.

5. One will be eligible. This is calculated as per the LTV norms and the FOIR norms as mentioned above.
1. Most HFI/Bs considers the profile before they judge the repayment capacity. The judgment is based on age, qualification, number of dependents, employment details, employer credentials, work experiences, previous track record of repayment of any loans that have been availed of, occupation, the industry to which the candidate's business relates to, if he/she is self employed, and then the turnover in the last 3-4 years etc.
2. Some HFI/Bs insists on guarantees from other individuals for the repayment for the loan in such cases, the customers have to arrange for the personal guarantee before the disbursement of the loan takes place.
3. The property should be technically clear before the HFI/Bs disburses the loans amount. Most of institutions and Banks have a team technical expert who visits the site to get a technical report before the disbursement of loan.
4. Disbursement of the loan is as per the progress of constructions property unless it is a ready property in which case the disbursement will be by one single cheque. PEMI or simple interest on the loan amount disbursed to the costumer in case of a part disbursement.
5. The disbursement in most cases will be favoring the builder or the seller or the society or the development authority as the case may be. The disbursement will come in the customer's favor under special circumstances only.
6. The repayment of loan can be made either through deduction against salary, post-dated cheques standing instructions or auto debit instruction to bank.

B) Charges Applicable to Home Loan

The different kinds of charges applicable to Home Loan are discussed below:

I.Processing Fees:-

First of all, comes the process fee. This is charges that are levied by most HFI/B's. This has to be paid at the time of sanction of the application form. It's normally charged as a percentage of the loan amount sanctioned. When the lower amount is sanctioned, the

excess fees paid at the time of submission of the application is adjusted with the charge, which one make to the HFI/B subsequently.

II. Administrative Fees:-

This charge is again, normally, a percentage of the loan amount sanctioned. It is collected by the maintenance of customer's records, issuing interest certificates, legal charges, etc. Through the tenure of the loan. It is payable by the customer when he/she accepts the offer letter given by the HFI/B.

III. Rate of Interest:-

This is the rate of interest applicable on the loan amount through the tenure of the loan. It is charged on the principle monthly reducing method. Most HFI/B's given an option to select either a fixed rate of interest or a variable rate of interest or a variable rate of interest.

IV. Legal Charges:-

Some HFI/B's mainly public sector banks levy legal charges that they incur on getting the property documents vetted by panel of lawyers.

V. Technical charges:-

These charges are also levied by certain housing finance institution / Banks to meet their expenses on the technical visit to the customers properly. This ensures quality of construction and construction within the norms as stipulated by the respective approval authority.

VI. Stamp Duty and Registration Charges:-

HFI's that go in for a registered mortgage pass these charges on to the customer. These are rather heavy in certain states depending on the laws laid down by the state where one buys the property.

VII. Personal Guarantee from Charges:-

Since the personal guarantee provided by the customer need to be stamped, these charges are also recovered from the customer. They are charged to him by HFI's who demand for guarantee.

VIII. Credit Documentation:-

Given below is the exhaustive list of credit documents that need to be submitted for a general home loan product. The documents vary from one HFI/B to another based on one's employer, qualification, experiences etc. the general requirement are as follows:-

Income Documentation:-

For salaried slips for the last three months appointments letter salary certificate retainer ship agreement, if appointed as a consultant form 16 issued by the employer in customers name income document for self employee-last three years profit and loss account statement duty attested by chartered accountant. Last three years balance sheets duty attested by chartered accountant, last three years income returns with computation chart duty filed and certified by the income tax authorities.

1. Proof of Employment

Identity card issued by the employer-visiting card.

2. Employer's Details (In case of private limited companies):-

Profile of employer on employers' letterhead comprising.

- Name of the promoter / directors
- Background of promoter / directors
- Nature of business activity of your employer
- Number of employees
- List of suppliers
- List of clients / computers
- Turnover of employer
- Annual reports of the employer for the last two to three years.

3. Proof of Age (Anyone of the Following):-

Passport-voter's ID card, PAN card, Ration card, Employer's identity card, School leaving certificate, Birth certificate.

4. Proof of Name Change (If applicable):-

A copy of the official gazette- a copy of a newspaper advertisement publicizing the name change- marriage certificates.

5. Proof of Investment:-

Bank statement for the last six months of all operating and salary accounts-bank statement for the last six months of all currents, if self-employed any other photocopies of investments held, if required by the HFC.

6. Legal Documentation:-

Legal documentation the typical legal documents that need to be submitted to the HFC are discussed here. Given below is a legal property documents that need to be submitted to the HFC for mortgage of the property. The name and the list of documents vary from state to state and also depend on the type of property being financed. A broad outline of the documents is given below.

- Acceptance copies of the offer letter issued by the HFC/B
- Title documents of the property that include-sale agreement duly registered-own contribution receipt-allotment letter-registration receipt-land document indicating ownership, if applicable-mortgage deed if the HFC post for a registered mortgage.
- No objection certificate from the developer, society or development authority applicable.
- Personal guarantee, if applicable.
- In case of alternator additional security, documents for the same depending upon the securities details.

The above documents are only indicative in nature and do not cover the entire list. It may, also be noted that in a resale case, the previous chain of agreement also needs to be taken.

7. The Tax Benefits that are Applicable to Housing Loans for Individuals.

Tax Benefit

Interest of Rs. 1,50,000/- or an actual amount of interest paid for housing loan whichever is less is deducted from income tax under section 24 and the repayment of principle of Rs. 1,00,000/- is also eligible for deduction from income tax under section 80C. if customer availed Home Loan.

In India there are many banks lender who provide Home Loan / Housing Loan process of this bank / lender is same.

- Application from is login.
- Personal discussion is done by bank officer with customer.
- Bank's field investigation (All documents are verified by bank which given with application form).
- Bank cheques CIBIL report.
- Sanction of agreements and submitting post-dated cheques.
- Disbursement.

CHARGES

There is hidden charge for Home Loan or other charges for home loan.

- **Processing Fees:** For handling and processing loan documents.
- **Legal Fees:** Customer has to pay to their institutions or legal consultants of institution or legal consultants of institution.
- **Valuation Charges:** Customer has to pay to their institution or his valuator.
Stamp duty on Creation of Mortgage of Property.
- **Prepayment Charges:** If money is paid by customer from his account, then there are no repayment charges. If home loan is taken over by some other bank, lender, institute then customer has to pay repayment charges.

HOME is a dream of a person that shows the quality of efforts. Sacrifices luxuries and above all gathering funds little to affords one's dream.

Home is one of the things that everyone wants to own. Home is a shelter to person where he rests and feels comfortable. Many banks proving home loans whether commercial banks or financial institutions to the people who want to have a home.

Arvind Sahakari Bank Ltd. have been serving the people for around 15 years and providing various housing loan according to their varied needs at attractive & reasonable interest rates.

Many banks are proving home loans at cheapest rate to attract consumers towards them. The more customer friendly attitude of these banks, currently offer to consumers cheapest loan over homes.

With the RBI reducing bank rate, the home loan market rates nose-diving by 50 basis points. Bank of India and SBI has become the first player in this sector to announce a housing loan for a 20 years period. No doubt it will enhance the end cost people to plan their house over longer duration now it has been made easy for a person to buy that dream house which the dream of long ago.

Arvind Sahakari Bank also proving with home improvement loan for internal and external repairs and other structural improvements like painting, water proofing, plumbing and electric works, tilling and flooring, grills and alluminium windows.

ADVANTAGES OF HOME LOAN:-

The various benefits of **Home Loan** arising to the customers are:-

A) Attractive Interest Rates:-

The various banks for attractive interest rates to boost and help their customers. Many banks provide loans on fixed or floating rates to facilitate consumers as per their needs.

B) Helps In Owning a Home:-

The home availed by a person with the help of banks, because they provide technical and financial and financial assistance to customers for owning their dream home.

C) No Requirement of Guarantee:-

The commercial banks now liberalize their laws regarding home loans. Some of the banks don't even require the guarantor to grand loan for consumers.

D) Door-step Services:-

These doors to step services are provided from enquiry stage to the final disbursement takes place such services are beneficial for customers in present busy life. Banks like ICICI bank and standard chartered bank provide door to step services to customers to borrow loan.

E) Loan Period:-

There are many banks which provide maximum loan tenures up to 15-20 years based on the loan amount and the credibility of customers. This provides the customers to repay amount till a long period.

DISADVANTAGES OF HOME LOAN

Delays in Processing:-

Many times, there are huge delays in processing of providing home loans because various formulations to be fulfillment in this process. Due to these delays customers feel mentally as well as financially weak.

Fluctuating interest rates:-

Some banks give home loan at floating rates; fluctuate at different intervals due to some reasons. These changes sometimes, may lead to increase in interest rate which will increase the cost of home loans to the customers.

High Cost:-

The public sector banks charges high processing cost for home loan's sanctioning. They are forced to pay serious charges at various stages to fulfill the requirements. Some consumers are not able to pay such charges so such people could not avail the benefits of home loan schemes.

Problems in Disbursement:-

These are many problems in disbursement of home loan amount. These are some delays in disbursement of loan amount to the customers due to legal formalities. This causes problems to the customers.

DISBURSEMENT OF HOME LOAN:-

Every bank has its own procedure to disburse the loan amount among customers. After choosing your right home, the next step is disbursement of home loans. The loan amount is disbursed after identifying and selecting the property or home that are purchased and submit the requisite legal documents. The 230A clearance of seller and / or 371 clearances from the appropriate authority of income tax is also needed.

1.3) INTEREST RATE OF HOME LOAN IN ARVIND SAHAKARI BANK :

-

- Lowest Interest Rate.
- Range from 1 to 20 years.
- Initial re-payment gestation period.
- Hassle free fast loan.
- No hidden charges.
- Total reducing plan.
- No pre closure charges.

1.4) Interest rate structure

Particulars	Interest rate P. A.
Housing loan (Upto 10 lacs)	9.40%
Housing loan (above 10 lacs)	9.00%
Other priority sector loan (including WW/WCTL) upto 10 lacs	11.50%
Other priority sector loan (including WW/WCTL) (above 10 lacs)	11.00%
Priority sector loan (upto 10lacs)	11.50%
Priority sector loan (above 10lacs)	11.00%
Education Loan	10.50%
Gold W. H. K. V. P	9.90%
VI loan	10.50%
Consumer durable loan	11.50%
Personal loan ROD R. O. D. Margin be increased to 65% asset value	12.90%

COMPANY PROFILE

Arvind sahakari bank Ltd. Katol, dist. Nagpur, started its auspicious beginning from first January 2000 as per Reserve Bank of India commence to business certificate.

The bank was registered under Maharashtra state cooperative societies act, 1960 on 18th March 1998, vide registration no NGP/BNK/0/119/97.98. The bank received RBI license on 9th October 1998 vide letter no. UMD/MAH/1622P and is governed by the various section of banking regulation act 1949 (A.A.C.S.).

The bank was fully computerized from the year 2002 and has shown tremendous progress at all the levels of the bank.

Bank's Share Capital :

As on 31/3/2021 the capital was rs. 30.00 crore. The share capital has increased by 2.75 crore this year. The number of members in the year 2018 was 13551. It has become 16500 in the year 2021.

Reserve Fund :

At the end of March 31, 2021, the banks reserve fund was rs. 9.65 crore.

Bank Deposits :

Bank deposits stood at rs. 609.45 crore as on March 31, 2018. As on March 31, 2021, the interest is rs. 880.00 crore. Deposits have increased significantly by 15.60% in the current financial year.

Investment :

As per the guidelines Laid down by the Reserve Bank of India, its banks have invested rs. 205.00 crore in government securities as on 31/3/21

Bank loan :

As on March 31, 2018, the loan interest was rs. 332.63 crore. The bank's credit has increased by 12.91% in the current year and the Bank has provided various types of loans to needy people at all levels in the current year.

ARVIND BANK DEPOSIT SCHEME

- Current account deposit.
- Fixed deposit-attractive rates.
- Cumulative deposit scheme.
- Recurring deposit (Monthly RD) scheme.
- Arvind classic deposit scheme.
- ½% additional interest benefit to senior citizens, co-operative societies and path sanstha.
- DICGC insurance cover up to Rs. 1 Lakh

Profit :

The bank has made a profit of rs. 3.95 Crore as on March 31, 2018 and rs 4.48 crore as on March 31, 2019 in the financial year.

Due to wholehearted support of our shareholders and account holders we are standing on the firm financial foothold. The bank is working with complete transparency and has received acclaim for its clean administration. “Arvind Sahakari Bank Ltd” has created a niche not in Katol but also in adjacent talukas and is the number one bank (deposit and turnover wise), since last many years in Katol and nearby areas.

It's theme where “Service Is the Way of Life” is well accepted and appreciated by lot of shareholders and account holders.

AWARDS

- Late Padmabhushan Vasantdada Patil Utkrushta Nagri Sahakari Bank Award. 2016-17, 2017-18, 2018-19, 2019-20.
- Banko Award 2016-17, 2017-18, and 2018-19, 2019-20.
- FCBA/Banking Frontier National Award 2016-17, 2017-18, 2018-19, and 2019-20.
- Nachiket Prakashan Award 2016-17
- Continuously Statutory Audit Report Grade “A”

BANK PROFILE

HEAD OFFICE –

Address :

Arvind Sahakari Bank Ltd. Parmal Building, Main Road, Katol-44302 district-Nagpur

Mr. Yogesh Wankhede- IT head

Mr. Pankaj Shembekar – ATM

Email : asbl ho@arvindbank.com

Bank Timing – Monday – Friday : 9am to 8pm

Saturday, Sunday : 9am to 2pm

BRANCHES :

Arvind sahakari bank having 6 branches :

1 AMRAVATI :

Address: Arvind sahakari Bank Ltd. Plot non. 67-D, siddarth Towers, near vaandu International, opp. Rajapeth Police Station, Badnera Road Amravati- 444601

2 KATOL :

Address : Arvind Sahakari Bank Ltd. Parmal Building, Main Road, Katol-441302

Mr. Prashant Bakre – Branch Manager

Email : aslb katol@arvindbank.com

3 NAGPUR-DIGDOH :

Address : Arvind Sahakari Bank Ltd. Plot no. 512, ward no. 20, Radke Layout, Main Road, Digdoh, Hingna (Tehsil) Nagpur (Dist.)

Mr. JKSN Rao – Branch Manager

Email : asbl digdoh@arvindbank.com

4 NAGPUR-GANDHIBAGH

Address : Arvind Sahakari Bank Ltd. Central Avenue, Near Adarsh Vidya Mandir, Gandhibag, Nagpur-440032

Mr. Dattaray Tare – Branch Manager

Email : asbl gandhibagh@arvindbank.com

5 SAONER :

Address : Arvind Sahakari Bank Ltd. Plot no. 42, Awadhoot Wadi, Civil Lines, Saoner-441107.

Mr. Rajendra Chavan – Branch Manager

Email : asbl saoner@arvindbank.com

6 WARUD :

Address : Arvind Sahakari Bank Ltd. Approach Road, next to Kathiwale Sabagruha, Warud-444906. Warud (Tehsil) Amravati (Dist.)

Mr. Manish Hedao – Branch Manager

Email : asbl warud@arvindbank.com

BOARD OF DIRECTORS

SR NO.	NAME	POST
1	Dr. Ashish Ranjitbabu Deshmukh	Chairman
2	Dr. Vijay Vasudevrao Dhote	Vice chairman
4	Shri. Avinash Anandrao Solav	Director
5	Dr. Ekanath Anandrao Chaudhari	Director
6	Adv. Shailesh Prakashmalji Jain (singhvi)	Director
7	Dr. Sanjay Sahebrao Tekade	Director
8	Dr. Dipak Gulabrao Arajpure	Director
9	Shri. Pravin D. Manvatkar	Director
10	Shri. Gangadhar Pandhrinath Barde	Director
11	Shri. Anil Vasudevrao Mahalle	Director
12	Shri. Rajendra Bhagvantrao Raut	Director
13	Shri. Umesh Gopalrao Chore	Director
14	Sau. Rupatai Ranjitbabu Deshmukh	Director
15	Sau. Dr. Sanjivni Omkar Chaudhari	Director
16	Mr. Raja Rao	CEO

WORK PROFILE

Arvind sahakari bank limited, having branches in six places provides all types of banking facilities to its clients, whether it is deposit, advances or other banking services. Deep deposit schemes of the bank are:

Current Account:

It's exclusively for businessmen, professionals, contractors etc.

Saving Bank Deposit:

A. Normal Saving Account

In normal saving account a minimum balance to open the account is rs 200. It gives cheque book facility, interest paid on daily balance, no frill account for students and other clients with zero balance.

B. Arvind classic accounts

In Arvind classic account minimum balance to open the account has to be rs 1000. In that classic account 2 to 3 withdrawals allowed in a week maximum 15 in a month. Interest will be credited on 10th September and 10th March. And a special rate of interest is 003.00% p.a. A special saving bank account with better returns.

Recurring Account:

Monthly, minimum 13 months up to 60 months.

Term Deposites:

- A.** With monthly, quarterly interest payment options.
- B.** Cumulative interest payment, wherein quarterly interest is compounded and paid at the same time of maturity Along with principal amounts.
- C.** Ranjit Vikas Patra, A special term deposit scheme, wherein deposit amount gets doubled in 120 months.
- D.** Lek Laadki Yojana, another special term deposit scheme, exclusively provided to female baby and girls, wherein depositor gets three times of deposit Amount in 10 years time.

Loans And Advances:

“Arvind Sahakari Bank” provides all types of loans, advances, working capital limits. As provided by nationalized banks. The special features of Arvind Bank Loan are transparency and speedy clearance of proposals.

The Main Loan Portfolio as Per the Balance Sheet Is:

- Gold and Silver Loan
- Loan against LIC/ KVP/ IVP/ Warehouse Receipts etc.
- +Loan/ OD against FD
- Vehicle Loan
- Consumer Durable Loans
- Personal Loans
- Business Loans/ CC
- Housing Loans
- Other Priority Sector Loans
- Mortgage Loans
- Educational Loans
- Project Loans etc.

SWOT ANALYSIS

❖ **STRENGTH:**

- 1) The bank has well experienced, well trained, most dedicated and committed staff. There are sustained and focused efforts at every level, by each employee of the bank, to continue to build up core deposits.
- 2) Strong rural presence.
- 3) It is well equipped to meet the challenges of 21st century, in the areas of IT, knowledge and competition.
- 4) It has launched core centralized banking solutions where all branches are connected live.
- 5) The bank has specialized branches catering to the specific clientele segment.

❖ **WEAKNESSES:**

- 1) The bank does not have many overseas branches.
- 2) As the employees are experienced the bank has a greater number of aged workforces.

❖ **OPPORTUNITIES:**

- 1) Controlling NPA through cash recovery.
- 2) To extend overseas business.
- 3) Upward revision in deposit/ interest rates attracts new customers/ deposits.
- 4) Up gradation in technological products saves time and improves business.

❖ **THREATS:**

- 1) The bank face competition from other public sector bank, private banks, foreign banks and other financial institution.
- 2) Changing economic policies of government will have direct impact on interest rates.
- 3) Globalization has allowed other industries, such as IT industry, to attract talent human resource.

OBJECTIVES OF THE STUDY

- 1.To study the home loan product provided by Arvind Sahakari Bank Ltd
- 2.To study rate of interest on home loan provided by Arvind Sahakari Bank Ltd.
- 3.To know the loan sanctioning process and disbursement of loan at Arvind Sahakari Bank Ltd.
- 4.To study home loan taken by consumer and their satisfaction.

Scope of Study

The Indian housing finance industry has grown by leaps and bound in few years. Total home loan disbursement by banks has raised which witness phenomenal growth from last 5 years. There are greater numbers of borrower of home loans. So, by this study can find out Satisfaction level of customers and problems faced by them in obtaining home.

Contribution During SIP

In order to open a savings bank account in Arvind Sahakari Bank Ltd, you need to follow below mentioned steps:

(1) Personally Visit Arvind Sahakari Bank Ltd Branch

You need to visit the bank branch in which you want to open your account.

(2) Fill up Account Opening Form (AOF) for Savings Account

Obtain the Savings Bank Account Opening Form and fill up all the necessary details of the customer's information and other details in the different sections given in the prescribed form like name, address, contact number, email id, PAN, type of account to be opened, nominee's name, etc.

(3) Attach Required (Mandatory) Documents with the Account Opening Form (AOF)

After completing filling up the account opening form, you need to attach KYC documents like PAN, Proof of Address & Proof of Identity.

(4) Verification of Account Opening Form (AOF) & Other Documents by the Banker

Banker will verify Account Opening Form (AOF) and other attached documents. If he is satisfied with these requirements, he will proceed further.

(5) Deposit Minimum Balance Amount in your Savings Account as per your Savings Account requirement

After verification of Account Opening Form (AOF) & Other Documents by the Banker, you will be allotted an account number and you will then be required to deposit the minimum required balance in your account as per your savings bank account type.

(6) Obtain Cheque Book, Passbook, Debit Card & Other Documents from the Bank

Once your account is successfully opened, the banker will hand over Cheque Book, Passbook, Debit Card & Other Documents to you and then you will be allowed to make transactions from your account.

How to Open Savings Bank Account in Arvind Sahakari Bank Ltd Online?

In order to open a savings bank account in Arvind Sahakari Bank Ltd online, you need to first check whether your bank gives you an option to open savings account online and if yes, then follow below mentioned steps:

(1) Go Online and Visit Bank's Official Portal

You need to visit the bank's Official Portal in which you want to open your account.

(2) Fill up Account Opening Form (AOF) for Savings Account

Initiate the process of account opening through filling up the Savings Bank Account Opening Form. You need to fill up all the necessary details such as customer's information and other details in the different sections given in the prescribed form like name, address, contact number, email id, PAN, type of account to be opened, nominee's name, etc.

(3) Upload Required Documents

After completing filling up the account opening form, you need to attach KYC documents like PAN, Proof of Address & Proof of Identity.

Checklist of Required (Mandatory) Documents in case of opening Savings Account

(4) Video KYC

In order to get verified, you can submit your KYC documents through a video call. For this purpose, you are required to provide access to your location, camera and microphone on your smartphone.

(5) Opening of Savings Account

After getting yourself verified through video call via step 4 mentioned above, your account will be opened and you will be allotted a Customer ID and account number by the bank

RESEARCH METHODOLOGY

MEANING OF RESEARCH & METHODOLOGY

Research methodology is a way to systematically show the research problem. It may be understood as a science of studying how research is done scientifically. It is necessary for the researcher to know not only the research methods but also the methodology.

This sanction includes the methodology which includes. The research design, objective of study, scope of study along with research methodology and limitations of study etc.

DEFINITION

According to Mr. L.V. Redman

“The Romance of Research defined research as a systematized effort to gain new knowledge”

“Research is a scientific and systematic search for pertinent information on a specific topic “

“A Careful investigation or inquiry specially through search for new facts in any Branch of knowledge”

Research in common refers to a search for knowledge. one can also define research as a scientific and systematic search for pertinent information on specific topic . in fact, research is an art of scientific investigation. Another meaning of research as “a careful investigation or inquiry especially through for new facts in any branch of knowledge.

Redman and Moray define research as “systemized effort to gain new knowledge “. Some people consider as movement a movement from the known to the unknown it is actually a voyage of discovery.

➤ DATA SOURCE

In the preparation of this project, it is necessary to collect the primary data and secondary data.

➤ PRIMARY DATA

The first-hand information bearing on any research which has been collected by the researcher may be called “PRIMARY DATA”. Collecting information various with the help of propels credit policy of the bank.

➤ SECONDARY DATA

The secondary data on the other hand, are based on second-hand information. The data which have been already been collected, compiled and presented easier by any agency may be used for the purpose of investigated such data may be called “secondary data”. Collecting the information with the help of Annual Reports, Magazines, Internet and Reference Books. The secondary data provided by organization. The needed information is collected from journals annual reports, magazines, etc.

- To know the customers perceptions about home loan of Arvind Sahakari Bank housing development finance corporation.
- To study the satisfaction level of customers about home loans.
- To study the problems faced by customers in obtaining the home loans.
- To make comparative study of disbursement of home loans by commercial banks, the study shall be conducted in the manner enumerated below.

- **RESEARCH DESIGN**

This project is based on exploratory study as well as descriptive study. It was an exploratory study when the customer satisfaction level was studied to suggest new methods to improve the services of **ArvindSahakari Bank** in providing home loans and it was descriptive study when detailed study was made for comparison of home loans by commercial banks.

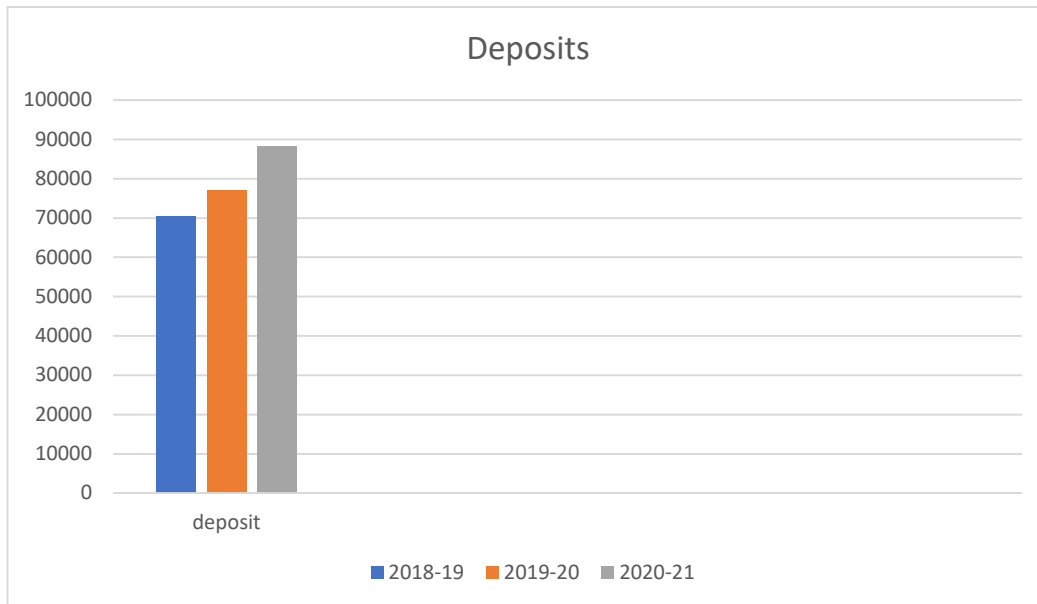
DATA ANALYSIS AND INTERPRETATION

Data Analysis and Interpretation :

The bank has shown tremendous progress in its business development since last 3 years and as per the latest balance sheet (financial year ended 31st March 2021) the business parameters are :

Sr. No.	Particulars	2018-19	2019-20	2020-21
1	Number OF Member	14247 lacs.	16021 lacs.	16691 lacs.
2	Share Capital	1506.32 lac.	2897.38 lac.	3078.86 lac.
3	Deposits	70450.04 lac	77059.70 lac.	88197.93 lac.
4	Loan Distribution	37556.79 lac.	44319.60 lac.	47555.58 lac.
5	Investment	19527.79 lac.	20768.52 lac.	26048.83 lac.
6	Profit	447.83 lac.	354.01 lac.	280.74 lac.
7	Dividend Paid	10%	10%	8%

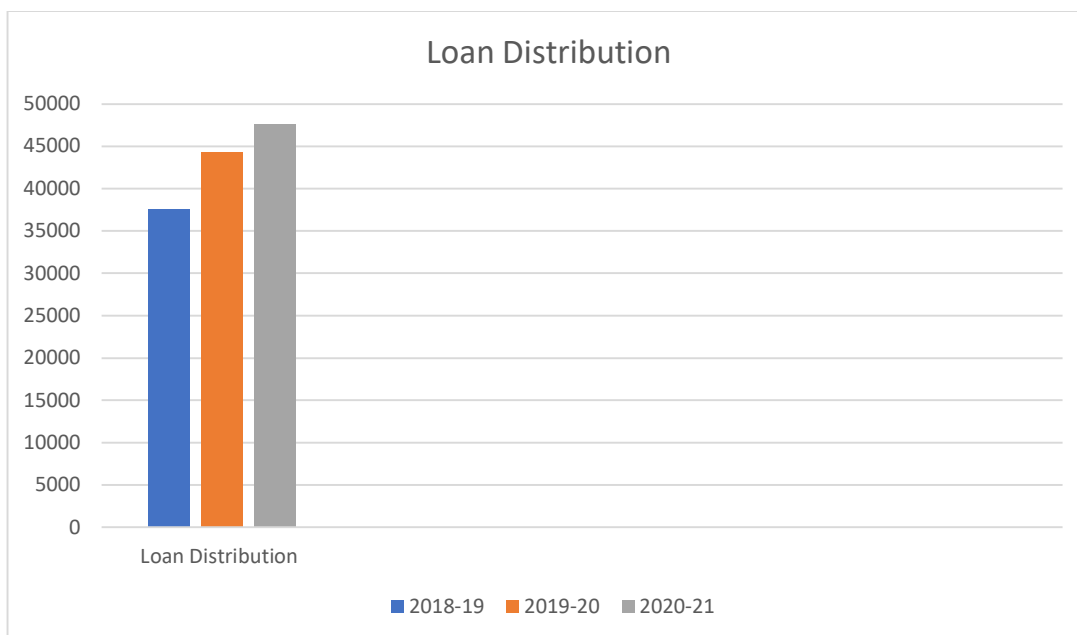
Deposits



Particulars	2018-19	2019-20	2020-21
Deposit	70450.04 lac	77059.70 lac.	88197.93 lac.

From the above table it is found that from last 3 years the deposits of Arvind Sahakari Bank Ltd. has been increases consistently.

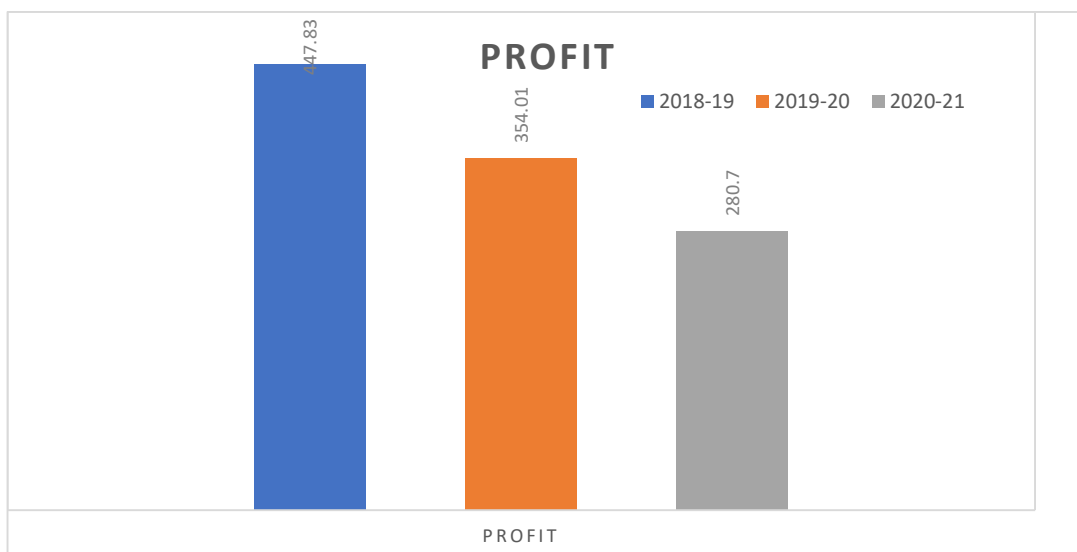
Loan Distribution



Particular	2018-19	2019-20	2020-21
Loan Distribution	37556.79 lac.	44319.60 lac.	47555.58 lac.

From the above table it is found that from last 3 years the Loan Distribution of Arvind Sahakari bank Ltd. has been increases consistently.

Profit



Year	Profit (Amounts)
2018-19	447.83 Lac.
2019-20	354.01 Lac
2020-21	280.74 Lac

From the above table it is found that from last 3 years the Profit of Arvind Sahakari bank Ltd. has been decreases consistently.

LIMITATIONS OF THE STUDY

This study also includes some limitations which have been discussed as follows:-

1. The sample size of 300 customers and 4 banks right proven a limitation because of difficulty in generalization of result.
2. To collect the data from various banks was quite difficult due to non-corporation of some banks. To be major limitation of the study.
3. To cases such large numbers of customers were difficult because of non-corporative attitude of respondents.
4. Lack of data was also the other limitation of the study as some of bank do not have proper data on topic.
5. There was limitation of time t conduct such a big survey in limited available time.
6. Ignorance and reluctant attitude of customers was also a major limitation in this study.

Thus, above all were the limitations in this research study. The maximum efforts were made to overcome these.

FINDINGS

1. Arvind Sahakari Bank having good brand image in the minds of customers.
2. Majority of the people got loans from Arvind Sahakari Bank only.
3. Most of the customers are aware of the products of Arvind Sahakari Bank home loans.
4. Some of the customers felt that the interest rates are somewhat high.
5. Some of the Customer not having good faith on private banks like Standard Chartered Bank, Arvind Sahakari Bank, Shikshak Sahakari Bank etc.
6. Most of the people are directly go to Arvind Sahakari Bank to apply for a home loan.
7. Some of the customer of Arvind Sahakari Bank already beneficieate through Arvind Sahakari Bank home loan products and services.
8. Customer's awareness is medium about Arvind Sahakari Bank products.
9. Arvind Sahakari Bank providing good services to their customers.

RECOMMENDATIONS AND SUGGESTIONS

These Suggestions have been discussed as follows:-

1. To increase their customers, the Arvind Sahakari Bank should provide specialized services in this sector. These services can be such as proper guidance to the customer regarding the processing of loans, especially for the customers who are illiterate.
2. To satisfy their customers and good dealings in future, the Arvind Sahakari Bank should make prompt disbursement of loan amount to the customers so that they can buy or construct their dream home as early as possible.
3. The Arvind Sahakari Bank should use easy procedure, or say, less lengthy procedure for the sanctioning of loan to the customers.
4. Although the interest rates on specific norms, yet customers seek less interest rate which can lower their cost of house. So, banks should try to lower their interest rates.
5. Arvind Sahakari Bank provides loan according to the repaying capacity of the customer and his/her eligibility. Due to which, some customers are not able to get amount of loan needed them.
6. **Create Awareness:** The Company has to take care of awareness creation about the products and services among the customer.
7. **Charges:** The Bank has to be reducing the mortality and administration charges.
8. The Bank has to reduce their interest rates on home loan products and services.
9. The Bank has to identify the potential customers. Company should consider the present competition and should act according to the customers need.

The Arvind Sahakari Bank should try to provide proper knowledge regarding their home Loan schemes. Even to people who don't know about such schemes and their benefits especially in rural areas and backward urban area so, above are the main suggestions provided to the Arvind Sahakari Bank by considering these suggestions, the Arvind Sahakari Bank can strengthen their customer base in home loan sector. They should improve their services and reduce legal proceeding and should be friendly to their customers. All this will be helpful to satisfy their customers.

CONCLUSION

1. In my study we came to know that many people are interested to take a home loan from Arvind Sahakari Bank to construct their homes.
2. Home loan have long period when compare to other personal loans and other loans. So, peoples are confused to take a home loan.
3. Even through the interest rates are slightly high people are willing to take a loan from Arvind Sahakari Bank due to some reasons.
4. The interest rates also somewhat high when compare to other banks.
5. The loan sanction process is low when compare to other banks.
6. For disbursement process is also it will take low time when compare to other banks.

Finally, the whole research was carried out in a systematic way to reach at exact results. The whole research and findings were based on the objectives. However, the study had some limitation also such as lack of data, non-response, reluctant attitude and illiteracy of respondents, which posed problems in carrying out the research. But proper attention was made to carry out research in proper way and to make accurate conclusion for the Arvind Sahakari Bank which may be beneficial for banks to enhance their customer's base.

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