

**A Project Report on**  
**“Comparative Study Of Home Loan Scheme Of SBI And HDFC Bank”**

Submitted to:

**Department Of Management Sciences & Research (DMSR)**  
**G.S. College of Commerce & Economics, Nagpur**  
**(An Autonomous Institution)**

Affiliated to:

**Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur**

In partial fulfilment for the award of the degree of  
**Masters of Business Administration**

Submitted by:

**Miss. Pratiksha Deepak Chhagankar.**

Under the Guidance of

**Dr. Archana Dadhe**

**Department of Management Sciences & Research**  
**G.S. College of Commerce & Economics, Nagpur**  
**NAAC Accredited “A” Grade Institution**



**(Academic Year 2023-24)**

**Department of Management Sciences and Research,**

**G.S. College of Commerce & Economics, Nagpur**  
**NAAC Accredited “A” Grade Institution**



**Academic Year 2023-24**

**CERTIFICATE**

This is to certify that **Ms. Pratiksha Deepak Chhagankar** has submitted the project report titled, **“Comparative Study Of Home Loan Scheme of SBI And HDFC Banks”**, under the guidance of **Dr. Archana Dadhe** towards the partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination.

It is certified that he/she has ingeniously completed his/her project as prescribed by **DMSR – G.S. College of Commerce & Economics, Nagpur (NAAC Accredited “A” Grade Autonomous Institution)** affiliated to **Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur**.

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**Date:**

**Department of Management Sciences and Research,**

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**NAAC Accredited “A” Grade Institution**



**Academic Year 2023-24**

## **DECLARATION**

I, Sanskruti Narendra Bhongade here-by declare that the project with title **“Comparative Study Of Home Loan Scheme of SBI And HDFC Banks”** has been completed by me under the guidance of **Dr. Archana Dadhe** in partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination as prescribed by **DMSR – G. S. College of Commerce & Economics , Nagpur (NAAC Accredited “A” Grade Autonomous Institution)** affiliated to Rashtrasant Tukadoji Maharaj Nagpur university, Nagpur.

This project was undertaken as a part of academic curriculum and has not been submitted for any other examination and does not form the part of any other course undertaken by me.

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**Academic Year 2023-24**

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**Place: Nagpur**

**Ms. Pratiksha Deepak Chhagankar**

**Date:**

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# **CHAPTER 1: INTRODUCTION**

## **INTRODUCTION**

Having a home of your own is a huge milestone and a dream come true for most people. As a homeowner, you can curate your space to suit your needs and tastes. However, building your dream house can be an expensive affair. To that end, you can seek financial assistance and supplement your budget with the help of a Home Loan

One of the most common reasons people take out loans is to purchase a home. Very few people can afford to buy a home outright with cash, so they rely on mortgage loans to finance the purchase over an extended period

### **What is Home Loan?**

a Home Loan is a form of financial assistance extended by banks and financial institutions. Such banks or financial institutions can help increase your budget to purchase a house with the loan amount offered. You can avail of the loan by meeting certain Home Loan eligibility criteria for a specific tenure. You must return the loan amount borrowed over the course of the tenure along with interest according to predetermined interest rates. You repay the Home Loan in monthly instalments, just like you would repay any other loan.

Owning a piece of land or property is a lifetime dream for every individual. There are many Home Loans provider in the market to make your dream come true.

But before opt for any home loan provider, need to consider certain factors related to property that interested in buying and also about the salient and also study some home loans in applying a home loan in India. Purchasing and moving into a dream home would generally rank among the top three things on the wish list of most people.

A few decades ago, finding a bank for financing Home Loan was not so easy. But now taking Home Loan has become very simpler. The RBI has been regularly slashing Interest rates, with the result that home finance loans that came at an interest rates or Each year the finance minister's generosity during the budget seems to be slowly concentrated for the home sector and construction sector.

Today, most banks offer Home Loans that not only help you purchase ready-made homes, but also facilitate the construction of a house from scratch. In addition, you can also seek Home Loans for renovation or repair purposes.

In their quest for attracting more and more customer for Home Loans most of the banks have sanctioned loans without taking applicant's capacity to repay loan into consideration. The result: banks have to initiate legal process under securitization act. To avoiding legal complication a few private banks have embarked on to create awareness among the prospective application for Housing Loans.

### **Introduction of banks:**

A bank is a financial institution that accepts deposits from the public and creates a demand deposit while simultaneously making loans. Lending activities can be directly performed by the bank Whereas banks play an important role in financial stability and the economy of a country.

Banks derives a profit from the difference between the costs (including interest payments) of attracting and servicing deposits and the income it receives through interest charged to borrowers or earned through securities.

### **Definition:**

A bank is a financial institution and a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly by loans or indirectly through capital markets.

### **Types of Banks:**

Banks are classified as Public or Private depending on their ownership.

### **PUBLIC SECTOR BANKS**

Public Sector Banks (PSBs) are a major form of bank in India, in which the Indian government or state governments own a majority stake (i.e. more than 50%). The shares of these banks are traded on stock exchanges. Public sector banks in India include State Bank of India, Bank of Baroda, Bank of Maharashtra, Bank of India and others.



## **PRIVATE SECTOR BANKS**

Private sector banks are those in which majority of the stake is owned by the bank's shareholders rather than the government. Private sector banks in India include RBL Bank,, ICICI Bank, Yes Bank, and others.

## **UNIQUE FEATURES OF HOME LOAN**

- Purpose: For purchase of house from builder/resale and construction/ extension of existing house.
- Loan Amount: You can avail for home loans ranging from Rs.1 lakh to Rs.100 lakh depending on your eligibility, income, and repayment capacity.
- Security: Home loan is a secured loan wherein collateral is required.
- Loan Tenor: The maximum loan tenure is 25 years.



## **HOME LOAN PROCEDURE**

- 1. Fill the Loan Application Form & Attach the Documents**
- 2. Pay the Processing Fee**
- 3. Discussion With the Bank**
- 4. Valuation Of the Documents**
- 5. The Sanction/Approval Process**
- 6. Processing the Offer Letter**
- 7. Processing the Property Papers Followed By A Legal Check**
- 8. Processing A Technical Check & the Site Estimation**
- 9. The Final Loan Deal**
- 10. Signing the Agreement**
- 11. The Loan Disbursal**

## **DOCUMENTS REQUIRED**

### **List of papers/documents applicable to all applicants:**

- Employer Identity Card
- Loan Application: Completed loan application form duly filled in affixed with 3 Passport size photographs.
- Proof of Identity (Anyone): PAN/ Passport/ Driver's License/ Voter ID card
- Proof of Residence/ Address (Anyone): Recent copy of Telephone Bill/ Electricity Bill/Water Bill/ Piped Gas Bill or copy of Passport/ Driving License/ Aadhar Card

### **Property Papers:**

#### **Account Statement:**

- Last 6 months Bank Account Statements for all Bank Accounts held by the applicant/s
- If any previous loan from other Banks/Lenders, then Loan A/C statement for last 1 year

### **Income Proof for Salaried Applicant/ Co-applicant/ Guarantor**

- Salary Slip or Salary Certificate of last 3 months.
- Copy of Form 16 for last 2 years or copy of IT Returns for last 2 financial years, acknowledged by IT Dept.

### **Income Proof for Non-Salaried Applicant/ Co-applicant/ Guarantor:**

- Business address proof
- IT returns for last 3 years.
- Balance Sheet & Profit & Loss A/c for last 3 years
- Business License Details (or equivalent)
- TDS Certificate (Form 16A, if applicable)

Certificate of qualification (for C.A./ Doctor and other professionals)

# **CHAPTER 2: COMPANY PROFILE**

## **COMPANY PROFILE**

### **SBI BANK**

State Bank of India (SBI) is a major Indian public sector bank headquartered in Mumbai, Maharashtra. It holds the position of the 48th largest bank globally by total assets and was the sole Indian bank listed in the Fortune Global 500 for 2020. SBI dominates the Indian banking sector with a 23% market share by assets and is the largest employer in the country with nearly 250,000 employees. Notably, in 2023, it ranked 77th in the Forbes Global 2000 list.

SBI achieved significant milestones in market capitalization, crossing ₹5 trillion in September 2022 and ₹6 lakh crore in February 2024, making it the second PSU to do so after Life Insurance Corporation. Recognized by the Reserve Bank of India as a Domestic Systemically Important Bank (D-SIB), SBI is considered crucial to India's financial stability.

The bank's roots trace back to the Bank of Calcutta in 1806, evolving through mergers and acquisitions to become the State Bank of India in 1955. It has absorbed over twenty banks throughout its history. In August 2022, SBI launched its first dedicated branch for start-ups in Bengaluru, aiming to support and foster India's burgeoning start-up ecosystem.

### **Products and Services Offered**

SBI offers a plethora of products and services such as savings account, credit cards, fixed deposits, personal loan, home loan, business loan, debit card, loan against property, car loan, gold loan, mudra loan and more

<b>Company type:</b>	Public
<b>ISIN:</b>	INE062A01020
<b>Industry:</b>	Banking, financial service
<b>Founded:</b>	1 July 1955
<b>Headquarters:</b>	Mumbai
<b>Number of locations:</b>	India: 22,219 Branches 62,617 ATMs
<b>International:</b>	229 Branches in 31 countries
<b>Chairman:</b>	Dinesh Kumar Khara
<b>Subsidiaries :</b>	<ul style="list-style-type: none"> <li>• SBI Life Insurance Ltd</li> <li>• SBI Mutual Fund</li> <li>• SBI Cards and Payment Services Ltd</li> <li>• SBI General Insurance</li> <li>• Jio Payments Bank</li> <li>• Yes Bank</li> </ul>
<b>Website</b>	<ul style="list-style-type: none"> <li>• <a href="http://sbi.co.in">sbi.co.in</a></li> <li>• <a href="http://bank.Sbi">bank. Sbi</a></li> </ul>



### **Goals of SBI bank**

- To act in accordance with the broad economic policies of the government;
- To encourage and mobilise savings by opening branches in rural and semi-urban areas and to promote rural credit;
- To establish government partnership in the provision of cooperative credit;
- To extend financial help for the establishment of licensed warehouses and cooperative marketing societies;
- To provide financial help to the small scale and cottage industries;
- To provide remittance facilities to the banking institutions.

## **SBI Home Loan Schemes**

### **1. Regular Home Loan:**

You can use this loan to construct a house, conduct a house extension, purchase an under-construction property, a ready built property, a pre-owned home or for any other kind of repair and renovation.

#### **Benefits:**

- 30 years repayment tenure
- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 2,000 and maximum of Rs. 10,000) + applicable GST.
- Zero Prepayment charges.
- Interest rate charged on daily reducing balance.
- Home Loan available as Overdraft
- Indian residents aged between 18 to 70 years can apply

### **2. NRI Home Loan:**

This Home Loan caters to Non-Resident Indians who are seeking to invest in property. It makes better sense from a financial perspective that you purchase a property through a Home Loan instead of going through personal financing.

#### **Benefits:**

- Low processing fee.
- Zero hidden charges.
- Repayment tenure up to 30 years
- Zero prepayment penalty
- Concession in interest rate for women borrowers
- Home loan available as overdraft
- NRIs and PIOs aged between 18 to 60 years can apply
- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 2,000 and maximum of Rs. 10,000) + applicable GST.



### **3. Realty Home Loan:**

It helps you purchase a plot for construction of your home. Construction should start within 5 years from the date the loan is sanctioned.

#### **Benefits:**

- Loan to build your dream home from scratch
- Avail maximum Rs. 15 Crores as loan amount
- No prepayment charges
- Loan repayment tenure up to 10 years
- Concession in interest rate for women borrowers
- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 2,000 and maximum of Rs. 10,000) + applicable GST.
- Indian residents aged between 18 to 65 years can apply

### **4. Pre-Approved Home Loan:**

Your Home Loan limits are sanctioned before the property is decided upon. This helps you negotiate with the buyer or seller in private.

#### **Benefits:**

- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 10,000 and maximum of Rs. 30,000) + applicable GST.
- Repayment up to 30 years.
- Interest concession for women borrowers.
- Home loan available as overdraft
- No prepayment penalty
- Resident Indians aged above 18 years can apply

## **5. Balance Transfer of Home Loan:**

This kind of loan offers borrowers a chance to transfer Home Loans from housing finance companies that are registered with the National Housing Bank, scheduled commercial banks and private as well as foreign banks.

### **Benefits:**

- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 10,000 and maximum of Rs. 30,000) + applicable GST.
- Home loan available as Overdraft.
- Low interest rates.
- No prepayment charges
- Interest charged on daily reducing balance methods
- Concession in interest rate for women

## **6. Privilege Home Loan:**

This loan is particularly designed for government employees. This takes into account PSUs, PSBs of Central Government, employees of State Government and other individuals who come with the benefit of pensionable service.

### **Benefits:**

- Concession on interest if Check Off is provided and for women borrowers.
- Zero processing fee
- Home Loan made exclusively for government employees.
- No prepayment penalty
- Up to 30 years repayment tenure
- Resident Indians above 18 years of age can apply

## **7. Shaurya Home Loan:**

This loan caters to all army and defence personnel. It comes with added benefits and lower interest rates.

### **Benefits:**

- Home Loan only for Defence and Army personnel at competitive rate.

- Extended loan tenure of up to 30 years.
- Zero processing fee
- Zero prepayment penalty
- Concession on interest if Check Off is provided and for women borrowers
- Resident Indians above 18 years of age can apply

### **8. Flexipay Home Loan:**

This housing loan gratifies salaried individuals. It provides borrowers with a higher loan amount and gives you the benefit of paying only interest during the pre-EMI period. Following this, you have to pay moderated EMIs (Equated Monthly Instalments).

#### **Benefits:**

- 20% higher eligibility for loan amount.
- Pay only interest during pre-EMI/ moratorium period.
- Up to 30 years repayment tenure
- No prepayment charges
- Resident Indian above 21 years and up to 45 years of age can apply
- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 2,000 and maximum of Rs. 10,000) + applicable GST.

### **9 .Home Top Up Loan:**

This loan offers customers the benefit of borrowing a specific amount on top of their Home Loan amount. This loan is beneficial for borrowers who are in need of extra funds.

#### **Benefits:**

- Multipurpose loan.
- Interest rates much lower than that of Personal Loan.
- Tenure up to 30 years
- No prepayment charges
- Interest charged on daily reducing balance method
- Home loan available as overdraft
- Processing fee is 0.35% of the loan amount (subject to a minimum of Rs. 2,000 + 10,000) applicable GST.

## **10. Smart Home Top Up Loan:**

This general-purpose loan helps to fund any urgent necessities for any type of personal requirements. This includes expenditures that arise from marriage, repair/renovation of house, education, and healthcare.

### **Benefits:**

- Quick loan processing.
- No pre-payment penalty.
- Loan amount available up to Rs. 5 Lakhs
- Repayment tenure up to 20 years
- Indian residents aged between 18 to 70 years with CIBIL score of 550 or above can apply.
- Processing fee is Rs. 2,000 + applicable GST

## **11 .Tribal Plus:**

This loan is specially designed for individuals who live in tribal or hilly areas and require funds for the purchase or construction of a new flat/house. The house to be purchased must not be older than 10 years.

### **Benefits:**

- Home loans for people of Hilly and Tribal areas
- Loans offered against Third Party Guarantee.
- No need to mortgage the land.
- Loan amount available up to Rs. 10 Lakhs
- Repayment tenure up to 15 years
- Interest rate concession for women borrowers
- No prepayment penalty
- Resident Indians aged above 21 years can apply

## **HDFC BANK**

HDFC Ltd, a pioneer in housing finance in India, received approval from the RBI in 1994 to set up HDFC Bank, which commenced operations in January 1995. Over 45 years, HDFC Ltd established itself as a leader in the housing finance sector with a diverse product range. Meanwhile, HDFC Bank expanded its services, including home loans, across urban, semi-urban, and rural India.

On April 4, 2022, the merger of HDFC Limited and HDFC Bank, India's largest housing finance company and largest private sector bank respectively, was announced. HDFC Ltd's extensive distribution network, including 737 outlets and 214 offices of HDFC Sales Private Limited, amalgamated into HDFC Bank's network.

As of February 29, 2024, HDFC Bank's distribution network included 8,192 branches and 20,760 ATMs/Cash Recycler Machines across 3,836 cities/towns. Additionally, the bank has an international presence with branches in 4 countries and representative offices in Dubai, London, and Singapore, catering to Non-Resident Indians and Persons of Indian Origin with home loan products.

## **Products and Services Offered**

Wholesale banking, retail banking, treasury, auto loans, two-wheeler loans, personal loans, loans against land, consumer durable loan, lifestyle loan, and credit cards are among the products and services offered by HDFC Bank. Payz app and Smart BUY are two other digital products available

## HDFC

<b>Company type:</b>	Public
<b>ISIN:</b>	INE040A01034
<b>Industry:</b>	financial service
<b>Founded:</b>	August 1994
<b>Headquarters:</b>	Mumbai
<b>Chairman:</b>	Atanu Chakraborty
<b>Subsidiaries :</b>	<ul style="list-style-type: none"><li>• HDFC Life</li><li>• HDFC ERGO</li><li>• HDFC Securities</li><li>• HDFC Asset Management Company</li><li>• HDFC Mutual Fund</li></ul>
<b>Website</b>	<ul style="list-style-type: none"><li>• <a href="http://www.hdfcbank.com">www.hdfcbank.com</a></li></ul>



### **Goals of HDFC bank**

- Develop close relationships with individual households,
- Maintain its position as the premier housing finance institution in the country,
- Transform ideas into viable and creative solutions,
- Provide consistently high returns to shareholders, and
- To grow through diversification by leveraging off the existing client base

## **HDFC Home Loan Schemes**

### **1 HDFC Home Loan**

- For purchasing flat, bungalow, row house, or properties from Development Authorities
- Interest concession for women applicants
- Loans for resident Indians only
- Financing of up to 90% of the total property cost

### **2 HDFC Plot Loan HDFC Home loan schemes**

- Loans for purchase of a plot through direct allotment No hidden charges
- Customised repayment options
- Expert legal and technical counselling
- Loans also available for purchasing a resale plot

### **3 HDFC Rural Housing Loan**

- Tailored for agriculturists, planters, horticulturists, dairy Farmers for purchasing a residential property in rural and urban areas
- Agriculturists applying for loan are not required to provide IT Returns
- Longer repayment tenure of up to 20 years for agriculturists

### **4. HDFC Reach Home Loan**

- Loans for purchasing a new or existing home
- Loans for salaried individuals with a minimum monthly income of Rs.10,000 and for self-employed individuals with an income of Rs.2 lakh p.a.
- Loan can be used to purchase a plot



## **5 Home Improvement Loan**

- Loan specifically meant for renovating your home
- Loans available for both new and existing customers
- Simple and hassle-free documentation process
- Interest rates similar to normal home loan rates

## **6 HDFC Home Extension Loan**

- Loans to add or extend space to your home
- Maximum tenure of 20 years
- Interest rate concession for women applicants

## **7 HDFC Top Up Loans**

- Loans for both professional and personal needs
- Maximum loan of R.50 lakh
- You can apply only after 12 months of the final disbursement of your existing home loan and upon possession or completion of the existing financed property

## **8 HDFC Balane Transfer Loans**

- Transfer your existing loan to HDFC conveniently
- Additional top up loan of up to Rs.50 lakh
- Special arrangement with AGIF for Home Loans for those employed in the Indian Army
- Customised repayment options

## **9 HDFC NRI Home Loans**

- Home loans designed for NRIs for purchase of a flat, row house, bungalow from private developers in approved projects in India
- Loans available for purchase of a property located anywhere in India
- Get home loan advisory services in the country you currently reside
- Loans for purchasing properties from Development Authorities of India

## **10 HDFC PMAY**

- Interest subsidy of up to 9% p.a.
- Save up to Rs.2.67 lakh under PMAY CLSS
- Affordable housing for Economical Weaker Section (EWS), Lower Income Group (LIG), and Middle Income Group (MIG)
- Interest subsidy will be available for a maximum loan tenure of 20 years

## **HOME LOAN PROCEDURE IN DETAIL**

### **1 Fill the Loan Application Form & Attach the Documents**

The procedure to take Home Loan begins with an application form. This loan application will require a few basic pieces of information about the applicant. Usually, this includes:

- The personal details of the applicant (Name, Phone number, etc.)
- The residential address of the applicant
- The monthly or yearly income of the applicant
- The educational information of the applicant
- The employment details of the applicant
- The property details on which the loan is applied
- The estimated cost of the property
- The present means of financing the home property

Once the formal application is filled, the next step is to attach all the valid documents required by the bank with it. Usually, this includes the:

- Income proof
- Identity (or ID) proof
- Age proof
- Address proof
- Employment details
- Educational proof (school/diploma/degree certificates)
- Bank statements
- Property details on which the loan is applied (if finalized)

### **2 Pay the Processing Fee**

Once the formal application and document submission process is done, the applicant has to pay **the processing fee to the bank**. This is the amount collected for maintaining the applicant's loan account. It includes sending some confidential paperwork (like IT certificates, post-dated cheque, etc.) every year. The processing fee of a bank usually:

**Ranges from 0.25 % to 0.50 % of the requested loan amount.**

for example, the applicant has applied for a home loan of Rs. 15 lakh, then the processing fee will be **Rs. 3,750 (at 0.25%) and Rs. 7,500 (at 0.50%)** respectively.

A commission is then generated by the bank to the agent handling the applicant's home loan process, which to an extent is taken from the processing fee paid by the applicant. Though most banks have a proper fee structure, it can be negotiated. There is no crime in trying to bargain with the processing fee.

### **3 Discussion with the Bank**

Once the applicant has completed the application and documentation process, he or she has to wait until the bank or the respective financial company checks the papers. It usually takes about 1-2 days or even less if the submitted paperwork is correct.

However, there might be times when the bank might want the applicant to pay a visit to the bank for a face-to-face interaction before the loan is sanctioned. This is done to collect more details about the applicant and to make sure if he/she will be able to repay the loan with the interest amount.

### **4 Valuation of the Documents**

Keep in mind that millions of people apply for home loans on a daily basis and to ensure that bank approves the paperwork as soon as possible, the applicant has to be genuine in the entire procedure.

Any fake document or fraudulent activity is unacceptable by the bank. It is a criminal offense and can lead to bigger troubles. As soon as the application form & documents are submitted, and the processing fee is paid, the bank authority then evaluates them.

**A bank examines the following details of an applicant:**

- Residential address (previous and current)
- Place where he/she is employed
- Credentials of the employer
- Workplace contact number
- Residence contact number

## **5. The Sanction/Approval Process**

One of the most important steps in the home loan process is the approval or sanction stage. This stage can either lead to a positive outcome or it can lead to a negative outcome. It all depends on the bank.

If the bank is not happy with any of your documents, your chances of approval decrease. On the other hand, if all goes well, you will get your loan sanctioned or approved very soon.

**A bank usually deep-checks the applicant's following documents to approve a home loan:**

- The qualification, age, and experience details.
- The transactions made with the applicant's bank.
- The monthly and yearly income.
- The current employer and the type of job he/she pursues.
- The nature of the business (applicable only for a self-employed).
- The ability to repay the loan amount with the set interest rate.

## **6. Processing the Offer Letter**

As soon as the loan is sanctioned or approved, the bank then sends a certified offer letter, which mentions the following details:

- The loan amount that is being sanctioned.
- The interest rate on the total loan amount.
- Whether the interest rate is variable or fixed.
- The loan's tenure details.
- The mode of loan repayments.
- Terms, policies, and conditions of the home loan.
- The Acceptance Copy

Once the applicant agrees to the offer letter, he or she has to sign a duplicate copy of the offer letter, which is for the bank's records. Years back, this usually came with a specific administrative fee. However, it is no longer practiced

## **7. Processing the Property Papers Followed By A Legal Check**

Once the offer letter is officially accepted by the applicant, the bank next concentrates on the home property he/she intends to purchase. Even if it is not finalized, the applicant can request for a time duration to select one

**Once the property is selected, the applicant has to:**

- Submit all the original property documents to the bank. It remains with them until the loan is repaid. Also, this serves as the security towards the home loan the applicant has applied for.

**The original property papers will normally include the following details:**

- The name of the seller.
- The identification and address proofs of the seller.
- The name of the property.
- The address of the property.
- The chain of written documents if the seller isn't the primary or actual owner.
- NOC (No Objection Certificate) from the primary legal owner (if any).
- NOC from the statutory development board representative & cooperative housing society.
- If the land is already on a lease, the bank will require a NOC from the lessor as well.

**Note: The original property papers stay with the bank until the home loan is completely repaid.**

Legal Check

Once the property papers are submitted, the bank then validates them for authentication. This process is termed as "legal check." In fact, the sale papers between the applicant and the seller are verified.

These original documents are sent to the bank's lawyer for an in-depth check. Only when the lawyer approves all the submitted documents as clear, then everything related to home loan is good. If not, the applicant will be asked to submit a few more documents for verification.

## **8. Processing A Technical Check & The Site Estimation**

Every bank is highly cautious with the loan it lends and the home property it plans to finance. Hence, a technical check or a double check is further done. The bank sends a property expert to check the premises an applicant intends to buy.

Now, **this person could either be an employee of the bank or a civil engineer or someone from an architect's firm.**

The visit to the "site property" is basically conducted for verifying the details given below:

- The stage in which the construction is.
- Quality of the construction.
- Work progression.
- The time required to build the house.
- The layout of the house and whether the governing authority has permitted it or not.
- If the builder has valid requisite certificates for construction on the land.
- Property valuation and the environmental areas.

**If the construction is already for resale or in a ready stage, then the representative will check for:**

- The building's age.
- The internal or external property maintenance.
- The loan tenure and if the building falls within the applicant's loan eligibility criteria.
- The quality of the construction.
- The surrounding area.
- The valid requisite certificates to hand over the flat/house's possession to the buyer.
- The existing mortgage on the home property.
- The property valuation.
- The building's approval plans, following the government laws, etc.

**Note:** A bank conducts a proper technical check to understand the construction progress and to gain the trust of the applicant. This is an important phase of the home loan process and hence, cannot be skipped by the applicant.

Also bear in mind that there will be a fee for this technical check, which may be either charged separately or might be taken from the upfront fee.

### **The Site's Value Estimation**

Once the expert completes the technical inspection of the site, it is then followed by determining and checking the property's overall value. This is basically done because of the increasing malpractices. There have been multiple cases where the applicants have shown property purchases from the associated entities at extremely inflated rates just to acquire cheap loans.

Thus, the risk for a bank to lend the money to his/her applicant has become high. However, a site's estimation can help the bank to determine the total loan amount so that the sanction is straightforward.

**Note:** A few banks charge an extra fee for the estimation check as well. It is covered either by the upfront amount or the applicant might be asked to pay separately.

## **9. The Final Loan Deal**

Once the technical and site's estimation is done by the bank, and the lawyer clears all the paperwork, the next step is the final registration of the deal. The lawyer of the bank finalizes the loan documents, drafts them, and have them stamped as well as signed.

## **10. Signing The Loan Agreement**

After the paperwork is complete, the applicant has to sign the agreement of the home loan. He/she has to submit the cheques (post-dated) for the initial 36 months or the duration both the parties have agreed upon.

After this, the original property papers have to be handed to the bank. Some banks can even create a video recording of the applicant handing over these papers to the bank. This is for the bank's security, safety, and proof.

This stage is known as the MOE (Memorandum of Execution) and has a stamp duty based on the state the applicant applies at. This duty is paid by the applicant.



## **11. The Loan Disbursal**

Once the applicant signs the papers and everything is legally clear, the loan amount is given via cheque. However, prior to this, the applicant has to submit a few essential documents to the bank, as these will serve as his/her personal contribution to the home property.

If the applicant is trying to source some more funds from outside, then the pieces of evidence have to be submitted as well. Only then, the bank releases the loan's part-disbursement. The cheque is always under either the seller or development/society authority or builder.



## DIFFERENCE BETWEEN SBI AND HDFC BANKS

<b>Category</b>	<b>SBI Home Loan</b>	<b>HDFC Home Loan</b>
<b>Purpose</b>	SBI home loans cater to both salaried and self-employed applicants. The loan can be used to purchase an already-built house or an under-construction property. SBI home loans can also be used for home renovation.	HDFC Bank offers home loans that help people from different walks of life buy or construct a home. They have specific loans that cater to farmers, agriculturists, etc. HDFC offers home loans for both salaried and self-employed individuals.
<b>Loan Amount</b>	Rs.5 lakh - Rs.10 crore	Up to Rs 10 crores
<b>Rate of Interest</b>	8.40% p.a. onwards	8.70% p.a.
<b>Loan Tenure</b>	Up to 30 years	Up to 30 years
<b>Eligibility</b>	Applicant must be at least 18 years of age and not more than 70 years old.	Applicants must be at least 18 years old and less than 65 years old.
<b>Prepayment charges</b>	NIL	No prepayment charges for individual applicants with variable interest rate loans.  2% prepayment charges for fixed rate loans and non-individual borrowers.
<b>Processing fee</b>	0.35% of the loan amount plus applicable service tax, minimum of Rs. 5,000.	Up to 0.50% of the loan amount or Rs.3,000 (whichever is higher)
<b>Pros</b>	<ul style="list-style-type: none"> <li>• Competitive interest rates</li> <li>• No prepayment charges</li> <li>• Long repayment tenure</li> <li>• Special interest concession for women applicants</li> </ul>	<ul style="list-style-type: none"> <li>• Low interest rates</li> <li>• Lower EMIs for women under special promotional campaign</li> <li>• Long repayment tenure</li> <li>• Approval of loan even before selecting property</li> </ul>

	<ul style="list-style-type: none"> <li>• Home loan can be availed as overdraft</li> </ul>	<ul style="list-style-type: none"> <li>• No hidden charges involved</li> </ul>
<b>Cons</b>	The maximum loan amount is lower when compared to HDFC bank	Higher interest rates than State Bank of India
<b>Documentation</b>	<ul style="list-style-type: none"> <li>• Proof of identity</li> <li>• Proof of residence</li> <li>• Property papers like permission for construction, occupancy certificate, etc.</li> <li>• Bank account statement for the last 6 months</li> <li>• Income proof documents like salary slips, IT returns, copy of Form 16, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Proof of identity</li> <li>• Proof of residence</li> <li>• Bank account statement for the last 6 months</li> <li>• Proof of educational qualification</li> <li>• Form 16</li> <li>• Latest salary slips or income tax returns of self and business.</li> <li>• Property related documents like allotment paper.</li> </ul>
<b>Application process</b>	Applications for SBI home loans can be made online or by visiting their branch	Application for HDFC home loans can be made online through their website or by visiting their branch.
<b>Popular Home Loan Products</b>	<ul style="list-style-type: none"> <li>• SBI Regular Home Loan</li> <li>• SBI Balance Transfer Home Loan</li> <li>• SBI Privilege Home Loan</li> <li>• SBI Shaurya Home Loan</li> <li>• SBI Pre-approved Home Loan</li> <li>• SBI Bridge Home Loan</li> <li>• SBI Home Top Up Loan</li> </ul>	<ul style="list-style-type: none"> <li>• HDFC Home Loan</li> <li>• Home Improvement Loan</li> <li>• Home Extension Loan</li> <li>• The HDFC Advantage</li> <li>• Special Home Loan for Agriculturists</li> <li>• Rural Housing Loans</li> <li>• HDFC Plot Loans</li> <li>• HDFC Reach Loan</li> <li>• Pradhan Mantri Awas Yojana</li> </ul>

**CHAPTER 3:  
LITERATURE REVIEW**

## **LITERATURE REVIEW**

### **1.Sharma, A. (2021)**

**Journal:** Journal of Banking & Finance

**Title:** Comparative Analysis of Home Loan Schemes in Indian Banks

**Summary:** This study examines the differences in home loan schemes between HDFC and SBI, focusing on interest rates, repayment options, and customer service. It finds that while HDFC offers competitive interest rates, SBI provides more flexible repayment options.

### **2 Verma, R. (2020)**

**Journal:** International Journal of Financial Studies

**Title:** Home Loan Preferences: A Comparative Study of HDFC and SBI

**Summary:** Analyzes consumer preferences for home loan schemes at HDFC and SBI. It highlights that customers prefer SBI for its extensive branch network and HDFC for its quick loan processing times.

### **3 Singh, K. (2019)**

**Journal:** Indian Journal of Economics and Development

**Title:** Customer Satisfaction in Home Loan Schemes: A Comparative Study

**Summary:** Investigates customer satisfaction levels with home loan schemes from HDFC and SBI. The study concludes that HDFC scores higher on customer satisfaction due to better customer service.

**4 Patel, S. (2018)**

**Journal:** Finance India

**Title:** Evaluating Home Loan Products: A Study on HDFC and SBI

Summary: Evaluates the home loan products of HDFC and SBI, comparing interest rates, fees, and customer feedback. HDFC offers lower processing fees, whereas SBI has lower interest rates for long-term loans.

**5 Nair, R. (2016)**

**Journal:** Journal of Financial Services Research

**Title:** Home Loan Interest Rates: A Comparative Analysis

Summary: Analyzes the interest rates of HDFC and SBI home loans over a ten-year period, showing that both banks offer competitive rates with minor fluctuations based on market conditions.

**6 Kapoor, A. (2014)**

**Journal:** Journal of Financial Regulation and Compliance

**Title:** HDFC vs SBI: A Comparative Study of Home Loan Schemes

Summary: Provides a comparative analysis of home loan schemes from HDFC and SBI, emphasizing regulatory compliance and customer trust. Both banks maintain high compliance standards but vary in customer trust levels.

**7 Desai, M. (2009)**

**Journal:** Indian Journal of Commerce

**Title:** Interest Rates and Customer Satisfaction in Home Loans

Summary: Studies the impact of interest rates on customer satisfaction with home loans from HDFC and SBI. Lower interest rates at SBI attract more customers, but HDFC's service quality retains customer loyalty.

**8 Mehta, P. (2004)**

**Journal:** Journal of Retail Banking

**Title:** A Comparative Study on Home Loan Interest Rates

**Summary:** Investigates the interest rates of home loan schemes from HDFC and SBI, showing that both banks offer competitive rates with minor differences based on loan tenure.

# **CHAPTER 4**

## **RESEARCH METHODOLOGY**



## **Research Methodology**

### **What is research?**

Research means search for facts in order to find answers to certain questions or to find solutions to certain problems. It is often referred to as 'scientific investigation' into a specific problems or solutions.

### **There are two types of data:**

**Primary data:** The primary data is that data which is collected fresh and first hand and for the first time which is original in nature.

**Secondary data:** secondary data which is collected using various website and research paper.

### **What is 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 Section includes the methodology which includes. The research design, objectives of study, scope of study along with research methodology and limitations of study etc.

- To know the Customers perceptions about home loans of SBI and HDFC Bank.
- To study the satisfaction level of customers about home loans
- To study the problems faced by customers in obtaining the home loans.
- To study of disbursement of home loans by banks.
- The study shall be conducted in the manner enumerated below-

## **RESEARCH DESIGN**

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

### **SOURCES OF DATA:**

To fulfil the need of the study. The data is collected from primary as well as secondary sources

#### **Primary Source:**

I decided primary data collection method because our study nature does not permit to apply observational method.

In survey approach we had selected a questionnaire method for taking a customer view because it is feasible from the point of view of our subject & survey purpose. We conducted 100 sample of survey in our project to judge the satisfaction level of customers which took home loans.

**Sample size: For the questionnaire I have taken the sample size of 100 customers.**

#### **Secondary Source:**

It was collected from internal sources. The secondary data was collected on the basis of organizational file, official records, new-papers, magazines, management books, preserved information in the company's database and website of the company.

### **SAMPLING:**

Sampling refers to the method of selecting a sample from a given universe with a view to draw conclusions about that universe. A sample is a representative of the universe selected for study.

### **SAMPLE SIZE:**

Large sample gives reliable result than small sample. However, it is not feasible to target entire population or even a substantial portion to achieve a reliable result. So, in this aspect selecting the sample to study is known as sample size. Hence, for my project my sample size was 100.

The Sample Size consists of both the Professional and Business class people. IT peoples, Doctors, Jewellers , Timber Merchants & Real estate Agents, common people are taken as Sample.

*	Type of Design	Exploratory research design.
*	Sample size	The sample comprises of 100 respondents
*	Research Area	Nagpur
*	Sampling Technique	Random Sampling

## **PROBLEM STATEMENT**

The housing finance sector in India is growing rapidly, driven by an increasing number of individuals seeking home loans to fulfil their homeownership dreams.

However, with a multitude of options available, potential homebuyers often struggle to choose the most suitable home loan scheme.

Two major players in this sector, HDFC and SBI, offer a range of home loan products.

Despite their prominence, there's a lack of comprehensive comparative studies evaluating the effectiveness, affordability, and suitability of their schemes.

This research aims to fill this gap by conducting a comparative analysis of HDFC and SBI's home loan offerings.

## **NEED OF THE STUDY**

The main purpose of this study is to attain the knowledge of

- To learn the processing system of home loans.
- To learn the satisfaction level of customers about home loan
- To learn the problems faced by customers in obtaining the home loans.
- To know the ideas of customers about home loan products and services.
- To know the interest rate of both the banks

## **OBJECTIVES OF STUDY**

- To understand the concept of various home loan schemes.
- To understand the documents involved in the home loans
- To study the processing system of home loans
- To know the problems faced by customers in obtaining the home loans
- To know the interest rate of both the banks

## **HYPOTHESIS**

The following hypothesis is framed for the study:

**Null Hypothesis (H0):** Customers are not satisfied with the home loan schemes offered by SBI Bank."

**Alternate Hypothesis (H1):** customers are satisfied with the home loan schemes offered by SBI Bank."

**Null Hypothesis (H0):** HDFC Bank does not provide home loan at low interest rate

**Alternate Hypothesis (H1):** HDFC Bank provides home loan at low interest rate

## **Limitations of the Study**

- There was limitation of time to conduct such a big survey in limited available time.
- Lack of data was also the other limitation of the study as some of banks do not have proper data on topic.
- To access such many customers was difficult because of non-cooperative attitude of respondents.
- The present study has got all the limitations of case study method of data collection by primary and secondary data)



**CHAPTER 5:  
DATA ANALYSIS  
AND INTERPRETATION**

## **Interest rate of banks:**

### **SBI BANK**

SBI Home Loan interest rates starting from 8.40% p.a. onwards. SBI offers home loan interest rates depending on the credit score and type of loans offered to home loan applicants. SBI offers lowest home loan interest rates to applicants having CIBIL scores of 800 and above.

<b>SBI</b>	<b>Up to Rs. 30 Lakh</b>	<b>Above Rs. 30 Lakh to Rs. 75 Lakh</b>	<b>Above Rs. 75 Lakh</b>
<b>INTREST</b>	<b>8.40% - 10.15% p.a.</b>	<b>8.40% - 10.05% p.a.</b>	<b>8.40% - 10.05% p.a.</b>

### **HDFC BANK**

HDFC Bank offers low home loan interest rates starting from 8.70\*% p.a. This rate of interest is applicable to Home Loans, Balance Transfer Loans, House Renovation and Home Extensions Loans.

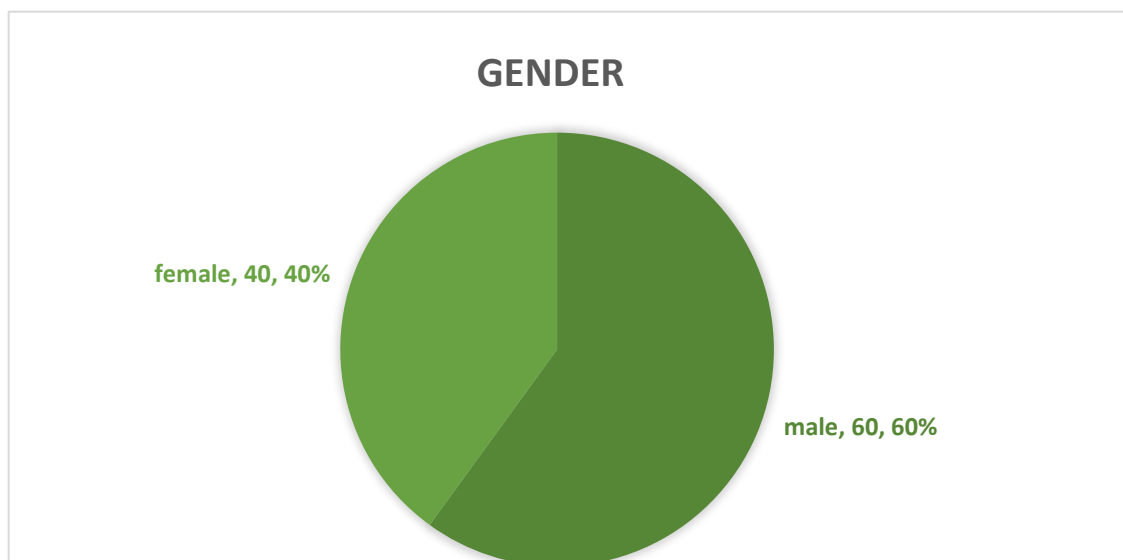
<b>HDFC</b>	<b>Up to Rs. 30 Lakh</b>	<b>Above Rs. 30 Lakh to Rs. 75 Lakh</b>	<b>Above Rs. 75 Lakh</b>
<b>INTREST</b>	<b>8.70% onwards</b>	<b>8.70% onwards</b>	<b>8.70% onwards</b>

**Table 1: Gender**

Gender	No of Respondent	Percentage
Male	60	60%
Female	40	40%

Source: Primary Data

**Chart 1: Gender**



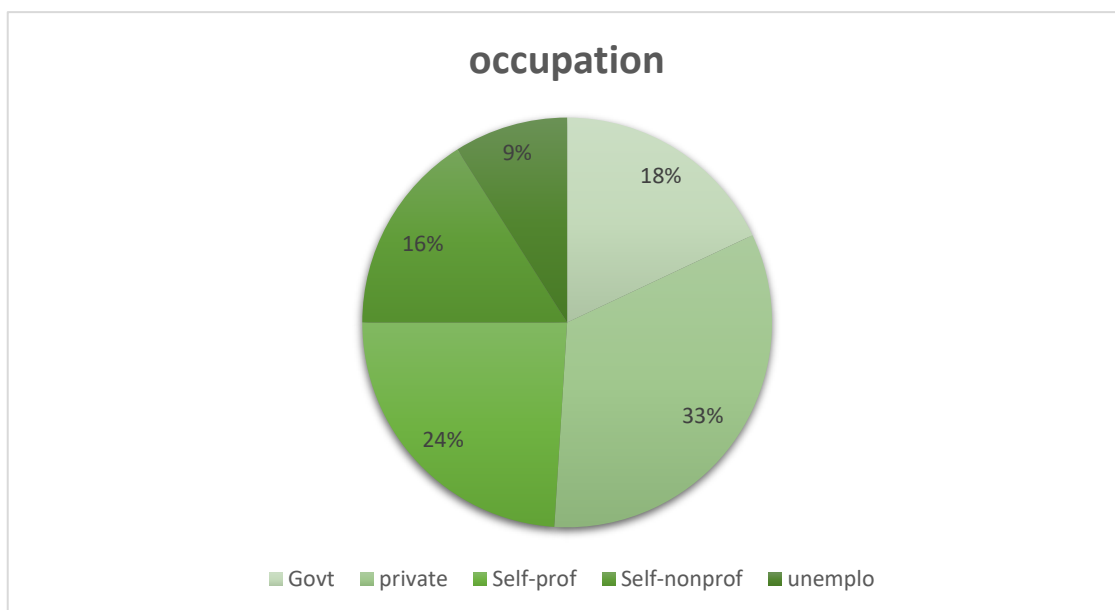
**INTERPRETATION**

The survey data shows that 60% of respondents are male and 40% are female. This balanced representation ensures that both male and female perspectives are included in the study, providing a comprehensive view of home loan schemes offered by SBI and HDFC banks.

**Table 2: Occupation**

<b>Occupation</b>	<b>No of respondent</b>	<b>Percentage</b>
<b>Govt. Employee</b>	<b>18</b>	<b>18%</b>
<b>Private Employee</b>	<b>33</b>	<b>33%</b>
<b>Self-Employed Professional</b>	<b>24</b>	<b>24%</b>
<b>Self Employed Non-Professional</b>	<b>16</b>	<b>16%</b>
<b>Unemployed</b>	<b>9</b>	<b>9%</b>

Source: Primary Data

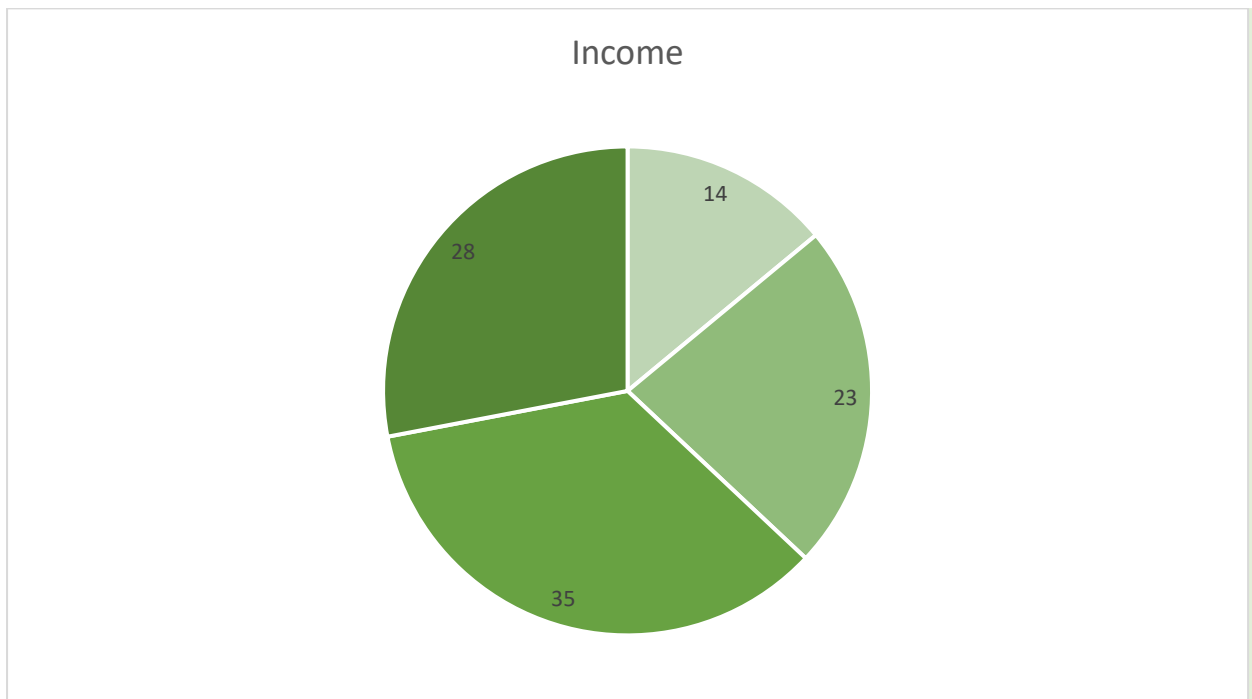


**INTERPRETATION**

Respondents consist of 33% private employees, 24% self-employed professionals, 18% government employees, 16% self-employed non-professionals, and 9% unemployed individuals. This diverse mix ensures broad perspectives on home loan schemes from SBI and HDFC banks..

**Table 3: Income**

<b>Income</b>	<b>No of respondent</b>	<b>Percentage</b>
<b>Below 2 lakhs</b>	<b>14</b>	<b>14%</b>
<b>2 lakhs-6 lakhs</b>	<b>23</b>	<b>23%</b>
<b>6 lakhs-12 lakhs</b>	<b>35</b>	<b>35%</b>
<b>12 lakhs Above</b>	<b>28</b>	<b>28%</b>

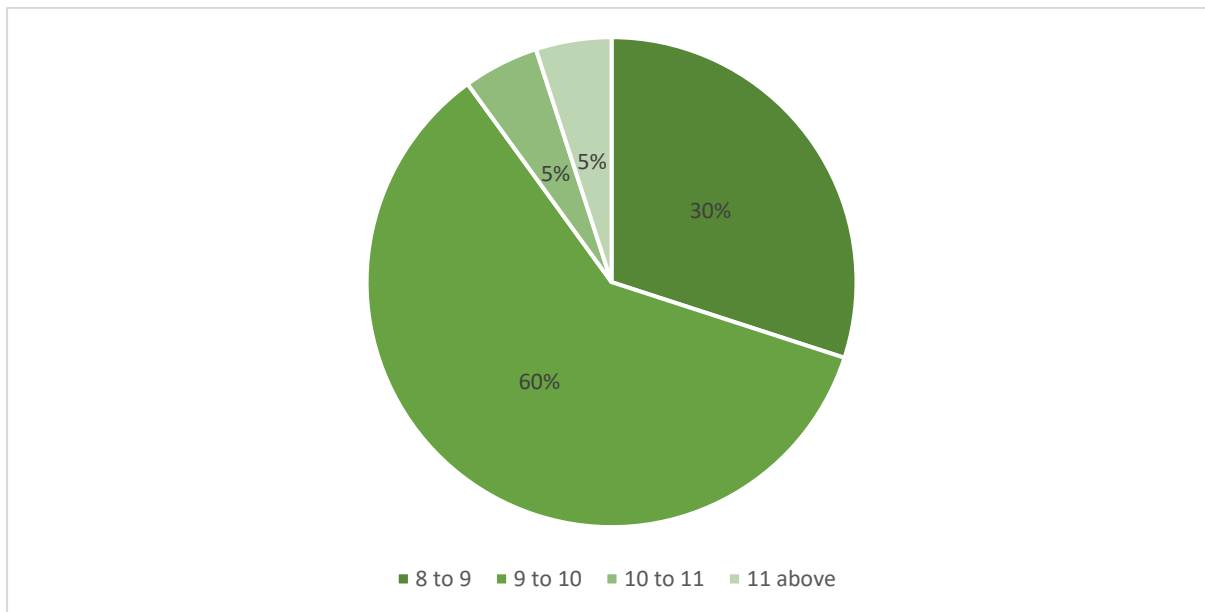


**INTERPRETATION:**

From the above table, it is found that 14% of respondents receive income below 2 lakhs, 23% of respondents receive 2-6 lakhs, 35% of respondents receive income 6-12 lakhs and 28% of respondents receive above 12 lakhs.

**What are the interest rate offered for home loan**

<b><u>OPTION</u></b>	<b><u>PUBLIC ANSWER</u></b>
<u>8 to 9</u>	<u>60%</u>
<u>9 to 10</u>	<u>30%</u>
<u>10 to 11</u>	<u>5%</u>
<u>11-above</u>	<u>5%</u>

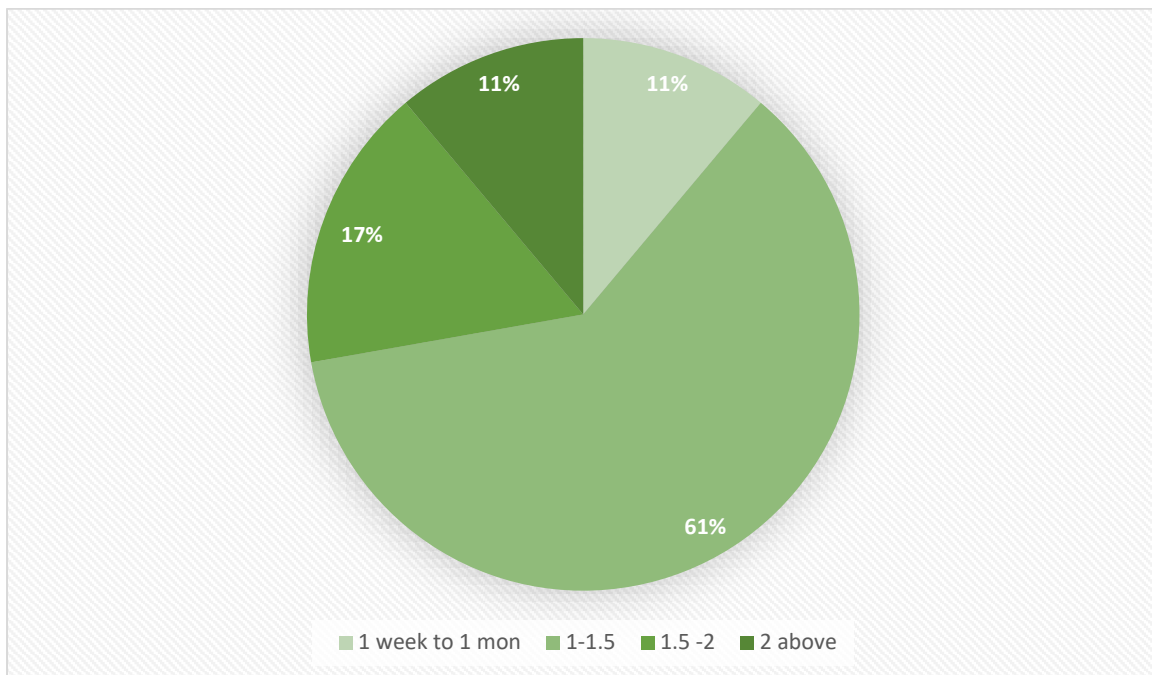


**INTERPRETATION:**

The table shows that 60% of respondents prefer home loan interest rates between 8 to 9%, while 30% opt for rates between 9 to 10%. Only 5% each choose rates between 10 to 11% and above 11%. This indicates a strong preference for lower interest rates among respondents.

### How much time will take it to process for home loan

options	Responses
1 week to 1 month	20
1 month to 1.5 month	55
1,5 month to 2 month	15
2 month above	10

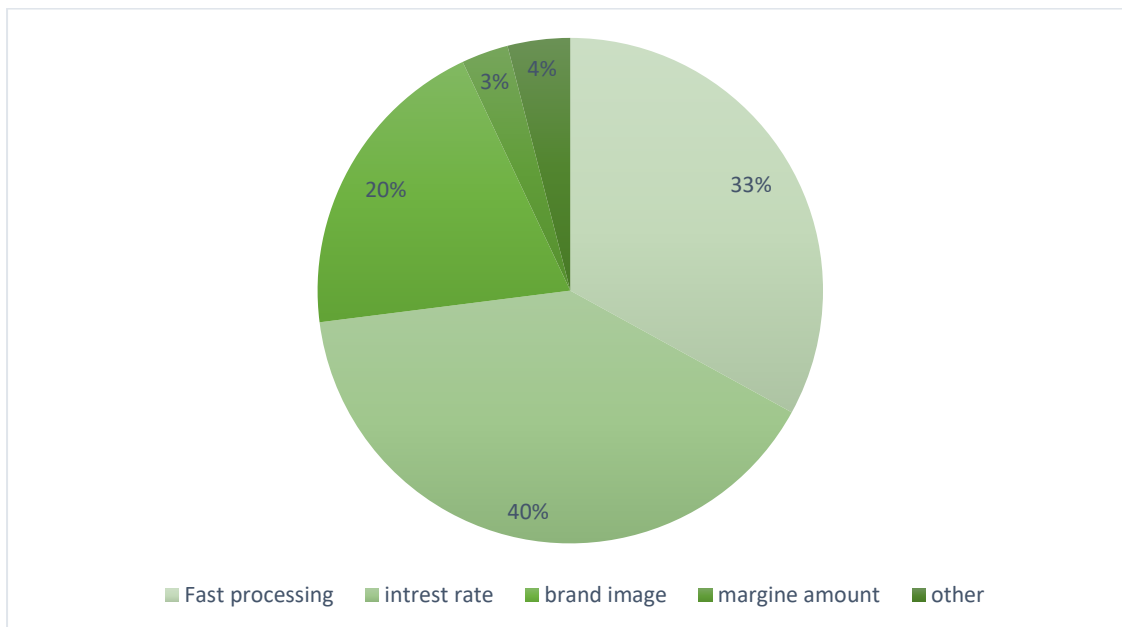


### INTERPRETATION:

The majority of respondents (55%) expect their home loan applications to be processed within 1 to 1.5 months, followed by 20% within 1 week to 1 month. Only 15% anticipate a processing time of 1.5 to 2 months, and 10% expect it to exceed 2 months.

- **Reason for taking home loan from SBI banks**

SR.NO	CATEGORY	NO. OF RESPONDENT	SBI
1	Faster processing	32	33%
2	Interst rate	32	40%
3	Brand Image of Bank	24	20%
4	Margine amount	4	3%
5	Other	8	4%
	TOTAL	100	100%



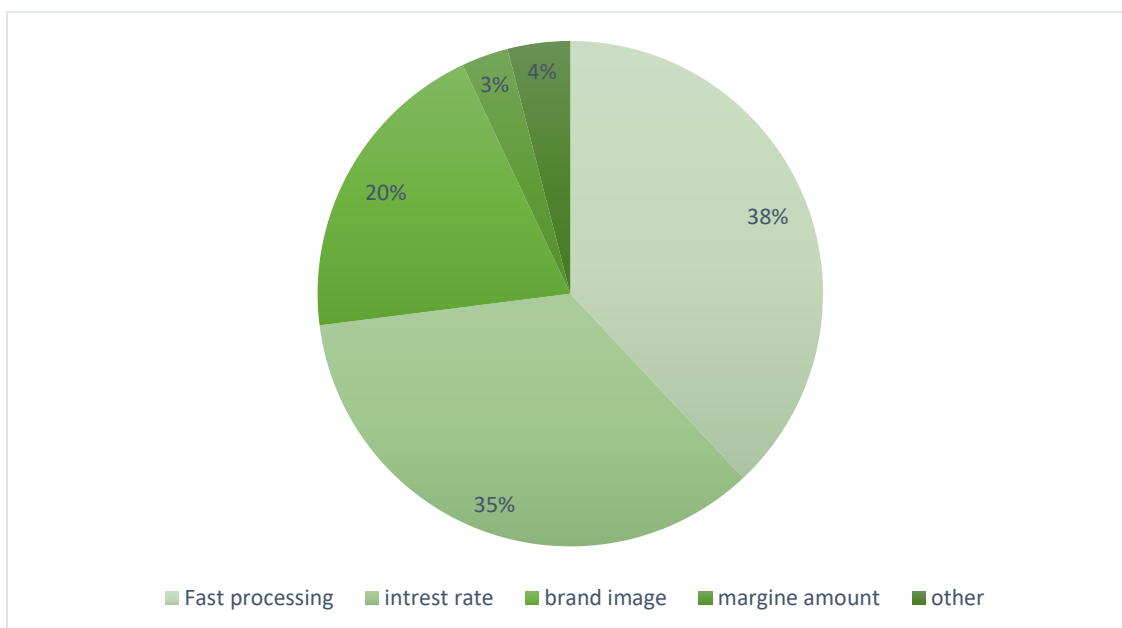
**INTERPRETATION:**

most respondents chose SBI for their home loans because of competitive interest rates (40%) and faster processing (33%). Brand image was also a significant factor (20%), while margin amount and other reasons were less influential (3% and 8% respectively).



- **Reason for taking home loan from HDFC banks**

SR.NO	CATEGORY	NO. OF RESPONDENT	HDFC
1	Faster processing	32	38%
2	Interest rate	32	35%
3	Brand Image of Bank	24	20%
4	Margine amount	4	3%
5	Other	8	4%
	TOTAL	100	100%

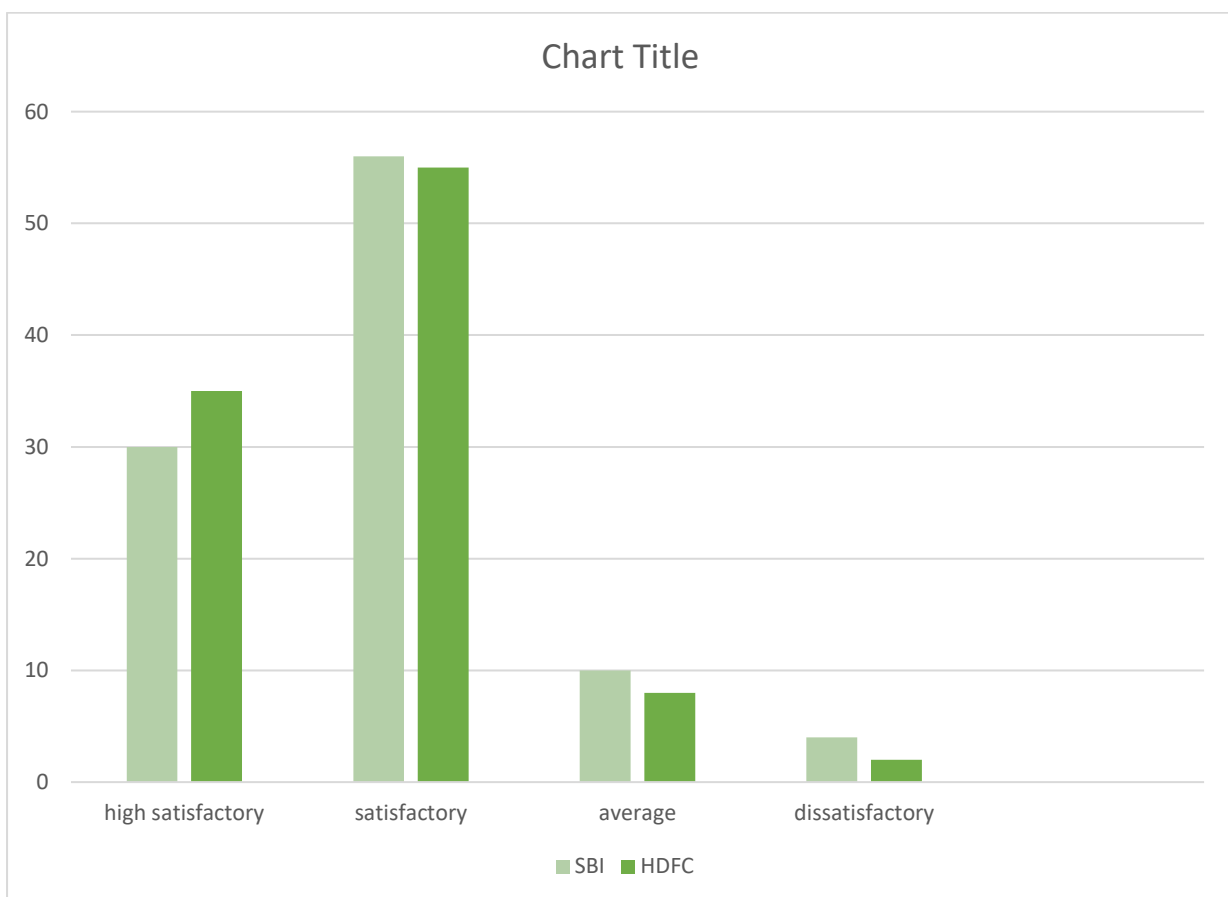


**INTERPRETATION:**

faster processing (38%) and competitive interest rates (35%) were the top reasons for choosing HDFC for home loans, followed by the bank's brand image (20%). Margin amount and other factors had less influence (both 3% and 8% respectively)

**How do you rate the Interest rates charged by Bank**

SR.NO	CATEGORY	NO. OF RESPONDENT	SBI	HDFC
1	Highly satisfactory	30	30%	35%
2	satisfactory	56	56%	55%
3	Averagely satisfactory	10	10%	8%
4	Dissatisfactory	4	4%	2%
5	Highly dissatisfactory	0	0%	0%
	TOTAL	100	100%	100%



**INTERPRETAION:**

The majority of respondents rate both SBI and HDFC's interest rates as satisfactory, with 86% and 90% satisfaction respectively. Only a small percentage express dissatisfaction, with 4% dissatisfied with SBI and 2% with HDFC. No respondents rated the interest rates as highly dissatisfactory for either bank.

**CHAPTER 6:  
FINDINGS AND SUGGESTIONS**

## **FINDINGS**

According to my study HDFC and SBI Bank have widest range of home loan products

- According to my study maximum people prefer fixed rates on home loans.
- According to my research the rate of interest of SBI is less than HDFC Bank.
- People get knowledge about home loans from television, internet, Newspaper, Media or families and friends. The majority of the respondents want to take a loan for the construction of the new house.
- As far as reputation of bank is concerned maximum numbers of respondents prefer public banks and not private bank. Because they think that the public banks are more secured as compare to the private banks.
- SBI and HDFC Banks customer care should more concern about the fastest settlement of customer problems.
- Before deducting or charging any monetary charge Banks must consult with customer

## **SUGGESTIONS**

- 1 )The documentation work and formalities should be reduced while providing loans to the customer.
- 2) The bank should improve their customer service.
- 3) The behavior of the staff of the bank towards the customer should be more personalized.
- 4) The banks need to improve on the customer satisfaction level due to stiff competition among the banks.
- 5) The booklet and attractive advertisement should be provided to the customer for awareness about different housing loan schemes offered by the banks
- 6)According to the customer point of view the documentation work should be less and must be fast procedure in H.D.F.C. and SBI bank.
- 7) The banks should focus on the customer satisfaction factors due to stiff competition among the banks.

# **CHAPTER 7: CONCLUSION**

## **CONCLUSION**

The present study concludes that there are various satisfactory factors which affect the satisfaction level of customers of housing loan. On the basis of collected data, it is being concluded that customers are satisfied by S.B.I. bank because the interest rate is lower in S.B.I. as compare to H.D.F.C. Bank and the trust level that customer have with these banks is very high in comparison to H.D.F.C. Bank, especially older persons are more dependent on Public banks.

Overall in level of customer satisfaction the customers are more satisfied with the S.B.I. compare to HDFC Bank

Interest rate charges by bank HDFC Bank is high than SBI Bank, does not provide home loan at low interest rate compare to SBI Bank

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 limitations also such as lack of time, 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**

**Alternate Hypothesis(H1): is accepted in case of customers are satisfied with the home loan schemes offered by SBI Bank**

**Null Hypothesis (H0):is accepted in case of HDFC Bank does not provide home loan at low interest rate**

# **CHAPTER 8: REFERENCES**



## **REFERENCES**

- **Research Papers**
- **Weblinks:**

<https://www.onlinesbi.com>

[www.scribd.com](http://www.scribd.com)

<https://sbi.co.in/web/about-us/about-us>

[www.hdfcindia.com](http://www.hdfcindia.com)

[www.google.com](http://www.google.com)

[www.economywatch.com/companies/forbes-list/India/HDFC](http://www.economywatch.com/companies/forbes-list/India/HDFC)

[www.loansnews.com/home-loan/hdfc-homeloans](http://www.loansnews.com/home-loan/hdfc-homeloans)

- **Newspaper**

The Times of India

- **Books**

- "The Everything Homebuying Book"  
by George Sheldon (Year: 2019)
- "The Home Mortgage Book"  
by Dale Robyn Siegel (Year: 2004)

## **SBI Home Loan FAQs:**

### **Q1 What are the types of home loans offered by SBI?**

SBI offers various types of home loans including:

SBI Regular Home Loan

SBI Home Loan for Pensioners

SBI Flexipay Home Loan

SBI Pre-approved Home Loan

SBI NRI Home Loan, etc.

### **Q2 What is the maximum loan amount and tenure available with SBI Home Loans?**

The maximum loan amount and tenure vary based on factors like income, property value, and repayment capacity. Generally, SBI offers home loans up to a certain percentage of the property value for a tenure of up to 30 years.

### **Q3 What is the interest rate offered by SBI on home loans?**

SBI home loan interest rates are subject to change and depend on the loan amount, tenure, and borrower's credit profile. Fixed and floating interest rate options are available.

### **Q4 What are the eligibility criteria for SBI Home Loans?**

Eligibility criteria include factors such as age, income stability, employment status, credit score, and property value.

### **Q5 What documents are required to apply for an SBI Home Loan?**

Commonly required documents include identity proof, address proof, income proof, property documents, etc.

**Q6 Is there any processing fee for SBI Home Loans?**

Yes, SBI charges a processing fee for home loan applications, which may vary based on the loan amount and type of loan.

**Q7 Can I prepay or foreclose my SBI Home Loan?**

Yes, SBI allows prepayment or foreclosure of home loans with certain conditions and charges.

## **HDFC Home Loan FAQs:**

### **Q1 What are the different types of home loans offered by HDFC?**

HDFC offers home loans for various purposes including buying a new home, constructing a house, renovating or extending an existing property, purchasing a plot, etc.

### **Q2 What is the maximum loan amount and tenure available with HDFC Loans ?**

HDFC provides home loans based on the applicant's eligibility criteria with flexible repayment options up to a certain tenure.

### **Q3 How is the interest rate determined for HDFC Home Loans?**

Interest rates for HDFC home loans are influenced by market conditions and the borrower's creditworthiness.

### **Q4 What are the eligibility criteria for HDFC Home Loans?**

Eligibility criteria include age, income, employment status, credit score, and property value.

### **Q5 What documents are required to apply for an HDFC Home Loan?**

Required documents typically include identity proof, address proof, income documents, property documents, etc.

### **Q6 Does HDFC charge any processing fee for home loan applications?**

Yes, HDFC usually charges a processing fee for home loan applications .

### **Q7 Are there any additional charges or fees associated with HDFC Home Loans?**

Apart from processing fees, HDFC may charge fees for legal and technical evaluations, late payment charges, prepayment penalties, etc.

**CHAPTER 9:**  
**ANNEXURE**

## **ANNEXURE**

### **Q1. Name**

- Short Answer Text

### **Q2. Gender**

- Male  Female

### **Q3. When have you taken Home Loan from SBI and HDFC Bank?**

- One Year Before
- Two to Three Years Before
- More Than Three Years Before

### **Q4. Reason for taking home loan from SBI and HDFC Bank?**

- Faster Processing
- Interest Rate
- Brand Image of Bank
- Margin Amount
- Others

### **Q5. How do you rate the Interest rates charged by both the banks Bank?**

- Highly Satisfactory
- Satisfactory
- Averagely Satisfactory
- Dissatisfactory
- Highly Dissatisfactory

**Q6. How do you rate the Processing Fees of Banks?**

- Highly Satisfactory
- Satisfactory
- Averagely Satisfactory
- Dissatisfactory
- Highly Dissatisfactory

**Q7. Are you satisfied with SBI and HDFC BanBank Home Loans?**

- Yes
- No