

Project Report

“Descriptive Study of Home Loans in HDFC Bank”

Submitted to

G. S. College of Commerce & Economics, Nagpur

Affiliated to

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfillment for the award of the degree of

Bachelor of Business Administration

Submitted by

TEJAS KAWADKAR

Under the Guidance of

Prof. FARHA HUSSAIN

G.S. College Of Commerce & Economics, Nagpur

Academic Year 2023 – 24





CERTIFICATE

This is to certify that “TEJAS RAJIV KAWADKAR” has submitted the project report titled “Descriptive study of home loans in HDFC Bank ”, towards partial fulfillment of the **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

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

Prof. FARHA HUSSAIN

(Project Guide)

Dr. AFSAR SHEIKH

(Co-Ordinator)



DECLARATION

I here-by declare that the project with title Descriptive Study Of Home Loan in HDFC Bank has been completed by me in partial fulfillment of BACHELOR OF BUSINESS ADMINISTRATION degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Tejas Rajiv kawadkar

Place: Nagpur

Date:

G.S. College Of Commerce & Economics, Nagpur



Academic Year 2023 – 24

ACKNOWLEDGEMENT

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

I am extremely thankful to my **Project Guide Prof. FARHA HUSSAIN** for his/her guideline throughout the project. I tender my sincere regards to **Co-Ordinator, Dr. Afsar Sheikh** for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the non-teaching staff of the college for their Co-operation. I would like to thank all those who helped me in making this project complete and successful.

TEJAS RAJIV KAWADKAR

Place:

NagpurDate:

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CHAPTER- 1

INTRODUCTION

1.1 INTRODUCTION:

Home is a dream of a person that shows the quantity of efforts. Sacrifices luxuries and above all gathering funds little by little to afford one's dream. Home is one of the things That everyone one wants to own. Home is a shelter to person where he rests and feels comfortable. Many banks providing home loans whether commercial banks or financial institutions to the people who want to have a home.

HDFC-(Housing Development & Finance Corporation) Home Loan, India have been serving the people for around three decades and providing various housing loan according to their varied needs at attractive & reasonable interest rates. Owing to their wide network of financing, HDFC Housing Loans provides services at your doorstep and helps you find a home as per your requirements.

Many banks are providing 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. The HDFC Bank and Standard chartered bank has become the first player in this sector to announce a housing loan for a20 years period.

No requirement of guarantor:

The commercial banks now a day, liberalize their laws regarding home loans. Some of banks don't even require the guarantor to grant loan to their consumers. They also make consumers free by reliving him to find a guarantor to complete the proceedings of availing Loan.

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.

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 relieves the customers to repay loan amount till a long period.

For accidental death insurance:-

Some banks provide free accidental death insurance with housing loan which is also beneficial for the customers.

These benefits or advantages of home loans are responsible for making them so popular among customers that a person who doesn't have their home and wants to buy, they do it with

1.2 DISADVANTAGES OF HOME LOANS:-

The main disadvantages of home loans are highlighted as below:

(1) Delays in processing:-

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

(ii) Fluctuating interest rates :-

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

(iii) High Cost:-

The public sector banks charge 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

(iii) Problems in disbursement: -

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

These are limitations or disadvantages of home loans. But sometimes some banks charge high installments to repay loan amount. Such also causes problem to customers. These limitations can be removed by providing good and promote services to the customers.

1.3 DISBURSEMENT OF HOME LOANS:-

- a) **Rate of interest – 8.40%-8.95% or 10.15% -10.45% (R.B.I)**
- b) **Time period = 10-20 years**
- c) **Limit-minimum 5 lacks.**

Maximum 500 cr. Or above

- d) **Location = NCR OR DELHI | Area are authorized by G.D.A]**
- e) **Registry**
- f) **Passing map**
- g) **Marketing value of property**

All Housing Finance Institutions lay down conditions on who can be co-applicants. All co- owners to the property. Need to be co-applicants to the loan necessarily. These institutions do not permit minors to join in as either co-owner or as co-applicants because a minor is not eligible to enter into a contract as per law. They do not permit even friends or relatives who are not blood relatives to take a property jointly. However, ~~two~~ **two** of co-applicants can be clubbed together to get higher loan eligibility. Given below is a Table that throws light on acceptable relationship of a co-applicant for clubbing of income.

Income Clubbing of Co-applicants:- It is as

follows:-Combination Income Clubbing: -

- **Husband-Wife:** - Income of husband-wife can be clubbed.
- **Parent – son:** - It can be clubbed if only son is there but not if any male sibling exists.
- **Brother-Brother:** If they are currently staying together and intend to stay together in the new property, then only, their income-can be clubbed for above purposes.
- **Brother-Sister:** - No clubbing-is possible.
- **Sister-Sister:** No clubbing is possible.
- **Parent-Minor-Child:** - No clubbing is possible in this case also.

a) The income of the salaried individual is considered in the following manner:-

Gross monthly income as it appears on the salary slip

Less:- Any non regular variable income appearing on the salary slip (including overtime Etc.

Add: -50 per cent of the average variable income of the last six months.

Add: - Any fixed cash/voucher payments for which proof can be submitted,

Add: - 50 per cent of the average variable cash/voucher payments with proof like traveling reimbursement etc.

Add: -HRA receivable if not being received already in the salary slip.

Average of the net profits of last 2 years as it appears in the profit and loss account (Returns need to be filed for the same. They should be filed regularly before the due date is over).

Less: - Any income, which is unusual and non-recurring in nature like sale of some asset, etc which affects profits substantially,

Add:- Any expense that is unusual and non-recurring in nature like repairs and maintenance that has not been capitalized and effect profit adversely.

Add: 50 per cent of the average depreciation of the last two years. The above income is calculated for the calculation of eligibility using IIR and FOIR norms.

CUSTOMER PROFILE

Documents: -

If customer is self-employed:-

A) LD PROOF:-

-pan card

-driving license

-voter id card

B) ADDRESS PROOF:-

-pass book

-Aadhar card

-Electricity

-telephone bill (landline/ postpaid)

-rent agreement (if customer are live in rent)

-rashan card

C) BUSINESS PROOF:-

-visiting card

-compay profile

-letter head

D) BANK STATEMENT:-

-Last 6 month bank statements (update)
Computation P&L A/C, balance sheet

E) INCOME TAX RETURN:-

LAST 3 YRS. SALARY

2 PHOTOS/PROPERTY CHAIN PAPER

IF CUSTOMER IS SALARY BASED:-

A) ID PROOF:-

-PAN CARD

-DRIVING LICENSE

-3YRS. SALARY SLIP

B) ADDRESS PROOF:

-PAN CARD

-DRIVING LICENSE

-ID PROOF

C) BANK STATEMENT:-

D) INCOME PROOF:-

-SALARY SLIP

3YRS. SALARY SLIP

-FORM NO. 1

FOEM NO .16

CHAPTER-II

COMPANY PROFILE

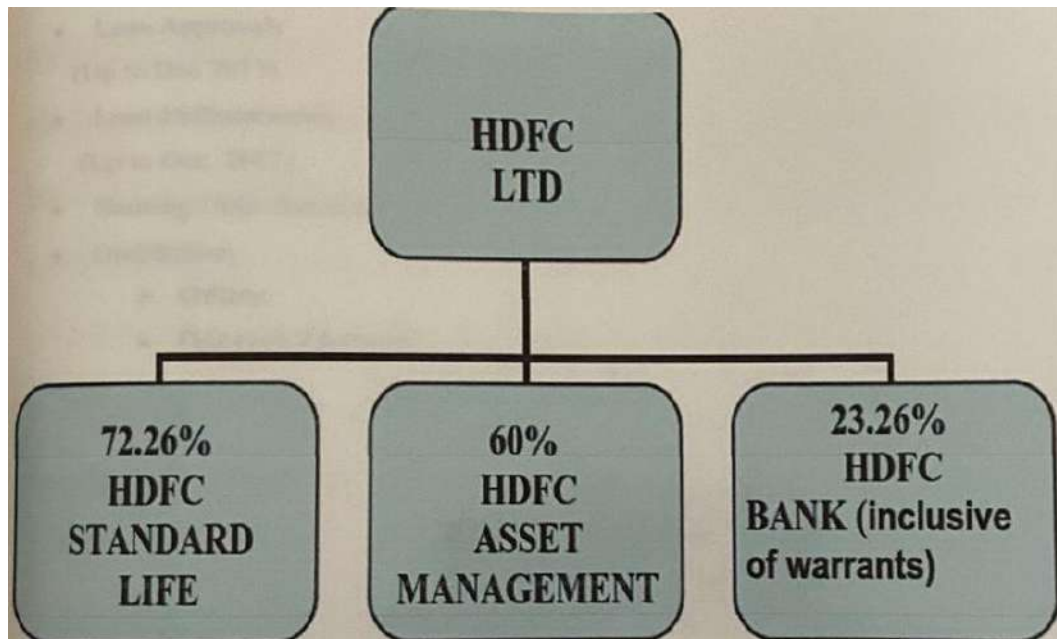


Housing Development Finance Corporation Limited. Founded 1977 by Ravi Maurya and Parekh, is an Indian NBFC, focusing on home mortgages. HDFC's distribution network spans 243 outlets that include 49 offices of HDFC's distribution company, HDFC Sales Private Limited. In addition, HDFC covers over 90 locations through its outreach programs. HDFC's marketing efforts continue to be concentrated on developing a stronger distribution network. Home loans are also Sharcket through HDFC Sales, HDFC Bank Limited and other third-party Direct Selling Agents (DSA).

HDFC Incorporated in 1977 with a share capital of Rs 10 Crores, HDFC has since emerged as the largest residential mortgage finance institution in the country. The corporation has had a series of share issues raising its capital to Rs. 119 Crores. The gross premium income for the year ending March 31, 2014 stood at Rs. 2,856 Crores and new business premium income at Rs. 1,624 Crores. The company has covered over 8, 77,000 lives year ending March 31, 2014.

HDFC operates through almost 450 locations throughout the country with its corporate headquarters in Mumbai, India. HDFC also has an International Office in Dubai, UAE with service associates in Kuwait, Oman and Qatar. HDFC is the largest housing company in India for the last 35 years.

- Incorporated in 1977 as the first specialized Mortgage Company in India.
- Almost 90% of initial shareholding in the hands of domestic institutes and retail investors. Current 77% of shares held by foreign institutional investors.
- Besides the core business of mortgage HDFC has evolved into a financial conglomerate with holdings In:



- ✓ HDFC Standard Life insurance Company-HDFC holds 72.26%.
- ✓ HDFC Asset Management Company – HDFC holds 60%
- ✓ HDFC Bank-HDFC holds 23.26%.
- ✓ Intelenet Global (Business Process Outsourcing) – HDFC holds 50%.
- ✓ HDFC Chubb General Insurance Company – HDFC holds 74%.

- Loan Approvals. Rs. 805 billion.
(Up to Dec 2017) (US \$18.30 billion)
- Loan Disbursements Rs.669 billion.
(Up to Dec. 2017) (US \$ 15.20 billion).
- Housing Units financed 2.5 million
- Distribution
 - Offices 181
 - Outreach Programs 90

| | |
|--------------|--|
| Type | Public (BSE: 500010) |
| Founded | 1977 |
| Headquarters | Mumbai, India |
| Key people | Ravi Maurya, Hasmukh Bhai Parekh |
| Industry | Housing Finance |
| Revenue | US \$1.49 billion (2008) |
| Employees | 1,029 |
| Website | www.HDFC.com |

KEY EXECUTIVE HDFC HOUSING DEVELOPMENT FINANCE CORP LTD: --

Mr. Deepak S Parekh: - serves as Executive Chairman and Chief Executive Officer of the Board of Housing Development Finance Corp. Ltd., (HDFC). He joined HDFC Limited in a senior management position in 1978. He was inducted as a whole-time director of HDFC Limited in 1985 and was appointed as its Executive Chairman in 1993. He is the Chief Executive Officer of HDFC Limited. Mr. Parekh is a Fellow of the Institute of Chartered Accountants (England & Wales).

Mr. K.M Mistry: - The Managing Director of the Corporation. He has been employed with the Corporation since 1981 and was the executive director of the Corporation since 1993. He was appointed as the deputy managing director in 1999 and the Managing Director in 2000. He is also a member of the Investors' Grievance Committee of Directors.

Ms. Renu S. Karnad: The Executive Director of the Corporation. She has been employed with the Corporation since 1978 and was appointed as the Executive Director of the Corporation in 2000. She is responsible for overseeing all aspects of lending operations of HDFC. New Delhi.

| | |
|---------------------------------------|----------------------|
| Mr. DS Parekh – Chairman | Mr. DN Ghosh |
| Mr. keshub Mahindra – vice chairman | Dr. S A Dave |
| Mr. Renu S Karnad- Executive Director | Mr. S Venkitaramanan |
| Mr. K M Mistry- Managing Director | Dr. Ram S Tarneja |
| Mr. Shirish B Patel | Mr. N M Munjee |

GROUP COMPANIES:-

- HDFC Bank: World Class Indian Bank- among the top private banks in India.
- HDFC AMC: One of the top 3 AMCs in India- Preferred investment manager.
- Intelenet Global: BPO services for international customers.
- CIBIL: Credit Information Bureau India Limited.
- HDFC Chubb: Upcoming Private companies in the field of General Insurance.

CHAPTER III

REVIEW OF LITERATURE

REVIEW OF LITERATURE

After going through previous studies of Home loans I came to conclude that- There is growth of home loans after 2008. Home loans have an inverse relation with interest rates i.e. when interest rate low the demand of home loans increase. (Ojha 1987)

People are going more towards home loans than private mortgage insurance. (Bernstein 2008) Government taking various steps to encourage people to go toward home loans. (Haavio, Kauppi 2000)

Growth of home loans are due to increase of living standard of people, shifting from joint family to nuclear family (Lacourt, Micheal 2007)

There are some problems also attach with these home loans such as time i.e filling of application of loan to closing people have their own specified needs from these home loans which are not fulfilling. (Lacour Micheal 2006).

low interest SBI provide a very rate on home loans as compared to other banks. (SBI May 2000)

Now after this conclusion the details of reviews are below-

Burstein David (2009) examined in his study taken from 2001 to 2008 that in this period there is increase use of home loans as compared to private mortgage insurance (PMI). he have divided his study into four sections. Section 1 describes why people are going more for home loans than PMI. The main reason for this that now home loans market provide Piggybank loans for those people who don't have 20% of down payment.

Section 2 tells the factors responsible for the growth of home loans and the risks on shifting toward home equity market without any PMI coverage. PMI can protect lenders from most losses up to 80% of LTV and the absence of PMI will result in considerable losses in an environment.

CHAPTER-IV
RESEARCH METDOLOGY

Research methodology

Research Study

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.

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 HDFC LTD in providing home loans and it was descriptive study when detailed study was made for comparison of disbursement of home loans by commercial banks.

SOURCES OF DATA:

To fulfill the information, need of the study. The data is collected from primary as well as Secondary sources-

PRIMARY SOURCE:-

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 of HDFC LTD.

B-SECONDARY SOURCE:-

It was collected from internal sources. The secondary data was collected on the basis of organizational file, official records, newspapers, 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. Jewelers, Timber Merchants & Real estate Agents are taken as Sample.

OBJECTIVE OF STUDY

There is no strongest foundation for your dream home, then a cheap loan. Home loans have become those stronger foundations for people who want to own a home. The main objectives of the study are as follows:-

- 1) The main objective of this study is to know the Customers perceptions about home loans of HDFC housing development finance corporation LTD.
- 2) Generating good business to the company by promoting and selling the products of HDFC LTD.
- 3) To study the problems faced by customers in obtaining the home loans.
- 4) Visiting the customers and closing the deal.
- 5) To learn about various aspect of HDFC home loan ltd.

SCOPE OF STUDY

The Indian housing industry has grown by leaps and bound in few years. Total home loan disbursement by banks risen which witness phenomenal growth from last 5 years. There are greater number of borrowers of home loans. So by study we can find out satisfaction level of customers and problem faced by them in obtaining home loan.

NEED OF STUDY

- 1) To know the idea of customers about home loan products and services.
- 2) To study the satisfaction level of customers about home loan.
- 3) To study the problems faced by customers in obtaining home loans.
- 4) To learn about various aspect of HDFC home loan Ltd.

IMPORTANCE OF STUDY

The main purpose of this study is to attain the knowledge of the processing system of home loans. The main purpose of the study is as follows: -

- To know the ideas of customers about home loan products and services.
- To study the satisfaction level of customers about home loans.
- To study the problems faced by customers in the home loans.
- To learn about various aspect of HDFC home loan ltd.

HYPOTHESIS

NULL HYPOTHESIS:

Ho- “HDFC Bank does not provide home loan at low interest rate”.

ALTERNATIVE HYPOTHESIS:

HI-HDFC Bank provides home loan at low interest rate”.

CHAPTER-V

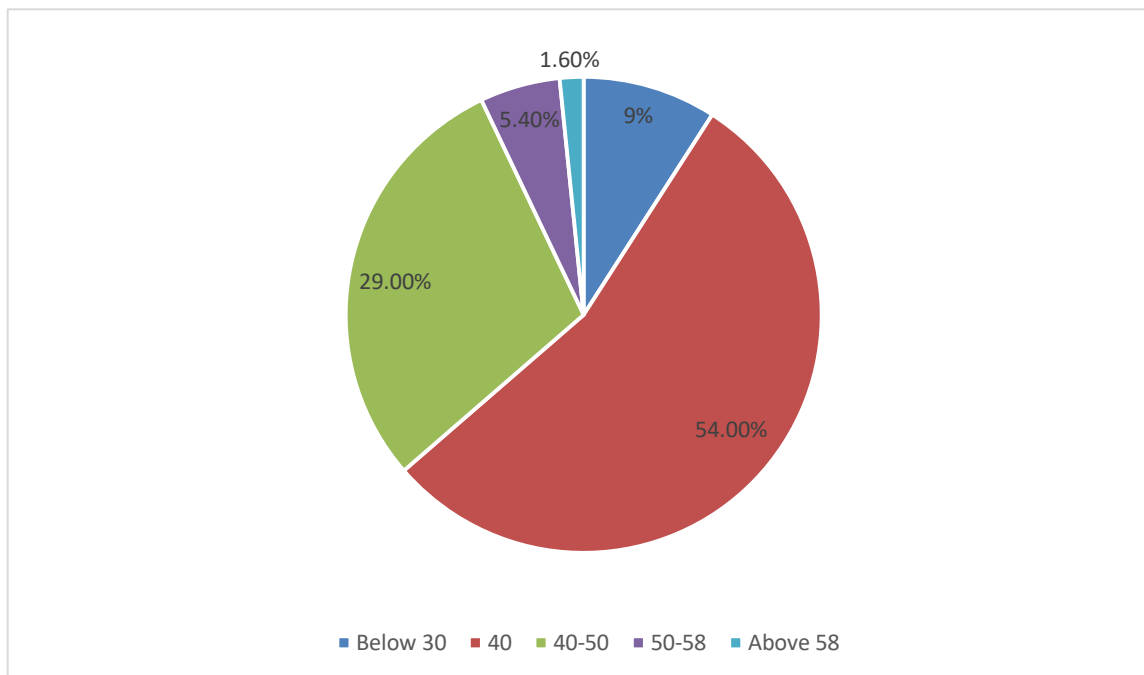
DATA ANALYSIS & INTERPRETATION

DATA ANALYSIS & INTERPRETATION

The analysis is based on the responses given by customer through questionnaire

1. Age

| S. NO. | Particular | Response | Percentage |
|--------|------------|----------|------------|
| 1. | Below 30 | 5 | 9% |
| 2. | 30- 40 | 30 | 54% |
| 3. | 40-50 | 16 | 29% |
| 4. | 50-58 | 3 | 5.4% |
| 5. | Above 58 | 1 | 1.8% |
| Total | | 55 | 100% |



INTERPRETATION:

From the chart above we find that 9% of the respondents fall in the age group of below 30

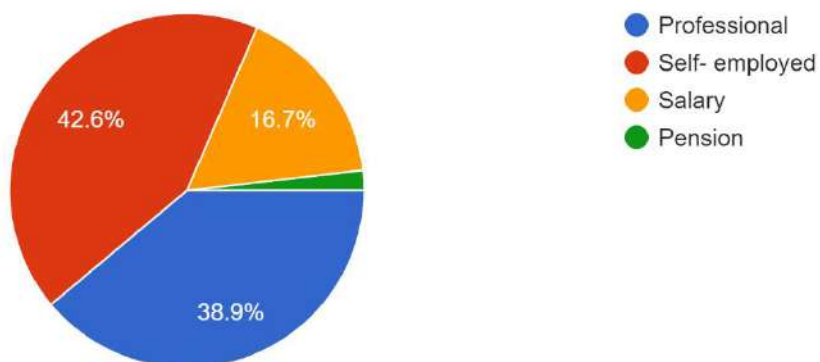
years, 29.1% fall in the age group of 40-50 years, 5.5% fall in the age group of 50-58, 1.2% of the respondents fall in the age group of above 58.

2. OCCUPATION

| Sr. No | Particular | Particular | Percentage |
|--------|---------------|------------|------------|
| 1. | Professional | 21 | 38.9% |
| 2. | Self employed | 23 | 42.6% |
| 3. | Salaries | 9 | 16.7% |
| 4. | Pension | 1 | 1.9% |
| Total | | 55 | 100% |

Occupation

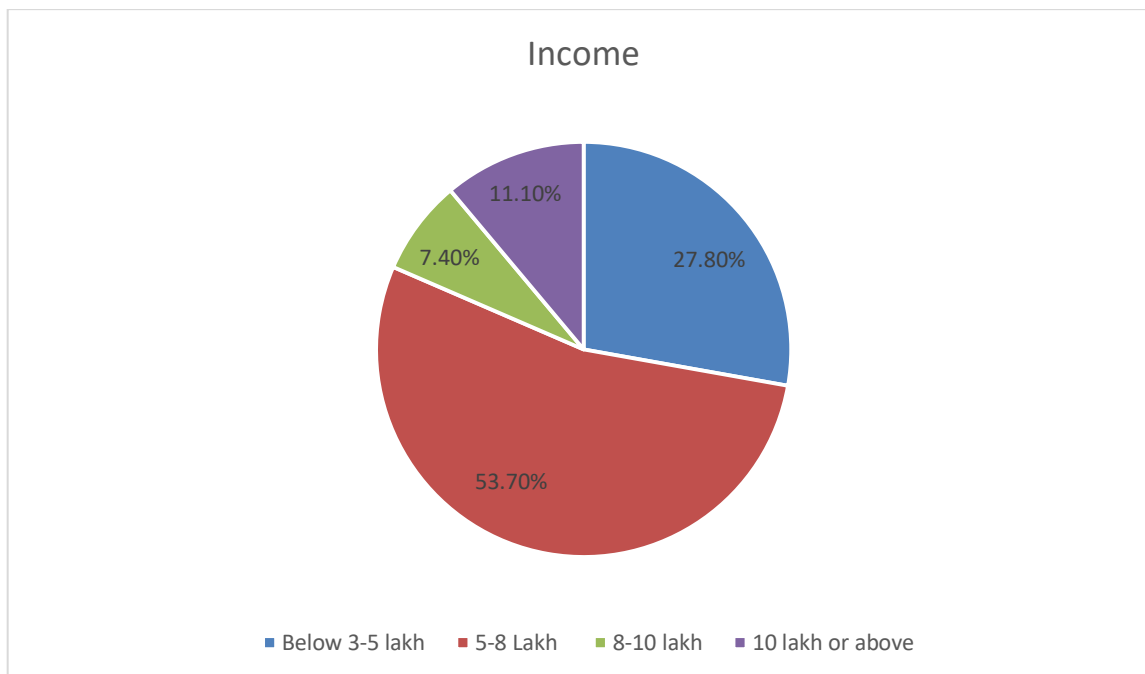
54 responses

**INTERPRETATION:**

From the graph it can be seen that 38.9% of the respondents are working professionals, 42.5% are self-employed and 16.7.3% are salaries, 1.9% of the respondents are students.

3. WHICH INCOME GROUP DO YOU BELONG (PER ANNUM) ?

| Sr. No. | Particular | Response | Percentage |
|---------|-------------------|----------|------------|
| 1. | 3-5lakhs | 15 | 27.8% |
| 2. | 5-8 Lakhs | 29 | 53.7% |
| 3. | 8-10 Lakhs | 4 | 7.4% |
| 4. | 10 lakhs or above | 6 | 11.1% |
| TOTAL | | 55 | 100% |

**INTERPRETATION:**

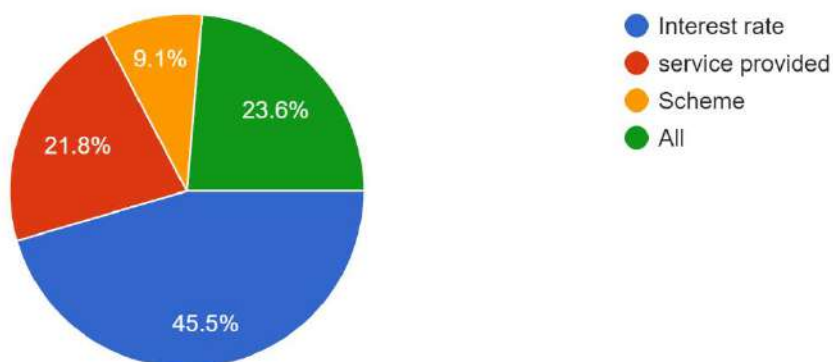
From the graph it can be seen that income group details are like 53.7% are below 5-8 lakhs, 27.8% are from below 3-5 lakhs, 7.4 from 8-10 lakhs, 11.1% are from 10 lakh and above whether remaining are still students or no details given.

4. WHILE TAKING LOAN WHICH THINGS ATTRACT YOU MOST?

| Sr no. | Particular | Response | Percentage |
|--------|------------------|----------|------------|
| 1. | Interest rates | 25 | 45.5 % |
| 2. | Service provided | 12 | 21.8 % |
| 3. | Schemes | 5 | 9.1 % |
| 4. | Alla | 13 | 23.6 % |
| Total | | 55 | 100% |

while taking loan which thing attract you the most?

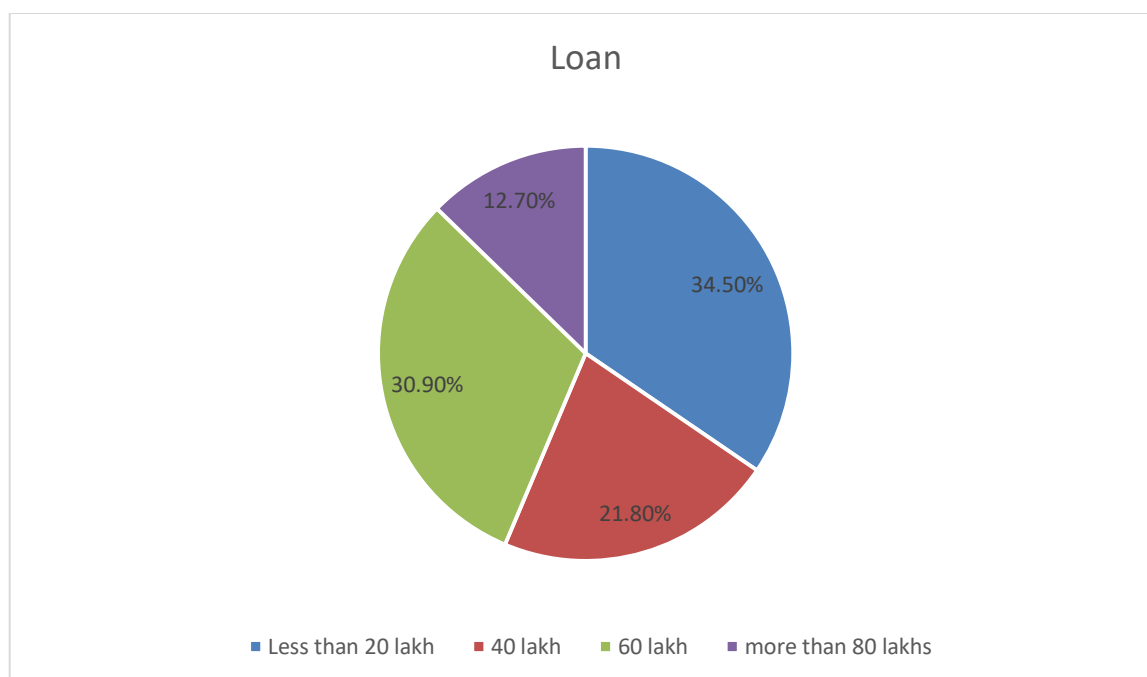
55 responses

**INTERPRETATION:**

The analysis showed that the interest rate attracts 45% public, whether 22% were attracted by service provided and 9% attracted by schemes. 23.6% were attracted by all above things.

5.HOW MUCH LOAN AMOUNT YOU TAKE?

| Sr no | Particular | Response | Percentage |
|-------|--------------------|----------|------------|
| 1. | Less than 20 lakhs | 19 | 34.5 % |
| 2. | 40 lakhs | 12 | 21.8 % |
| 3. | 60 lakhs | 17 | 30.9 % |
| 4. | More than 80 lakhs | 7 | 12.7 % |
| Total | | 55 | 100% |

**INTERPRETATION:**

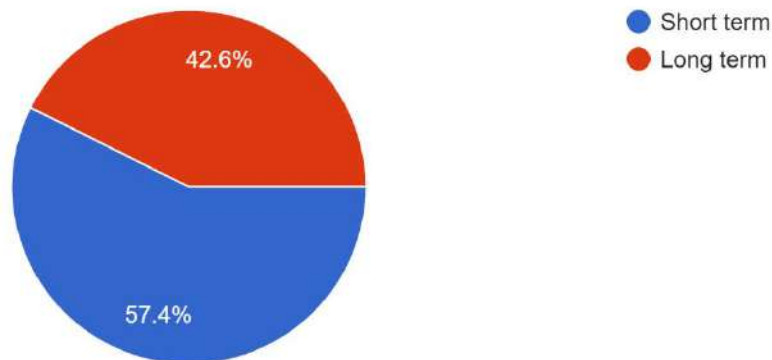
The analysis Showed that the 34% have taken loan amount of less than 20 lakh, 21.8% taken 40 lakhs ,30.9% have taken 60 lakhs , 12.7% have taken more than 80 lakh and remaining not taken any loan yet.

6.TIME PERIOD FOR LOAN ?

| Sr no | Particular | Response | Percentage |
|-------|------------|----------|------------|
| 1. | Short term | 31 | 57.4 % |
| 2. | Long term | 23 | 42.6% |
| Total | | 55 | 100% |

time period for loan?

54 responses

**INTERPRETATION:**

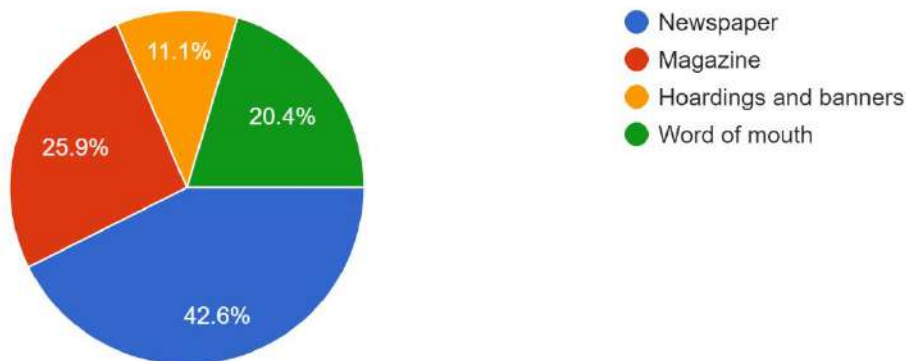
The analysis showed that the 57.2% have taken loan for short period whereas 42.8% public have taken loan amount for long period

7. FROM WHERE HAVE GOT INFORMATION ABOUT HOME LOAN SCHEME?

| Sr no | Particular | Response | Percentage |
|-------|------------------|----------|------------|
| 1. | Newspaper | 23 | 42.6% |
| 2. | Magazines | 14 | 25.9% |
| 3. | Word of mouth | 11 | 20.4% |
| 4. | Hoarding/banners | 6 | 11.1% |
| Total | | 55 | 100% ZS |

from where have you got information about home loan scheme

54 responses

**INTERPRETATION:**

The data shows that around 20.1% of customers get information from the source word of mouth Which includes information from friends, relatives, colleagues etc. 42.6% of customers got information from newspaper, only 25.9% of customers from magazines and 11.1% through Banners/ Hoardings / Pamphlets.

CHAPTER-VI

FINDINGS

FINDINGS

1. From the chart above we find that 9% of the respondents fall in the age group of below 30 years, 54% fall in the age group of 30-40 years, 29% fall in the age group of 40-50, 1.8% of the respondents fall in the age group of above 58.
2. From the graph it can be seen that 38.9% of the respondents are working professionals, 42.5% are self-employed and 16.7.3% are salaries, 1.9% of the respondents are students.
3. From the graph it can be seen that income group details are like 53.7% are below 5-8 lakhs, 27.8% are from below 3-5 lakhs, 7.4 from 8-10 lakhs, 11.1% are from 10 lakh and above whether remaining are still students or no details given
4. The analysis showed that the interest rate attracts 45% public whether 22% were attracted by service provided and 9% attracted by schemes. 23.6% were attracted by all above things.
5. The analysis showed that the 34% have taken loan amount of less than 20 lakh, 21.8% taken 40 lakhs, 30.9% have taken 60 lakhs, 12.7% have taken more than 80 lakh and remaining not taken any loan yet.
6. The analysis showed that the 57.2% have taken loan for short period whereas 42.8% public have taken loan amount for long period
7. The data shows that around 20.1% of customers get information from the source word of mouth which includes information from friends, relatives, colleagues etc. 42.6% of customers got information from newspaper, only 25.9% of customers from magazines and 11.1% through Banners/ Hoardings / Pamphlets.

CHAPTER-VII

CONCLUSION

CONCLUSION

Based on the findings presented, it's evident that HDFC Limited enjoys a strong brand image among customers, indicating a level of trust and reliability associated with the brand.

However, there seems to be a disconnect between this positive perception and awareness of HDFC's home loan products. Many customers are not fully aware of these offerings, potentially missing out on opportunities that could benefit them.

Additionally, there's feedback regarding the perceived high interest rates, which may be a barrier for some potential customers. Despite this, a significant portion of customers still choose HDFC directly for their home loan needs, showcasing a degree of loyalty or convenience associated with the brand.

While some customers do engage with HDFC's home loan products and services, there's room for improvement in increasing awareness and addressing concerns such as interest rates.

Overall, HDFC Limited seems to be delivering a good level of service to its customers, but there's an opportunity to enhance product awareness and potentially reevaluate interest rate structures to better meet customer needs and expectations.

CHAPTER-VII

RECOMMENDATION & SUGGESTIONS

These suggestions have been discussed as follows:-

- 1) To increase their customers, the HDFC LTD 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 for good dealings in future, the HDFC LTD 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 HDFC LTD should use easy procedure, or say, less lengthy procedure for the sanctioning of loan to the customer. There should be less number of legal formalities, in case this exists, then, these should be completed in less time. This will be helpful in attracting more 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. Needless to say, that the bank which is having lower interest rates, have the maximum clients for loans.
- 5) HDFC LTD provide 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 by them. So, the HDFC LTD should soften their norms regarding the loan amount.
- 6) Create awareness: The Company has to take care of awareness creation about the products and services among the customers.
- 7) Charges: The Company has to reduce the mortality and administration charges.
- 8) The company has to reduce their interest rates on home loan products and services.
- 9) The company has to identify the potential customers..

CHAPTER-VII

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Newspaper

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CHAPTER-XI

APPENDICIES

QUESTIONNAIR

Q1. NAME

Q2. AGE

- a) Below 35
- b) 40-55
- c) 55-56
- d) Above 56

Q3. Occupation

- a) Professional
- b) Self employed
- c) Salary
- d) Pension

Q4. Which income group do you belong? (per annum)

- a) 3-5lakh
- b) 5-8lakh
- c) 8-10lakh
- d) 10 lakh above

Q5. While taking loan which thing attract you the most ?

- a) Interest rate
- b) Service provided
- c) Scheme
- d) All

Q6. How much loan amount you took?

- a) Less than 20 lakh
- b) 40 lakh
- c) 60 lakh
- d) More than 80 lakh

Q7. Time period for loan ?

- a) Short term
- b) Long term

Q8. From where have you got information about home loan scheme ?

- a) Newspaper
- b) Magazines
- c) Hoarding or Banner
- d) Word of mouth

